

# HUD Entitlement Grants

City of Roanoke, Virginia  
FY2018 – 2019 Annual Plan



## Overview

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

## CDBG

CDBG funds have been allocated to the City since 1975 and can be used for activities ranging from housing to economic development and from job training to infrastructure projects. For the 2018-2019 program year, the City is expected to receive \$1,550,000 in new CDBG funds. However, with carry-over and program income, the City estimates that a total of \$1,891,000 in CDBG funds will be available. CDBG funds are primarily intended to benefit low- and moderate-income persons and areas, though a limited amount can also be used for reducing blight in economically distressed areas. The amount of funds that can be used for administration, planning, and human services is also limited by regulation and City Council policy; however, the 2018-2019 Annual Plan has proposed administrative costs at 15.8% of total entitlement, below the 20% threshold.

## HOME



The HOME program is exclusively for housing to benefit those of low or moderate income, including rehabilitation, new construction, homeownership assistance, and improvements to rental housing. The City has been receiving HOME funds since 1992. For the 2018-2019 program year, the City is expected to receive \$440,000 in new HOME funds. HOME funds require a 12.5% match, which is met with volunteer labor from Habitat for Humanity projects funded with HOME dollars. At least 15% of each annual HOME grant must be invested in qualifying projects conducted by Community Housing Development Organizations (“CHDOs”). Currently, Habitat for Humanity is the only CHDO serving the city.

## ESG

The emphasis for use of Emergency Solutions Grant funds has shifted from providing for activities that assist homeless individuals and families to early intervention and prevention of homelessness. HUD has issued new rules for the distribution of these funds by entitlement communities, which are being assessed by city staff and the Roanoke Valley Council of Community Services. Total funding in FY 2018-2019 is expected to be \$138,000.

### Available Funding:

<u>Category Funding</u>	<u>Description</u>	<u>Available</u>
CDBG	2018-2019 Entitlement Grant	\$1,550,000
	Carry-Over and Program Income	341,000
	Subtotal - CDBG Funds Available	\$1,891,000
HOME	2018-2019 Entitlement Grant	\$440,000
	Carry-Over and Program Income	0
	Subtotal - HOME Funds Available	\$440,000
ESG:	2018-2019 ESG Entitlement Grant	\$138,000
<b>Total 2018-2019 CDBG, HOME and ESG Funds Available</b>		<b>\$2,469,000</b>

### Allocation of Resources:

The City's 2018-2019 Annual Update outlines the use of approximately \$2.4 million in CDBG, HOME and ESG, including carry-over and anticipated program income. These funds will support an array of housing, homeless prevention, public services, neighborhood and economic development activities, and planning and administrative costs associated with these activities.

- Economic Development - No CDBG funding is proposed for projects in the economic development category for FY 18-19.
- Homeless Services -- \$133,345 for homeless prevention and rapid re-housing through Emergency Solutions Grants for programs benefiting the homeless or those at-risk of becoming homeless.
- Housing Development -- \$1,371,000 for new construction and housing rehabilitation for homeownership, downpayment and closing costs assistance, and the rehabilitation of owner-occupied homes.
- Human Services -- \$221,000 for services such as social services, academic enrichment, and other youth and family programs to benefit low to moderate income families.

- Neighborhood Development – \$455,000 which includes \$25,000 for grants to five (5) neighborhood organizations for training and organizational development and small community improvement projects not otherwise categorized, Target Area (MOTA); \$30,000 for demolition of blighted structures; \$150,000 to fund a portion of City code inspectors to serve conservation and rehabilitation low-mod neighborhoods, and \$250,000 to rehabilitate the former Villa Heights community center for providing non-profit services to NW Roanoke and the Melrose-Orange Target Area.
- Planning and Administration -- \$288,655 for staffing and operating costs incurred by the City to administer the CDBG, HOME and ESG funds.

### **Distribution of Housing Funds:**

For 2018-2019, the City estimates its CDBG and HOME housing funds will be allocated as follows:

- \$615,000 for activities encouraging and facilitating the repair, maintenance, improvement or re-use of existing owner-occupied or rental housing.
- \$756,000, for activities encouraging and facilitating new homeownership.

