

# **Winchester Community Development Committee**

**Tuesday, July 17, 2018**

**To Begin Upon Conclusion of the Economic Development Authority of the  
City of Winchester Meeting**

## **AGENDA**

1. Call to Order and Determination of Quorum
2. Review and Approval of Minutes from June 27<sup>th</sup>, 2017 Meeting
3. Public Input Session Regarding the Draft Section 108 Loan Application Regarding Sidewalk Installation and Replacement
4. Review and Approval of the Draft Section 108 Loan Application Regarding Sidewalk Installation and Replacement
5. Public Input Session regarding the draft 2018-2022 Consolidated Plan
6. Review and Approval of the 2018-2022 Consolidated Plan
7. New Business
8. Old Business
9. Adjourn

**Community Development Committee**  
**June 27, 2017**  
**Meeting Minutes**  
**Elizabeth A. Minor Council Chambers- Immediately following 8:00 am EDA**  
**Meeting**

Committee Members Present: Doug Toan  
Frederick White  
William Buettin  
Tim Painter  
Lauri Bridgeforth

Staff Present: Eden Freeman, City Manager  
Tyler Schenck, Program Manager  
Shawn Hershberger, Development Services Director  
Shirley Dodson, Economic Development Assistant  
Perry Eisenach, Public Services Director

1. Vice Chairman William Buettin called the meeting to order at 10:01 AM and determined there was a quorum present.
2. Election of Chairman and Vice-Chairman.
  - a. William Buettin made a motion that Frederick White be selected as Chairman and Lauri Bridgeforth seconded. Motion approved unanimously.
  - b. William Buettin made a motion that Carol Koenecke-Grant be appointed as Vice-Chair subject upon her acceptance of the position. The motion was seconded by Frederick White. Motion was approved unanimously.

\*The meeting was turned over to newly elected chairman, Frederick White.

3. Review and Approval of Minutes for the January 17, 2017 Meeting. William Buettin made a motion to approve the minutes and the motion was seconded by Lauri Bridgeforth.
4. Public Input Session to Solicit Comments Regarding Potential 2017 Annual Action Plan Funding Priorities.
  - a. Tyler Schenck explained that the function of the CDC body since 2013 has been to meet periodically to discuss the Section 108 loan being used for the development of the Taylor Hotel Project. Since the Section 108 loan was

recently paid in full, the CDC will look at the project submittals for how to recommend to Council on allocating these funds. Tyler Schenck mentioned that the recommended annual action plan funding priorities must designate 10% of the City's annual action plan to cover the costs for administering the programs.

- b. Tyler Schenck noted that the six project submittals will be ranked by the members of the CDC on a scale from 1 to 6. There will also be a 15 day public comment period.
- c. The first proposal to be reviewed was presented by Shawn Hershberger. The proposal is for the development of a Broadband Utility Study. The amount of the request is for \$20,000 to fund a reputable broadband consultant to look at the fiber optic assets in Winchester and determine present and future need. The consultant would also identify how the fiber network would be beneficial for residential use and economic development. The study would focus on qualified census tract data.
- d. The second proposal to be reviewed was presented by Perry Eisenach. The proposal was for the Boscawen Street Improvement Project which would close down Boscawen Street to traffic from Indian Alley to Cameron Street. This would require the use of a Section 108 loan for \$1 million. This project would address public safety concerns. The pedestrian mall has people walking up and down all day and the traffic on Boscawen poses a threat to pedestrian safety. The pedestrian mall has also been an economic driver for the downtown. Perry said that the delivery trucks for the restaurants on the walking mall cause damage at the intersection of Loudoun Street and Boscawen Street. The Improvement Project would include draining improvements for the street and replacing surface material at the intersection of Loudoun Street and Boscawen. Perry also said that during large events Boscawen Street is shut down and this project would just make the street permanently shut down. Lauri Bridgeforth asked how the business owners on Boscawen Street feel about the road closure. Perry said that he and Shawn Hershberger walked the street to speak with all of the business owners that they could. Lauri asked out of five business owners asked, how many were ok with the closure and how many were against it? Shawn responded that 70% of the owners asked were for the idea. Perry mentioned that there would be a public input process which would include an open house, public comments, and feedback.  
William Buettin asked what the traffic count on Boscawen daily was and Perry responded that he would obtain that data.
- e. The third proposal to be reviewed was for sidewalk improvements. Perry said the City's Public Services Department maintains 115 miles of sidewalks throughout the City. Of the 115 miles, 45 of the miles of sidewalks are in poor condition and need major repairs or replacement. Perry proposed that a Section 108 Loan be secured for \$1 million to be used to replace 2.5 miles of existing sidewalks that are in poor condition in the north end of the city.
- f. The fourth proposal to be reviewed was presented by Perry Eisenach and concerned the Drainage Improvements on N. Cameron Street. During intense

- storms and period of heavy rainfall, the drainage system between Wyck Street and Boscawen Street is not large enough to convey all of the storm runoff. Perry mentioned that one of the worst areas for flooding occurs along North Cameron north of Piccadilly Street near the Winchester Towers site and this could impact future redevelopment of the site. Perry proposed that a Section 108 loan be secured for \$1 million that would be used to fund 1/3 of the project cost. The remaining \$2 million would come from the General Fund.
- g. The fifth proposal to be considered was submitted by the Laurel Center Intervention for Domestic and Sexual Violence for the completion of their new facility. Faith Power, Interim Executive Director presented the proposal. Faith explained that the current center is 1,500 square feet and can house 14 women and children at a time. Lauri Bridgeforth asked how many people they have to turn away and Faith said the new facility will include 7,500 square feet of living space and will include administrative offices. For the completion of the new building on North Cameron Street there is now additional costs associated with permitting from the City and a sprinkler system is needed in the attic. Tyler Schenck asked what the CDBG funds would go towards and in summary, Faith explained that funds are needed to lower the mortgage. The center has secured a construction loan from the Bank of Clarke County for \$1.5 million. Faith mentioned that \$740,000 has been raised in their capital campaign. Construction is expected to be completed by mid-November. Faith said they have a contract with Shockey for the construction. William Buettin raised the question about the location of the new facility and would there be an effect on the safety of the clients served because it is more exposed. Faith explained that they are taking measures to secure the building with specialized doors and creating a safe space on the upper floors if there is an abuser who has been able to enter the building.
  - h. The last proposal discussed was from Habitat for Humanity for Winchester-Frederick-Clarke and was presented by Kimberley Wilt, Resource Development and Marketing Director. Habitat is pursuing \$37,000 from the CDBG funds to complete the construction of a home located at 402 Highland Avenue. This would be 1/3 of the total cost of constructing the home, which is \$106,000. The home is set to be completed by December 2017. Kimberley explained that Habitat has been working on this project with 75 Handley High School CTE (Career and Technical Education Students) in a partnership between Habitat and the CTE program.

\*Tim Painter recused himself from scoring Habitat's proposal.

- i. Shawn Hershberger distributed the scoring sheets to the CDC members.
- j. Frederick White raised concern that there was not a private discussion period available to the CDC members prior to scoring the proposals or time to review the proposals prior to the meeting. Frederick additionally mentioned that he does not want them to commit past the 2017 fund allocation. The infrastructure proposals would recommend securing a section 108 loan which would have up to a ten year pay off period. Tyler Schenck explained that the

process of scoring and reviewing the proposals needed to be in compliance with HUD policies and they cannot allow a private meeting to discuss the proposals, it needed to be done in public. Other federal funding sources for the City would be in jeopardy if regulations were not met.

5. Review and Motion to Forward the Recommended 2017 Annual Action Plan Funding Priorities to the Winchester Common Council for their Review and Potential Adoption.

a. Shawn Hershberger read the rankings:

Laurel Center= 2.4

Habitat for Humanity=2.7

Broadband=3.2

Boscawen=4

Sidewalks=4

Drainage=4

b. William Buettin recommended that the rankings be submitted to City Council.

From the rankings, Tyler Schenck recommended that 90% of funding go to Laurel Center's request and 10% go to administration costs. Frederick White recommended that \$150,000 go to the Laurel Center, \$10,000 go to the Broadband feasibility study, and \$20,000 go to Habitat for Humanity.

Tyler Schenck, addressing Frederick's funding recommendation, said that if we choose to not give full support we would have to subsidize the funds another way. If the CDC chooses to give only \$10,000 to the broadband study with CDBG funds then another group such as the EDA would have to supplement the additional \$10,000 out of their own budget. Frederick White decided to call a vote among the CDC members if they should recommend funding the Laurel Center's request completely or split the funding among the top three proposals.

Lauri Bridgeforth voted that the CDC should recommend funding completely the Laurel Center.

Tim Painter voted that the CDC should recommend funding completely the Laurel Center.

Doug Toan voted that the CDC should recommend funding completely the Laurel Center.

William Buettin voted that the CDC should recommend funding the Laurel Center and Habitat for Humanity.

c. Frederick White made a motion that it be recommended to City Council that 90% of CDBG funding go to the Laurel Center's request and 10% should go to administration costs.

d. William Buettin said that a Chairman cannot make a motion so Lauri Bridgeforth made a motion that it be recommended to City Council that 90% of CDBG funding go to the Laurel Center's request and 10% should

go to administration costs. Lauri Bridgforth made an additional motion to direct staff to formulate a funding process for future years. Doug Toan seconded the motion.

6. New Business

There was no New Business

7. Old Business

There was no Old Business

8. Adjourn

William Buettin made a motion that the meeting be adjourned. Tim Painter seconded the motion.

The meeting was adjourned at 11:38 AM.

The next meeting will be announced by the Program Manager.

Minutes Respectfully submitted by: Shirley

Dodson

**Winchester Common Council In Work Session  
July 11, 2017**

**Agenda Item**

**R-2017-21:** Resolution Adopting the City of Winchester's 2017 Annual Action Plan for the Use of Community Development Block Grant and HOME Allocations During Program Year 2017



**WINCHESTER COMMON COUNCIL  
IN WORK SESSION  
JULY 11, 2017**

A Work Session of the Winchester City Council was held on Tuesday, July 11, 2017 in the Council Chambers, Rouss City Hall. President John A. Willingham called the meeting to order at 6:28 PM.

**1. Call to Order**

PRESENT: Councilor Clark, Councilor Hill, Councilor McInturff,  
Councilor McKannan, Mayor Smith Jr, Councilor Sullivan,  
Vice Mayor Veach, Vice President Wiley, President Willingham

ABSENT:

**2. Public Comments**

President Willingham asked if there was anyone wishing to address Council. Hearing none, he closed the public comments at 6:28 p.m.

**3. Agenda**

**3.1. Presentation: Update on City Sidewalks**

Perry Eisenach, Public Services Director, presented a brief update on the review of the sidewalk issues within the city. He stated in 2013, City Council adopted a Sidewalk Master Plan that provided a plan for repairing existing sidewalks that are in poor condition as well as adding sidewalks in locations where none currently exist. Currently, out of the 115 miles of existing sidewalks that the City maintains, about 45 miles are in very poor condition and need to be replaced or major repairs made. The estimated cost to fix the existing sidewalks in need of repairs is about \$19 million and does not include any new sidewalks along streets that need them. Staff is currently updating the master plan and will be bringing it back to Council toward the end of summer. During the past year, one staff member walked every single sidewalk in the city cataloging which sections were bad. The need for sidewalks is immense and was undoubtedly one of the highest priorities for residents in the last citizen survey that was done a few years ago. It is a high priority for Council as well. Staff is trying to figure out what funding levels are going to be available over the next five years which is the key component to updating the master plan. In the previous master plan, staff was overly optimistic that more funding would be available than there actually was. This time, they are going to be much more realistic but still look at every possible funding source to fund these sidewalk projects. In August, he will be coming back to Council to discuss utility capital projects. One of those projects is to replace all of the small

water meters throughout the city. Many of these meters are in the sidewalks so when that project is done, a significant number of sidewalks will be replaced but that will not take care of everything. Staff will still need to identify other funding sources to get to where they need to be. He asked Council for comments on any item they would like to be included in the revised master plan.

Councilor Clark stated unfortunately everyone is aware of the poor condition of some of the sidewalks. The City has done some great work in the past on the sidewalks. He asked if the City needs to allocate more money and change their set of priorities in order to get this addressed because 45 miles is a lot of sidewalks. He asked if this is high on the Citizen Satisfaction Survey, does the City need to shift its priorities. Mr. Eisenach stated that as the Public Services Director he would say yes, they need as much funding as they can get. However, he understands there are many other needs within the City that are also very high on the priority list.

Councilor McInturff asked if the \$19 million was in today's dollar. Mr. Eisenach stated it is in today's dollar. Councilor McInturff asked if a price increase for labor costs and concrete costs over the next five years had been factored in the \$19 million. Mr. Eisenach stated it has not. When the master plan is updated, an inflationary increase will be included in the projections. Councilor McInturff stated the City funded sidewalks with CDBG money prior to the Taylor Hotel and asked if reinstating that policy was something Mr. Eisenach would be interested in happening again. Mr. Eisenach stated absolutely.

Vice Mayor Veach stated there are 115 miles of sidewalks currently and about a third is in poor condition. He asked to confirm that 63 miles of new sidewalks are needed. Mr. Eisenach stated if Council wanted to have sidewalks along all of the streets that currently do not have them, yes. Vice Mayor Veach asked what the life span was of a typical concrete sidewalk. Mr. Eisenach stated he would hope the sidewalks would last 40 to 50 years. Vice Mayor Veach asked if the plan is to do the 115 miles over 40 years and then do them again. Mr. Eisenach stated infrastructure is really something that never ends. Overtime, it will need replacing. Vice Mayor Veach asked what City Code says about the maintenance and ownership of the sidewalks. Mr. Eisenach stated Council changed the Code but really the City is responsible to maintain the sidewalks that are in the public right-of-way. Vice Mayor Veach asked if that was the structure and not the snow removal. Mr. Eisenach stated not the snow removal.

Councilor Sullivan asked if the CDBG funds were the only money that is out there for this type of project. Ms. Freeman stated the City can use its highway maintenance fund to pay for it but the amount it gets for the highway maintenance is not enough to maintain all of the roads in the city. Roads were a higher priority within the citizen survey than sidewalks were even though sidewalks were very important. Staff has just issued the notice of intent to award the contract for the citizen survey because it is time to do the next round of surveys. The City does

the survey every three years and will be getting the results back in the fall to help inform budget decisions and recommendations for next year. Councilor Sullivan stated he was trying to think of ways the City could get creative on how to do this but because the sidewalks are City owned, the residents are not going to want to put any more money into them other than what they pay in taxes. Ms. Freeman stated the residents do not maintain the sidewalks other than to clear snow. The City maintains the physical condition of the sidewalks and one of the things she tasked Mr. Eisenach and his team with last year was to look at a more cost effective means of repairing these sections. The City has a wonderful tree canopy throughout Winchester but it unfortunately leads to roots and the upheaval of the sidewalks. In the areas that it are really bad, those sections of sidewalks are replaced with a new type of material. It is not pavement but it is not dirt either. Councilor Sullivan asked if a homeowner repaired bad sidewalks out of their own pocket, does the City provide a subsidy on the back end to help them out on their property taxes. At some point, the City will spend the money borrowing it or have less revenue. If it was even possible, the City could limit the linear feet that would be subsidized but possible speed up the process with homeowners who were willing to do it. Ms. Freeman stated she has seen it done that way in other places. It was fairly common in Georgia especially if a new development was going in or if a property owner wanted to contribute to installing sidewalks in front of their property but staff would need to research if it is allowed in Virginia. Councilor Sullivan stated he thinks it would be a way to speed it up. He would like to see some numbers on that if it was capped.

Vice President Wiley asked if there was a benefit in changing out the water meters to get more accurate readings to justify the daunting expense coming. Mr. Eisenach stated most of the small water meters are residential or small commercial and are  $\frac{3}{4}$  or one-inch meters that are 20 plus years old. A water meter is rated to be accurate and good for only 20 years so the meter will not register the correct amount of water once it gets past 20 years. It registers too little water so the City loses revenue. When that happens, the City does not over bill but under bills the residents.

Councilor Hill stated the report mentioned other funding sources and one of those was the adjacent property owners and asked for more information about that. Mr. Eisenach stated special improvement districts can be created which would help fund the construction of sidewalks but the property owners would have to agree to that. President Willingham asked if that was a special taxing district. Mr. Eisenach stated it would create a special taxing district. Councilor Hill asked to confirm that it does not refer to present property owners within the city limits or a certain neighborhood. Mr. Eisenach stated theoretically, a neighborhood could come together to say they are willing to fund paying for the sidewalk replacements in the neighborhood and create a special improvement district and asked Mr. Williams to correct him if he was wrong. Anthony Williams, City Attorney, stated it would be very similar to what the City has on the downtown mall except that it focuses on services for the downtown mall.

Mayor Smith asked if staff would set guidelines on what types of cement and materials could be used if someone wanted to do their own sidewalks. Mr. Eisenach stated if someone wanted to replace their own sidewalks, they need to get a right-of-way use permit from the City and meet the specifications set by the City. The City inspects the work to make sure the project met all of the specifications. Ms. Freeman stated in reality, the best way to do it is for the resident to provide the funding and the City do it as part of the sidewalk maintenance and installation plan. Mayor Smith asked if the citizen pays for it, the City would do it. Mr. Eisenach stated that is a much better way to do it.

Councilor Sullivan stated he was suggesting incentivizing people to pay for it because otherwise he does not think they would do it.

President Willingham stated to Councilor Hill's point, a homeowners association could say that they were interested to get it done.

Mr. Williams stated years ago when the City was trying to have brick sidewalks in certain areas of the city, there was a proposal to have adjacent property owners elect to pay for bricks to be placed in front of their property. He is not sure if that plan was implemented or not but it was at least one proposal that Council had in front of them. Mr. Eisenach stated what the City did, and this is the current policy when replacing sidewalks in the Historic District, is if it is an existing brick sidewalk, it is replaced with a brick sidewalk. If it is a concrete sidewalk and the property owner would like it to be brick, they could pay the cost difference between replacing it in concrete versus replacing it in brick. There have been numerous cases where the property owner has elected to do that.

President Willingham asked if the City was looking at bringing some work in-house for the sidewalks to see if it was more cost effective to do it internally than outsourcing it. Mr. Eisenach stated it has been discussed over the years but there are pros and cons. To get staffed up to have a crew large enough and to have all of the equipment is a pretty big ticket item. There are a lot of advantages when it gets to that point because that crew can be kept working all of the time on sidewalks. Right now, there are 14 employees in the streets department that are responsible for not only sidewalks but all of the asphalt streets, mowing in the medians, and trees. The City tries to keep one crew of three to four people devoted to sidewalks but unfortunately, there are things that come up that shifts them to do something else. President Willingham stated he would be interested in having that conversation not necessarily to add to payroll but if this is something Council would like to consider to reduce the amount of time for cost savings, it would be helpful as pure analysis. Ms. Freeman stated staff could bring it back as a broader discussion with the revisions to the Streets and Sidewalks Master Plan.

Councilor McInturff stated he thinks that is an excellent idea. It would take a commitment on Council's part to funds a certain amount a year or take on a

certain amount of miles a year for that crew. He would like to get feedback in reference to the initial setup as far as equipment is concerned and what the cost savings would be for 50 feet or 100 feet of sidewalk if someone else did it versus having it done in-house to get an idea if there would be any savings.

President Willingham stated Mr. Eisenach is coming back next month and asked if that would be enough time. Mr. Eisenach stated he thought he could do it in September to get all of it done. President Willingham stated he did not want to slow that piece down but he thinks there is enough interest that it should be discussed before finalizing anything. Mr. Eisenach stated he will be coming next month to talk about the utilities. Ms. Freeman stated the sidewalks are coming back in September.

### **3.2. R-2017-21: Resolution Adopting the City of Winchester's 2017 Annual Action Plan for the Use of Community Development Block Grant and HOME Allocations During Program Year 2017**

Tyler Schenck, Program Manager and Acting Innovation and Information Services Director, presented the Annual Action Plan for Program Year 2017. He stated the Community Development Block Grant (CDBG) is a flexible program that provides communities with resources to address a wide range of economic development and community development issues. Winchester is defined as an entitlement community by the United States Department of Housing and Urban Development (HUD). This basically means the City is entitled to an allocation of funds every year it surpasses a threshold with HUD regarding the population size, income levels, etc. There is a formula that determines the amount the City gets every year. There are three steps the City must do each year to administer the program. The Annual Action Plan discusses priorities and activities for the upcoming program year. The Consolidated Annual Performance and Evaluation Report (CAPER) discusses performance and accomplishments for the concluding program year. The Consolidated Plan identifies housing and community development priorities for the next five program years. The Consolidated Plan should be thought of as a five-year action plan. Examples of prior CDBG projects include the Taylor Hotel Pavilion Redevelopment Project that required a \$1 million Section 108 Loan that was paid in full this year. A Section 108 Loan allows the locality to borrow up to five times its most recent allocation. Winchester's allocation is usually about \$200,000 a year. A locality is allowed to repay the loan over a 10-year period of time. Winchester did request five times the allocation but was able to repay it in a little less than five years so the City gave a majority of its allocations to that repayment every year. Some other projects included renovations on single family homes, infrastructure improvements as well as contributing to the site preparation for the Laurel Center. Another piece of the Annual Action Plan is the HOME Investment Partnerships Program. These funds provide assistance to activities including building, buying and/or rehabilitating affordable housing for rent or homeownership or for providing direct rental assistance for low-income people. The program allows local governments to form regional consortiums in order to qualify for HOME funding. They award the

funding grants to participating jurisdictions (PJs). In 2007, the Northern Shenandoah Valley region jurisdictions adopted Resolutions of Support and executed a Cooperative Agreement establishing a regional HOME consortium named the Northern Shenandoah Valley Regional Commission (NSVRC) as the administering agency. The consortium designated the City as the lead entity to act in a representative capacity for all consortium members. Council ultimately serves as the final approving body pertaining to the HOME program in the region so that is why everything in the plan comes to Council. As he stated earlier, the Annual Action Plan discusses the priorities and activities for the upcoming year and is drafted by City and NSVRC staff. The City drafts the CDBG side and NSVRC drafts the HOME side. The recommended funding priorities in the plan for the upcoming year's CDBG and HOME allocations are set by internal boards. The CDBG has the Community Development Committee (CDC) and the HOME has the Housing and Community Services Policy Board. The anticipated timeline for adoption of this plan begins today with the discussion at the Work Session followed by a July 25<sup>th</sup> public hearing and vote on the resolution. At the June 27<sup>th</sup> meeting of the CDC, the following projects were presented for funding: completion of the Laurel Center, new construction for 402 Highland Avenue for Habitat for Humanity, a broadband utility feasibility study, sidewalk improvements, drainage improvements on North Cameron Street, and Boscawen Street improvements. The completion of the Laurel Center was ranked the highest by the CDC. The allocation did go lower this year compared to previous years which he anticipates will be a trend for future years. He thinks the allocations will decrease over time and get smaller. The CDC's final funding recommendation for PY17 and the draft Annual Action Plan that is presented to Council today recommends allocating 90% or \$180,000 to the Laurel Center and 10% or \$20,000 for administrative activities which is the typical amount budgeted in the Annual Action Plan every year. Following the CDC's recommendation, HUD was provided a copy of the submitted proposals to provide an eligibility determination for each project. The funds for the Laurel Center would assist in partially satisfying mortgage obligations to reduce monthly debt service on the loan to finish the facility per their application. HUD documented multiple concerns with the proposed project and determined that the project was not eligible in its current form. CDBG funds cannot be used to pay existing debt for what is considered a public facility such as the shelter. There was no determination as to whether the applicant followed federal procurement policies with regard to the contract it selected. There is a lack of a completed Part 58 Environmental Assessment Review and they must adhere to the Davis-Bacon Act if funds are going to be used for actual construction expenses. The Davis-Bacon Act requires a payment of local prevailing wages on public works projects for laborers and mechanics. It applies to contractors and subcontractors performing on federally funded or assisted contracts in excess of \$2,000 for the construction, alteration or repair of public buildings or public works. This would apply retroactively to the start of the most recent construction (2017) and would be required to use the building wage decision because they are building a shelter. The wage decision shall be effective on the date the contract was awarded or the date the construction started which ever occurred first. Habitat for Humanity

submitted a \$30,000 proposal that would assist in construction of a new single family home at 402 Highland Avenue. As presented, HUD determined the project is not eligible since they are not aware of Habitat gaining designation as a Community Based Development Organization (CBDO). In the past, the City was forced to repay \$35,487 for a previous CDBG distribution related to new construction due to Habitat not being a CBDO, as determined in 2009 by HUD. The Broadband Study proposal is to have a consultant determine whether or not Winchester could support the development of a City-owned and City-managed broadband utility with an accompanying business model. The business model would provide the recommended pricing and staffing. The approximate cost for the study is \$60,000. Of the \$60,000, only \$20,000 can be sourced from the CDBG funds because they looked at it as an administrative expense. Localities are only allowed to have 20% in administrative costs per program year with 10% set aside for staffing the administrative program and the remaining 10% could go to broadband. Other funding sources to bridge the gap have not been determined. HUD's preliminary review of the project deemed it allowable. The sidewalks proposal would require a \$1 million Section 108 Loan similar to the Taylor Hotel approach to replace approximately 2.5 miles of dilapidated sidewalks. As Mr. Eisenach said, 45 miles of 115 miles of City sidewalks are currently in disrepair. After preliminary review, HUD determined upon successful submission of a Section 108 Loan, the project would be eligible and in fact, they recommended the project to the City. The North Cameron Street Drainage Improvements proposal recommends the completion of a series of storm drainage improvements to North Cameron Street between Wyck and Boscawen that is necessary due to flooding during heavy rainfall. This project would also require a \$1 million Section 108 Loan and the remaining \$2 million to complete the project would be sourced from other revenue streams if it is pursued at a later date. If the Section 108 Loan is approved, the project would be eligible if the area it serves is primarily residential. The City would have to conduct the due diligence if that is the direction it goes at a later date. The last project that was considered was a series of improvements to Boscawen Street. The proposal would mitigate safety, storm water, and surface material failure at the intersection of Loudoun and Boscawen. The proposed project would close a section of Boscawen Street to vehicular traffic and it would be reconstructed in the same fashion as the pedestrian mall. The total anticipated cost is \$2 million and would require a \$1 million Section 108 Loan. HUD deemed the project as plausible but ultimately did not recommend it due to the significant administrative oversight required to ensure the program compliance. The City would have to heavily collaborate with business owners in the region to make sure they are complying with wages, hiring of people and so forth. Since HUD has determined that the CDC recommended project is not eligible, Council must select an alternative eligible priority identified this evening. The eligible projects include the broadband study, sidewalks, North Cameron Street drainage improvements, and the Boscawen Street improvements. After receiving direction from Council, staff will revise the draft Annual Action Plan to be voted on by Council after a public hearing on July 25, 2017, pending the conclusion of the 15-day public comment period which will restart if staff can revise the Annual Action Plan.

Councilor McKannan stated Mr. Schenck mentioned the sidewalks, Boscawen, and the drainage on North Cameron require a Section 108 Loan and asked what was meant by that. Mr. Schenck stated they are sizable, multi-million dollar projects and the City would need a sizable investment to get enough money to complete them, such as the \$1 million loan. Councilor McKannan asked to confirm that it would be required by the City. Mr. Schenck stated yes. It is a separate application process that the City would have to submit to HUD. Councilor McKannan stated under the completion of the Laurel Center project, it talks about the submitted proposal by the Laurel Center and the available documents not including any mention of the funding shortfalls that the City is being requested to alleviate, therefore, concern exists for the potential for some supplanting which could jeopardize future federal funding allocations for the City. He asked if Mr. Schenck could expand on that. Mr. Schenck stated supplanting is a big issue when it comes to grant funding. As far as HUD is concerned, they did not state it as supplanting, it was more of not being able to pledge CDBG funds against repaying debt in this fashion. The supplanting issue has more merit on other funding streams from the Federal government and other agencies. HUD cares about that, but it would impact other revenue sources. Regardless of the supplanting for HUD, it would have less impact potentially on other areas the City would look for funding. Councilor McKannan stated if the City does not fund this project, there could be issues with other sources of federal funding. Ms. Freeman stated yes if the City funds the project, no if it does not. The way supplanting works is if money is already budgeted for a project in local funds or other funds and federal funds are used to supplant the local or other fund. Supplanting is not so much an issue at this point. There were other concerns expressed by HUD when they reviewed these applications. To be clear with everyone, staff did not send these to HUD for their review until after the CDC had made their recommendation and have not shared the results of HUD's determination with any of the applicant organizations because it was just received today and staff did not want to share it with anyone without giving it to Council first.