### **Project Locations:**

While some of the projects in the 2018-19 Annual Plan affect areas throughout the City of Roanoke, the City will be in the third full year of targeting of HUD resources to projects serving the Melrose-Orange Target Area (MOTA). Total funds earmarked for MOTA are \$1,410,000, which meets the City’s policy on Use of HUD Funds by channeling 57.1% of total funds into the targeted area.

### **Lead Agencies:**

The HUD Community Resources Division of the City’s Department of Planning, Building and Development is the lead organization for developing and administering the Consolidated Plan and the Annual Updates. Numerous City offices and departments and other public, nonprofit and community organizations conduct projects funded in whole or in part with CDBG or HOME funds. The specific projects, agencies, and funding recommended for the 2018-2019 period are given in the following section.

### **2018-2019 Projects Submitted, Agencies and Recommended Funding:**

#### **ECONOMIC DEVELOPMENT**

- No economic development related projects sought CDBG funds for the FY 18-19 application period.

## HOMELESS SERVICES

- Emergency Sheltering & Rapid Rehousing (Family Promise of Greater Roanoke) Funds will provide for emergency shelter to families with children. Family Promise will also collaborate with the Community Housing Resource Center to rapidly re-house low barrier families and provide continued case management once they are re-housed. (Recommended: \$29,500 ESG)
- Emergency Sheltering & Homelessness Prevention (ARCH) Funds will provide for emergency shelter assistance for operating expenses (i.e. utilities and insurance) to support direct services. ARCH will also utilize homeless prevention assistance to fund its full-time housing stability coordinator who manages services for Trust House residents who transition to permanent housing. (Recommended: \$38,029 ESG)
- Homeless Prevention and Rapid Rehousing (Council of Community Services) Funds will provide for rapid rehousing and one-time rental assistance as well as coordinate homelessness prevention services to households most at-risk of homelessness to increase housing stability. (Recommended \$62,816 ESG).
- Street Outreach (City of Roanoke, Homeless Assistance Team) Funds to purchase bus passes and prescription assistance for homeless persons and families in places not meant for human habitation and emergency shelters. (Recommended: \$3,000 ESG)

## HOUSING DEVELOPMENT

- Down Payment Assistance Program (City of Roanoke Dept. of Planning, Bldg and Dev.) Funds for staffing and operating costs and project funds to provide 5-year forgivable, 0% interest loans of up to \$8,000 for down payment and closing costs to assist low/mod-income families to buy homes in the City. A similar program is currently offered by Total Action for Progress using CDBG funds from the Virginia Department of Housing and Community Development. (Recommended: \$0 CDBG)
- Emergency Home Repair Program (Total Action For Progress) Limited and emergency repairs and weatherization services to low/mod-income owner-occupied single-family homes. Program requests to target 12 owner-occupied homes for emergency repairs, with 10 of these homes also receiving weatherization services. (Recommended: \$102,000 CDBG.)
- Empowering Individuals with Disabilities (Blue Ridge Independent Living Center) Install special needs home improvements such as ramps and grab bars for 25 extremely low to low income homeowners with disabilities to meet independent living needs. (Recommended: \$95,000 CDBG.)



- Target Area New Homeownership – New Construction/Rehabilitation (Habitat for Humanity) Acquire and renovate a minimum of 3 existing vacant houses for single-family homeownership as well as construction of 3 new single family homes in Melrose-Orange target area. (Recommended: \$360,000 CDBG and \$396,000 HOME)
- Target Area Owner-Occupied Limited Rehab (Renovation Alliance) Basic rehabilitation services utilizing volunteer labor to address “safe, warm and dry” homeowner needs for low-income persons. Proposed goal of 19 homes in Melrose-Orange target area. (Recommended \$95,000 CDBG.)
- Target Area Owner-Occupied Major Rehab (Total Action for Progress) Major rehabilitation to 4 owner-occupied housing units in Melrose-Orange Target Area. Major rehabilitation is targeted for rehabilitation in excess of \$15,000 to address health, safety and welfare needs of residents. (Recommended: \$230,000 CDBG.)
- Summer Youth Rehabilitation (Renovation Alliance) This program entails limited rehabilitation and repairs to about 20 homes citywide primarily utilizing over 400 youth volunteers from faith-based programs for low income, elderly, and disabled homeowners. RTR reviews and selects homes to be included in the program, determine eligibility, work scopes, any environmental testing and historic reviews, and required permits. (Recommended: \$93,000 CDBG).