Councilor Sullivan stated that confirms his question that what was distributed in the agenda is not correct because it changed. Ms. Freeman stated that is correct because staff just received the latest information today.

Mayor Smith asked if the CDC was not aware of HUD's guidelines when they made the recommendation. Mr. Schenck stated not at that time. Staff did not know which direction they would go in and did not intend to submit every project through HUD but after the recommendation was received, staff thought it would be beneficial to send everything forward. In future practice, staff might switch that process around a little bit but that is how it worked out this time unfortunately.

Councilor McInturff stated in layman's terms, the allocation for money for the Laurel Center and Habitat for Humanity is not allowed by HUD. Mr. Schenck stated as presented that is correct. Councilor McInturff asked to confirm that HUD

really does not like the Boscawen Improvements project. Mr. Schenck stated they did not recommend it but said it could be done. It is much more of a gamble at that point as the City would be relying on outside investment from private enterprises to really enforce what it is the City is trying to do because it would have to create jobs that would have to pay a certain wage and the City would have limited control over it at that point. It would be a very large administrative burden. Councilor McInturff asked if the City generally entertains gambling. Mr. Schenck said no sir. Councilor McInturff asked if it was off the table then. Mr. Schenck stated that is correct. Councilor McInturff asked to confirm that there is a 10% administrative fee that goes to the City. Mr. Schenck stated yes. Councilor McInturff asked if that was representative of what it takes for the City to administer and manage it. Mr. Schenck stated more or less. Localities are allowed up to 20% in administrative costs but due to the 108 loan, there has been limited activity from the Tayler Hotel so that is a big reason why 10% was used because staff oversight of the program has not really needed a whole lot the past several years. Councilor McInturff asked if the \$35,000 the City was forced to repay was money given to Habitat for Humanity that was not allowable by HUD. Mr. Schenck stated that is correct. They had a finding in a review that the City was forced to repay a piece of an allocation that was remitted to Habitat. Councilor McInturff asked if Habitat for Humanity paid that back to the City. Mr. Schenck stated not to his knowledge. Councilor McInturff asked if they have been billed. Mr. Schenck stated not to his knowledge. Councilor McInturff asked if they should be billed. Ms. Freeman stated it is certainly a discussion that the City needs to have. She was not aware of the fact that the City repaid anything on that one until today because they had the response from HUD that said the City had to make this repayment. When staff started looking through the records, that repayment was made in May of 2014 and she did not get here until mid-July of 2014. That is something that she is going to discuss with staff to figure out if the City ever billed anything and what the actual status is. Councilor McInturff stated personally, Habitat for Humanity has not had a problem knocking on the City's door for funds and if there has been something there that they owed the City, they should be billed or at least deduct it from something that the City has to give them. Certainly that \$35,000 should come back to the City. With that being said, it looks like Habitat is off the table, Laurel Center is off the table, and Boscawen Street is off the table and the city needs sidewalks so that screams what should be done.

Vice Mayor Veach stated he is not familiar with the CDBO requirements and asked if it would make sense when someone comes forward with an application for funds that they provide their certificate for those qualifications. Mr. Schenck stated it really depends on what they are pursuing. The federal regulation is tied to HUD and the administration of this program is a thick book so it is very difficult. Being a CDBO means an entity is eligible to do certain activities but there are other activities related to housing where they do not have to be a CDBO. It really depends on what they want to do and then staff would take a look to see if it fits HUD's regulations. Vice Mayor Veach asked what the reasoning was for HUD's recommendation to do the sidewalk project. Mr. Schenck stated sidewalks require

limited administration and is more of a black and white project that the City would not be requiring someone else to perform. They would not have to have a predominantly residential area. They know there are plenty of sidewalks that are eligible to be done in particular eligible census tracts. It is a safe project. Sidewalks are a very popular initiative when it comes to CDBG. Vice Mayor Veach asked if the sidewalks to be done under the Section 108 Loan would coincide with the City's priority list. Mr. Schenck stated absolutely. Ms. Freeman stated the sidewalks that could be done with it would only be in the qualifying census tracts. Vice Mayor Veach asked for a synopsis of the Broadband Study and the desired outcome if the City decides to go forward with it and what the benefits are to the city. Mr. Schenck stated broadband is very essential in attracting big business and new residents. The consultant would see whether or not the City has the customer base to support the utility. If so, they would provide the City with the recommended staffing, potential partnerships, marketing and pricing to essentially have a turn-key operation. Broadband high speed internet is essential to be competitive in the commercial environment throughout the country. Fortunately, it is not accessible to a lot of our businesses or residents at an affordable rate. Hopefully, if this is the direction Council chooses to go, the City would be able to provide affordable broadband to the businesses and residents. He is a firm believer that if the City were to do this, it would really help the City's economic health.

Councilor Clark asked how an organization becomes certified as a CBDO. Mr. Schenck stated he would need to have some more insight from HUD to speak confidently on that but there is a process where he believes the organization would have to petition the local government or the State at some point, but he is not sure if it is up to Council as the approving body or if Council were to recommend the approval to HUD. He does not know how that process works just yet but from what HUD told the City and to the City's knowledge, Habitat is not a CBDO at this time. Councilor Clark asked if that was the local chapter. Mr. Schenck stated that is correct. Councilor Clark stated it appears just from a cursory internet search that this is a community based organization that helps with low to moderate income housing and helps people in the community so it appears that they would qualify if they were to apply. Mr. Schenck stated that he would not argue with that at all. It is HUD's stipulations and policies that accompany it as well.

President Willingham stated setting aside the repayment issue for a discussion at a later time, he would be interested in having a conversation about the Handley Build and Career and Technical Education (CTE). Council talks about the Career and Technical Education program and having real life examples. If there is a way for the City to participate with the students and show its support he would be interested in doing it but he is not sure if that is done through CDBG or by reaching out to the Schools and independently funding it. He agrees with everyone else that the sidewalks make a lot of sense especially if there is a way to leverage some of the other things the City is doing to maximize its dollars. He also likes the broadband proposal. He thinks there are not only economic development benefits

but potentially educational benefits too. The City keeps talking about recruitment and increasing revenue and this is another way to differentiate itself from its competitors. He asked Ms. Freeman if the City used a majority of the funds on sidewalks, did the \$20,000, and used a 108 loan on the rest, would the \$40,000 come from a supplemental appropriation. Ms. Freeman stated staff would have to bring forward a supplemental appropriation to finish paying for it but she would also talk with the Economic Development Authority (EDA) to see if they would be interested in splitting that cost with the City. The EDA may also be willing or able to split a contribution to get the Handley Build going. President Willingham stated from his perspective, he agrees that a percentage should go to sidewalks but he would like to see the broadband study done because it would have a lot of economic opportunity for the city. He would be very supportive of doing both of those because they both achieve things the City has talked about.

Vice Mayor Veach stated he thinks it is a good idea if there is some way to leverage it towards helping the Schools to advance the CTE program particularly on Jefferson Street.

President Willingham asked if staff needed a recommendation from Council tonight to forward it on. Mr. Schenck stated a recommendation with the direction to revise the plan to reflect Council's desired project.

Councilor McInturff asked what the total dollar amount is. Mr. Schenck stated it is about \$200,523. Councilor McInturff asked if Council was looking at doing at least two projects, sidewalks and broadband. President Willingham asked if any member of Council was interested in doing the Cameron Street or Boscawen Street projects. Hearing none, he stated it seems to be just those two projects.

Ms. Freeman asked Council to keep in mind the possibility of applying for a Section 108 Loan so the City could get up to \$1 million. The City can apply for five times its annual allocation to get a little more bang for its buck for doing the sidewalk repair as opposed to \$180,000 once the administration portion of the funds is deducted and even less if Council chooses to do the broadband.

Councilor McInturff asked if it would be a 75/25 split. Mr. Schenck stated it would be funded using actual dollar amounts so the broadband would be funded at \$20,000, \$160,000 would go to the 108 loan repayment and the remaining \$20,000 for administration costs

President Willingham asked if a motion was needed tonight to apply for the Section 108 Loan too. Ms. Freeman suggested Council make a motion to amend the draft Annual Action Plan that was presented this evening with direction to staff to include applying for a Section 108 Loan and the priority projects of sidewalks and the broadband feasibility study.

The motion was made by Councilor McInturff and seconded by Vice President

Wiley.

Councilor Hill stated he understands what Council is doing here to this point but with all of the work Habitat for Humanity has done for the city and continues to do there has to be some way to give them some kind of support. He does not know if that is the intent but he would like to see the City work with them on becoming eligible for this CDBO requirement. He would really hate to see something like that policy derail what Habitat is doing. Mr. Schenck stated he is happy to work with Habitat in any way to secure revenue streams to help facilitate their projects.

Councilor McInturff asked if that will be after they pay the City back the \$35,000. Councilor Hill stated he would like to have more discussion on that. He is not going to say that they should not repay the City but he would like to have more discussion on it.

Vice Mayor Veach stated he would like to know if HUD would approve some of the funds for the CTE infrastructure improvement at a school.

Councilor Clark stated he is all for the sidewalks and the broadband study. He thinks it is entirely possible that Habitat may qualify if they apply to be a CDBO. It has always been his gut feeling that the CDBG funds are designed to help cities with neighborhoods that need help with bolstering the people who are having trouble with housing issues and Habitat is the agency in this community that does the best job of that. They have a great track record of renovating houses in dilapidated neighborhoods and building in substandard neighborhoods and bringing a sense of community to the city. He thinks it is critically important that the City encourage them to file for this designation to see if they qualify for CDBG money in the future. Council obligated all of the money before to a public-private partnership with the Taylor Hotel to get downtown going again. He went into that decision willingly and is still proud of it but he is not excited about spending all of the CDBG money on sidewalks for the next five years if the City can help Habitat to build houses and get people into quality built homes and improve the community. He is okay with applying for the \$1 million and having that loan available. He is not okay with locking it up with sidewalks for the next five years and telling Habitat and other organizations in the community that are truly helping people with housing to kick rocks. That is not okay with him.

<b>RESULT:</b>	<b>APPROVED TO FORWARD [UNANIMOUS]</b>	<b>Next: 7/25/2017 6:00 PM</b>
<b>MOVER:</b>	Milt McInturff, Councilor	
<b>SECONDER:</b>	Bill Wiley, Vice President	
<b>AYES:</b>	Clark, Hill, McInturff, McKannan, Smith Jr, Sullivan, Veach, Wiley, Willingham	

Minutes Acceptance: Minutes of Jul 11, 2017 6:01 PM (APPROVAL OF MINUTES)



**Winchester Common Council In Regular Meeting  
July 25, 2017**

**Agenda Item**

**R-2017-21:** Resolution Adopting the City of Winchester's 2017 Annual Action Plan for the Use of Community Development Block Grant and HOME Allocations During Program Year 2017

**1.5. R-2017-21: Resolution Adopting the City of Winchester's 2017 Annual Action Plan for the Use of Community Development Block Grant and HOME Allocations During Program Year 2017**

Matthew Peterson, Executive Director of Habitat for Humanity located at 145 Baker Street, stated he realizes that there were some surprises two weeks ago when the proposals for the Laurel Center and Habitat came up and were deemed ineligible. After doing some research and knowing what they know now, he resubmitted a proposal late last week asking again for Council's consideration for the Annual Action Plan. He would ask that Council reconsider the proposal that was submitted for \$160,000 to Habitat for rehabilitation and land acquisition. They found out at the last meeting that they were not a CDBO, a Community Development Based Organization, per HUD guidelines which is a very specific designation. They needed that designation in order to apply for new home construction but they do not have to be a CDBO to apply for other aspects within that to include land acquisition and rehabilitation which they successfully applied for and received funds for in 2010-2011. He asked that Council please consider

the new proposal along with the broad-band initiative as well as the 10% back to the City. He also wanted to address the \$35,000 question that came up at that meeting. He knows that it is something that is ongoing in terms of research at the City level and they have done a lot of research themselves back eight years ago and five executive directors ago to determine what happened there. He knows there is still some ambiguity out there and maybe the City knows more than he does at this point but, to date, he has not been able to find fault for Habitat on how that funding was used. They submitted a proposal for new home construction, the funding was received and it was dispersed, and they built two homes in the city of Winchester on time and on budget. After that, they found out that some of that money was not appropriately used in terms of being eligible for new home construction aspects. They did receive CDBG funding again the next year. For him, it is important just to establish that they are trying to continue to be a very credible organization and work well with the community. If there is still an issue with the \$35,000 and they are at fault, he does not want it to impact the discussion for the CDBG funding tonight. If they owe it and if they are legally obligated to pay it back, they absolutely will once that is determined. They do have the confidence of HUD, HOME funds, and the Regional Commission as they have been receiving that this past year and are in a competitive proposal process for HOME funds for this year as well. With that said, he hopes Council will consider the proposal that was sent out. It is something they could use as part of their three-year strategic plan which is rehabilitation and land acquisition. Both are things they are in need of and where the CDBG funding could be so well spent.

President Willingham asked if there was anyone else wishing to address Council on this matter. Hearing none, he closed the public hearing at 6:15 p.m.

Councilor Clark stated when he reads through the purpose and intent of the HOME funds; it strikes him that they are to be used for housing to help people in the community who really need the help. Sidewalks and WiFi are nice but that is not a roof over somebody's head. He would like for Council to seriously consider amending its priorities to include the Habitat proposal because he has seen the work they have done in the community and in the north end. They take problem areas and create new homes where the owners have pride of place and take care of the properties. Neighborhoods have changed in the period of time that Habitat has been involved in the community and he would like to see that work continued.

Councilor Hill stated he would agree with Councilor Clark but he would like to ask the City Manager where they stand with this second request. Ms. Freeman stated HUD has determined the revised request would be eligible contingent on meeting certain requirements such as an environmental study. She does want to make sure Council understands that what they are discussing is not the HOME funds. The HOME funds are appropriated or allocated by the Northern Shenandoah Valley Regional Commission. It is the CDBG funds that have not been allocated. Councilor Hill stated it is those funds that he is referring to. Ms. Freeman stated they would be eligible contingent on meeting certain requirements that a vast

majority of relates to doing an environmental review which is mandated by HUD for use of funds with CDBG dollars. However, another thing to point out is because the City advertised what Council directed from the meeting on July 11<sup>th</sup>, it will have to re-advertise everything again should the Annual Action Plan be revised. She asked Tyler Schenck to speak on the timeline for the advertising.

Tyler Schenck, Program Manager and Acting Innovation and Information Services Director, stated the plan is due to HUD no later than August 16<sup>th</sup> and would require an additional 15-day public comment period if the City restarted the process. It would have to go through Work Session potentially and then the Regular Meeting after that. Mayor Smith asked if that would put the City late in filing the plan. Mr. Schenck stated it would really depend on how quickly the City could get the advertisement to The Winchester Star. The advertisement must run two weeks prior to the next meeting for it to be discussed. The plan would be approved at the next meeting on August 8<sup>th</sup> if it would be amended again. Councilor Hill asked if that was enough time to reconsider their request. Mr. Schenck stated he did not believe it would be enough time for the public hearing from what the Clerk is telling him. President Willingham asked if it would require a Special Meeting. Mr. Schenck stated it would.

Councilor McInturff stated even if Council could have, he would not support giving Habitat for Humanity those funds at this particular time. He appreciates the comments the gentleman made especially on the past \$35,000 and the uncertainty of that. He hopes some light could be shed on that in the future. He moved to approve R-2017-21 as presented. The motion was seconded by Vice Mayor Veach.

Vice Mayor Veach stated he too appreciates Mr. Peterson's comments from Habitat. They do good work and could help out some families with these funds. When he looks at having fixed funds, the needs of the many far outweigh the needs of the few. In areas where there are no sidewalks, people are walking in the streets so there is also a safety concern. He feels addressing the sidewalks will help more than a couple of families in this case so he will support it as presented.

Mayor Smith stated he is having a little difficulty with this but he does not want to labor it any longer because it would put in jeopardy some of the funding for sidewalks and the other things that the money is going to be allocated for. He wishes this had come before Council a lot sooner than it has so that Council would have had more time to discuss it and go back and forth on it. With that said, he would have to support it as is.

Councilor Sullivan asked if Habitat was still not eligible as a CDBO organization. Ms. Freeman stated they do not have to be a CDBO for what the revised proposal is requesting. Councilor Sullivan asked if staff was positive of that. Ms. Freeman stated yes. Councilor Sullivan stated he has a feeling that is what happened the

last time when the City had to pay back \$35,000. Ms. Freeman stated it is possible and she can shed some light on what has been found. The determination that Habitat was not a CDBO was made in 2009 which was long before many of the current staff was here. Unfortunately, the repayment of the \$35,000 in question did not happen until 2014. Staff is not sure why and it happened about one month before she arrived in 2014. Staff also discovered that it was discussed at a CDC meeting and has the minutes where the discussion for the repayment and determination occurred. It was also advertised and ultimately voted on by Council with the revision of that Annual Action Plan. That is the best that staff can cobble together in terms of the records that are available. The money sent back to HUD to repay it came from program income which was a source of funding that was a combination of funds available through the old neighborhood housing office that the City no longer has.

Councilor McInturff asked if staff knows who Council was expecting to pay back in 2009. Ms. Freeman stated she has not been able to find that. Councilor McInturff asked to confirm that the funds have not come from Habitat. Ms. Freeman stated from what they can tell, the funds have not. When the advertisement was run in the newspaper in 2009, it showed it as a repayment as if it was from CDBG funds being re-paid instead of cash money.

President Willingham stated CDBG funds were used to pay back HUD funds so effectively Habitat still got the benefit from it but it did not come out of the General Fund. It came out of these specially allocated funds. Ms. Freeman stated that is correct.

Councilor McKannan stated he agrees with the Mayor that it would be nice if Council had a little more time to decide if something is a CDBO or not. He is going to support the measure as it stands right now but at the same time it would be nice to have this discussion a little bit more in advance to flush it out a bit more.

Councilor Clark asked Mr. Schenck if this will lock up the money for five years in the HOME program. President Willingham stated for clarification, it is not the HOME program. It is the Community Development Block Grant (CDBG). Mr. Schenck stated it does not really lock up future allocations. It obligates the City to repay the debt assuming the City is approved for a 108 Loan. The City will have 10 years at maximum to pay the outstanding debt. Whether it gets paid in 10 years or five years is up to the City. Councilor Clark asked if the CDBG money will be locked in for five years in the sidewalks and not in other purposes that Council may decide at a later date. Mr. Schenck stated it is not as long as the City repays the debt in 10 years. Typically, the requirement is to make a \$100,000 principal payment each year for 10 years. On the Taylor Hotel, Council obligated to expedite that payment and the City paid it off in four or five years. Councilor Clark asked if the money could be borrowed and used for whatever legitimate purposes Council deems appropriate. Mr. Schenck stated yes.

Councilor Sullivan stated he is going to support this as presented. The only thing he would add is \$35,000 is certainly something the community could raise and there are many ways to go about doing that. He does not think it would be that difficult in terms of the dollar figure amount alone.

President Willingham stated he very much supports the sidewalks for the reason that they have to be in specific areas that are designated low to moderate income. When he thinks about the best and highest use of the City's funds, he thinks about how does the City as a local government leverage to maximize the value of those funds and what does the City do best to provide infrastructure for homeowners, developers or groups like Habitat to be able to build on the lots and make them readily available and improve the neighborhoods. That is done by improving the streetscape and has been shown on Baker and in other places where sidewalk projects have been done. The basic infrastructure is a need that has been identified and a need that the government has a role in playing as part of the community. He thinks these are valued funds and leveraging them makes a lot of sense to him because it does facilitate development and improve the streetscapes in these neighborhoods. If Council goes back to the citizen surveys, one of the highest priorities from the citizens is to improve sidewalks or install sidewalks. When he thinks about how to best allocate these funds to hit the most amount of citizens who have said they want sidewalks, this is clearly a way to do that. He would be interested in discussing a Handley High School build again with Habitat or someone where there is a CTE component to it. He would definitely want to hear about a project like that to see how there could be a couple of different programs and if they are funded through CDBG or some other mechanism but that is for another day. He does think that for today it makes the most sense to allocate the funds to sidewalks and if he remembers correctly this was HUD's recommendation as well.

Councilor Hill stated he is definitely having a hard time voting for this resolution. He sees the great benefits that Habitat has given to this community whether it is one home or 50 homes. He thinks the City needs sidewalks and looked at his own sidewalks today while asking himself could he live another three years and walk on the broken sidewalks or would he prefer to see funds going to the development of a home and building lives. He cannot do it when he sees concrete and he sees people even though he thinks the sidewalks are needed. He thinks Council needs to look at how they are going to help people in this community which far outweighs any investment in brick, stone, or trees so he will not support it.

Ms. Freeman stated she has asked staff and the Economic Development Authority (EDA) to look at how the City can work to help Habitat to do things like the Handley build project and are there other resources that may be available from City funds or grants that staff can help them apply for. Staff will be coming back to Council with some thoughts on how that can be done in the future.

Councilor Hill thanked Ms. Freeman and Mr. Schenck for reaching out to Habitat to

try to work with them. He stated it is just unfortunate that it came to Council so late and they were not able to do anything. For him personally, it is selfish to think of sidewalks versus people.

President Willingham stated to Councilor Hill's point and not that his opinion does not count but for him, he is not choosing sidewalks over people. He knows Councilor Hill is not saying that but to be clear, he thinks this helps more people than just one single family. He thinks this helps a neighborhood. Whether they agree or disagree, he thinks this benefits a vast majority of more people and that is why he is choosing it. He is not choosing infrastructure over people. He is choosing more people over one family.

<b>RESULT:</b>	<b>APPROVED [6 TO 2]</b>
<b>MOVER:</b>	Milt McInturff, Councilor
<b>SECONDER:</b>	Les Veach, Vice Mayor
<b>AYES:</b>	McInturff, McKannan, Smith Jr, Sullivan, Veach, Willingham
<b>NAYS:</b>	Clark, Hill
<b>ABSENT:</b>	Wiley

## 2. PUBLIC COMMENTS

President Willingham asked if there was anyone wishing to address Council. Hearing none, he closed the public comments at 6:31 p.m.

# Consolidation Plan

## Executive Summary

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

#### 1. Introduction

This Consolidated Plan covers program years 2018-2022 (fiscal years 2019-2023). The Plan was developed through a comprehensive planning process involving a cross section of citizens, local government staff and representatives of low and moderate income individuals. Input was solicited through a series of public meetings scheduled specifically to discuss priority needs in the service area. This Plan will serve as the blueprint for affordable housing and community development activities funded through the CDBG and HOME programs in the City of Winchester and Northern Shenandoah Valley Region, respectively. It will also hopefully serve as a guide to private sector involvement in affordable housing and community development and provide helpful information to local community organizations partnering with the City of Winchester and HOME Consortium. The Northern Shenandoah Valley Region consists of the City of Winchester, and Counties of Clarke, Frederick, Page, Shenandoah and Warren as well as all of the Towns located therein.

The purpose of the Consolidated Plan is to identify a community's housing and community development needs, priorities, goals and strategies, and to stipulate how funds will be allocated to housing and community development activities.

#### 2. Summary of the objectives and outcomes identified in the Plan Needs Assessment Overview

The Consolidated Plan has three parts: a Needs Assessment, Market Analysis and Strategic Plan. On an annual basis, an Action Plan is submitted to HUD which details specific goals, objectives and measurable outcomes for the program year. Below is a summary of each section of the Consolidated Plan.

This Needs Assessment is a tool for organizing and analyzing information specific to the Northern Shenandoah Valley region relating to housing, homelessness and other community development needs. The purpose of this assessment is to identify any outstanding gaps or needs for housing and how, when, and where to address local housing issues. Needs identified include: the cost burden of housing, prevalence of substandard housing and units lacking complete plumbing, need for services and facilities to support homeless and nearly homeless persons and an overall need to improve community infrastructure and services especially in the most dense areas of the region.

The Market Analysis outlined the current market conditions that have resulted in a change in the supply of housing stock in the area. The downturn in the homebuyer market has resulted in a more relaxed rental market. Especially in the case of units converted from owner to rental, prices are falling. However, the reality still remains that there is a need for affordable housing in the area.

While income levels within the Northern Shenandoah Valley region have risen consistently over the past several decades, income has not kept pace with increases in the region's housing supply costs. As such, a substantial housing cost burden has appeared as described below, even for those individual and families above the defined poverty level.

The purpose of the Market Analysis section is to provide a snapshot of the environment in which the region will administer its programs over the course of the Consolidated Plan.

The Strategic Plan represents a coordinated effort to meet needs of low and moderate income individuals and families throughout the region. In order to efficiently develop strategies to meet identified priority needs, two advisory groups were initiated to steer the planning process. In the City of Winchester, the Community Development Committee is a City Council appointed body of Winchester Citizens responsible for oversight of the CDBG program; the Housing and Community Services Policy Board is comprised of appointed representatives from each of the HOME Consortium member jurisdictions. Both advisory bodies are charged with evaluating data, citizen input and community characteristics to determine priority needs and most appropriate strategies to meet those needs.

This Strategic Plan articulates application of percentage of anticipated funding for eligible activity areas in each of the HUD funded programs. In Winchester City, the Community Development Committee recommended the following allocation of funds over the life of the Consolidated Plan (5 years):

- 90% to repayment of a Section 108 Loan

- 10% to Administrative Activities

In the NSV Region, the Policy Board recommended the following allocation of HOME funds over the life of the Consolidated Plan (5 years):

- Up to 20% to Homeownership Activities

- Up to 50% to Rental Housing Development and/or Tenant Based Rental Assistance

- Minimum of 15% to local CHDO's as the eligible set-aside

- Maximum of 10% to Administrative Activities

### **3. Evaluation of past performance**

The 2008-2012 Consolidated Plan was the Region's first Strategic Plan for identifying and addressing community development and housing needs. Over the course of the Plan, the City of Winchester (CDBG program) and the Northern Shenandoah Valley Regional Commission (HOME program) were able to successfully implement a diverse range of program and projects including: community infrastructure improvement, homeless prevention, neighborhood improvements, homeownership development, development of new rental units, revitalization of substandard rent and single-family housing, rental assistance and foreclosure mitigation. The program and projects reached all five (5) counties and town's in the Northern Shenandoah Valley.

#### **4. Summary of citizen participation process and consultation process**

The Plan was developed through a comprehensive planning process involving a cross section of citizens, local government staff and representatives of low and moderate income individuals. Input was solicited through a series of public meetings scheduled specifically to discuss priority needs in the service area.

The Northern Shenandoah Valley Regional Commission (NSVRC) in its role as a local body for regional collaboration has actively solicited input from public and private entities to enhance its consolidated planning activities. The NSVRC has a regional Housing & Community Services Policy Board (HCSPB) that is composed of local leaders representing the health care, education, social services, real estate, workforce investment, economic development, special interest, government and planning sectors. This body serves as the principle group for the evaluation for the consortiums effort to undertake housing and development activities with federal funds (primarily HOME). This coordination creates a comprehensive network of local experts providing input, outreach and feedback on HOME funded activities to meet the local market conditions.

The City of Winchester utilizes a Community Development Committee (CDC) comprised of local stakeholders to inform community development activities, primarily those related to public infrastructure, within the City of Winchester.