## HUMAN SERVICES

- Bigs in Badges Mentoring Program (Big Brothers/Big Sisters of Roanoke Valley) Funds to provide scholarships for one on one mentoring and tutoring for low-income, disadvantaged youth in Northwest Roanoke by officers of the Roanoke City Police Department, Roanoke City Fire/EMS and Roanoke City Sheriff’s Department (Recommended: \$15,000 CDBG)



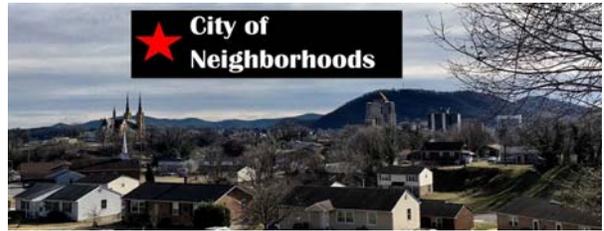
- Digital Career Access Project (Goodwill Industries of the Roanoke Valley) A program to provide scholarships to low-to-moderate income residents, most of which would reside in Melrose-Orange Target Area, for job training related to information technology fields. Funds would also be used to equip a digital career access center to be located in the Goodwill of the Valleys campus. (Recommended: \$50,000 CDBG)
- Family Advocates Program (Children’s Trust) Funding to provide support services to the non-offending caregivers in cases of alleged child abuse, resulting in the greater protection and support for the alleged child victim. (Recommended \$46,000 CDBG.)

- Happy Healthy Cooks (Happy Healthy Cooks) Provides funding for a 20 week curriculum for 100 very low income 2<sup>nd</sup> graders in Roanoke City schools to encourage healthy eating habits and exposure to fresh fruits and vegetables not normally available in their home environments. (Recommended \$0 CDBG)
- Healthy Families (Children's Trust) Healthy Families is a voluntary home visitation program founded in the ideals of excellence, trust and transformation to reduce child abuse. The program is designed to promote positive parenting, enhance child health and development and prevent child abuse and neglect. CDBG funding would be used to support the work of a Family Support Specialist connecting with families after an initial screening. The funds requested would help Children's Trust serve up to 7 families in the Melrose-Orange Target Area. (Recommended \$14,000 CDBG)
- Housing Stabilization for Families in Need (Council of Community Services). CSC proposes to continue operations of the homeless intervention services for another year. Funds are provided to landlords of low-income families in order to stop eviction and avoid homelessness. (Recommended \$50,000 CDBG.)
- Project Based Learning at Academic Summer Camp (Apple Ridge Farm, Inc.) Funding will provide for youth services and camp staffing and operations for the Apple Ridge Farm to target residents of RRHA public housing. (Recommended: \$46,000 CDBG.)
- Transition 4 Life (Transitional Options for Women) Program intended to assist women released from prison to integrate back into society and avoid recidivism through an eight-step enrichment program that includes health, wellness, job training and preparation, healthy eating and hard skills. (Recommended \$0 CDBG).

## NEIGHBORHOOD DEVELOPMENT

- Code Enforcement (City of Roanoke Dept. of Planning, Bldg and Dev.) Funds a portion of staff and other operating costs for City enforcement of the building maintenance and other codes in low-to-moderate income neighborhoods. (Recommended: \$150,000 CDBG.)
- Community Literacy Initiative Renovations (United Methodist Community Outreach Program) CDBG funds to install a fire suppression sprinkler system and hot water system for the third floor of Trinity United Methodist Church on Mountain Avenue for the purpose of providing an after school literacy program for at risk first - third grade students. (Recommended \$0 CDBG)
- Demolition (City of Roanoke Dept. of Planning, Bldg and Dev.) Funds to demolish vacant condemned structures in an advanced state of deterioration. (Recommended \$30,000 CDBG.)