#### **5. Summary of public comments**

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

#### **7. Summary**

To recap, this Consolidated Plan covers program years 2018-2022 (fiscal years 2019-2023). The Plan was developed through a comprehensive planning process involving a cross section of citizens, local government staff and representatives of low and moderate income individuals. Input was solicited

through a series of public meetings scheduled specifically to discuss priority needs in the service area. This Plan will serve as the blueprint for affordable housing and community development activities funded through the CDBG and HOME programs in the City of Winchester and Northern Shenandoah Valley Region, respectively.

This Strategic Plan articulates application of percentage of anticipated funding for eligible activity areas in each of the HUD funded programs.

# The Process

## PR-05 Lead & Responsible Agencies 24 CFR 91.200(b)

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

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
Lead Agency	WINCHESTER	
CDBG Administrator	WINCHESTER	City Manager's Office
HOPWA Administrator		
HOME Administrator		Community Development
HOPWA-C Administrator		

Table 1 – Responsible Agencies

### Narrative

The City of Winchester serves as the grantee for Community Development Block Grant (CDBG) and HOME Investment Partnership (HOME) entitlement funds. The City of Winchester has delegated administration of the HOME program through a written agreement to the Northern Shenandoah Valley Regional Commission (NSVRC). NSVRC is responsible for the development of the five-year consolidated plan.

### Consolidated Plan Public Contact Information

Alex Schweiger

Community Development Planner, Northern Shenandoah Valley Regional Commission

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Tyler Schenck

City of Winchester

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## **PR-10 Consultation - 91.100, 91.200(b), 91.215(I)**

### **1. Introduction**

Consultation with a variety of stakeholder groups is vital to the successful development and implementation of a Consolidated Plan. The Northern Shenandoah Valley Regional Commission (NSVRC) in its role as the lead for the Consolidated Plan utilized consultation from federal, state and local governments, local planners, housing providers, service providers, human health providers and homeless service providers in the development of the Plan.

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

The Northern Shenandoah Valley Regional Commission (NSVRC) in its role as a local body for regional collaboration has actively solicited input from public and private entities to enhance its consolidated planning activities. The NSVRC has a regional Housing & Community Services Policy Board (HCSPB) is composed of local leaders representing the health care, education, social services, real estate, workforce investment, economic development, special interest, government and planning sectors. This body serves as the principle group for the evaluation for the consortiums effort to undertake housing and development activities with federal funds (primarily HOME).

The City of Winchester utilizes a Community Development Committee (CDC) comprised of local stakeholders to inform community development activities, primarily those related to public infrastructure, within the City of Winchester.

**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**

Staff at the Northern Shenandoah Valley Regional Commission is also responsible for the administration of the Western Virginia 513 Continuum of Care, which geographically covers the entire Consortium area plus the City of Harrisonburg and the County of Rockingham. Through the CoC, funding is directed from both HUD and the Virginia Department of Housing and Community Development to support Permanent Supportive Housing, Shelter Plus Care, HMIS, Planning, Rapid Rehousing, and Prevention activities. The CoC targets priority populations at the centralized intake step of the coordinated assessment process to address the needs of the chronically homeless, children, veterans, and those displaced by natural disasters.

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

Currently, the Northern Shenandoah Valley CoC does not utilize Emergency Shelter Grant (ESG) funds.

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

**Table 2 – Agencies, groups, organizations who participated**

1	<b>Agency/Group/Organization</b>	NORTHERN SHENANDOAH VALLEY REGIONAL COMMISSION
	<b>Agency/Group/Organization Type</b>	Other government - Local Planning organization
	<b>What section of the Plan was addressed by Consultation?</b>	Housing Need Assessment Lead-based Paint Strategy Public Housing Needs Homelessness Strategy Homeless Needs - Chronically homeless Homeless Needs - Families with children Homelessness Needs - Veterans Homelessness Needs - Unaccompanied youth Non-Homeless Special Needs HOPWA Strategy Economic Development Market Analysis Anti-poverty Strategy
	<b>How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?</b>	Lead organization responsible for development of the Consolidated Plan; responsible for administration of the HOME program.
3	<b>Agency/Group/Organization</b>	Northern Shenandoah Valley Continuum of Care (CoC) VA-513
	<b>Agency/Group/Organization Type</b>	Continuum of Care
	<b>What section of the Plan was addressed by Consultation?</b>	Housing Need Assessment Public Housing Needs Homelessness Strategy Homeless Needs - Chronically homeless Homeless Needs - Families with children Homelessness Needs - Veterans Homelessness Needs - Unaccompanied youth Non-Homeless Special Needs HOPWA Strategy Market Analysis Anti-poverty Strategy

	<b>How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?</b>	Continuum of Care provided input specifically regarding homelessness, homeless facilities and services. CoC also confirmed housing needs assessment information.
4	<b>Agency/Group/Organization</b>	City of Winchester
	<b>Agency/Group/Organization Type</b>	Other government - Local Grantee Department
	<b>What section of the Plan was addressed by Consultation?</b>	Lead-based Paint Strategy Economic Development Market Analysis
	<b>How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?</b>	City of Winchester is the CDBG and HOME grantee. Informed the process through Community Development Committee (CDC) meetings, public input session and City Council sessions.

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

Consultation with a variety of stakeholder groups is vital to the successful development and implementation of a Consolidated Plan. The Northern Shenandoah Valley Regional Commission (NSVRC) in its role as the lead for the Consolidated Plan utilized consultation from federal, state and local governments, local planners, housing providers, service providers, human health providers and homeless service providers in the development of the Plan. NSVRC used a variety of outreach and marketing types to ensure comprehensive coverage for consultation. No agency types were directly omitted from the consultation process.

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

<b>Name of Plan</b>	<b>Lead Organization</b>	<b>How do the goals of your Strategic Plan overlap with the goals of each plan?</b>
Continuum of Care	Northern Shenandoah Valley Regional Commission	10 Year Plan to End Homelessness data was utilized for Homeless Needs Assessment section of the Consolidated Plan.

**Table 3 – Other local / regional / federal planning efforts**

**Describe cooperation and coordination with other public entities, including the State and any adjacent units of general local government, in the implementation of the Consolidated Plan (91.215(I))**

The Northern Shenandoah Valley Regional Commission as the lead organization for HOME funding works closely with the US Department of Housing & Urban Development (HUD) as the primary funder, the Virginia Department of Housing & Community Development (DHCD), the Virginia Housing Development Authority (VDHA); other departments of the State of Virginia and the local governments of the region on the implementation of the Consolidated Plan.

**Narrative (optional):**

## **PR-15 Citizen Participation**

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

Citizen Participation is a vital part of the Consolidated Planning Process. Citizen Participation was solicited and welcomed through a number of avenues throughout the Consolidated Planning process. An advertisement for public comment was solicited through the locally circulated newspaper (Winchester Star) from July 10 to August 11, 2018. The Winchester Community Development Committee and regional Housing and Community Service Policy Board meetings are open to the public and advertised with local media outlets. In addition, anyone may request to be added to the distribution list for meeting notices, discussion topics and program updates.

The appointed body meetings occur during the work day. A total of four (4) input meetings were held between July and August of 2018 to share with attendees program planning progress and solicit input on the Consolidated Plan direction. Finally, the Citizen Participation Plan calls for specific meetings where public input may be heard by elected officials. To date, the City Council had a 30-day public comment period as well as public hearings regarding the Plan at their regular meetings.

A draft summary of the proposed 2018-2022 Consolidated Plan was published on July 10th, 2018 in the area's local newspapers. Copies of the proposed plan were also made available at government offices as well as on the City of Winchester and NSVRC Community websites. Public Comment is received year-round, but was particularly solicited during the 30-day public comment period from July 10- August 11, 2018. The Public Comment period ended with a public hearing at the regular City Council meeting in August 14 2018. Public comment will be summarized below after the public comment period expires and other opportunities for public comment have concluded.

**Citizen Participation Outreach**

Sort Order	Mode of Outreach	Target of Outreach	Summary of response/attendance	Summary of comments received	Summary of comments not accepted and reasons	URL (If applicable)
1	Public Meeting	Minorities  Persons with disabilities  Non-targeted/broad community	Public comment will be summarized after the public comment period expires and other opportunities for public comment have concluded.	Public comment will be summarized after the public comment period expires and other opportunities for public comment have concluded.	Public comment will be summarized after the public comment period expires and other opportunities for public comment have concluded.	<a href="http://www.winchesterva.gov">www.winchesterva.gov</a>
2	Newspaper Ad	Minorities  Persons with disabilities  Non-targeted/broad community	A advertisement for public comment was solicited through two (2) locally circulated newspapers from July 5 to ?????, 2018. No public comments were received through newspaper advertisement.	No public comments were received through newspaper advertisement.	No public comments were received through newspaper advertisement.	

Sort Order	Mode of Outreach	Target of Outreach	Summary of response/attendance	Summary of comments received	Summary of comments not accepted and reasons	URL (If applicable)
3	Internet Outreach	Minorities Persons with disabilities Non-targeted/broad community Residents of Public and Assisted Housing	The planning documents were made available through the NSVRC Community Development and City of Winchester websites during the public comment period (July 10 to August 11, 2018). This included contact information to solicit comments to staff for consideration. No public comments were received through internet outreach.	Public comment will be summarized after the public comment period expires and other opportunities for public comment have concluded.	Public comment will be summarized after the public comment period expires and other opportunities for public comment have concluded.	<a href="http://www.NSVcommunity.org">www.NSVcommunity.org</a>

Sort Order	Mode of Outreach	Target of Outreach	Summary of response/attendance	Summary of comments received	Summary of comments not accepted and reasons	URL (If applicable)
4	Public Meeting	Minorities  Persons with disabilities  Non-targeted/broad community		Public comment will be summarized after the public comment period expires and other opportunities for public comment have concluded.	Public comment will be summarized after the public comment period expires and other opportunities for public comment have concluded.	<a href="http://www.NSVcommunity.org">www.NSVcommunity.org</a>

**Table 4 – Citizen Participation Outreach**

# Needs Assessment

## NA-05 Overview

### Needs Assessment Overview

This Needs Assessment is a tool for organizing and analyzing information specific to the Northern Shenandoah Valley region housing, homelessness, non-homeless and other community development needs. The purpose of this assessment is to identify any outstanding gaps or needs and how, when, and where to address these gaps. Subsequent sections of this Consolidated Plan outline specific goals, strategies and funding mechanisms for addressing the greatest needs.

## NA-10 Housing Needs Assessment - 24 CFR 91.205 (a,b,c)

### Summary of Housing Needs

Like communities across Virginia and the United States, the Northern Shenandoah Valley is not immune to the housing crisis and the declining value and quality of the housing stock. According to the data gathered by the Northern Shenandoah Valley Regional Commission in 2018, the most common housing problem facing the communities of the Northern Shenandoah Valley region are 1) cost burden, 2) lack of indoor plumbing (kitchen/baths) or substandard plumbing and 3) overcrowding. Accurately identifying the housing challenges for those at differing levels of area median income (AMI) is critical to understanding the need for affordable housing and setting goals to meet those needs.

Demographics	Base Year: 2000	Most Recent Year: 2013	% Change
Population	23,585	26,587	13%
Households	10,587	10,393	-2%
Median Income	\$34,335.00	\$44,200.00	29%

**Table 5 - Housing Needs Assessment Demographics**

**Data Source:** 2000 Census (Base Year), 2009-2013 ACS (Most Recent Year)

### Number of Households Table

	0-30% HAMFI	>30-50% HAMFI	>50-80% HAMFI	>80-100% HAMFI	>100% HAMFI
Total Households	1,560	1,475	1,900	1,015	4,445
Small Family Households	425	565	670	235	1,925
Large Family Households	60	75	120	85	260
Household contains at least one person 62-74 years of age	220	230	350	215	865
Household contains at least one person age 75 or older	165	225	355	90	535
Households with one or more children 6 years old or younger	280	275	255	145	360

**Table 6 - Total Households Table**

**Data Source:** 2009-2013 CHAS

## Housing Needs Summary Tables

### 1. Housing Problems (Households with one of the listed needs)

	Renter					Owner				
	0-30% AMI	>30-50% AMI	>50-80% AMI	>80-100% AMI	Total	0-30% AMI	>30-50% AMI	>50-80% AMI	>80-100% AMI	Total
<b>NUMBER OF HOUSEHOLDS</b>										
Substandard Housing - Lacking complete plumbing or kitchen facilities	50	15	25	0	90	15	0	20	0	35
Severely Overcrowded - With >1.51 people per room (and complete kitchen and plumbing)	0	10	25	0	35	0	0	0	0	0
Overcrowded - With 1.01-1.5 people per room (and none of the above problems)	10	85	0	4	99	15	0	40	10	65
Housing cost burden greater than 50% of income (and none of the above problems)	840	425	40	0	1,305	150	185	135	0	470
Housing cost burden greater than 30% of income (and none of the above problems)	135	420	550	120	1,225	45	65	175	125	410

	Renter					Owner				
	0-30% AMI	>30-50% AMI	>50-80% AMI	>80-100% AMI	Total	0-30% AMI	>30-50% AMI	>50-80% AMI	>80-100% AMI	Total
Zero/negative Income (and none of the above problems)	125	0	0	0	125	35	0	0	0	35

**Table 7 – Housing Problems Table**

Data 2009-2013 CHAS  
Source:

2. Housing Problems 2 (Households with one or more Severe Housing Problems: Lacks kitchen or complete plumbing, severe overcrowding, severe cost burden)

	Renter					Owner				
	0-30% AMI	>30-50% AMI	>50-80% AMI	>80-100% AMI	Total	0-30% AMI	>30-50% AMI	>50-80% AMI	>80-100% AMI	Total
<b>NUMBER OF HOUSEHOLDS</b>										
Having 1 or more of four housing problems	905	530	90	4	1,529	180	185	195	10	570
Having none of four housing problems	205	535	1,020	630	2,390	115	225	590	375	1,305
Household has negative income, but none of the other housing problems	125	0	0	0	125	35	0	0	0	35

**Table 8 – Housing Problems 2**

Data 2009-2013 CHAS  
Source:

3. Cost Burden > 30%

	Renter				Owner			
	0-30% AMI	>30-50% AMI	>50-80% AMI	Total	0-30% AMI	>30-50% AMI	>50-80% AMI	Total
<b>NUMBER OF HOUSEHOLDS</b>								
Small Related	345	405	260	1,010	20	54	110	184
Large Related	30	35	0	65	15	40	30	85
Elderly	145	150	55	350	110	130	49	289
Other	515	340	305	1,160	55	25	120	200

	Renter				Owner			
	0-30% AMI	>30-50% AMI	>50-80% AMI	Total	0-30% AMI	>30-50% AMI	>50-80% AMI	Total
Total need by income	1,035	930	620	2,585	200	249	309	758

**Table 9 – Cost Burden > 30%**

Data 2009-2013 CHAS  
Source:

#### 4. Cost Burden > 50%

	Renter				Owner			
	0-30% AMI	>30-50% AMI	>50-80% AMI	Total	0-30% AMI	>30-50% AMI	>50-80% AMI	Total
<b>NUMBER OF HOUSEHOLDS</b>								
Small Related	290	125	25	440	20	50	55	125
Large Related	30	25	0	55	15	40	0	55
Elderly	85	110	0	195	75	70	45	190
Other	500	180	20	700	40	25	35	100
Total need by income	905	440	45	1,390	150	185	135	470

**Table 10 – Cost Burden > 50%**

Data 2009-2013 CHAS  
Source:

#### 5. Crowding (More than one person per room)

	Renter					Owner				
	0-30% AMI	>30-50% AMI	>50-80% AMI	>80-100% AMI	Total	0-30% AMI	>30-50% AMI	>50-80% AMI	>80-100% AMI	Total
<b>NUMBER OF HOUSEHOLDS</b>										
Single family households	10	95	25	4	134	0	0	40	10	50
Multiple, unrelated family households	0	0	0	0	0	15	0	0	0	15
Other, non-family households	0	0	0	0	0	0	0	0	0	0
Total need by income	10	95	25	4	134	15	0	40	10	65

**Table 11 – Crowding Information – 1/2**

Data 2009-2013 CHAS  
Source:

	Renter				Owner			
	0-30% AMI	>30-50% AMI	>50-80% AMI	Total	0-30% AMI	>30-50% AMI	>50-80% AMI	Total
Households with Children Present	0	0	0	0	0	0	0	0

**Table 12 – Crowding Information – 2/2**

**Data Source**

**Comments:**

Based on 2010 Census Data; approximated for each AMI category (bracket).

**Describe the number and type of single person households in need of housing assistance.**

Single Person households in need of housing assistance throughout the Consortium are generally extremely low income, elderly, or both. The demand for one bedroom or efficiency apartments far exceeds the stock in the region, and waiting lists for these types of units are common. The lack of availability issue is compounded by the lack of affordable one bedroom or efficiency units. There is an effort among TBRA providers to encourage compatible clients to consider becoming roommates.

**Estimate the number and type of families in need of housing assistance who are disabled or victims of domestic violence, dating violence, sexual assault and stalking.**

**What are the most common housing problems?**

Like communities across Virginia and the United States, the Northern Shenandoah Valley is not immune to the housing crisis and the declining value and quality of the housing stock. According to the 2010 Census, the most common housing problem facing the communities of the Northern Shenandoah Valley are 1) cost burden, 2) lack of indoor plumbing (kitchen/baths) or substandard plumbing and 3) overcrowding. Cost burden, for those paying 50% or more of their monthly income, is the number one (1) housing problem; this is especially burdensome on those who own their own unit. This cost burden is especially high among individuals and families making less than 30% of area median income (AMI). Addressing the cost of housing by providing incentives for affordability is a prioritization for regional planning efforts.

**Are any populations/household types more affected than others by these problems?**

The housing problems facing the population of the Northern Shenandoah Valley include cost burden, lack of indoor plumbing and overcrowding. These housing problems are particularly severe in households that have a large number of individuals in them or are elderly or have other special needs (disabled, veterans, etc.). The Northern Shenandoah Valley Regional Commission, in partnership with the regional Continuum of Care (CoC), has identified several special needs populations that are susceptible to high housing costs, substandard housing, or lack safe, decent affordable housing all

together; in 2018 the CoC has identified veterans, substance/alcohol abusers, victims of domestic violence, those with mental/physical disabilities and chronically homeless as those that are the most affected by the housing crisis.

**Describe the characteristics and needs of Low-income individuals and families with children (especially extremely low-income) who are currently housed but are at imminent risk of either residing in shelters or becoming unsheltered 91.205(c)/91.305(c)). Also discuss the needs of formerly homeless families and individuals who are receiving rapid re-housing assistance and are nearing the termination of that assistance**

In 2018, the Point-in-Time (PIT) count identified 186 individuals currently living in shelters (emergency, transitional, permanent supportive) and 86 unsheltered individuals (living on the street, cars, motels, or doubled-up) as "homeless" (based on the US Department of Housing and Urban Development definition). These persons and families are typically extremely or low-income, making less than 30% AMI. These families typically face a significant cost burden in finding permanent housing and have to settle for substandard housing (homes with limited plumbing, hazardous lead, lack of efficient heating and cooling). Shelter and service providers participating in the CoC have identified current relationships with landlords, slum landlords and cost burden as the primary reason for clients needing rapid-rehousing and other rental assistance. To improve the effectiveness of providers in addressing the need for safe, decent, affordable housing the Northern Shenandoah Valley Regional Commission in partnership with the state Fair Housing Office, the National Alliance to End Homelessness (NAEH) and the Virginia Housing Development Authority (VHDA) have launched a Landlord Outreach Program to identify and work-directly with local landlords to identify units that could be set aside for nearly homeless, homeless, and chronically-homeless individuals and families for stable housing. This will include preferred placement, reduced rents and other supportive services.

**If a jurisdiction provides estimates of the at-risk population(s), it should also include a description of the operational definition of the at-risk group and the methodology used to generate the estimates:**

The Northern Shenandoah Valley Regional Commission, in partnership with the regional Continuum of Care (CoC), has identified several "special needs populations" that are susceptible to substandard housing, or lack safe, decent affordable housing all together; in 2018 the CoC has identified veterans, substance/alcohol abusers, victims of domestic violence, those with mental/physical disabilities and chronically homeless as those that are the most affected by the housing crisis.

**Specify particular housing characteristics that have been linked with instability and an increased risk of homelessness**

Housing characteristics that have been linked with instability and increased risk of homelessness included: cost burden (especially for extremely-low income persons) and substandard housing (and

housing degradation). The cost of housing in conjunction with other costs (food, gas, utilities, transportation) proves to be the catalyst for becoming homeless.

## **Discussion**

## NA-15 Disproportionately Greater Need: Housing Problems – 91.205 (b)(2)

Assess the need of any racial or ethnic group that has disproportionately greater need in comparison to the needs of that category of need as a whole.

### Introduction

The following information summarizes the populations at a "disproportionately greater need" for housing problems in the Northern Shenandoah Valley region. For this purpose, disproportionately greater need exists when the percentage of persons in a category of need who are members of a particular racial or ethnic group is at least 10 percentage points higher than the percentage of persons in category as a whole. Those defined as white and/or African American/black by the Comprehensive Housing Affordability Strategy (CHAS) data (US Census based) have a disproportionately higher likelihood of having four or more housing problems (cost burden, lack of plumbing, overcrowding, etc.). This is especially true for those in the lowest income categories of 0-30% and 30-50% area median income (AMI).

### 0%-30% of Area Median Income

Housing Problems	Has one or more of four housing problems	Has none of the four housing problems	Household has no/negative income, but none of the other housing problems
Jurisdiction as a whole	1,260	135	160
White	810	130	160
Black / African American	150	0	0
Asian	95	0	0
American Indian, Alaska Native	0	0	0
Pacific Islander	0	0	0
Hispanic	170	4	0
0	0	0	0

**Table 13 - Disproportionally Greater Need 0 - 30% AMI**

**Alternate Data Source Name:**

2011-2015 CHAS Data for NSV Region

**Data Source Comments:**

\*The four housing problems are:

1. Lacks complete kitchen facilities,
2. Lacks complete plumbing facilities,
3. More than one person per room,
4. Cost Burden greater than 30%

### 30%-50% of Area Median Income

Housing Problems	Has one or more of four housing problems	Has none of the four housing problems	Household has no/negative income, but none of the other housing problems
Jurisdiction as a whole	1,205	270	0
White	695	260	0
Black / African American	170	10	0
Asian	25	0	0
American Indian, Alaska Native	0	0	0
Pacific Islander	0	0	0
Hispanic	290	0	0

**Table 14 - Disproportionally Greater Need 30 - 50% AMI**

Data Source: 2009-2013 CHAS

\*The four housing problems are:

1. Lacks complete kitchen facilities,
2. Lacks complete plumbing facilities,
3. More than one person per room,
4. Cost Burden greater than 30%

### 50%-80% of Area Median Income

Housing Problems	Has one or more of four housing problems	Has none of the four housing problems	Household has no/negative income, but none of the other housing problems
Jurisdiction as a whole	1,020	880	0
White	710	775	0
Black / African American	140	70	0
Asian	45	0	0
American Indian, Alaska Native	4	0	0
Pacific Islander	0	0	0
Hispanic	125	35	0

**Table 15 - Disproportionally Greater Need 50 - 80% AMI**

Data Source: 2009-2013 CHAS

\*The four housing problems are:

1. Lacks complete kitchen facilities,
2. Lacks complete plumbing facilities,
3. More than one person per room,
4. Cost Burden greater than 30%

**80%-100% of Area Median Income**

<b>Housing Problems</b>	<b>Has one or more of four housing problems</b>	<b>Has none of the four housing problems</b>	<b>Household has no/negative income, but none of the other housing problems</b>
Jurisdiction as a whole	260	760	0
White	205	610	0
Black / African American	30	125	0
Asian	0	25	0
American Indian, Alaska Native	0	0	0
Pacific Islander	0	0	0
Hispanic	14	0	0

**Table 16 - Disproportionally Greater Need 80 - 100% AMI**

Data Source: 2009-2013 CHAS

\*The four housing problems are:

1. Lacks complete kitchen facilities,
2. Lacks complete plumbing facilities,
3. More than one person per room,
4. Cost Burden greater than 30%

**Discussion**

## NA-20 Disproportionately Greater Need: Severe Housing Problems – 91.205 (b)(2)

Assess the need of any racial or ethnic group that has disproportionately greater need in comparison to the needs of that category of need as a whole.

### Introduction

The following information summarizes the populations at a "disproportionately greater need" for severe housing problems in the Northern Shenandoah Valley region. For this purpose, disproportionately greater need exists when the percentage of persons in a category of need who are members of a particular racial or ethnic group is at least 10 percentage points higher than the percentage of persons in category as a whole. Those defined as white and/or African American/black Comprehensive Housing Affordability Strategy (CHAS) data (US Census based) have a disproportionately higher likelihood of having four or more severe housing problems . This is especially true for those in the lowest income categories of 0-30% and 30-50% area median income (AMI).

### 0%-30% of Area Median Income

Severe Housing Problems*	Has one or more of four housing problems	Has none of the four housing problems	Household has no/negative income, but none of the other housing problems
Jurisdiction as a whole	1,085	320	160
White	640	305	160
Black / African American	140	10	0
Asian	95	0	0
American Indian, Alaska Native	0	0	0
Pacific Islander	0	0	0
Hispanic	170	4	0

**Table 17 – Severe Housing Problems 0 - 30% AMI**

Data Source: 2009-2013 CHAS

\*The four severe housing problems are:

1. Lacks complete kitchen facilities,
2. Lacks complete plumbing facilities,
3. More than 1.5 persons per room,
4. Cost Burden over 50%

### 30%-50% of Area Median Income

Severe Housing Problems*	Has one or more of four housing problems	Has none of the four housing problems	Household has no/negative income, but none of the other housing problems
Jurisdiction as a whole	715	760	0
White	330	625	0
Black / African American	145	35	0
Asian	15	10	0
American Indian, Alaska Native	0	0	0
Pacific Islander	0	0	0
Hispanic	210	79	0

**Table 18 – Severe Housing Problems 30 - 50% AMI**

Data Source: 2009-2013 CHAS

\*The four severe housing problems are:

1. Lacks complete kitchen facilities, 2. Lacks complete plumbing facilities, 3. More than 1.5 persons per room, 4. Cost Burden over 50%

### 50%-80% of Area Median Income

Severe Housing Problems*	Has one or more of four housing problems	Has none of the four housing problems	Household has no/negative income, but none of the other housing problems
Jurisdiction as a whole	285	1,610	0
White	170	1,315	0
Black / African American	40	170	0
Asian	35	10	0
American Indian, Alaska Native	4	0	0
Pacific Islander	0	0	0
Hispanic	40	110	0

**Table 19 – Severe Housing Problems 50 - 80% AMI**

Data Source: 2009-2013 CHAS

\*The four severe housing problems are:

1. Lacks complete kitchen facilities, 2. Lacks complete plumbing facilities, 3. More than 1.5 persons per room, 4. Cost Burden over 50%

**80%-100% of Area Median Income**

<b>Severe Housing Problems*</b>	<b>Has one or more of four housing problems</b>	<b>Has none of the four housing problems</b>	<b>Household has no/negative income, but none of the other housing problems</b>
Jurisdiction as a whole	14	1,005	0
White	0	820	0
Black / African American	0	160	0
Asian	0	25	0
American Indian, Alaska Native	0	0	0
Pacific Islander	0	0	0
Hispanic	14	0	0

**Table 20 – Severe Housing Problems 80 - 100% AMI**

Data Source: 2009-2013 CHAS

\*The four severe housing problems are:

1. Lacks complete kitchen facilities,
2. Lacks complete plumbing facilities,
3. More than 1.5 persons per room,
4. Cost Burden over 50%

**Discussion**

## NA-25 Disproportionately Greater Need: Housing Cost Burdens – 91.205 (b)(2)

Assess the need of any racial or ethnic group that has disproportionately greater need in comparison to the needs of that category of need as a whole.

### Introduction:

A disproportionately greater need exists when the members of a certain racial or ethnic group at varying income levels experience housing problems at a greater rate (10 percentage points or more) than the income level as a whole. In the Northern Shenandoah Valley Region, whites who make less than 30% of area median income (AMI) share a greater cost burden than any other racial group. However, in the 30-50% AMI, African Americans share a greater cost burden.

### Housing Cost Burden

Housing Cost Burden	<=30%	30-50%	>50%	No / negative income (not computed)
Jurisdiction as a whole	6,275	2,025	1,935	160
White	5,360	1,590	1,130	160
Black / African American	475	175	270	0
Asian	125	20	145	0
American Indian, Alaska Native	0	0	4	0
Pacific Islander	0	0	0	0
Hispanic	275	240	325	0

**Table 21 – Greater Need: Housing Cost Burdens AMI**

Data Source: 2009-2013 CHAS

### Discussion:

## **NA-30 Disproportionately Greater Need: Discussion – 91.205(b)(2)**

**Are there any income categories in which a racial or ethnic group has disproportionately greater need than the needs of that income category as a whole?**

Those making less than 50% area median income (AMI) and specifically those in the extremely low-income bracket (less than 30% AMI) face a disproportionately greater need for housing than those above 50% AMI. Typically these residents are located within the City of Winchester or the Town's, and they are disproportionately minority (African American or Hispanic) and are renters.

**If they have needs not identified above, what are those needs?**

The greatest need faced by these groups is typically cost burden (greater than 50% of income for housing) and substandard housing units (lacking complete plumbing, older stock, lead-based paint hazards). These needs have been thoroughly documented and discussed in the Housing Needs Assessment in preceding sections.

**Are any of those racial or ethnic groups located in specific areas or neighborhoods in your community?**

The North End Neighborhood in Winchester is one target neighborhood for CDBG funds; and has a disproportionately greater need for public investment. The population of this specific area tends to be a higher than average number of minority residents and higher than average number of those making less than 50% AMI (low-income).

## NA-35 Public Housing – 91.205(b)

### Introduction

There are no public housing units in the Northern Shenandoah Valley region. The City of Winchester Department of Social Services and the Shenandoah County Department of Social Services administer the Housing Choice Voucher program.

### Totals in Use

	Program Type								
	Certificate	Mod-Rehab	Public Housing	Vouchers			Special Purpose Voucher		
				Total	Project - based	Tenant - based	Veterans Affairs Supportive Housing	Family Unification Program	Disabled *
# of units vouchers in use	0	38	0	9,092	3	8,912	60	11	93

Table 22 - Public Housing by Program Type

\*includes Non-Elderly Disabled, Mainstream One-Year, Mainstream Five-year, and Nursing Home Transition

Data Source: PIC (PIH Information Center)

### Characteristics of Residents

	Program Type								
	Certificate	Mod-Rehab	Public Housing	Vouchers			Special Purpose Voucher		
				Total	Project - based	Tenant - based	Veterans Affairs Supportive Housing	Family Unification Program	
Average Annual Income	0	8,365	0	11,574	10,649	11,543	10,848	7,925	
Average length of stay	0	3	0	6	2	6	0	4	

	Program Type							
	Certificate	Mod-Rehab	Public Housing	Vouchers			Special Purpose Voucher	
				Total	Project - based	Tenant - based	Veterans Affairs Supportive Housing	Family Unification Program
Average Household size	0	1	0	2	1	2	1	3
# Homeless at admission	0	0	0	17	0	16	0	1
# of Elderly Program Participants (>62)	0	10	0	1,551	0	1,535	4	0
# of Disabled Families	0	27	0	3,350	1	3,235	26	5
# of Families requesting accessibility features	0	38	0	9,092	3	8,912	60	11
# of HIV/AIDS program participants	0	0	0	0	0	0	0	0
# of DV victims	0	0	0	0	0	0	0	0

**Table 23 – Characteristics of Public Housing Residents by Program Type**

Data Source: PIC (PIH Information Center)

### Race of Residents

Race	Program Type								
	Certificate	Mod-Rehab	Public Housing	Vouchers			Special Purpose Voucher		
				Total	Project - based	Tenant - based	Veterans Affairs Supportive Housing	Family Unification Program	Disabled *
White	0	33	0	4,103	3	4,022	9	4	62
Black/African American	0	5	0	4,920	0	4,822	51	7	30
Asian	0	0	0	30	0	30	0	0	0

Program Type									
Race	Certificate	Mod-Rehab	Public Housing	Vouchers					
				Total	Project - based	Tenant - based	Special Purpose Voucher		
							Veterans Affairs Supportive Housing	Family Unification Program	Disabled *
American Indian/Alaska Native	0	0	0	24	0	24	0	0	0
Pacific Islander	0	0	0	15	0	14	0	0	1
Other	0	0	0	0	0	0	0	0	0
<b>*includes Non-Elderly Disabled, Mainstream One-Year, Mainstream Five-year, and Nursing Home Transition</b>									

**Table 24 – Race of Public Housing Residents by Program Type**

Data Source: PIC (PIH Information Center)

### Ethnicity of Residents

Program Type									
Ethnicity	Certificate	Mod-Rehab	Public Housing	Vouchers					
				Total	Project - based	Tenant - based	Special Purpose Voucher		
							Veterans Affairs Supportive Housing	Family Unification Program	Disabled *
Hispanic	0	0	0	189	0	189	0	0	0
Not Hispanic	0	38	0	8,903	3	8,723	60	11	93
<b>*includes Non-Elderly Disabled, Mainstream One-Year, Mainstream Five-year, and Nursing Home Transition</b>									

**Table 25 – Ethnicity of Public Housing Residents by Program Type**

Data Source: PIC (PIH Information Center)



**Section 504 Needs Assessment: Describe the needs of public housing tenants and applicants on the waiting list for accessible units:**

There are no public housing units in the Northern Shenandoah Valley region. All data reported pertains only to the City of Winchester, which is the only community with Section 8 funding.

**Most immediate needs of residents of Public Housing and Housing Choice voucher holders**

There are no public housing units in the Northern Shenandoah Valley region.

The City of Winchester operates the Section 8 Tenant-Based Rental Assistance; in 2018 249 clients were assisted with their cost of housing. The waiting list for the Section 8 program is generally quite long with the monthly allocation expended early in each month.

**How do these needs compare to the housing needs of the population at large**

There are no public housing units in the Northern Shenandoah Valley region. However, in general for the region, there is a need for rental assistance programs to provide rental and utility assistance to those making less than 80% of area median income (AMI). More importantly, there is a need for assistance to address those that are homeless or at risk of homelessness, specifically those with extremely low income (less than 30% AMI).

Tenant Based Rental Assistance (TBRA) is currently offered through the HOME program; the program began in 2011 and is operated by four non-profit groups serving Winchester City, Clarke, Shenandoah, Page, Frederick and Warren Counties.

**Discussion**

There are no public housing units in the Northern Shenandoah Valley region.

## NA-40 Homeless Needs Assessment – 91.205(c)

### Introduction:

The Point-in-Time (PIT) Count seeks to identify the number of homeless individuals and families in the Northern Shenandoah Valley Continuum of Care (CoC) planning area, which includes Frederick, Clarke, Page, Shenandoah and Warren Counties, Winchester City, and the Towns of Berryville, Boyce, Edinburg, Front Royal, Luray, Middletown, Mount Jackson, New Market, Shenandoah, Stanley, Stephens City, Strasburg, Toms Brook and Woodstock. During one 24-hour period, volunteers and human service agency staff conduct a count of homeless individuals and families in emergency and transitional shelters as well as unsheltered individuals. The count is required by U.S. Department of Housing and Urban Development to be conducted at least bi-annually in January and is intended to not only identify the number of homeless persons in the community, but to determine the homeless population’s needs in order to create programs that prevent homelessness. The information gathered in the count also measures the region’s progress in addressing homelessness and provides the community with vital information to use in obtaining funding to support programs for the local homeless.

### Homeless Needs Assessment

Population	Estimate the # of persons experiencing homelessness on a given night		Estimate the # experiencing homelessness each year	Estimate the # becoming homeless each year	Estimate the # exiting homelessness each year	Estimate the # of days persons experience homelessness
	Sheltered	Unsheltered				
Persons in Households with Adult(s) and Child(ren)	0	19	150	50	50	10
Persons in Households with Only Children	0	0	0	0	0	0
Persons in Households with Only Adults	23	113	300	50	100	10
Chronically Homeless Individuals	0	0	125	50	15	60
Chronically Homeless Families	5	2	5	5	5	30
Veterans	24	7	100	25	25	10
Unaccompanied Child	0	0	0	0	0	0

Population	Estimate the # of persons experiencing homelessness on a given night		Estimate the # experiencing homelessness each year	Estimate the # becoming homeless each year	Estimate the # exiting homelessness each year	Estimate the # of days persons experience homelessness
	Sheltered	Unsheltered				
Persons with HIV	0	0	0	0	0	0

**Table 26 - Homeless Needs Assessment**

Collected from 2013 Point-in-Time (PIT) Count conducted on January 24, 2018; and estimated using Ten (10) Year Plan to End Homelessness (2012). Data was reviewed through consultations with Virginia Coalition to End Homelessness (VCEH) regional Technical Advisory Network (TAN) and Continuum of Care (CoC) for accuracy of information and estimates. Estimates for future years determined using Homeless Management Information System (HMIS) data collected January 1, 2012 to December

**Data Source Comments:** 31, 2012.

Indicate if the homeless population is: Partially Rural Homeless

**Rural Homeless Needs Assessment**

Population	Estimate the # of persons experiencing homelessness on a given night		Estimate the # experiencing homelessness each year	Estimate the # becoming homeless each year	Estimate the # exiting homelessness each year	Estimate the # of days persons experience homelessness
	Sheltered	Unsheltered				
Persons in Households with Adult(s) and Child(ren)	0	0	0	0	0	0
Persons in Households with Only Children	0	0	0	0	0	0
Persons in Households with Only Adults	0	0	0	0	0	0
Chronically Homeless Individuals	0	0	0	0	0	0
Chronically Homeless Families	0	0	0	0	0	0

Population	Estimate the # of persons experiencing homelessness on a given night		Estimate the # experiencing homelessness each year	Estimate the # becoming homeless each year	Estimate the # exiting homelessness each year	Estimate the # of days persons experience homelessness
	Sheltered	Unsheltered				
Veterans	0	0	0	0	0	0
Unaccompanied Youth	0	0	0	0	0	0
Persons with HIV	0	0	0	0	0	0

**Table 27 - Homeless Needs Assessment**

Collected from 2013 Point-in-Time (PIT) Count conducted on January 24, 2018; and estimated using Ten (10) Year Plan to End Homelessness (2012). Data was reviewed through consultations with Virginia Coalition to End Homelessness (VCEH) regional Technical Advisory Network (TAN) and Continuum of Care (CoC) for accuracy of information and estimates. Estimates for future years determined using Homeless Management Information System (HMIS) data collected January 1, 2012 to December 31, 2012.

**Data Source Comments:**

**For persons in rural areas who are homeless or at risk of homelessness, describe the nature and extent of unsheltered and sheltered homelessness with the jurisdiction:**

Typically, rural homeless or those at risk of homeless are difficult to quantify; families are reluctant to come forward based on the stigmatization of being defined as "homeless." Also challenging in the Northern Shenandoah Valley is the vast expanse of National Parks and Forest. Although not officially counted, there is a local perception that there is a large number of individuals who are unsheltered but living in the woods or in local camgrounds. Efforts to reach out to these individuals/groups have been difficult.

The CoC continues to outreach through local service providers, churches, non-profits and food pantries to identify homeless or those at risk of homelessness at least annually through the point-in-time count.

**If data is not available for the categories "number of persons becoming and exiting homelessness each year," and "number of days that persons experience homelessness," describe these categories for each homeless population type (including chronically homeless individuals and families, families with children, veterans and their families, and unaccompanied youth):**

. Numbers provided above are "best estimates" and should be evaluated at least annually for accuracy and potential revisions to the projections. Keeping the data up-to-date and working directly with the CoC should ensure decisions regarding homelessness are sound and based on the most current statistical information.

**Nature and Extent of Homelessness: (Optional)**

<b>Race:</b>	<b>Sheltered:</b>	<b>Unsheltered (optional)</b>
White	0	0
Black or African American	0	0
Asian	0	0
American Indian or Alaska Native	0	0
Pacific Islander	0	0
<b>Ethnicity:</b>	<b>Sheltered:</b>	<b>Unsheltered (optional)</b>
Hispanic	0	0
Not Hispanic	0	0

Estimated from 2013 Point-in-Time (PIT) Count conducted on January 26, 2012; and Homeless Management Information System (HMIS) data collected January 1, 2012 to December 31, 2012. Data was reviewed through consultations with Virginia Coalition to End Homelessness (VCEH) regional Technical Advisory Network (TAN) and Continuum of Care (CoC) for accuracy of information and estimates.

**Data Source**  
**Comments:**

**Estimate the number and type of families in need of housing assistance for families with children and the families of veterans.**

Identifying the number and types of families in need of housing assistance for families with children and veterans families are two (2) subpopulations that Northern Shenandoah Valley regions struggles to accurately identify through the Point-in-Time Count and the Homeless Management Information System (HMIS). Anecdotal evidence from shelter and supportive service providers and the public at-large estimate this number to be significantly higher for the region. The regions Continuum of Care (CoC) has identified families with children and veterans as priority need populations in the Ten (10) Year Plan to End Homelessness. However, getting these individuals and families to come forward to be counted and receive services, especially housing assistance remains a challenge.

**Describe the Nature and Extent of Homelessness by Racial and Ethnic Group.**

Identifying the nature and extent of homelessness by racial and ethnic group are subpopulations the Northern Shenandoah Valley regions struggles to accurately quantify through the Point-in-Time Count and the Homeless Management Information System (HMIS). However there may be other factors which leads non-whites and non-Hispanic Latinos to not participate in the counting of homeless including outreach methods, language barriers, and the stigma of being counted as homeless (per the definition as outlined by the US Department of Housing & Urban Development).

**Describe the Nature and Extent of Unsheltered and Sheltered Homelessness.**

Numbers provided above are best estimates and should be evaluated at least annually for accuracy and potential revisions to the projections. Quantifying rural homeless is even more difficult as clients frequently will not report where they had lived/stayed prior to entering a shelter or program. Future efforts are underway to accurately count the regions rural homeless population. Keeping the data up-to-date and working directly with the CoC should ensure decisions regarding homelessness are sound and based on the most current statistical information.

**Discussion:**

## **NA-45 Non-Homeless Special Needs Assessment - 91.205 (b,d)**

### **Introduction:**

#### **Describe the characteristics of special needs populations in your community:**

Non homeless special needs are also increasing in the region. The population in many parts of the region is aging, and therefore people are requiring a different level of service than before. There are several areas of growing concern for planners and service providers in the region:

- mentally ill or disabled
- elderly and frail elderly
- reentry from institutional facilities
- physically disabled

These priority areas have been identified and are currently under study through various avenues throughout the region.

#### **What are the housing and supportive service needs of these populations and how are these needs determined?**

One of the most critical needs in the region is to coordinate efforts for needs assessment and strategic planning among all of the resource pools available to maximize efforts in meeting special needs. Currently there is duplication of effort and large gaps in the service delivery system- leaving many people without any resources.

Currently the only supportive services provided to persons who are not homeless but are in need of supportive housing are administered by Northwestern Community Services via the Shelter + Care Program and the Virginia PATH Program. There is very little in the way of supportive services compared to the need in the region.

#### **Discuss the size and characteristics of the population with HIV/AIDS and their families within the Eligible Metropolitan Statistical Area:**

There is one organization in the Northern Shenandoah Valley region that works directly with the HIV/AIDS population and their families, Aids Response Effort Inc. (ARE) located in Winchester.

LFHD counties with HIV/AIDS population: City of Winchester-36%, Frederick-26%, Warren-16%, Shenandoah-11%, Clarke-6%, Page-5%.

LFHD housing for HIV/AIDS population: 88% stable, 9% temporary, 3% unstable

**Discussion:**

## **NA-50 Non-Housing Community Development Needs – 91.215 (f)**

### **Describe the jurisdiction’s need for Public Facilities:**

The Northern Shenandoah Valley region (including the City of Winchester) have many large, unmet needs for public facilities and other community infrastructure. This includes but is not limited to: broadband and wireless infrastructure, community facilities (recreational, cultural, social) and overall pedestrian traffic improvements (sidewalks).

The City of Winchester is the only community that receives CDBG funds and therefore much of the Community Development goals are focused in the City. Community Development needs in Winchester include the replacement and repair of dilapidated sidewalks in the CDBG Target Area, improved neighborhood facilities (including parks, senior centers and youth centers) and economic development. Prior years’ allocations of CDBG funds have providing resources to assist in the renovation of a neighborhood park and will be used to support efforts to upgrade the accessibility of sidewalks in the Target Area.

### **How were these needs determined?**

The CDBG Target Area has been identified by the City of Winchester to become a neighborhood of choice in the City that offers a unique housing stock and accessibility to the downtown, local business and employment opportunities.

Other non-housing community development needs have been identified by individual jurisdictions beyond the City of Winchester through requests for assistance to the Northern Shenandoah Valley Regional Commission, and those that are annual prioritized and provided to the Virginia (VA) Department of Housing and Community Development (DHCD).

### **Describe the jurisdiction’s need for Public Improvements:**

As community infrastructure ages and expansion of communities to accommodate growth, the need for funding (public and private) to address these deficiencies increases. The Northern Shenandoah Valley region (including the City of Winchester) have many large, unmet needs for public improvements . This includes but is not limited to: street improvements, pedestrian facilities, water/sewer improvements, flood drainage improvements, parking facilities, etc.

Water/sewer improvements is especially needed in the most rural communities where infrastructure is confined to the Town's and many rural low and moderate-income families lack access to plumbing/wastewater facilities.

Public and private partnerships will be critical to addressing these infrastructure needs.

### **How were these needs determined?**

The CDBG Target Area has been identified by the City of Winchester to become a neighborhood of choice in the City that offers a unique housing stock and accessibility to the downtown, local business and employment opportunities.

Other non-housing community development needs have been identified by individual jurisdictions beyond the City of Winchester through requests for assistance to the Northern Shenandoah Valley Regional Commission, and those that are annual prioritized and provided to the Virginia (VA) Department of Housing and Community Development (DHCD).

### **Describe the jurisdiction's need for Public Services:**

Improvements and expansion of public services are also necessary for sustained growth in the Northern Shenandoah Valley region; this includes addressing service gaps in homelessness/HIV/AIDS programs, services for special needs populations (elderly, disabled, veterans, abused), affordable transportation options, employment training and other supportive services. The region's high low and moderate income population in conjunction with a increasing elderly population will only see a more dramatic need for supportive public services over the next five years. Public and private partnerships will be critical to addressing these service needs.

### **How were these needs determined?**

The CDBG Target Area has been identified by the City of Winchester to become a neighborhood of choice in the City that offers a unique housing stock and accessibility to the downtown and local business and employment.

Other non-housing community development needs have been identified by individual jurisdictions beyond the City of Winchester through requests for assistance to the Northern Shenandoah Valley Regional Commission, and those that are annual prioritized and provided to the Virginia (VA) Department of Housing and Community Development (DHCD).

# Housing Market Analysis

## MA-05 Overview

### Housing Market Analysis Overview:

Current market conditions have resulted in a change in the supply of housing stock in the area. The downturn in the homebuyer market has resulted in a more relaxed rental market. Especially in the case of units converted from owner to rental, prices are falling. However, the reality still remains that there is a need for affordable housing in the area. Corrections to date in the housing market have not opened many doors to first time homebuyers and rental units now available may not be appropriate for the households which demand it.

While income levels within the Northern Shenandoah Valley region have risen consistently over the past several decades (albeit at a rate lower than necessary to gain appreciably on the statewide average), income has not kept pace with increases in the region's housing supply costs. As such, a substantial housing cost burden has appeared as described below, even for those individual and families above the defined poverty level.

The purpose of the Market Analysis section is to provide a snapshot of the environment in which the region will administer its programs over the course of the Consolidated Plan. In conjunction with the Needs Assessment section, the Market Analysis will provide the basis for the Strategic Plan and the programs and projects to be administered.

## MA-10 Number of Housing Units – 91.210(a)&(b)(2)

### Introduction

Current market conditions have resulted in a change in the supply of housing stock in the area. The downturn in the homebuyer market has resulted in a more relaxed rental market. Especially in the case of units converted from owner to rental, prices are falling. However, the reality still remains that there is a need for affordable housing in the area. Corrections to date in the housing market have not opened many doors to first time homebuyers and rental units now available may not be appropriate for the households which demand it.

### All residential properties by number of units

Property Type	Number	%
1-unit detached structure	6,340	53%
1-unit, attached structure	1,631	14%
2-4 units	1,375	12%
5-19 units	1,750	15%
20 or more units	719	6%
Mobile Home, boat, RV, van, etc	64	1%
<b>Total</b>	<b>11,879</b>	<b>100%</b>

**Table 28 – Residential Properties by Unit Number**

Data Source: 2009-2013 ACS

### Unit Size by Tenure

	Owners		Renters	
	Number	%	Number	%
No bedroom	0	0%	223	4%
1 bedroom	82	2%	1,069	20%
2 bedrooms	962	19%	2,639	49%
3 or more bedrooms	4,011	79%	1,407	26%
<b>Total</b>	<b>5,055</b>	<b>100%</b>	<b>5,338</b>	<b>99%</b>

**Table 29 – Unit Size by Tenure**

Data Source: 2009-2013 ACS

### Describe the number and targeting (income level/type of family served) of units assisted with federal, state, and local programs.

As of the year 2010, the largest minority populations within the Northern Shenandoah Valley Region are Black or African American and Hispanic. The majority of the region's minority population is concentrated around the City of Winchester and several of the region's towns. By percentage, the region's largest percentage of Hispanic population is located outside of Front Royal and in portions of

Winchester, where approximately 10-15% of the population is reported as Hispanic origin. Similarly, the region's largest concentration of Black population is located in the north east section of Winchester and portions of Front Royal, where approximately 15-21% of the total population is reported as Black or African American. Special need's populations that are targeted for local programs include those with extremely-low (less than 30%AMI) and low-income (30-50%AMI); female headed households, elderly, disabled, veterans and HIV/AIDs.

**Provide an assessment of units expected to be lost from the affordable housing inventory for any reason, such as expiration of Section 8 contracts.**

There are no units expected to be lost from the affordable housing inventory during the next five (5) years.

**Does the availability of housing units meet the needs of the population?**

The availability of housing the region currently serves the existing population. As of the 2010 Census, only 12% of housing units (homes, rentals, mobile homes, etc.) were reported as vacant, with only 7.4% of those being designated as rental units. However, the housing stock in the region is quite old, with nearly 55% of existing units constructed prior to 1980 and only 13% constructed post 2000. The aging housing stocks creates challenges with cost burden, lack of accessibility and other hazards such as lead-based paint and asbestos. As the housing stock continues to age there is an increased need for repair and replacement; and typically these costs prove difficult for special populations and with low to moderate income. Prioritization of future funding should go to address the most immediate housing needs: rental units and housing rehabilitation.

**Describe the need for specific types of housing:**

For the life of this five-year Consolidated Plan, the City of Winchester and HOME Consortium will work toward meeting the above listed Priority Needs through identifying specific objectives within the following Strategic Goals:

1. Improve infrastructure in targeted areas.
2. Strengthen Communities
3. Ensure Equal Opportunity in Housing
4. Embrace High Standards of Ethics, Management and Accountability
5. Promote Participation of Faith-Based and Community Organization

**Discussion**

## MA-15 Housing Market Analysis: Cost of Housing - 91.210(a)

### Introduction

While income levels within the Northern Shenandoah Valley region have risen consistently over the past several decades (albeit at a rate lower than necessary to gain appreciably on the statewide average), income has not kept pace with increases in the region's housing supply costs. As such, a substantial housing cost burden has appeared as described below, even for those individual and families above the defined poverty level. One particularly useful measure of housing affordability is housing cost burden, defined as the ratio of gross housing cost to income. When households are required to pay a large portion of their income to housing, they usually have to sacrifice somewhere else through a reduction in or elimination of non-housing related household expenditures. Severe cost burdens are often associated with stress, family instability, and carry the risk of eviction, housing instability, and homelessness. For purposes of this analysis, housing cost burden will be established when households allocate greater than 30% of their income for housing related costs.

### Cost of Housing

	Base Year: 2000	Most Recent Year: 2013	% Change
Median Home Value	109,800	224,100	104%
Median Contract Rent	454	771	70%

Table 30 – Cost of Housing

Data Source: 2000 Census (Base Year), 2009-2013 ACS (Most Recent Year)

Rent Paid	Number	%
Less than \$500	653	12.2%
\$500-999	3,800	71.2%
\$1,000-1,499	782	14.7%
\$1,500-1,999	41	0.8%
\$2,000 or more	62	1.2%
<b>Total</b>	<b>5,338</b>	<b>100.0%</b>

Table 31 - Rent Paid

Data Source: 2009-2013 ACS

### Housing Affordability

% Units affordable to Households earning	Renter	Owner
30% HAMFI	185	No Data
50% HAMFI	915	175
80% HAMFI	3,455	900

<b>% Units affordable to Households earning</b>	<b>Renter</b>	<b>Owner</b>
100% HAMFI	No Data	1,339
<b>Total</b>	<b>4,555</b>	<b>2,414</b>

**Table 32 – Housing Affordability**

Data Source: 2009-2013 CHAS

## Monthly Rent

<b>Monthly Rent (\$)</b>	<b>Efficiency (no bedroom)</b>	<b>1 Bedroom</b>	<b>2 Bedroom</b>	<b>3 Bedroom</b>	<b>4 Bedroom</b>
Fair Market Rent	0	0	0	0	0
High HOME Rent	0	0	0	0	0
Low HOME Rent	0	0	0	0	0

**Table 33 – Monthly Rent**

Data Source Comments:

## Is there sufficient housing for households at all income levels?

Based on 2010 Census data there is sufficient housing for households at all income levels. However, the availability of housing for extremely low (less than 30%AMI) and low-income (30-50%AMI) is somewhat limited as the majority of the units fall in the \$500 to \$999 rent range and these units have high competition between those who can and cannot afford them.

## How is affordability of housing likely to change considering changes to home values and/or rents?

The affordability of housing is likely to decrease in the Northern Shenandoah Valley. As the region recovers from the 2008 Housing Crisis and home values and rent return to their previous levels; and increased development pressure from the Washington DC Metropolitan Area creeps in, the availability of affordable units will decline. Those with the greatest burden of cost of housing (typically 50% or less AMI) will have to spend more to find safe, decent, affordable housing. Also, the need for affordable units will continue to increase.

## How do HOME rents / Fair Market Rent compare to Area Median Rent? How might this impact your strategy to produce or preserve affordable housing?

Area median rent, identified above by 2010 Census data as \$771 is slightly higher than the average fair market rents ; this means that the burden of the cost housing is high because the availability of

affordable units is scarce. The average HOME high and low rents is even less than the area media and the Fair Market Rent comparatively. Because of this reality, it becomes even more paramount for the Consortia to target the development of affordable units to the realities of the housing market,

particularly as it relates to costs. Also, the necessity for rental assistance and down-payment assistance to reduce the cost of housing burden on low-income clients is also paramount.

## **Discussion**

## MA-20 Housing Market Analysis: Condition of Housing – 91.210(a)

### Introduction

Households at or below 50% MFI have highest percentage of households with housing problems and cost burden. This is, in large part due to a lack of housing affordable at the lowest income levels for renters and owners. Generally, less expensive housing is more difficult to find in the Northern Shenandoah Valley, and households sometimes settle for poorer housing conditions over price. There are some distinctions among household types that help in identifying some of the housing needs in the Northern Shenandoah Valley.