- Neighborhood Development Grant Program (Dept. of Planning, Bldg and Dev.) Provides for grants to neighborhood organizations in predominantly low-mod-income neighborhoods for eligible projects such as housing, crime prevention and public facilities and infrastructure projects. Activities related to training and capacity development of eligible neighborhood associations will be paid from HUD planning and administrative accounts. (Recommended: \$25,000 CDBG). Applications were received from the following organizations:



- Fairland Civic Organization – Big Belly solar trash compactor receptacles (Recommended \$8,500 CDBG)
- Fairland Civic Organization – Training & Conferences (Recommended \$1,775 CDBG)
- Mountain View Neighborhood Association – Custom West End Village pole banners (Recommended \$8,500 CDBG)
- Old Southwest Inc. – Training & Conferences (Recommended \$1,775 CDBG)
- Southeast Action Forum – Training & Conferences (Recommended \$750 CDBG)
- Wildwood Civic League – Two (2) gateway signs (Recommended \$3,700 CDBG)
- Villa Heights Community Center (Restoration Housing) This proposal seeks \$250,000 in CDBG funds to restore the former Compton-Bateman house more recently used as the Villa Heights Community Center into a functioning community center for NW Roanoke and the Melrose-Orange Target Area to help disadvantaged youth, along with opportunities for community use by nearby residents. (Recommended \$250,000 CDBG)

## ADMINISTRATION/PLANNING

- HUD Administrative Funds (Dept. of Planning, Bldg and Dev.) Staffing and other operating costs associated with the general administration of the City’s CDBG, HOME and ESG programs. Limits for each program are 20% for CDBG, 10% for HOME and 7.5% for ESG. (Recommended: \$240,000 CDBG; \$44,000 HOME; \$4,655 ESG.)

## 2018-2019 HUD Funding Recommendations

<b>Funding by Category:</b>	Economic Development	\$0
	Homeless Services	\$133,345
	Housing Development	\$1,371,000
	Human Development	\$221,000
	Neighborhood Development	\$455,000
	Planning and Administrative Costs	<u>\$288,655</u>
	<b>Total</b>	<b>\$2,469,000</b>

Breakout – 2018-2019 Funding for Melrose-Orange Target Areas Revitalization Initiative: **\$1,410,000**

Agency	Project Name	Current	Requested	Recommended
Apple Ridge Farms	Project Based Learning Academic Summer Camp	\$30,000	\$60,000	\$46,000
ARCH	Shelter Operations and Rapid Rehousing	\$37,598	\$38,029	\$38,029
Big Brothers/Big sisters of Roanoke Valley	Bigs in Blue Mentoring Program	\$12,000	\$25,000	\$15,000
Blue Ridge Independent Living Center	Empowering Individuals with Disabilities	\$108,860	\$110,000	\$95,000
Children's Trust	Family Advocacy Services	\$27,000	\$46,085	\$46,000
Children's Trust	Healthy Families	\$0	\$16,100	\$14,000
City of Roanoke	Code Enforcement	\$150,000	\$150,000	\$150,000
City of Roanoke	Demolition	\$33,000	\$50,000	\$30,000
City of Roanoke	Down Payment Assistance	\$120,000	\$120,000	\$0
City of Roanoke	HUD Administration	\$295,600	\$299,000	\$288,655
City of Roanoke	Neighborhood Development Grants	\$37,760	\$40,000	\$25,000
City of Roanoke	Street Outreach	\$3,000	\$3,000	\$3,000
Council of Community Services	Homeless Services and Prevention	\$61,612	\$62,816	\$62,816
Council of Community Services	Housing Stabilization for Families in Need	\$50,000	\$50,000	\$50,000
Family Promise	Homeless Services and Prevention	\$29,500	\$29,500	\$29,500
Goodwill Industries of the Valleys	Digital Career Access Project	\$0	\$75,700	\$50,000
Habitat for Humanity in the Roanoke Valley	MOTA New Homeownership	\$899,750	\$880,000	\$756,000
Happy Healthy Cooks	Happy Healthy Cooks	\$0	\$24,500	\$0
Renovation Alliance	MOTA Limited Housing Rehabilitation	\$95,000	\$95,000	\$95,000
Renovation Alliance	Summer Youth Housing Rehabilitation	\$81,000	\$93,000	\$93,000
Restoration Housing	Villa Heights Community Center	\$0	\$250,000	\$250,000
Total Action Against Poverty	Emergency Home Repair	\$103,411	\$103,411	\$102,000
Total Action Against Poverty	MOTA Major Housing Rehabilitation	\$0	\$564,626	\$230,000
Transitional Options for Women	Eight-Step Enrichment Program	\$17,640	\$87,000	\$0
United Methodist Community Outreach	Community Literacy Initiative Renovations	\$0	\$70,000	\$0