### Definitions

The age of a structure is used to show the time the unit has been in the inventory and the duration of time over which substantial maintenance is necessary. The age threshold commonly used to signal a potential deficiency is represented by the year built with units that are 40 years old or over used as the threshold. Figure 13 shows the estimated regional average of a structures age. The 2010 Census estimated by average that 55 percent of the housing units within the region were completed prior to 1980. The jurisdiction that had the highest number of units built prior to 1980 was Winchester City by 68 percent. The county that had the lowest number of units built prior to 1980 was Frederick County at 33 percent. The jurisdiction that had the largest number of units built between 1980 and 2000 was Frederick County at 43 percent. The county that had the lowest number of units built between 1980 and 2000 was Winchester City at 22 percent. The jurisdiction that had the largest number of units built 2001 to present was Frederick County at 24 percent. The county that had the lowest number of units built 2001 to present was Page County at 8 percent.

### Condition of Units

Condition of Units	Owner-Occupied		Renter-Occupied	
	Number	%	Number	%
With one selected Condition	1,328	26%	2,691	50%
With two selected Conditions	0	0%	123	2%
With three selected Conditions	0	0%	46	1%
With four selected Conditions	0	0%	0	0%
No selected Conditions	3,727	74%	2,478	46%
<b>Total</b>	<b>5,055</b>	<b>100%</b>	<b>5,338</b>	<b>99%</b>

**Table 34 - Condition of Units**

Data Source: 2009-2013 ACS

## Year Unit Built

Year Unit Built	Owner-Occupied		Renter-Occupied	
	Number	%	Number	%
2000 or later	753	15%	337	6%
1980-1999	1,166	23%	1,517	28%
1950-1979	2,051	41%	1,976	37%
Before 1950	1,085	21%	1,508	28%
<b>Total</b>	<b>5,055</b>	<b>100%</b>	<b>5,338</b>	<b>99%</b>

**Table 35 – Year Unit Built**

Data Source: 2009-2013 CHAS

## Risk of Lead-Based Paint Hazard

Risk of Lead-Based Paint Hazard	Owner-Occupied		Renter-Occupied	
	Number	%	Number	%
Total Number of Units Built Before 1980	3,136	62%	3,484	65%
Housing Units build before 1980 with children present	635	13%	340	6%

**Table 36 – Risk of Lead-Based Paint**

Data Source: 2009-2013 ACS (Total Units) 2009-2013 CHAS (Units with Children present)

## Vacant Units

	Suitable for Rehabilitation	Not Suitable for Rehabilitation	Total
Vacant Units	0	0	0
Abandoned Vacant Units	0	0	0
REO Properties	0	0	0
Abandoned REO Properties	0	0	0

**Table 37 - Vacant Units**

Data Source: 2005-2009 CHAS

## Need for Owner and Rental Rehabilitation

It may come to a surprise to many people in the state that there are units lacking indoor plumbing and are still being occupied. According to the U.S. Census units that lack indoor plumbing are units that are missing hot and cold running water, flushing toilets and/or bathtub/showers. All three facilities must be located inside the house, apartment, or mobile home, but not necessarily in the same room. In 2000 the jurisdiction with the largest inventory of units lacking complete plumbing was in Shenandoah County. A decade later Warren County had the largest number of units lacking in complete plumbing. In 2000 the least amount of units that lacked complete plumbing was in Winchester City. A decade later Clarke County had the least amount of units lacking complete plumbing.

## **Estimated Number of Housing Units Occupied by Low or Moderate Income Families with LBP Hazards**

Cause for concern with regards to housing conditions is the prevalence of housing units throughout the Northern Shenandoah Valley region containing lead based paint. The lead based paint that was commonly used in the finishing materials of housing in the past is now known to present environmental health hazards. If the materials containing lead are exposed (e.g. through chipped or peeling paint) become airborne and easily inhaled (e.g. through renovation or demolition activities), or if they are soluble and can leach into other materials where they can be inadvertently ingested, they pose a health risk to humans. Lead poisoning is a cumulative and not easily reversible condition which can have serious health consequences. Small children are particularly vulnerable to lead poisoning because the stage of life from fetus to six years of age is the period of rapid developmental growth.

According to the Virginia Department of Health, housing units built on or before the year 1950 may be a potential lead based paint hazard. Areas within the Northern Shenandoah Valley region demonstrating the highest percentage of likely hazards include the northern sections of the City of Winchester and areas within the Town of Front Royal. Housing units built before 1950 constitute approximately 40-50% of the total housing units within certain sections of these jurisdictions. Other areas of higher than average concern (based upon higher than average levels of housing stock built prior to 1950) include the Town of Edinburg in Shenandoah County, and the Town of Boyce in Clarke County, each having 30-40% of households being built on or before 1950.

### **Discussion**

## MA-25 Public and Assisted Housing – 91.210(b)

### Introduction

There are no public housing units in the Northern Shenandoah Valley Region. There are, however a number of privately owned and operated assisted units through various federal resources in the region. Many of the developments are older and in need of some renovations and repair. Currently, there are at least three developments undergoing renovations now. Neither the City, nor the NSV Region or HOME Consortium have been approached by a private owner to assist in renovation or repair of one of these multi-family developments.

### Totals Number of Units

	Program Type								
	Certificate	Mod-Rehab	Public Housing	Vouchers					
				Total	Project -based	Tenant -based	Special Purpose Voucher		
							Veterans Affairs Supportive Housing	Family Unification Program	Disabled *
# of units vouchers available	0	39		9,227	0	9,227	427	0	890
# of accessible units									
<b>*includes Non-Elderly Disabled, Mainstream One-Year, Mainstream Five-year, and Nursing Home Transition</b>									

Table 38 – Total Number of Units by Program Type

Data Source: PIC (PIH Information Center)

### Describe the supply of public housing developments:

### Describe the number and physical condition of public housing units in the jurisdiction, including those that are participating in an approved Public Housing Agency Plan:

There are no public housing units in the Northern Shenandoah Valley Region. There are, however a number of privately owned and operated assisted units through various federal resources in the region.

## Public Housing Condition

Public Housing Development	Average Inspection Score

Table 39 - Public Housing Condition

### Describe the restoration and revitalization needs of public housing units in the jurisdiction:

There are no public housing units in the Northern Shenandoah Valley Region. There are, however, a number of privately owned and operated assisted units through various federal resources in the region.

### Describe the public housing agency's strategy for improving the living environment of low- and moderate-income families residing in public housing:

Localities in the Northern Shenandoah Valley fall under VHDA's Strategic Plan and as such are subject to the goals, objectives and initiatives of the state public housing authority. VHDA's goals to serve the needs of extremely low income, low income and moderate income households in Virginia include:

- increased opportunities for homeownership among moderate income homebuyers by measuring
  - home purchase loans
  - homebuyer preparation
  - low foreclosure rates
- increased opportunities for rental housing to low income renters by
  - rental housing development financing
  - assistance through HCVP
- increased service to special and minority populations, including
  - African Americans
  - Hispanics
  - People with disabilities and frail elderly

As previously mentioned, a major partnership program with VHDA is through the administration of the HCV Program for Rental Assistance. In 2018, the City of Winchester is hopeful to add additional preferences to the waiting list of Section 8 applicants to better serve critical needs in the Winchester area. In Shenandoah County, applicants are served on a first come- first served basis in the order in which the application was received.

Localities in the Northern Shenandoah Valley Region will continue to work with VHDA on additional programs and activities as they are available and make sense in meeting the needs in the region. Currently, VHDA is providing funds to the City of Winchester for identification of mixed use/ mixed income revitalization opportunities in a neighborhood. VHDA also provides financial assistance to homebuyers in the region through the HOME Regional Administrator, Blue Ridge Housing Network via the SPARC Program. SPARC provides mortgage rate interest subsidies at ½ and 1% below market to qualifying homebuyers.

**Discussion:**

## MA-30 Homeless Facilities and Services – 91.210(c)

### Introduction

The Northern Shenandoah Valley region's homeless facilities and services are coordinated through the Continuum of Care (CoC), comprised of local housing, homelessness and other public service providers. This group in 2012, merged with the Harrisonburg/Rockingham County CoC to form a broader regional coalition for addressing housing and homeless needs. The facilities in the region are limited and scattered. The region's Ten (10) Year Plan to End Homelessness, adopted in late 2012, outlines new facility and service needs.

### Facilities and Housing Targeted to Homeless Households

	Emergency Shelter Beds		Transitional Housing Beds	Permanent Supportive Housing Beds	
	Year Round Beds (Current & New)	Voucher / Seasonal / Overflow Beds	Current & New	Current & New	Under Development
Households with Adult(s) and Child(ren)	33	0	8	0	8
Households with Only Adults	0	0	0	0	0
Chronically Homeless Households	0	0	0	0	0
Veterans	0	0	0	0	0
Unaccompanied Youth	60	35	16	0	8

**Table 40 - Facilities and Housing Targeted to Homeless Households**

**Data Source Comments:** Data collected through 2012 Housing Inventory Count (HIC) on January 26, 2012. Numbers have previously been reported to and adopted by the US Department of Housing & Urban Development (HUD).

**Describe mainstream services, such as health, mental health, and employment services to the extent those services are used to complement services targeted to homeless persons**

Many organizations within the CoC complement their housing services with in depth case management to help clients navigate the process and obtain other mainstream services. The Virginia Cooperative Extension is very active in the region to provide financial literacy and budgeting classes, which assist in the employment services offered in the region. Health and mental health services and referrals are also provided by many of the agencies, especially those providing TBRA, Rapid Rehousing, and Prevention services. All programs operate under the Housing First model, and offer case management in other areas as the clients housing crisis is stabilized.

**List and describe services and facilities that meet the needs of homeless persons, particularly chronically homeless individuals and families, families with children, veterans and their families, and unaccompanied youth. If the services and facilities are listed on screen SP-40 Institutional Delivery Structure or screen MA-35 Special Needs Facilities and Services, describe how these facilities and services specifically address the needs of these populations.**

There are seven emergency shelters in the region, three in Winchester, two in Front Royal/ Warren County, one in Shenandoah County and one in Page County. Of these, three serve only women- victims of domestic or sexual violence, one serves men only and none are equipped to meet the needs of homeless families. There are two transitional housing programs in the region- one in Warren County, and one in Shenandoah County. Each program only serves a limited number of clients at a time. The Homeless Continuum of Care currently serves the localities in the Northern Shenandoah Valley Region. It is comprised mostly of area service providers within the Consortium, as well as the City of Harrisonburg and the County of Rockingham.

## **MA-35 Special Needs Facilities and Services – 91.210(d)**

### **Introduction**

This section outlines, to the extent information is available, facilities and services that assist persons who are not homeless but require supportive housing and programs for ensuring that persons returning from mental and physical health institutions receive appropriate supportive housing. For the Northern Shenandoah Valley, services are delivered through the regional Lord Fairfax Health District, local Departments of Social Services, local community service organizations and through funding provided by the HOME and Continuum of Care funding (subject of this Consolidated Plan).

### **Including the elderly, frail elderly, persons with disabilities (mental, physical, developmental), persons with alcohol or other drug addictions, persons with HIV/AIDS and their families, public housing residents and any other categories the jurisdiction may specify, and describe their supportive housing needs**

For persons that may be elderly, frail elderly, disabled (mentally, physically, developmentally), drug/alcohol abusers, persons with HIV/AIDS, public housing residents or other special needs categories they have a variety supportive services and housing needs. According to information from the Lord Fairfax Health District (2013, sharing the same service are as the Northern Shenandoah Valley Regional Commission), community health service needs include: clinical services (medical, dental care), child health services, family planning, Medicaid screening, sexually transmitted infection screening, educational services, food/nutrition assistance/education (through SNAP or WIC) and environmental complaints (drinking water, sewer/wastewater). These needs are typically provided through the Health District and other local service organizations (many which participate in the Continuum of Care planning process). The Northern Shenandoah Valley region and the City of Winchester plan to continue to undertake tenant based rental assistance (TBRA), other forms of assistance including utility assistance and down-payment/closing cost assistance and develop new homeless facilities primarily permanent housing units to address housing and supportive service needs for these subpopulations.

### **Describe programs for ensuring that persons returning from mental and physical health institutions receive appropriate supportive housing**

For the Northern Shenandoah Valley, services for persons returning from mental and physical health institutions receive supportive housing through the regional Lord Fairfax Health District, local Departments of Social Services, local community service organizations and through funding provided by the HOME and Continuum of Care funding (subject of this Consolidated Plan).

### **Specify the activities that the jurisdiction plans to undertake during the next year to address the housing and supportive services needs identified in accordance with 91.215(e) with**

**respect to persons who are not homeless but have other special needs. Link to one-year goals. 91.315(e)**

The Northern Shenandoah Valley region and the City of Winchester plan to continue to undertake tenant based rental assistance (TBRA), other forms of assistance including utility assistance and down-payment/closing cost assistance and develop new homeless facilities primarily permanent housing units to address housing and supportive service needs for these subpopulations identified in preceding sections of the Special Needs Facilities and Services. TBRA and permanent supportive housing unit develop align closely with goals and actions outlined in the region's Ten (10) Year Plan to End Homelessness, which outlines policies and programs to assist homeless, nearly homeless and special needs populations with housing and supportive services.

**For entitlement/consortia grantees: Specify the activities that the jurisdiction plans to undertake during the next year to address the housing and supportive services needs identified in accordance with 91.215(e) with respect to persons who are not homeless but have other special needs. Link to one-year goals. (91.220(2))**

The Northern Shenandoah Valley region and the City of Winchester plan to continue to undertake tenant based rental assistance (TBRA), other forms of assistance including utility assistance and down-payment/closing cost assistance and develop new homeless facilities primarily permanent housing units to address housing and supportive service needs for these subpopulations identified in preceding sections of the Special Needs Facilities and Services. TBRA and permanent supportive housing unit develop align closely with goals and actions outlined in the region's Ten (10) Year Plan to End Homelessness, which outlines policies and programs to assist homeless, nearly homeless and special needs populations with housing and supportive services.

## **MA-40 Barriers to Affordable Housing – 91.210(e)**

### **Negative Effects of Public Policies on Affordable Housing and Residential Investment**

Local and regional public policies, as well as national, regional, and local trends and conditions, can affect a region's ability to provide and maintain a viable affordable housing stock. Local policies especially tax policy on property, land use controls, zoning ordinances, building codes, development fees and charges, growth limits, and policies that affect return on residential investment. The Northern Shenandoah Valley Regional Commission, in partnership with the Continuum of Care (COC) and Virginia Fair Housing Office have informed the state-wide Housing Affordability Index (HAI) being assembled by Housing Virginia, which provides a comprehensive guide to policies, regulations and programs to further the development of affordable housing units and programs in the region. In examining barriers to affordable housing opportunities within the Northern Shenandoah Valley Region, this analysis focuses on local and regional factors. Chief among these factors are local real estate tax rates, local land use controls, and local and regional employment opportunities. The City of Winchester and the region's towns demonstrate higher than average levels of poverty. In addition, as evidenced by the region's demographic data, these areas include higher than average minority, elderly, and disabled populations. As such, in general, the residential tax burden to the majority of the region's at-risk population is elevated as compared to the regional average, particularly given that a significant portion of new development activities are occurring in the unincorporated parts of the region's counties. It should be noted, however, that many of the region's at-risk populations benefit from proximity to employment opportunities, services, and family support structures by residing in the City and the region's towns. Another potential barrier to affordable housing within the region is the increasing costs of commuting. As previously noted, a significant amount of the region's population and housing growth can be attributed to its proximity to the Northern Virginia / Washington D.C. metropolitan area and its growing employment sector. For many, housing costs represent the household's single largest expenditure. Unfortunately, as gasoline prices continue to rise, commuting costs consume a larger percentage of the household budget, thereby exacerbating the affordability gap. As such, jurisdictions within the Northern Shenandoah Valley Region should periodically review land use controls on both a local and regional level to identify housing related patterns and needs. Finally, housing market conditions have become and will continue to be a cause for concern relative to housing affordability. As national and regional economic trends (including credit tightening policies within the residential lending industry) continue to weight on accessibility, public policymakers should continue to monitor housing availability and affordability in the determination of housing resource allocation. The Northern Shenandoah Valley Region continues to partner with organizations including Housing Virginia and the VA Fair Housing Office to educate stakeholders and the general public regarding affordable housing and Fair Housing Law. Workshops, seminars and trainings are held throughout the year to educate the public.

## MA-45 Non-Housing Community Development Assets – 91.215 (f)

### Introduction

The economic climate of the Northern Shenandoah Valley region plays a pivotal role in the overall community health (especially housing and other community development needs). Described below are the market conditions (employment, industries, education) of the economy for the region.

### Economic Development Market Analysis

#### Business Activity

Business by Sector	Number of Workers	Number of Jobs	Share of Workers %	Share of Jobs %	Jobs less workers %
Agriculture, Mining, Oil & Gas Extraction	71	50	1	0	-1
Arts, Entertainment, Accommodations	1,417	2,671	15	13	-2
Construction	643	377	7	2	-5
Education and Health Care Services	1,987	7,604	21	37	16
Finance, Insurance, and Real Estate	472	868	5	4	-1
Information	194	250	2	1	-1
Manufacturing	1,223	1,759	13	9	-4
Other Services	365	612	4	3	-1
Professional, Scientific, Management Services	1,038	1,923	11	9	-2
Public Administration	0	0	0	0	0
Retail Trade	1,511	3,499	16	17	1
Transportation and Warehousing	407	301	4	1	-3
Wholesale Trade	341	447	4	2	-2
Total	9,669	20,361	--	--	--

**Table 41 - Business Activity**

**Data Source:** 2009-2013 ACS (Workers), 2013 Longitudinal Employer-Household Dynamics (Jobs)

## Labor Force

Total Population in the Civilian Labor Force	13,456
Civilian Employed Population 16 years and over	12,483
Unemployment Rate	7.23
Unemployment Rate for Ages 16-24	15.43
Unemployment Rate for Ages 25-65	5.40

**Table 42 - Labor Force**

Data Source: 2009-2013 ACS

Occupations by Sector	Number of People
Management, business and financial	2,398
Farming, fisheries and forestry occupations	554
Service	1,554
Sales and office	2,924
Construction, extraction, maintenance and repair	1,009
Production, transportation and material moving	636

**Table 43 – Occupations by Sector**

Data Source: 2009-2013 ACS

## Travel Time

Travel Time	Number	Percentage
< 30 Minutes	8,637	73%
30-59 Minutes	2,061	17%
60 or More Minutes	1,128	10%
<b>Total</b>	<b>11,826</b>	<b>100%</b>

**Table 44 - Travel Time**

Data Source: 2009-2013 ACS

## Education:

### Educational Attainment by Employment Status (Population 16 and Older)

Educational Attainment	In Labor Force		Not in Labor Force
	Civilian Employed	Unemployed	
Less than high school graduate	1,402	163	532
High school graduate (includes equivalency)	2,589	352	1,099
Some college or Associate's degree	2,898	160	596

Educational Attainment	In Labor Force		Not in Labor Force
	Civilian Employed	Unemployed	
Bachelor's degree or higher	3,080	65	717

**Table 45 - Educational Attainment by Employment Status**

Data Source: 2009-2013 ACS

**Educational Attainment by Age**

	Age				
	18–24 yrs	25–34 yrs	35–44 yrs	45–65 yrs	65+ yrs
Less than 9th grade	231	542	235	431	306
9th to 12th grade, no diploma	280	174	227	488	419
High school graduate, GED, or alternative	907	1,008	862	2,170	1,149
Some college, no degree	1,323	819	639	1,182	565
Associate's degree	166	251	352	411	182
Bachelor's degree	318	840	314	1,021	709
Graduate or professional degree	0	230	559	958	329

**Table 46 - Educational Attainment by Age**

Data Source: 2009-2013 ACS

**Educational Attainment – Median Earnings in the Past 12 Months**

Educational Attainment	Median Earnings in the Past 12 Months
Less than high school graduate	15,973
High school graduate (includes equivalency)	26,127
Some college or Associate's degree	32,598
Bachelor's degree	47,174
Graduate or professional degree	60,854

**Table 47 – Median Earnings in the Past 12 Months**

Data Source: 2009-2013 ACS

**Based on the Business Activity table above, what are the major employment sectors within your jurisdiction?**

The major employment sectors (top 5) in the Northern Shenandoah Valley region include: education and health care services, construction, manufacturing, retail trade and public administration.

**Describe the workforce and infrastructure needs of the business community:**

The business community is in need of a highly skilled workforce for the prominent and expanding medical facilities in the region. The growing presence of Valley Health in the community creates a continuous need for individuals trained in healthcare services.

The City is proactively engaged in sidewalk enhancement and upgrading water and storm sewer service throughout the community in order to maintain usable infrastructure and alleviate future infrastructure needs.

**Describe any major changes that may have an economic impact, such as planned local or regional public or private sector investments or initiatives that have affected or may affect job and business growth opportunities during the planning period. Describe any needs for workforce development, business support or infrastructure these changes may create.**

Continuous public and private investment in the healthcare industry could promote job and business growth in the area. The joint partnership to create Our Health, a non-profit organization partnered with Valley Health that supports the health and well-being of people in the community, and prominence of Winchester Medical Center has allowed the adjacent downtown area to undergo business growth opportunities through the mixed use redevelopment of blight stricken properties. Furthermore, moderate retail investment/growth has occurred throughout the city's major thoroughfares and substantial private housing investment has assisted in revitalizing much of core downtown region. In addition, Winchester Public Schools is in the process of developing an innovation center that will provide technical training to students in the community so that they are better prepared to enter the workforce after high school.

**How do the skills and education of the current workforce correspond to employment opportunities in the jurisdiction?**

The skills and education of the current workforce are in need of development. Winchester has a strong presence in the healthcare industry, yet does not possess a large medically trained workforce to support the rapidly growing business.

**Describe any current workforce training initiatives, including those supported by Workforce Investment Boards, community colleges and other organizations. Describe how these efforts will support the jurisdiction's Consolidated Plan.**

The Lord Fairfax Community College Workforce Solutions Program specializes in programs that develop and enhance workplace skills for individuals and businesses. This organization is designed for adults and offers high-quality instruction and hands-on skills that transfer directly into the workplace. Winchester Public Schools is in the process of developing an innovation center that will provide technical training to students in the community so that they are better prepared to enter the workforce after high

school. These efforts support the Consolidated Plan by educational attainment and job achievement and in turn increasing wage growth in the region

**Does your jurisdiction participate in a Comprehensive Economic Development Strategy (CEDS)?**

Yes

**If so, what economic development initiatives are you undertaking that may be coordinated with the Consolidated Plan? If not, describe other local/regional plans or initiatives that impact economic growth.**

The Winchester Economic Development Authority adopted a new Economic Development Strategic Plan in 2018. This study coordinates with the Consolidated Plan by promoting housing stock enhancement, labor force, enhancement, quality of life and the development of prominent industries in the community.

**Discussion**

## **MA-50 Needs and Market Analysis Discussion**

### **Are there areas where households with multiple housing problems are concentrated? (include a definition of "concentration")**

There are few area's in the Northern Shenandoah Valley region that have large concentrations of multiple housing problems. One area designated by the City of Winchester as a "CDBG Target Area" has been viewed as a local and regional priority for addressing housing and community development needs. The CDBG Target Area includes the residential neighborhood known locally as the "North End." One of the more racially and ethnically diverse areas of the City of Winchester, the North End has suffered from neglect in public infrastructure investment, redevelopment, higher crime, aging housing stock, lower property values and lack of diversity in land use. The CDBG Target Area also consists of census tracts that are all designated low- mod census tracts consistent with HUD definitions.

Other area's suffering from concentrations of multiple housing problems are within the towns of the region where certain census tracts have been designated low- mod census tracts consistent with HUD definitions. These area's tend to have high concentrations of foreclosures and substandard housing.

However, because of the rural (and low-density) nature of the Northern Shenandoah Valley region housing problems are in general not "concentrated" but rather are scattered-site. This creates challenges in identifying housing units/families/persons that could benefit from community development funding and also making large impacts in a smaller geographic area.

### **Are there any areas in the jurisdiction where racial or ethnic minorities or low-income families are concentrated? (include a definition of "concentration")**

The City of Winchester has been identified as a jurisdiction where racial and/or ethnic minorities and low-income families are concentrated; or area where a the per density distribution of these persons is extremely high. The Towns of the region also have concentrations, but these are quite small compared to the City of Winchester. The majority of the region's minority population is concentrated around the City of Winchester and several of the region's town's particularly those in southern Page and Shenandoah Counties. By percentage, the region's largest percentage of Hispanic population is located outside of Front Royal and in portions of Winchester, where approximately 10-15% of the population is reported as Hispanic origin. Because of the rural (and low-density) nature of the Northern Shenandoah Valley communities large concentrations of racial or ethnic minorities and low-income families are in general not "concentrated" but rather are scattered-site. This creates challenges in identifying persons that could benefit from community development funding.

### **What are the characteristics of the market in these areas/neighborhoods?**

The majority of the region's minority population is concentrated around the City of Winchester and several of the region's towns. By percentage, the region's largest percentage of Hispanic population is

located outside of Front Royal and in portions of Winchester, where approximately 10-15% of the population is reported as Hispanic origin. These populations tend to be low-income (making less than 30% area median income or AMI). The southeastern areas of Page County and portions of Front Royal and Winchester demonstrate the highest percentage of people below the poverty level, with rates ranging from 14-20%. Outside of these pockets of poverty, the percentage of families below the poverty level is widely dispersed throughout the region. However, in general, the majority of the areas demonstrating the highest poverty rates are concentrated around the region's towns and City.

Several areas within the Northern Shenandoah Valley region demonstrated higher than average percentages of female heads of household with children. Areas within the region showing the highest percentages of single mothers with children are principally centered on the region's urbanized areas (City and towns). The City of Winchester and the Towns of Woodstock, New Market, Front Royal, Luray and Stanley all show areas with higher than average percentages of single mothers with children. These towns and cities also correspond with the highest numbers of single mothers with children.

Unfortunately, poverty within the region's elderly population is at a higher level of than that which occurs in the general population, with the highest percentage of people 65 and over in poverty located in the southern portions of Page County where approximately 20 percent of the elderly population lives in poverty. With people living longer and often relying on social security as their only source of income, the poverty rate will most likely to continue to rise for the region's elderly population. With fewer resources and less ability or desire to move from the region to find affordable housing, housing the elderly will pose more of a challenge.

The region's disabled population, defined by the U.S. Census Bureau as individuals with physical, sensory, or mental problems, is geographically dispersed throughout the region. Areas with the largest percentages of people ages 5 and over with disabilities are located in portions of Winchester, Warren County, and Page County.

The areas with the highest percentage of people 25 and over with non-high school educational attainment are southern Page County and areas around Mt. Jackson, Shenandoah County and the northwestern area of Winchester (35-50%).

### **Are there any community assets in these areas/neighborhoods?**

There are many community assets in these areas/neighborhoods throughout the Northern Shenandoah Valley to which to build upon. Community assets include: a variety of organizations currently operating through the Continuum of Care (CoC) to address housing, homelessness and supportive services and a history of jurisdictional support from local governments for the development of affordable housing units and programs and supportive services. Identifying new community assets will be vital to identifying and implementing projects and Consolidated Plan goals.

### **Are there other strategic opportunities in any of these areas?**

The Northern Shenandoah Valley region relies on partnerships with numerous community organizations to achieve the goals in the Consolidated Plan. There are many housing, homeless and other public support service providers throughout the regions to address priority needs populations and those concentrated in neighborhoods and geographic areas that suffer from a disproportionately high number of housing and community development needs. Ensuring continued partnerships with existing organizations and developing strategic and operational capacity with new organizations will be vital to the success of Consolidated Plan goals.

# Strategic Plan

## SP-05 Overview

### Strategic Plan Overview

The City of Winchester is the grantee for both the CDBG and HOME programs. The City of Winchester has entered into a administrative agreement with the Northern Shenandoah Valley Regional Commission (NSVRC) to administer the HOME program and the Consolidated Plan process. NSVRC took responsibility for the coordination of the consultation process.

This Strategic Plan covers program years 2018-2022. The Plan was developed through a comprehensive planning process involving a cross section of citizens, local government staff and representatives of low and moderate income individuals. Input was solicited through a series of public meetings scheduled specifically to discuss priority needs in the service area. This Plan will serve as the blueprint for affordable housing and community development activities funded through the CDBG and HOME programs in the City of Winchester and Northern Shenandoah Valley Region, respectively. It will also hopefully serve as a guide to private sector involvement in affordable housing and community development and provide helpful information to local community organizations partnering with the City of Winchester and HOME Consortium. The Northern Shenandoah Valley Region consists of the City of Winchester, and Counties of Clarke, Frederick, Page, Shenandoah and Warren as well as all of the Towns located therein.

Though it serves a region diverse in housing needs, this Plan represents a coordinated effort to meet needs of low-moderate income individuals and families throughout the region. In order to efficiently develop strategies to meet identified priority needs, two advisory groups were initiated to steer the planning process. In the City of Winchester, the Community Development Committee is a City Council-appointed body of Winchester Citizens responsible for advising the Winchester Common Council of funding priorities related to the CDBG program; the Housing and Community Services Policy Board is comprised of appointed representatives from each of the HOME Consortium member jurisdictions. Both advisory bodies are charged with evaluating data, citizen input and community characteristics to determine priority needs and most appropriate strategies to meet those needs.

This Strategic Plan articulates application of percentage of anticipated funding for eligible activity areas in each of the HUD funded programs. In Winchester City, the Community Development Committee recommended the following allocation of funds over the life of the Consolidated Plan:

- 90% to repayment of Section 108 Loan for the sidewalk enhancement project
- 10% to Administrative Activities

In the NSV Region, the Policy Board recommended the following allocation of HOME funds over the life of the Consolidated Plan (5 years):

- up to 25% to Homeownership Activities
- up to 50% to Tenant Based Rental Assistance
- Minimum of 15% to local CHDO's as the eligible set-aside
- 10% to Administrative Activities

## SP-10 Geographic Priorities – 91.215 (a)(1)

### Geographic Area

Table 48 - Geographic Priority Areas

<b>1</b>	<b>Area Name:</b>	CDBG TARGET AREA
	<b>Area Type:</b>	Local Target area
	<b>Other Target Area Description:</b>	
	<b>HUD Approval Date:</b>	
	<b>% of Low/ Mod:</b>	
	<b>Revital Type:</b>	Housing
	<b>Other Revital Description:</b>	
	<b>Identify the neighborhood boundaries for this target area.</b>	<p>The north end target area begins at the intersection of Valley Avenue and Jubal Early Drive and progresses east until reaching Winchester’s boundary. The target area then follows the City’s boundary until reaching Fairmont Avenue then progressing south. The target area briefly goes east then turns south to encompass Braddock Street and eventually Valley Avenue before rejoining Jubal Early Drive.</p> <p>The area targeted for the sidewalk enhancement project is within the CDBG target area.</p>

<p><b>Include specific housing and commercial characteristics of this target area.</b></p>	<p>The north end neighborhood in the City possesses an extensive substandard housing stock. Many of these homes are aged and have fallen into disrepair due to lack of upkeep and owner initiative. Due to this gradual decline, the properties in this neighborhood have attracted the majority of the low to moderate income families in the City, and many of the former single family homes have been converted to multi-family and single family rental properties. The commercial properties in the neighborhood were hubs for the City's once prosperous apple industry. However, business has dwindled causing the companies to reduce their production or halt all operations and leave the City. The Zero Pak cold storage facility is a premier example of this situation. The company was forced to leave the 277,000 SF property several years ago. Its immense size and adjacent location to an operating railroad make identifying a future reuse of the property difficult. In addition, many of the areas in this region lack sidewalks or have sidewalks in such disrepair they require complete replacement.</p>
<p><b>How did your consultation and citizen participation process help you to identify this neighborhood as a target area?</b></p>	<p>The City's Community Development Committee has long been aware of the declining conditions in Winchester's north end neighborhood. The Committee's diligence and desire to see this once thriving area of the community prosper has been noted and progress has been made in its redevelopment. This area is in need of substantial infrastructure investment to alleviate wastewater issues and problems associated with pedestrian traffic. These declining conditions in a heavily populated area of the community have continuously grown. The north end has been identified as being extensively populated with low to moderate income individuals, and these declining conditions have prompted the Community Development Committee to focus its efforts on the improvement of Winchester's north end.</p>

	<b>Identify the needs in this target area.</b>	The north end area of Winchester is in desperate need of infrastructure investment. The neighborhood has encountered years of steady decline many of the sidewalks in this region are quite deteriorated. In fact, some streets lack any sidewalks and require pedestrians to walk in the street or alter their route for safe travel.
	<b>What are the opportunities for improvement in this target area?</b>	Opportunities for improvement in the north end neighborhood of Winchester begin with increased housing options through housing rehabilitation or new construction and comprehensive infrastructure investment. In addition to the requested Section 108 Loan, the City is in the midst of a sidewalk improvement plan the replaces/installs new sidewalks in other areas of the North End neighborhood.
	<b>Are there barriers to improvement in this target area?</b>	Barriers are minimal regarding the desired sidewalk improvements, but limited funding opportunities requires the City to focus on the sidewalks most in need of replacement.
2	<b>Area Name:</b>	HOME TARGET AREA
	<b>Area Type:</b>	Regional Target Area
	<b>Other Target Area Description:</b>	Regional Target Area
	<b>HUD Approval Date:</b>	
	<b>% of Low/ Mod:</b>	
	<b>Revital Type:</b>	
	<b>Other Revital Description:</b>	
	<b>Identify the neighborhood boundaries for this target area.</b>	The area identified as the "HOME Target Area" includes the five counties of the Northern Shenandoah Valley: Clarke, Frederick, Page, Shenandoah and Warren Counties, and the Towns therein. This target area typically excludes the City of Winchester, as per the administrative agreement with NSVRC HOME funds are typically reserved for use outside of the City.

<p><b>Include specific housing and commercial characteristics of this target area.</b></p>	<p>Specific housing and commercial characteristics of this target area include (for both owner and rental units): and aging housing stock (pre-1980), substandard housing that lacks complete plumbing features, accessibility and energy efficiency and housing that is not affordable (housing cost burden greater than 30% AMI).</p>
<p><b>How did your consultation and citizen participation process help you to identify this neighborhood as a target area?</b></p>	<p>Consultation with the local planning departments was a key factor in determining what investments are appropriate to meet the demand for housing throughout the region. Stakeholders through the Housing &amp; Community Services Policy Board, the Continuum of Care (CoC) and the Technical Advisory Network (TAN) have identified these needs for investment.</p>
<p><b>Identify the needs in this target area.</b></p>	<p>Key needs include addressing: an aging housing stock (pre-1980), substandard housing that lacks complete plumbing features, accessibility and energy efficiency and housing that is not affordable (housing cost burden greater than 30% AMI).</p>
<p><b>What are the opportunities for improvement in this target area?</b></p>	<p>Opportunities for improvement in these targeted areas include rehabilitation of existing units, construction of new owner-occupied and rental units and rental assistance.</p>
<p><b>Are there barriers to improvement in this target area?</b></p>	<p>Potential barriers for improvement include finding suitable housing providers, developers, local support, and environmental consideration (floodplains, hazardous materials, lead-based paint, historic preservation).</p>

**General Allocation Priorities**

Describe the basis for allocating investments geographically within the jurisdiction (or within the EMSA for HOPWA)

Priority will be given to activities that capitalize on existing private investment in the CDBG Target Area, or to those activities that require immediate attention. Public input is a huge component of determining CDBG investment activities for the Target Area.

The CDBG Target Area is hoped to become a neighborhood of choice in the City of Winchester that offers a unique housing stock and accessibility to the downtown and local business and employment.

HOME funds are typically reserved for use outside of the City of Winchester and particularly for use in Clarke, Frederick, Page, Shenandoah and Warren Counties and the town's within. Investments will be allocated based on the market and housing needs for each jurisdiction. Consultation with the local planning departments will also be a key factor in determining what investments are appropriate to meet the demand for housing throughout the region.

## SP-25 Priority Needs - 91.215(a)(2)

### Priority Needs

Table 49 – Priority Needs Summary

1	<b>Priority Need Name</b>	Addressing Substandard Housing
	<b>Priority Level</b>	High
	<b>Population</b>	Extremely Low Low Moderate Large Families Families with Children Elderly Rural veterans Elderly Persons with Mental Disabilities Persons with Physical Disabilities Persons with Developmental Disabilities
	<b>Geographic Areas Affected</b>	Regional Target Area
	<b>Associated Goals</b>	Provide Safe, Affordable, and Accessible Housing
	<b>Description</b>	Substandard housing (severe housing deficiencies) has been identified as a need through the Housing Needs Assessment and Market Analysis. This is particularly prevalent due to the rural nature of the Northern Shenandoah Valley and increasingly impactful on low and moderate-income individuals and families with less disposable incomes to make improvements for health and safety.
	<b>Basis for Relative Priority</b>	Substandard housing (severe housing deficiencies) has been identified as a need through the Housing Needs Assessment and Market Analysis.
	2	<b>Priority Need Name</b>
<b>Priority Level</b>		High

	<b>Population</b>	Extremely Low Low Large Families Families with Children Elderly Chronic Homelessness Individuals Families with Children veterans Victims of Domestic Violence Elderly Victims of Domestic Violence
	<b>Geographic Areas Affected</b>	Regional Target Area
	<b>Associated Goals</b>	Address special needs population housing Prevent and End Homelessness Provide Safe, Affordable, and Accessible Housing
	<b>Description</b>	Create stable housing situations for homeless, nearly homeless, or those at risk of homelessness.
	<b>Basis for Relative Priority</b>	There is a need to provide rental and utility assistance to get persons from unstable housing to stable housing.
<b>3</b>	<b>Priority Need Name</b>	Improve Economic vitality and Pedestrian Access
	<b>Priority Level</b>	High
	<b>Population</b>	Low Moderate
	<b>Geographic Areas Affected</b>	CDBG TARGET AREA
	<b>Associated Goals</b>	Enhance Economic Growth and Infrastructure

<b>Description</b>	Improve pedestrian access and overall economic vitality in north end neighborhood through leveraging a Section 108 Loan for the purpose of replacing deteriorated sidewalks and installing new sidewalks. The City is confident that by improving sidewalks in this area, its property owners and commercial entites will benefit from property improvements and incentivize further investment in their property. In addition, the City is hopeful that the new sidewalks will promote mobility in the region and allow the residents to access additional employment opportuniei by utilizing the new, safe sidewalks.
<b>Basis for Relative Priority</b>	Repayment of Section 108 Loan for sidewalk enhancement; project addresses safety needs and economic development opportunities for low- and moderate-income persons in the City of Winchester (North End Neighborhood--CDBG Target Area).

**Narrative (Optional)**

## SP-30 Influence of Market Conditions – 91.215 (b)

### Influence of Market Conditions

Affordable Housing Type	Market Characteristics that will influence the use of funds available for housing type
Tenant Based Rental Assistance (TBRA)	TBRA need will be determined by fair market rent; area median income; number of housing vouchers and poverty, as well as data from the Centralized Intake process of the Coordinated Assessment system. Housing Cost burden rates are also a large determining factor for TBRA need.
TBRA for Non-Homeless Special Needs	TBRA need will be determined by fair market rent; area median income; number of housing vouchers and poverty, as well as as well as data from the Centralized Intake process of the Coordinated Assessment system. Housing Cost burden rates are also a large determining factor for TBRA need.
New Unit Production	New unit production for home ownership opportunities will be driven by the need for owner-occupied housing units; real-estate and market trends (housing need by unit size, leverage sales price and number of days on the market); and jurisdictional perception of need.
Rehabilitation	Rehabilitation need will be determined by the number of units designated as "substandard" or lacking complete plumbing; age of the housing stock and lead-based paint hazards.
Acquisition, including preservation	Acquisition need will be determined by the number of units designated as "substandard" or lacking complete plumbing; age of the housing stock and lead-based paint hazards.

**Table 50 – Influence of Market Conditions**

## SP-35 Anticipated Resources - 91.215(a)(4), 91.220(c)(1,2)

### Introduction

Anticipated resources identified below were based on 2018 CDBG and HOME entitlement allocations. All anticipated future resources are estimates; leveraged funds will also be necessary to ensure project implementation and meeting Consolidated Plan goals.

### Anticipated Resources

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1				Expected Amount Available Remainder of ConPlan \$	Narrative Description
			Annual Allocation: \$	Program Income: \$	Prior Year Resources: \$	Total: \$		
CDBG	public - federal	Acquisition Admin and Planning Economic Development Housing Public Improvements Public Services	231,081	0	0	231,081	924,324	Anticipated resources for CDBG funds will be utilized over the next five (5) years for the re-payment of the Section 108 Loan requested by the City of Winchester in 2018.

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1				Expected Amount Available Remainder of ConPlan \$	Narrative Description
			Annual Allocation: \$	Program Income: \$	Prior Year Resources: \$	Total: \$		
HOME	public - federal	Acquisition Homebuyer assistance Homeowner rehab Multifamily rental new construction Multifamily rental rehab New construction for ownership TBRA	459,682	0	0	459,682	2,298,410	Anticipated resources for HOME funds estimated using 2018 allocation prorated at a equal amount of the five (5) year period of the Consolidated Plan.

**Table 51 - Anticipated Resources**

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

Federal funds will be leverage to supplement resources to achieve goals outlined in the Consolidated Plan. Additional resources (private, state and local funds) will be necessary to implement projects and programs on a annual basis. Subsidy layer analysis will be conducted for all funded projects to ensure that federal funds represent a small percentage of all project funding. NSVRC is always actively exploring funding for match and assiting our subgrantee's and CHDO's in seeking and securing leveraging funding to extend the reaches of HOME dollars.

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

There is no public owned lane or property located within the appropriate jurisdictions that will be used to address the needs identified in the plan.

**Discussion**

## SP-40 Institutional Delivery Structure – 91.215(k)

Explain the institutional structure through which the jurisdiction will carry out its consolidated plan including private industry, non-profit organizations, and public institutions.

Responsible Entity	Responsible Entity Type	Role	Geographic Area Served
	Regional organization	Planning	Region

Table 52 - Institutional Delivery Structure

### Assess of Strengths and Gaps in the Institutional Delivery System

The Consolidated Plan is developed and implemented through a regional organization in the Northern Shenandoah Valley Regional Organization. NSVRC has partnered with local organizations such as the CoC, CHDOs, housing providers, advocacy groups, special interest groups and supportive service providers to implement the Consolidated Plan. This regional partnership is a tremendous asset to the institutional delivery system. Potential gaps in the delivery system include a lack of consistent participation among non-profit groups and challenges in having meaningful input and participation in the process. NSVRC through its local partners will continue to expand and enhances the institutional delivery system to ensure implementation of Consolidated Plan goals and strategies.

### Availability of services targeted to homeless persons and persons with HIV and mainstream services

Homelessness Prevention Services	Available in the Community	Targeted to Homeless	Targeted to People with HIV
<b>Homelessness Prevention Services</b>			
Counseling/Advocacy	X	X	X
Legal Assistance	X	X	X
Mortgage Assistance	X		X
Rental Assistance	X	X	X
Utilities Assistance	X	X	X
<b>Street Outreach Services</b>			
Law Enforcement	X	X	
Mobile Clinics	X	X	
Other Street Outreach Services	X	X	
<b>Supportive Services</b>			
Alcohol & Drug Abuse	X	X	
Child Care	X	X	
Education	X	X	
Employment and Employment Training	X	X	
Healthcare	X	X	X
HIV/AIDS	X	X	X

Life Skills	X	X	
Mental Health Counseling	X	X	X
Transportation	X	X	X
<b>Other</b>			

**Table 53 - Homeless Prevention Services Summary**

**Describe how the service delivery system including, but not limited to, the services listed above meet the needs of homeless persons (particularly chronically homeless individuals and families, families with children, veterans and their families, and unaccompanied youth)**

The Northern Shenandoah Valley region has been able to successfully implement mainstream services such as health, mental health and employment services for homeless and person with HIV within the region. The Continuum of Care (CoC) is the primary organization responsible for evaluating these services and planning for new services. The CoC adopted its Ten (10) Year Plan to End Homelessness in the fall of 2012 which outlines existing services offered (documented in the preceding table) and those services which "lacking." The CoC through its partnerships with local governments, NSVRC, CHDOs, housing providers, advocacy groups, special interest groups and supportive service providers will continue to plan and implement new services to address service "gaps."

**Describe the strengths and gaps of the service delivery system for special needs population and persons experiencing homelessness, including, but not limited to, the services listed above**

The Consolidated Plan is developed and implemented through a regional organization in the Northern Shenandoah Valley Regional Organization. NSVRC has partnered with local organizations such as the CoC, CHDOs, housing providers, advocacy groups, special interest groups and supportive service providers to implement the Consolidated Plan and specifically address service delivery for special needs populations and persons experiencing homelessness. This regional partnership is a tremendous asset to the institutional delivery system. Potential gaps in the delivery system include a lack of consistent participation among non-profit groups and challenges in having meaningful input and participation in the process. NSVRC through it's local partners will continue to expand and enhances the institutional delivery system to ensure implementation of Consolidated Plan goals and strategies.

**Provide a summary of the strategy for overcoming gaps in the institutional structure and service delivery system for carrying out a strategy to address priority needs**

The Consolidated Plan is developed and implemented through a regional organization in the Northern Shenandoah Valley Regional Organization. NSVRC has partnered with local organizations such as the CoC, CHDOs, housing providers, advocacy groups, special interest groups and supportive service providers to implement the Consolidated Plan. This regional partnership is a tremendous asset to the institutional delivery system for serving priority needs populations. Potential gaps in the delivery system

include a lack of consistent participation among non-profit groups and challenges in having meaningful input and participation in the process. NSVRC through its local partners will continue to expand and enhances the institutional delivery system to ensure implementation of Consolidated Plan goals and strategies.

**SP-45 Goals Summary – 91.215(a)(4)**

**Goals Summary Information**

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
1	Provide Safe, Affordable, and Accessible Housing	2013	2017	Affordable Housing	HOME TARGET AREA	Addressing Substandard Housing Create Stable Housing Situations	CDBG: \$0 HOME: \$1,590,541	Rental units constructed: 100 Household Housing Unit  Rental units rehabilitated: 50 Household Housing Unit  Homeowner Housing Added: 25 Household Housing Unit  Homeowner Housing Rehabilitated: 50 Household Housing Unit  Direct Financial Assistance to Homebuyers: 50 Households Assisted  Tenant-based rental assistance / Rapid Rehousing: 100 Households Assisted  Housing Code Enforcement/Foreclosed Property Care: 15 Household Housing Unit

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
2	Address special needs population housing	2013	2017	Affordable Housing Public Housing Non-Homeless Special Needs	CDBG TARGET AREA HOME TARGET AREA	Create Stable Housing Situations	CDBG: \$0 HOME: \$250,000	Public service activities other than Low/Moderate Income Housing Benefit: 100 Persons Assisted  Public service activities for Low/Moderate Income Housing Benefit: 100 Households Assisted  Tenant-based rental assistance / Rapid Rehousing: 100 Households Assisted  HIV/AIDS Housing Operations: 25 Household Housing Unit

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
3	Prevent and End Homelessness	2013	2017	Homeless	CDBG TARGET AREA HOME TARGET AREA	Create Stable Housing Situations	CDBG: \$0 HOME: \$500,000	Rental units constructed: 100 Household Housing Unit  Rental units rehabilitated: 100 Household Housing Unit  Tenant-based rental assistance / Rapid Rehousing: 100 Households Assisted  Overnight/Emergency Shelter/Transitional Housing Beds added: 25 Beds  Homelessness Prevention: 300 Persons Assisted  Housing for Homeless added: 50 Household Housing Unit
4	Enhance Economic Growth and Infrastructure	2018	2022	Non-Housing Community Development	CDBG TARGET AREA	Improve Economic vitality and Pedestrian Access	CDBG: \$1,000,000 HOME: \$0	Public Facility or Infrastructure Activities other than Low/Moderate Income Housing Benefit: 3940 Persons Assisted

Table 54 – Goals Summary

**Goal Descriptions**

1	<b>Goal Name</b>	Provide Safe, Affordable, and Accessible Housing
	<b>Goal Description</b>	Create safe, decent, and affordable housing opportunities through the HOME program. Specifically creating new homeownership opportunities through new construction and down payment assistance; rehabbing substandard housing; developing new affordable rental units; and providing rental assistance to homeless, low and moderate-income persons.
2	<b>Goal Name</b>	Address special needs population housing
	<b>Goal Description</b>	Creating housing opportunities for low and moderate income persons in the Northern Shenandoah Valley.
3	<b>Goal Name</b>	Prevent and End Homelessness
	<b>Goal Description</b>	Prevent and end homelessness in the Northern Shenandoah Valley region through improving supportive service delivery, creating permanent housing opportunities and providing financial assistance to families at risk of becoming homeless.
4	<b>Goal Name</b>	Enhance Economic Growth and Infrastructure
	<b>Goal Description</b>	Create and enhance economic opportunities in the City of Winchester and the Northern Shenandoah Valley through business retention, job creation, improving public infrastructure (sidewalks) and mediating blighted property.

**Estimate the number of extremely low-income, low-income, and moderate-income families to whom the jurisdiction will provide affordable housing as defined by HOME 91.315(b)(2)**

Based on data analysis, citizen and stakeholder input, the following priority needs were identified. These needs are by no means exhaustive of all community needs but are selected based upon citizen and stakeholder input, consultation with community, regional, state and federal agencies and evaluation of the current institutional structure.

- Affordable homeownership opportunities
- Affordable rental housing opportunities
- Abatement of dilapidated or blighted property

- Public facilities and improvements
- Homelessness intervention and prevention
- Repair of occupied housing
- Fair housing awareness and education
- Nonprofit organization capacity building

Prioritization of needs was conducted on two levels for the CDBG and HOME programs. CDBG priorities were identified by the Community Development Committee for the City of Winchester and HOME priorities by the Housing & Community Services Policy Board (NSV Region). Both bodies considered input from service providers and citizens in developing program priorities. Priorities were then combined when appropriate for inclusion in the Consolidated Plan.

Identification of priority needs was based on data available to the boards for the respective program service areas.

## **SP-50 Public Housing Accessibility and Involvement – 91.215(c)**

### **Need to Increase the Number of Accessible Units (if Required by a Section 504 Voluntary Compliance Agreement)**

There are no public housing units in the Northern Shenandoah Valley Region. There are, however a number of privately owned and operated assisted units through various federal resources in the region. Low-income residents and those benefiting from affordable housing programs (HOME assisted units) will be involved in strategic planning activities through the public participation process, fair housing outreach and marketing campaigns, through the forthcoming Landlord Outreach Network, outreach through the local Continuum of Care and in consultations with local, state and federal agencies.

### **Activities to Increase Resident Involvements**

There are no public housing units in the Northern Shenandoah Valley Region. There are, however a number of privately owned and operated assisted units through various federal resources in the region. Low-income residents and those benefiting from affordable housing programs (HOME assisted units) will be involved in strategic planning activities through the public participation process, fair housing outreach and marketing campaigns, through the forthcoming Landlord Outreach Network, outreach through the local Continuum of Care and in consultations with local, state and federal agencies.

### **Is the public housing agency designated as troubled under 24 CFR part 902?**

No

### **Plan to remove the ‘troubled’ designation**

There are no public housing units in the Northern Shenandoah Valley Region.

## **SP-55 Barriers to affordable housing – 91.215(h)**

### **Barriers to Affordable Housing**

Local and regional public policies, as well as national, regional, and local trends and conditions, can affect a region's ability to provide and maintain a viable affordable housing stock. Local policies especially tax policy on property, land use controls, zoning ordinances, building codes, development fees and charges, growth limits, and policies that affect return on residential investment. The Northern Shenandoah Valley Regional Commission, in partnership with the Continuum of Care (COC) and Virginia Fair Housing Office have informed the state-wide Housing Affordability Index (HAI) being assembled by Housing Virginia, which provides a comprehensive guide to policies, regulations and programs to further the development of affordable housing units and programs in the region. In examining barriers to affordable housing opportunities within the Northern Shenandoah Valley Region, this analysis focuses on local and regional factors. Chief among these factors are local real estate tax rates, local land use controls, and local and regional employment opportunities. The City of Winchester and the region's towns demonstrate higher than average levels of poverty. In addition, as evidenced by the region's demographic data, these areas include higher than average minority, elderly, and disabled populations. As such, in general, the residential tax burden to the majority of the region's at-risk population is elevated as compared to the regional average, particularly given that a significant portion of new development activities are occurring in the unincorporated parts of the region's counties. It should be noted, however, that many of the region's at-risk populations benefit from proximity to employment opportunities, services, and family support structures by residing in the City and the region's towns. Another potential barrier to affordable housing within the region is the increasing costs of commuting. As previously noted, a significant amount of the region's population and housing growth can be attributed to its proximity to the Northern Virginia / Washington D.C. metropolitan area and its growing employment sector. For many, housing costs represent the household's single largest expenditure. Unfortunately, as gasoline prices continue to rise, commuting costs consume a larger percentage of the household budget, thereby exacerbating the affordability gap. As such, jurisdictions within the Northern Shenandoah Valley Region should periodically review land use controls on both a local and regional level to identify housing related patterns and needs. Finally, housing market conditions have become and will continue to be a cause for concern relative to housing affordability. As national and regional economic trends (including credit tightening policies within the residential lending industry) continue to weight on accessibility, public policymakers should continue to monitor housing availability and affordability in the determination of housing resource allocation. The Northern Shenandoah Valley Region continues to partner with organizations including Housing Virginia and the VA Fair Housing Office to educate stakeholders and the general public regarding affordable housing and Fair Housing Law. Workshops, seminars and trainings are held throughout the year to educate the public.

### **Strategy to Remove or Ameliorate the Barriers to Affordable Housing**

The Northern Shenandoah Valley HOME Consortium and the City of Winchester recognize that impediments to fair housing choice do exist and are working to improve fair housing choice. The

Northern Shenandoah Valley Regional Commission regularly holds fair housing workshops to educate local officials, housing providers, service providers and the public at-large about fair housing law. Outlined below are current strategies currently underway for reducing fair housing impediments:

1. Increase transparency surrounding fair housing and complaint process.
2. Increase landlords' and property managers' knowledge of fair housing.
3. Assist persons with disabilities to obtain access to housing and services.
4. Work to reduce NIMBY-ism (Not In My Back Yard) by encouraging neighborhood diversity.
5. Encourage affordable housing development.

## **SP-60 Homelessness Strategy – 91.215(d)**

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

As outlined in the region's Ten (10) Year Plan to End Homelessness, the Continuum of Care (COC) is committed to forming a broad-based advisory committee comprised of members throughout the community, including elected officials, representatives of local government, the United Way, community and health foundations, and other influential community leaders who are dedicated to ending homelessness. The advisory committee will assist the COC to raise awareness of the problem of and solutions to homelessness in the community as well as to increase and leverage resources to achieve the goals of the ten year plan.

### **Addressing the emergency and transitional housing needs of homeless persons**

The COC is working towards strengthening capacity of existing emergency shelter and transitional housing providers in the region. Recent changes in the US Department of Housing & Urban Development's (HUD) programming for homelessness has lead the COC, through the 10-Year Plan to End Homelessness, to begin actively transitioning shelter and service providers from emergency shelters and transitional housing operations towards permanent supportive housing. Over the next five (5) to ten (10) years the COC looks to successfully transition existing providers to permanent supportive housing and create new permanent supportive housing facilities throughout the region.

**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.**

The region's Ten (10) Year Plan to End Homelessness proposes the following goals to address helping homeless persons and families access affordable housing options:

**Permanent Supportive Housing** – Permanent supportive housing has been identified as a solution to homelessness for a sub-set of the population – those who experience homelessness for long periods of time (chronic homelessness) with multiple barriers to housing stability, including mental disabilities, chemical dependence, and other chronic health conditions. Permanent supportive housing provides first a home and then continuing supportive services to help individuals maintain a home. These support services either directly provide or connect individuals to services in the community. Support services include direct or coordinated care in the areas of mental health, substance abuse, health care, dental care, education, employment, and access to benefits.

**Rapid Re-Housing** – Rapid re-housing is a strategy to assist families and individuals experiencing homelessness to access housing as quickly as possible and then deliver uniquely tailored services to help them maintain stable housing. It follows a “housing first” philosophy which says that individuals and families experiencing homelessness need housing first, and then they need services.

Rapid re-housing differs from traditional homeless assistance in that it does not require a family or individual to live in emergency shelter or transitional housing for a certain length of time prior to returning to permanent housing. It can, however, be delivered in an emergency shelter or transitional housing setting and is not mutually exclusive from emergency shelter and transitional housing settings.

Services are consumer-driven in that the person, with the help of a case manager, determines the services that she or he needs to maintain their housing. Services are critical to help a family maintain their housing, access and maintain employment, and increase their self-sufficiency and well-being. It is the housing *and* services that make rapid re-housing an effective permanent solution to homelessness.

**Partnering with Landlords** – Many agencies and community organizations have developed partnerships with landlords, and these partnerships have resulted in access to affordable housing options for those experiencing and at risk of homelessness. The partnership is an agreement that the landlord will rent to this population and, in some cases, the service agency agrees to maintain contact and provide services to help the household remain stably housed. It is a win-win situation for all parties in that the person accesses affordable housing, the service agency helps to house their clients, and the landlord has a source of support if any problems with the tenant arise.

**Partnering with Affordable Housing Developers** – Non-profit and for-profit affordable housing developers can be important partners in the financing and development of affordable, subsidized, and permanent supportive housing that can serve as a resource to homeless assistance agencies who wish to increase housing available to people experiencing homelessness.

**Partnering with Veterans Administration Medical Centers to access HUD VASH vouchers** – Case managers at Veterans Administration (VA) Medical Centers may refer eligible veterans experiencing homelessness to receive vouchers for supportive housing. To end veteran homelessness it is therefore imperative to partner with case management staff at the Martinsburg VA Medical Center to assure veterans experiencing homelessness in Northern Shenandoah Valley receive HUD VASH vouchers to which they are eligible.

**Help low-income individuals and families avoid becoming homeless, especially extremely low-income individuals and families who are likely to become homeless after being discharged from a publicly funded institution or system of care, or who are receiving assistance from public and private agencies that address housing, health, social services, employment, education or youth needs**

The COC, in meeting the goals and strategies outline in the Ten (10) Year Plan to End Homelessness, proposes creating a "Supportive Services" and "Prevention" committee's, which will be tasked with meeting their respective goals. The Supportive Services committee will be responsible for:

- Overseeing the implementation of strategies that increase income through employment;
- Overseeing the creation of a system of centralized intake and assessment;
- Overseeing the implementation of strategies that increase access to disability and other benefits for those who are eligible;
- Overseeing increased access to supportive services.

The Prevention committee will be responsible for:

- Overseeing strategies that prevent the homelessness of people being discharged from hospitals and mental health institutions;
- Overseeing strategies that prevent the homelessness of people exiting from jails;
- Overseeing strategies that prevent the homelessness of youth aging out of foster care;
- Overseeing strategies that prevent the homelessness of unaccompanied youth.

## **SP-65 Lead based paint Hazards – 91.215(i)**

### **Actions to address LBP hazards and increase access to housing without LBP hazards**

According to the Virginia Department of Health, housing units built on or before the year 1950 may be a potential lead based paint hazard. Areas within the Northern Shenandoah Valley region demonstrating the highest percentage of likely hazards include the northern sections of the City of Winchester and areas within the Town of Front Royal. Housing units built before 1950 constitute approximately 40-50% of the total housing units within certain sections of these jurisdictions.

Significant additional data collection is needed to determine the real need for lead based paint abatement in the Northern Shenandoah Valley Region. Members of the Inspections staff with the City of Winchester are considering participation in a Lead Inspector Training to better equip themselves with knowledge necessary to identify potential lead based paint hazards in residential property. There is ongoing talk of application for lead based abatement funding, but still the need remains to quantify the number of units currently impacted by lead based paint hazards.

### **How are the actions listed above related to the extent of lead poisoning and hazards?**

Cause for concern with regards to housing conditions is the prevalence of housing units throughout the Northern Shenandoah Valley region containing lead based paint. The lead based paint that was commonly used in the finishing materials of housing in the past is now known to present environmental health hazards. If the materials containing lead are exposed (e.g. through chipped or peeling paint) become airborne and easily inhaled (e.g. through renovation or demolition activities), or if they are soluble and can leach into other materials where they can be inadvertently ingested, they pose a health risk to humans. Lead poisoning is a cumulative and not easily reversible condition which can have serious health consequences. Small children are particularly vulnerable to lead poisoning because the stage of life from fetus to six years of age is the period of rapid developmental growth.

### **How are the actions listed above integrated into housing policies and procedures?**

The Consortium requires compliance by all subrecipients and CHDO's with lead-based paint regulation. The Consortia's HOME Program Manual states that: the applicant, owner and contractors and all tenants shall be notified as per HUD regulations regarding lead based paint:

- the property may contain LBP
- the hazards of LBP
- the symptoms and treatment of LBP Poisoning
- the precautions to take

- the advisability and availability of blood lead level screening for children under the age of 7
- the appropriate abatement procedures if LBP is found

The applicant, owner, and contractors shall sign and receive a copy of the Lead Based Paint Information Notice and the memo to file.

The Consortia ensures compliance through written agreements, disclosure agreements with client files and on-site monitoring of subrecipients and CHDO's.

## **SP-70 Anti-Poverty Strategy – 91.215(j)**

### **Jurisdiction Goals, Programs and Policies for reducing the number of Poverty-Level Families**

Because of the high concentration of poverty in towns throughout the region (see map attached), it is important to acknowledge the need for regional approach to providing affordable housing. The HOME Consortium will continue to review the data for the region and identify long term strategies to addressing the needs of residents- particularly those for poverty is determined. Many of the areas with high concentration of poverty are underserved and therefore provide little by comparison in the way of services and resources to people most in need.

### **How are the Jurisdiction poverty reducing goals, programs, and policies coordinated with this affordable housing plan**

In an effort to better serve these people, the HOME Consortium will continue to focus efforts in future years in geographic areas that meet the greatest needs. These activities should build on existing programs and services so that the full need in an area is met before moving on to a different area in the region or program.

## **SP-80 Monitoring – 91.230**

**Describe the standards and procedures that the jurisdiction will use to monitor activities carried out in furtherance of the plan and will use to ensure long-term compliance with requirements of the programs involved, including minority business outreach and the comprehensive planning requirements**

As Lead Entity, the City of Winchester is responsible for monitoring housing and community development projects funded through CDBG and HOME. The City's Department of Finance will continue to monitor all projects funded through the CDBG program and will assume responsibility for executing subrecipient agreements, monitoring and communication with HUD. In the case of the HOME program, the City of Winchester will continue an agreement (initiated in 2008) with the Northern Shenandoah Valley Regional Commission (NSVRC), the local Planning District Commission, to administer the HOME program. As such, NSVRC will be responsible for assisting the City with monitoring HOME funded subrecipients' and CHDOs' projects though the ultimate responsibility remains with the City and, specifically, the City Manager's Office.

Monitoring activities will include, at least quarterly progress reports from all subrecipients, CHDOs and funded agencies on the progress of the project or program for the year, on-site visits to assure compliance with all federal standards at least annually, and use this data for planning purposes for the upcoming program years.

The partnership with NSVRC is a strategic move that the Consortium members believe will assist in meeting long term needs of the overall community. The Commission's access to data and community partners should strengthen the region's ability to develop accurate needs assessments and develop appropriate solutions for the community.

## Expected Resources

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

#### Introduction

Anticipated resources identified below were based on 2018 CDBG and HOME entitlement allocations. All anticipated future resources are estimates; leveraged funds will also be necessary to ensure project implementation and meeting Consolidated Plan goals.

#### Anticipated Resources

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1				Expected Amount Available Remainder of ConPlan \$	Narrative Description
			Annual Allocation: \$	Program Income: \$	Prior Year Resources: \$	Total: \$		
CDBG	public - federal	Acquisition Admin and Planning Economic Development Housing Public Improvements Public Services	231,081	0	0	231,081	924,324	Anticipated resources for CDBG funds will be utilized over the next five (5) years for the re-payment of the Section 108 Loan requested by the City of Winchester in 2018.

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1				Expected Amount Available Remainder of ConPlan \$	Narrative Description
			Annual Allocation: \$	Program Income: \$	Prior Year Resources: \$	Total: \$		
HOME	public - federal	Acquisition Homebuyer assistance Homeowner rehab Multifamily rental new construction Multifamily rental rehab New construction for ownership TBRA	459,682	0	0	459,682	2,298,410	Anticipated resources for HOME funds estimated using 2018 allocation prorated at a equal amount of the five (5) year period of the Consolidated Plan.

**Table 55 - 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**

Federal funds will be leverage to supplement resources to achieve goals outlined in the Consolidated Plan. Additional resources (private, state and local funds) will be necessary to implement projects and programs on a annual basis. Subsidy layer analysis will be conducted for all funded projects to ensure that federal funds represent a small percentage of all project funding. NSVRC is always actively exploring funding for match and assiting our subgrantee's and CHDO's in seeking and securing leveraging funding to extend the reaches of HOME dollars.

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

There is no public owned land or property located within the appropriate jurisdictions that will be used to address the needs identified in the plan.

**Discussion**

## Annual Goals and Objectives

### AP-20 Annual Goals and Objectives

#### Goals Summary Information

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
1	Provide Safe, Affordable, and Accessible Housing	2013	2017	Affordable Housing	HOME TARGET AREA	Create Stable Housing Situations	CDBG: \$0 HOME: \$418,108	Homeowner Housing Rehabilitated: 14 Household Housing Unit Direct Financial Assistance to Homebuyers: 18 Households Assisted Tenant-based rental assistance / Rapid Rehousing: 78 Households Assisted Other: 1 Other
2	Enhance Economic Growth and Infrastructure	2013	2017	Non-Housing Community Development	CDBG TARGET AREA	Improve Economic vitality and Pedestrian Access	CDBG: \$211,801 HOME: \$0	Public Facility or Infrastructure Activities other than Low/Moderate Income Housing Benefit: 3940 Persons Assisted Other: 0 Other

**Table 56 – Goals Summary**

#### Goal Descriptions

<b>1</b>	<b>Goal Name</b>	Provide Safe, Affordable, and Accessible Housing
	<b>Goal Description</b>	The purpose of this goal is to provide safe, affordable and accessible housing for low and moderate-income persons in the Northern Shenandoah Valley Region.
<b>2</b>	<b>Goal Name</b>	Enhance Economic Growth and Infrastructure
	<b>Goal Description</b>	Repayment of Section 108 Loan for sidewalk enhancement project.

# Projects

## AP-35 Projects – 91.220(d)

### Introduction

2018 Annual Action Plan priorities are as follows:

#### CDBG PROGRAM

- 90% to repayment of Section 108 Loan
- 10% to administrative activities

#### HOME PROGRAM

- Up to 25% to Homeownership Activities
- Up to 50% Tenant Based Rental Assistance
  - Minimum of 15% to local CHDO's as the eligible set-aside
- Maximum of 10% to Administrative Activities

### Projects

#	Project Name
1	TENANT BASED RENTAL ASSISTANCE
2	DOWN-PAYMENT ASSISTANCE
4	CHDO
6	HOME PROGRAM ADMINISTRATION
7	Section 108 Loan Repayment (Sidewalks)
8	CDBG Administration

Table 57 – Project Information

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

The 2018-2022 Consolidated Planning process identified rental assistance, down-payment assistance and home repair and the region's priority project needs. This was confirmed through an extensive public participation process. Projects were identified by local housing and service providers and approved based on the perceived market need, ability to implement the projects in a timely manner/leveraged funds and expected number of beneficiaries.

At this time there are no perceived obstacles (or "barriers") to address underserved needs. It is anticipated that the projects identified for program year 18 (FY 19) will adequately address the market

need at this time.

**AP-38 Project Summary**  
**Project Summary Information**

<b>1</b>	<b>Project Name</b>	TENANT BASED RENTAL ASSISTANCE
	<b>Target Area</b>	HOME TARGET AREA
	<b>Goals Supported</b>	Provide Safe, Affordable, and Accessible Housing
	<b>Needs Addressed</b>	Create Stable Housing Situations
	<b>Funding</b>	HOME: \$91,936
	<b>Description</b>	Tenant Based Rental Assistance program serving: City of Winchester, Clarke, Frederick, Warren, Shenandoah & Page Counties. Program provides short-term rental assistance in the form of security deposits and first-months rent to qualified low-income persons (including homeless and nearly homeless persons). Program also will provide security deposits for utilities and first-months payments.
	<b>Target Date</b>	
	<b>Estimate the number and type of families that will benefit from the proposed activities</b>	
	<b>Location Description</b>	
	<b>Planned Activities</b>	Program provides short-term rental assistance in the form of security deposits and first-months rent to qualified low-income persons (including homeless and nearly homeless persons). Program also will provide security deposits for utilities and first-months payments.
<b>2</b>	<b>Project Name</b>	DOWN-PAYMENT ASSISTANCE
	<b>Target Area</b>	HOME TARGET AREA
	<b>Goals Supported</b>	Provide Safe, Affordable, and Accessible Housing
	<b>Needs Addressed</b>	Create Stable Housing Situations
	<b>Funding</b>	HOME: \$96,000
	<b>Description</b>	Program to cover City of Winchester, Clarke, Frederick, Page, Shenandoah & Warren Counties. Program provides down-payment and closing cost assistance to first-time low-income home buyers.
	<b>Target Date</b>	
	<b>Estimate the number and type of families that will benefit from the proposed activities</b>	
	<b>Location Description</b>	

	<b>Planned Activities</b>	Program provides down-payment and closing cost assistance to first-time low-income home buyers.
<b>3</b>	<b>Project Name</b>	CHDO
	<b>Target Area</b>	HOME TARGET AREA
	<b>Goals Supported</b>	Provide Safe, Affordable, and Accessible Housing
	<b>Needs Addressed</b>	Addressing Substandard Housing Create Stable Housing Situations
	<b>Funding</b>	HOME: \$87,873
	<b>Description</b>	Homeownership development funding and pre-development loan to qualified CHDO organization.
	<b>Target Date</b>	
	<b>Estimate the number and type of families that will benefit from the proposed activities</b>	
	<b>Location Description</b>	
	<b>Planned Activities</b>	Homeownership development funding and pre-development loan to qualified CHDO organization.
<b>4</b>	<b>Project Name</b>	HOME PROGRAM ADMINISTRATION
	<b>Target Area</b>	HOME TARGET AREA
	<b>Goals Supported</b>	Provide Safe, Affordable, and Accessible Housing
	<b>Needs Addressed</b>	Addressing Substandard Housing Create Stable Housing Situations
	<b>Funding</b>	HOME: \$45,968
	<b>Description</b>	Administration of the HOME program for program year 2013.
	<b>Target Date</b>	
	<b>Estimate the number and type of families that will benefit from the proposed activities</b>	
	<b>Location Description</b>	
	<b>Planned Activities</b>	Administration of the HOME program for program year 2013.
<b>5</b>	<b>Project Name</b>	Section 108 Loan Repayment (Sidewalks)

	<b>Target Area</b>	CDBG TARGET AREA
	<b>Goals Supported</b>	Enhance Economic Growth and Infrastructure
	<b>Needs Addressed</b>	Improve Economic vitality and Pedestrian Access
	<b>Funding</b>	CDBG: \$184,864
	<b>Description</b>	Repayment of Section 108 Loan regarding the sidewalk project
	<b>Target Date</b>	7/3/2028
	<b>Estimate the number and type of families that will benefit from the proposed activities</b>	The vast majority of residents of the region to benefit from the sidewalk project are low to moderate income families. Staff estimates there are approximately ???? in this region.
	<b>Location Description</b>	Battle Avenue, Kinzel Drive, Christopher Drive, South Street, Darview Street, and West Street.
	<b>Planned Activities</b>	Repayment of Section 108 Loan regarding the sidewalk enhancement project.
6	<b>Project Name</b>	CDBG Administration
	<b>Target Area</b>	
	<b>Goals Supported</b>	
	<b>Needs Addressed</b>	
	<b>Funding</b>	CDBG: \$44,367
	<b>Description</b>	CDBG Administration
	<b>Target Date</b>	
	<b>Estimate the number and type of families that will benefit from the proposed activities</b>	
	<b>Location Description</b>	
	<b>Planned Activities</b>	

## **AP-50 Geographic Distribution – 91.220(f)**

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

The streets benefiting from the sidewalk project are located in the City's CDBG target area (North End neighborhood). This area contains the majority of the city's low/mod income residents and is in need of substnatial public infrastructure investment.

### **Geographic Distribution**

<b>Target Area</b>	<b>Percentage of Funds</b>
CDBG TARGET AREA	90
HOME TARGET AREA	100

**Table 58 - Geographic Distribution**

### **Rationale for the priorities for allocating investments geographically**

The Community Development Committee and City staff have long identified the city's North End as an area in need of public and private investment. In addition, the City's Economic Development Authority has recently began acquring various dilapidated properties in the North End for the purpose of revitalizing the region and providing new residential and commercial opportunities in the area.

### **Discussion**

## Affordable Housing

### AP-55 Affordable Housing – 91.220(g)

#### Introduction

2018 Annual Action Plan priorities are as follows:

#### **CDBG PROGRAM**

- 90% to repayment of a Section 108 Loan
- 10% to administrative activities

#### **HOME PROGRAM**

- Up to 25% to Homeownership Activities
- Up to 50% Tenant Based Rental Assistance
  - Minimum of 15% to local CHDO's as the eligible set-aside
- Maximum of 10% to Administrative Activities

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

**Table 59 - One Year Goals for Affordable Housing by Support Requirement**

<b>One Year Goals for the Number of Households Supported Through</b>	
Rental Assistance	175
The Production of New Units	3
Rehab of Existing Units	0
Acquisition of Existing Units	0
Total	178

**Table 60 - One Year Goals for Affordable Housing by Support Type**

#### Discussion

## **AP-60 Public Housing – 91.220(h)**

### **Introduction**

There is no public housing in the Northern Shenandoah Valley.

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

There is no public housing in the Northern Shenandoah Valley.

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

There is no public housing in the Northern Shenandoah Valley.

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

There is no public housing in the Northern Shenandoah Valley.

### **Discussion**

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

### **Introduction**

Outlined below are the one-year goals and the specific actions steps the Northern Shenandoah Valley region will undertake in the program year to carry out the homeless and other special needs strategy outlined in the Consolidated Plan. Specific goals for the program year include: homeless prevention and rapid-rehousing, expansion of outreach and services to special needs populations and strengthening strategic and organization capacity of the Continuum of Care (CoC) and partner organizations.

### **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**

As outlined in the region's Ten (10) Year Plan to End Homelessness, the Continuum of Care (COC) is committed to forming a broad-based advisory committee comprised of members throughout the community, including elected officials, representatives of local government, the United Way, community and health foundations, and other influential community leaders who are dedicated to ending homelessness. The advisory committee will assist the COC to raise awareness of the problem of and solutions to homelessness in the community as well as to increase and leverage resources to achieve the goals of the ten year plan. The COC will seek out a prominent community leader to serve as a chairperson of the committee and act as a community spokesperson for the cause of solving homelessness in the Northern Shenandoah Valley.

#### **Addressing the emergency shelter and transitional housing needs of homeless persons**

The COC is working towards strengthening capacity of existing emergency shelter and transitional housing providers in the region. Recent changes in the US Department of Housing & Urban Development's (HUD) programming for homelessness has lead the COC, through the 10-Year Plan to End Homelessness, to begin actively transitioning shelter and service providers from emergency shelters and transitional housing operations towards permanent supportive housing. Over the next ten (10) years the COC looks to successfully transition existing providers to permanent supportive housing and create new permanent supportive housing facilities throughout the region.

#### **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**

The region's Ten (10) Year Plan to End Homelessness proposes the following goals to address helping homeless persons and families access affordable housing options:

**Permanent Supportive Housing** – Permanent supportive housing has been identified as a solution to homelessness for a sub-set of the population – those who experience homelessness for long periods of time (chronic homelessness) with multiple barriers to housing stability, including mental disabilities, chemical dependence, and other chronic health conditions. Permanent supportive housing provides first a home and then continuing supportive services to help individuals maintain a home. These support services either directly provide or connect individuals to services in the community. Support services include direct or coordinated care in the areas of mental health, substance abuse, health care, dental care, education, employment, and access to benefits.

**Rapid Re-Housing** – Rapid re-housing is a strategy to assist families and individuals experiencing homelessness to access housing as quickly as possible and then deliver uniquely tailored services to help them maintain stable housing. It follows a “housing first” philosophy which says that individuals and families experiencing homelessness need housing first, and then they need services.

Rapid re-housing differs from traditional homeless assistance in that it does not require a family or individual to live in emergency shelter or transitional housing for a certain length of time prior to returning to permanent housing. It can, however, be delivered in an emergency shelter or transitional housing setting and is not mutually exclusive from emergency shelter and transitional housing settings.

Services are consumer-driven in that the person, with the help of a case manager, determines the services that she or he needs to maintain their housing. Services are critical to help a family maintain their housing, access and maintain employment, and increase their self-sufficiency and well-being. It is the housing *and* services that make rapid re-housing an effective permanent solution to homelessness.

**Partnering with Landlords** – Many agencies and community organizations have developed partnerships with landlords, and these partnerships have resulted in access to affordable housing options for those experiencing and at risk of homelessness. The partnership is an agreement that the landlord will rent to this population and, in some cases, the service agency agrees to maintain contact and provide services to help the household remain stably housed. It is a win-win situation for all parties in that the person accesses affordable housing, the service agency helps to house their clients, and the landlord has a source of support if any problems with the tenant arise.

**Partnering with Affordable Housing Developers** – Non-profit and for-profit affordable housing developers can be important partners in the financing and development of affordable, subsidized, and permanent supportive housing that can serve as a resource to homeless assistance agencies who wish to increase housing available to people experiencing homelessness.

**Partnering with Veterans Administration Medical Centers to access HUD VASH vouchers** – Case managers at Veterans Administration (VA) Medical Centers may refer eligible veterans experiencing

homelessness to receive vouchers for supportive housing. To end veteran homelessness it is therefore imperative to partner with case management staff at the Martinsburg VA Medical Center to assure veterans experiencing homelessness in Northern Shenandoah Valley receive HUD VASH vouchers to which they are eligible.

**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 COC, in meeting the goals and strategies outline in the Ten (10) Year Plan to End Homelessness, proposes creating a "Supportive Services" and "Prevention" committee's, which will be tasked with meeting their respective goals. The Supportive Services committee will be responsible for:

- Overseeing the implementation of strategies that increase income through employment;
- Overseeing the creation of a system of centralized intake and assessment;
- Overseeing the implementation of strategies that increase access to disability and other benefits for those who are eligible;
- Overseeing increased access to supportive services.

The Prevention committee will be responsible for:

- Overseeing strategies that prevent the homelessness of people being discharged from hospitals and mental health institutions;
- Overseeing strategies that prevent the homelessness of people exiting from jails;
- Overseeing strategies that prevent the homelessness of youth aging out of foster care;
- Overseeing strategies that prevent the homelessness of unaccompanied youth.

## **Discussion**

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

### **Introduction:**

Local and regional public policies, as well as national, regional, and local trends and conditions, can affect a region's ability to provide and maintain a viable affordable housing stock. Local policies especially tax policy on property, land use controls, zoning ordinances, building codes, development fees and charges, growth limits, and policies that affect return on residential investment. The Northern Shenandoah Valley Regional Commission, in partnership with the Continuum of Care (COC) and Virginia Fair Housing Office have informed the state-wide Housing Affordability Index (HAI) being assembled by Housing Virginia, which provides a comprehensive guide to policies, regulations and programs to further the development of affordable housing units and programs in the region.

### **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**

The Northern Shenandoah Valley HOME Consortium and the City of Winchester recognize that impediments to fair housing choice do exist and are working to improve fair housing choice. The Northern Shenandoah Valley Regional Commission will hold fair housing workshops to educate local officials, housing providers, service providers and the public at-large are aware of fair housing law. Outlined below are proposed strategies to be undertaken in reducing fair housing impediments:

1. Increase transparency surrounding fair housing and complaint process.
2. Increase landlords' and property managers' knowledge of fair housing.
3. Assist persons with disabilities to obtain access to housing and services.
4. Work to reduce NIMBYism by encouraging neighborhood diversity.
5. Encourage affordable housing development.

### **Discussion:**

## **AP-85 Other Actions – 91.220(k)**

### **Introduction:**

This section outlines the regions planned actions for 2018 to carry out strategies outlined in the Consolidated Plan for: meeting underserved needs, furthering affordable housing development, reducing lead-based paint hazards, reducing poverty, developing institutional structure and enhancing coordination among agencies.

### **Actions planned to address obstacles to meeting underserved needs**

**NSVRC currently serves as the Lead Agency for the Homeless Continuum of Care (CoC) planning process for the Northern Shenandoah Valley. In Program Year 2018, we anticipate access to funding for SHP and S+C renewals administered by the Northwestern Community Services Board as well as funding for HMIS implementation. The Harrisonburg Housing and Redevelopment Authority will administer the HMIS funding.**

### **Actions planned to foster and maintain affordable housing**

Actions planned to foster and maintain affordable housing in the Northern Shenandoah Valley region for the upcoming program year include: building organizational capacity for housing providers to carry out affordable housing development (homeownership), and assistance to at-risk persons of homelessness through tenant based rental assistance (TBRA); further physical development and improvement to owner and rental units and continued financial assistance through down-payment and TBRA programs.

### **Actions planned to reduce lead-based paint hazards**

As part of the monitoring and compliance activities, NSVRC will assure that all subgrantees, subrecipients and CHDOs conform to the lead based paint requirements associated with rehabilitation. There is little data available to suggest that lead based paint hazards are a major concern in the Northern Shenandoah Valley, but we do encourage identification of such potential hazards for consideration in our Home Repair Programs.

### **Actions planned to reduce the number of poverty-level families**

As part of the work program from 2018, NSVRC will be coordinating with the region's economic development directors to identify strategies to promote economic development and redevelopment opportunities throughout the region, including identification of resources available to persons who are

at risk of poverty. Strategies might include job retraining programs, small business development programs, micro-lending and general self-sufficiency programs.

### **Actions planned to develop institutional structure**

NSVRC continues to coordinate with area stakeholders, namely human service providers. We hope to engage additional agencies not directly related to the provision and development of affordable housing but those who serve primarily low and moderate income individuals and families, or members of the prioritized special needs populations.

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

NSVRC continues to coordinate with area stakeholders, namely human service providers, through the Western VA 513 Continuum of Care.

### **Discussion:**

## Program Specific Requirements

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

#### Introduction:

The purpose of this section is to outline program-specific requirements for the Annual Action Plan and ensure program compliance for the Community Development Block Grant (CDBG) and HOME Investment Partnership Funds. Specifically these program requirements align with the Consolidated Plan Final Ruling.

#### Community Development Block Grant Program (CDBG) Reference 24 CFR 91.220(I)(1)

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

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

#### Other CDBG Requirements

1. The amount of urgent need activities	0
2. The estimated percentage of CDBG funds that will be used for activities that benefit persons of low and moderate income. Overall Benefit - A consecutive period of one, two or three years may be used to determine that a minimum overall benefit of 70% of CDBG funds is used to benefit persons of low and moderate income. Specify the years covered that include this Annual Action Plan.	90.00%

**HOME Investment Partnership Program (HOME)**  
**Reference 24 CFR 91.220(l)(2)**

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

As outlined in the Northern Shenandoah Valley HOME Manual: because HOME funds are only one source of funding, applicants are required to utilize leverage to complete the project. Leverage is all other sources of funding in a project or activity (excluding HOME funds). Leverage includes match. The application process requires a project to successfully utilize leverage. Leverage is essential for a successful project.

Sources of Leverage

- bank loans or other loans not repayable to the HOME account
- CDBG funds
- Contributions to units that are not HOME-assisted or HOME-eligible
- Federal funds, either grants or loans
- All forms of Owner Equity

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

In order to assure continued affordability of HOME assisted housing units, the Northern Shenandoah Valley (NSV) HOME Consortium imposed a recapture provision by which a portion of the direct subsidy for housing (i.e. the amount that enables the homebuyer to purchase the property) be recaptured from the net proceeds of the sale in the event a sale occurs during the affordability period.

For HOME assisted homebuyer projects/activities, recaptured funds will be based on net proceeds from the sale of the HOME assisted housing (either voluntary or involuntary) and be reduced on a pro rata basis for the time the homeowner has owned and occupied the housing measured against the affordability applicable period. For example, if \$15,000 in HOME assistance is provided and the unit sells in year four of ownership, the Consortium will require that \$3,000 be returned, if net proceeds are equal to or exceed this amount.

All HOME agreements with homebuyers and with CHDO's/subrecipients will include these resale/recapture provisions to ensure compliance with regulation.

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

In order to assure continued affordability of HOME assisted housing units, the Northern Shenandoah Valley (NSV) HOME Consortium imposed a recapture provision by which a portion of the direct subsidy for housing (i.e. the amount that enables the homebuyer to purchase the property) be recaptured from the net proceeds of the sale in the event a sale occurs during the affordability period.

For HOME assisted projects where funds were used for acquisition, recaptured funds will be based on net proceeds from the sale of the HOME assisted housing (either voluntary or involuntary) and be reduced on a pro rata basis for the time the homeowner has owned and occupied the housing measured against the affordability applicable period. For example, if \$15,000 in HOME assistance is provided and the unit sells in year four of ownership, the Consortium will require that \$3,000 be returned, if net proceeds are equal to or exceed this amount.

All HOME agreements with CHDO's/subrecipients will include these resale/recapture provisions to ensure compliance with regulation.

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

In order to assure continued compliance with HOME assisted multifamily housing that was rehabilitated with HOME funds, the Northern Shenandoah Valley HOME Consortium proposes the following plans to refinance existing debt as consistent with 24 CFR 92.206(b) and adopted in the NSV HOME Consortium Manual:

As required by the HOME regulations, to be funded under the CHDO set-aside category, a CHDO must assume the role of owner, developer and/or sponsor. In this scenario, the nonprofit is not assuming any of these three roles, as defined by the regulations. As a result, this unit in question would be classified as homeowner rehabilitation, which is not a CHDO-eligible activity

Furthermore, if a nonprofit was funded for homebuyer activity, but under the CHDO set-aside category, the scenario would still be classified as homeowner rehabilitation and would not be eligible.

## Appendix - Alternate/Local Data Sources

<b>1</b>	<p><b>Data Source Name</b></p> <p>NORTHERN SHENANDOAH VALLEY REGION</p>
	<p><b>List the name of the organization or individual who originated the data set.</b></p> <p>Northern Shenandoah Valley Regional Commission orginated the data utilizing 2000 and 2010 US Census, 2006-2011 American Community Survey (US Census); 2011, 2012 &amp; 2013 Point-in-Time Count; live data gathered from the Homeless Management Information System (HMIS); 2012 Virginia Department of Health datasets; 2012 Virginia Department of Social Services data sets; 2011, 2012, 2013 Weldon Cooper Virginia Population Estimates.</p>
	<p><b>Provide a brief summary of the data set.</b></p> <p>Data was collected from 2000 and 2010 US Census, 2006-2011 American Community Survey (US Census); 2011, 2012 &amp; 2013 Point-in-Time Count; live data gathered from the Homeless Management Information System (HMIS); 2012 Virginia Department of Health datasets, 2012 Virginia Department of Social Services data sets; 2011, 2012, 2013 Weldon Cooper Virginia Population Estimates. All data was collected between 2012 and 2013. Calculations for area median income brackets was appropriated using available data sets.</p>
	<p><b>What was the purpose for developing this data set?</b></p> <p>Purpose for developing this data was to provide an accurate "snapshot" of the region, as the Consolidated Plan was pre-populated with data specific to the grantee (City of Winchester), but the Consolidated Plan covers the City of Winchester plus Clarke, Frederick, Page, Shenandoah and Warren Counties. Data was needed which was available at the regional scale.</p>
	<p><b>How comprehensive is the coverage of this administrative data? Is data collection concentrated in one geographic area or among a certain population?</b></p> <p>Data is comprehensive for the five counties: Clarke, Frederick, Page, Shenandoah and Warren (and towns within) and City of Winchester which make up the Northern Shenandoah Valley. Data covers all population and incomes. Calculations for area median income brackets was appropriated using available data sets. Data was collected from 2000 and 2010 US Census, 2006-2011 American Community Survey (US Census); 2011, 2012 &amp; 2013 Point-in-Time Count; live data gathered from the Homeless Management Information System (HMIS); 2012 Virginia Department of Health datasets, 2012 Virginia Department of Social Services data sets; 2011, 2012, 2013 Weldon Cooper Virginia Population Estimates. All data was collected between 2012 and 2013. Calculations for area median income brackets was appropriated using available data sets.</p>

	<p><b>What time period (provide the year, and optionally month, or month and day) is covered by this data set?</b></p> <p>This data covers the 2000 &amp; 2010 Census; 2006-2011 American Community Survey (US Census); 2012 &amp; 2013 Point-in-Time County; 2012 Virginia Department of Health datasets; 2012 Virginia Department of Social Services data sets; 2011, 2012, 2013 Weldon Cooper Virginia Population Estimates. Data was gathered between 2012 and 2013 by the Northern Shenandoah Valley Regional Commission staff. Calculations for area median income brackets was appropriated using available data sets.</p>
	<p><b>What is the status of the data set (complete, in progress, or planned)?</b></p> <p>Data is complete for purposes of the 2013-2017 Consolidated Plan. Data was collected from 2000 and 2010 US Census, 2006-2011 American Community Survey (US Census); 2011, 2012 &amp; 2013 Point-in-Time Count; live data gathered from the Homeless Management Information System (HMIS); 2012 Virginia Department of Health datasets, 2012 Virginia Department of Social Services data sets; 2011, 2012, 2013 Weldon Cooper Virginia Population Estimates. All data was collected between 2012 and 2013. Calculations for area median income brackets was appropriated using available data sets.</p>
2	<p><b>Data Source Name</b></p> <p>HUD CPD MAPS-NSV</p> <hr/> <p><b>List the name of the organization or individual who originated the data set.</b></p> <p>Northern Shenandoah Valley Regional Commission</p> <hr/> <p><b>Provide a brief summary of the data set.</b></p> <p>Data collected through HUD CPD Maps Tool January 1, 2013 to May 14, 2013. Data includes 2010 US Census information.</p> <hr/> <p><b>What was the purpose for developing this data set?</b></p> <p>Regional level data for the Consolidated Plan sections as appropriate.</p> <hr/> <p><b>Provide the year (and optionally month, or month and day) for when the data was collected.</b></p> <p>Data collected between January 1, 2013 to May 14, 2013.</p> <hr/> <p><b>Briefly describe the methodology for the data collection.</b></p> <p>Data collected through HUD CPD Maps Tool January 1, 2013 to May 14, 2013. Data includes 2010 US Census information.</p> <hr/> <p><b>Describe the total population from which the sample was taken.</b></p> <p>Total Population for Grantee: 212,894 (2010 Census)</p> <hr/> <p><b>Describe the demographics of the respondents or characteristics of the unit of measure, and the number of respondents or units surveyed.</b></p> <p>Data collected through HUD CPD Maps Tool January 1, 2013 to May 14, 2013. Data includes 2010 US Census information.</p>

<b>3</b>	<b>Data Source Name</b> 2011-2015 CHAS Data for NSV Region
	<b>List the name of the organization or individual who originated the data set.</b>
	<b>Provide a brief summary of the data set.</b>
	<b>What was the purpose for developing this data set?</b>
	<b>Provide the year (and optionally month, or month and day) for when the data was collected.</b>
	<b>Briefly describe the methodology for the data collection.</b>
	<b>Describe the total population from which the sample was taken.</b>
	<b>Describe the demographics of the respondents or characteristics of the unit of measure, and the number of respondents or units surveyed.</b>

**City of Winchester, Virginia**

Application for Section 108 Loan Guarantee  
In the amount of \$1,000,000 from the  
U.S. Department of Housing and Urban Development  
For sidewalk replacement and improvements.

August 2018

DRAFT

**Part One: General Information**

Applicant:

Entitlement public entity: City of Winchester, Virginia

Applicant's CDBG grant number:

Amount of current CDBG allocation:

Amount requested in \$1,000 increments:

Congressional District: VA-10

Applicant Contact Information:

Chief Elected Official

Name: Bill Wiley

Title: Council President

Organization: City of Winchester, Virginia

Phone: (540)667-1815

Email: bill.wiley@WinchesterVA.gov

Address: 15 N. Cameron Street  
Winchester, VA 22601

Staff Contact Primary:

Tyler Schenck

Title: Innovation & Information Services Director

Organization: City of Winchester, Virginia

Phone: (540)667-1815

Email: Tyler.Schenck@WinchesterVA.gov

Address: 15 N. Cameron Street  
Winchester, VA 22601

## **Part Two: Community Overview**

Winchester City, Virginia is a growing urban community of approximately 28,000 that continues to display positive growth trends due to its close proximity to large metropolitan areas such as Washington, DC and Baltimore and continued economic growth. Due to this ongoing rise in population, an increase in the need of public services provided by the City has placed an increased strain on our coffers and has forced us to make difficult decisions when evaluating annual budget priorities. Oftentimes, forcing us to forgo necessary infrastructure improvements.

Winchester is an independent city (a locality that is independent of any county jurisdiction and oversight) in the extreme northwestern portion of the Commonwealth of Virginia. The City is 9.3 square miles. As stated previously, the resident population is approximately 28,000; however, as the financial, employment, cultural, educational hub of the region, the daytime population of the city swells to more than 75,000 creating a population density of roughly 7,600 people per square mile.

Winchester is also home to the largest medical provider (Winchester Medical Center, a Level II Trauma Center and part of the Valley Health network) in the area. This facility treats patients from the tristate area and brings a large number of visitors to the community for medical treatment. We're also home to Shenandoah University, a private post-secondary institution with an enrollment of nearly 5,000 students from across the nation.

In addition, Winchester's thriving downtown region hosts numerous events and festivals (including the annual Apple Blossom Festival which attracts more than 100,000 people each year). As we become increasingly vibrant and attractive to people looking to relocate from the Northern Virginia region, our financial resources and infrastructure will continue to be strained. Although we are thankful for the expanded interest and investment in Winchester, we are forced to seek outside funding sources to bolster our overall resources to be better prepared to address our growing infrastructure needs.

## **Part Three: Sidewalk Improvement Proposal**

### **Project Description and Background**

The City of Winchester, Virginia requests a \$1,000,000 Section 108 Guaranteed Loan (this includes the Section 108 Loan financing fee) to supplement City funds in replacing 2.1 miles of dilapidated sidewalks located within the city. The amount requested is an advance of five years' allocations of Community Development Block Grant funding and will be repaid over ten years. The purpose of this project is to improve the current conditions of a portion of the sidewalks in the city that have been recognized in the City's Sidewalk Master Plan as in need of replacement. The City's Sidewalk Master Plan was first created in 2013 and revised in 2017 to address citizens' concerns over the poor condition of the existing sidewalks. Infrastructure improvements to sidewalks has been identified by city residents as one of the highest priorities for improvements to be made.

The City of Winchester is responsible for the maintenance of 133 miles of sidewalks. Approximately forty-five (45) miles of the total 133 miles need to be replaced entirely because they have deteriorated past the point where spot repairs are feasible or cost effective. This ongoing safety issue has begun to impact adjacent property owners and residents due the deteriorating infrastructure's impact on the safety of citizens traversing the sidewalks.

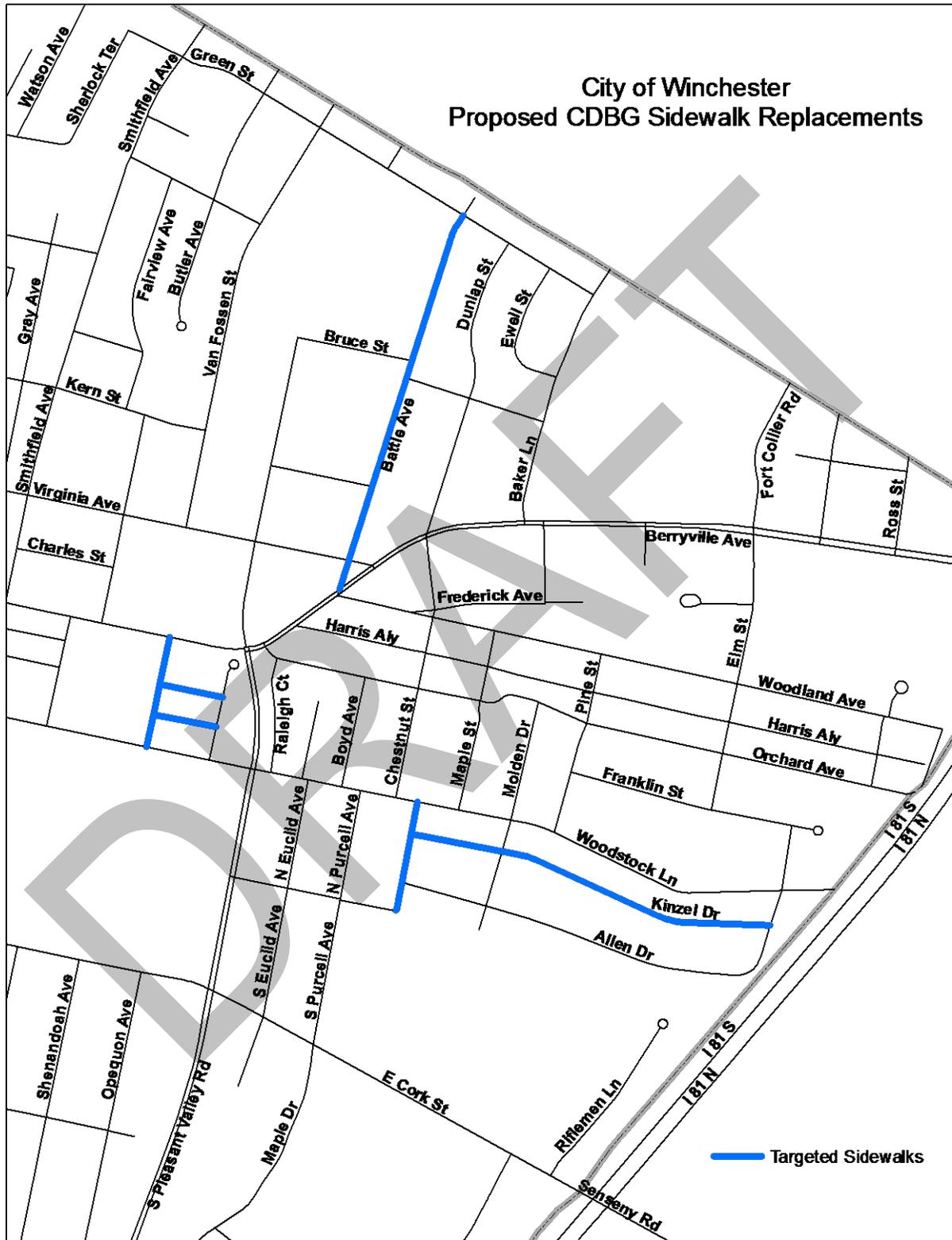
With \$1,000,000 in funds provided through the Section 108 Loan, the City will improve more than 11,000 linear feet in dangerous and dilapidated sidewalks in eligible low/mod income neighborhoods. The table below depicts the exact amount of sidewalk improvements to occur on each eligible street. Furthermore, Exhibit I, provides visual documentation of the aforementioned poor condition of these targeted sidewalks.

**Table One: Locations of Proposed Sidewalk Improvements**

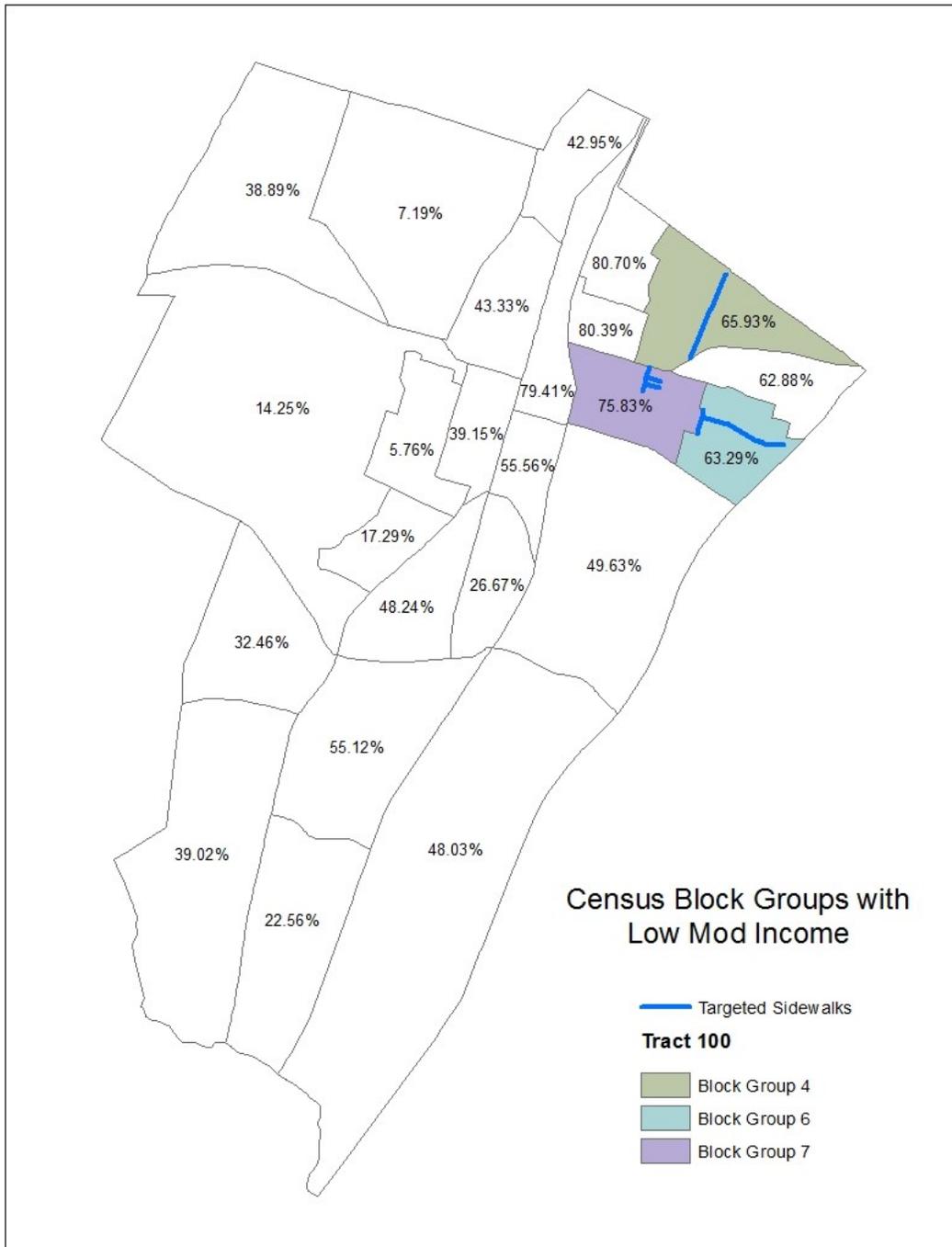
<b>Street</b>	<b>From</b>	<b>To</b>	<b>Length of Sidewalks (linear feet)</b>
Kinzel	Allen	Christopher	4,200
Christopher	Woodstock	Grove	1,200
West	National	Woodstock	1,030
Darview	West	East	340
South	West	East	340
Battle	Green	Berryville	4,200
<b>Total</b>			11,310 (2.1 miles)

The targeted areas for sidewalk replacement are located in Winchester's north end neighborhood. The census block tracts within these targeted neighborhoods are all under the designated low to moderate income threshold for Winchester (as referenced in the maps and information below). As of FY2018 (the most recent available year in HUD data), the Winchester MSA's median family income is \$67,470, making the 115% low to moderate income \$77,590. Of the neighborhoods targeted for sidewalk improvement, the census block tract with the highest median household income is \$36,424. This is substantially lower than the low to moderate income threshold and promotes eligibility for Section 108 Loan funding.

Map One: Proposed CDBG Sidewalk Replacements



Map Two: Winchester City Median Household Income by Block Group



## **Strategic Priorities**

### Encourage Sustainable Economic Growth in the City of Winchester:

The City of Winchester strictly adheres to the strategic planning model to determine local government priorities and direction from our governing body. For the last several years, our Council has made improving City services to promote Winchester as a desirable place to live and to locate a business. Through this ongoing dedication to improving our services, we have remitted substantial investment in modernizing much of our water utility system in targeted regions of Winchester, repaving several miles of roadways each year and investing millions of dollars into the revitalization of our historic downtown. The ongoing funding needed for these improvements has prohibited us from adequately maintaining our sidewalk inventory, especially in our more economically challenged neighborhoods.

As referenced by countless studies and reports, investment in infrastructure such as sidewalks in neighborhoods classified as home to predominantly low/moderate income residents promotes private investment and business development and provides additional opportunities for residents of these neighborhoods. Improving the condition of the sidewalks would encourage a more vibrant business climate and would create a more functional and visually attractive environment for the residents and for the existing businesses to inhabit. Replacing the deteriorating sidewalks would additionally lead to the revitalization of catalyst sites in the northern part of the city by encouraging future commercial, residential, and mixed-use development and investment.

### Increase Walkability:

A primary goal outlined in the City's Comprehensive Plan is to make Winchester a walkable community and to increase mobility for all residents and visitors to the city. Improving the conditions of these targeted sidewalks would encourage alternative forms of mobility such as walking and biking and would reduce the dependency on private automobile use possibly causing traffic congestion to decrease.

Replacing the targeted sidewalks in the areas of the city that have a dense school-aged population will provide students with the option to walk to school; promoting healthier activities and exercise. Shenandoah University students residing in the impacted neighborhoods would have additional transportation options to walk or bike to the University and it would provide safe access for those who use the transit system to get to the Valley Workforce Career Center and the local department of social services. Furthermore, improving the sidewalks of our applicable low to moderate income neighborhoods would provide these regions of Winchester with opportunities to safely walk from their homes to nearby commercial regions within the city. This would promote job growth and expand employment opportunities for these aforementioned populaces.

### Ensure that Winchester is a Safe and Accessible City for All:

Existing sidewalk conditions pose safety hazards for city residents. There is a lack of connectivity between segments of sidewalk, and, in certain areas, no sidewalk exists. The current conditions are inconsistent with the Americans with Disabilities Act Accessibility

Guidelines. Replacing the dilapidated sidewalks will provide a safe and equitable form of transportation for residents, visitors to Winchester, and business owners with businesses located in areas where the improvement is necessary.

## **Part Four: Section 108 Submission Requirements**

### **Community Development Objectives**

The City of Winchester's Consolidated Plan directly supports the City's desire to utilize a Section 108 Loan for sidewalk improvements. Specifically, some of the objectives listed in the Plan are below:

1. Improve the livability and safety of neighborhoods through infrastructure improvements.
2. Support community facilities that improve the quality of life for low and moderate-income residents.

These two objectives reiterate the importance of infrastructure improvements in some of our challenged neighborhoods. With the assistance of the desired Section 108 Loan, the City is confident that it will continue to strive toward meeting these objectives.

In addition, the City of Winchester follows a robust strategic plan that guides the actions of City staff. Our third goal states, "Advance the quality of life for all Winchester residents by increasing cultural, recreational and tourism opportunities; enhance and maintain infrastructure; and promote and improve public safety." This goal resonates with the City's desire to pursue infrastructure improvements with the assistance of a Section 108 Loan.

### **Description of Alignment with National Objectives:**

The activities proposed are eligible activities as per: Public facilities – 24CFR 570.703(l) and 24CFR 570.703(c), payment of interest. In addition, federal code section 570.200(a) (2) requires that all CDBG activities, including Section 108 Loans, meet one of three national objectives (defined at 570.208):

1. Benefit to low and moderate income families,
2. Aid in the prevention or elimination of slums and blight, or
3. Meeting other community development needs having a particular urgency because existing conditions pose a serious and immediate threat to the health and welfare of the community where other financial resources are not available.

The Code further states that at least 70 percent of a locality's total CDBG spending must be related to the first of these goals.

The proposed sidewalk project solely targets the first objective, related to area benefit. In fact, the entirety of the requested funds will be used for the eligible activity of public facility improvements (i.e. sidewalk improvements). As referenced in map two, this proposed project directly benefits residents of census block groups four, six and seven within our boundaries. Each of these block groups are areas of Winchester that are predominantly low to moderate income and complies with the federal directive that more than 70% of the CDBG/108 expenditures benefit low/mod income persons.

**Eligibility**

Section 108 Loan funds are restricted in their use and may only be used to support activities listed in 24 CFR 570.703. The City will use Section 108 funds to replace 2.1 linear miles of debilitated public sidewalks. This is a justified use by 570.703(c), “Payment of interest on obligations guaranteed under this subpart and 570.703(l), “Acquisition, construction, reconstruction or historic preservation, in installation of public facilities to the extent eligible under 570.201(c), including public streets, sidewalks, other site improvements and public utilities, and remediation of known or suspected environmental contamination in conjunction with these activities.” No Section 108 funds will be used for any other projects.

**Table Four: Funding Allocation Eligibility**

<b>Objective</b>	<b>Activity</b>	<b>Amount</b>
LMI Area Benefit	Rehabilitate dilapidated sidewalks	\$1,000,000
Total		\$1,000,000

City staff in several departments, including Planning, Zoning and Inspections and Public Services have all observed the problems associated with the poor condition of the targeted sidewalk. The condition of the aforementioned sidewalks has been an ongoing issue for the administration and has been voiced as an area of concern by our residents in the bi-annual citizen satisfactions survey.

**Underwriting Standards**

Sources and Uses of Funds

A project estimate of \$1,000,000 has been prepared by City of Winchester staff. All costs above \$1,000,000 will be funded by the City of Winchester.

Reasonable Costs

Responsible use of public funds requires that all project costs be minimized to a professionally reasonable level. The City based the 2.1 linear miles of sidewalk improvements on prior sidewalk projects that were, and continue to be, completed through the utilization of Virginia’s Public Procurement Act. The City will ensure that the

selected contractor for the proposed project will be efficient with the allocated funds for the project and will be placed under due supervision and scrutiny throughout the duration of the project.

#### Commitment of Other Financing Sources

Over the past ten years, the City has replaced over 20 miles of sidewalks that were in poor condition at a cost of approximately \$10 million. As part of the City's forecasted Capital Improvement Plan (CIP), the Winchester Common Council has committed to spend over \$7 million from the General Fund and Utility Fund over the next three years to replace approximately 11 miles of sidewalks (contingent upon appropriations). These funds are being used to supplement the funds desired from the Section 108 Loan to continue addressing sidewalk improvements and creation of new sidewalks in Winchester.

**Table Five: Source and Use of Projects Funds**

<b>Funding Use</b>	<b>Funding Source</b>	<b>Amount</b>
Sidewalk Improvements	Section 108 Loan	\$1,000,000
Sidewalk Improvements	City General Fund/Utility Fund	\$7,150,000
-	Total	\$8,150,000

If allocated a Section 108 Loan, the City will be able to rapidly implement these infrastructure improvements. Without these funds, the City would not be able to address these infrastructure concerns until 2022 at the earliest.

#### Debt Coverage Ratio

The loan requested is an advance of five years of the City of Winchester's annual CDBG entitlement community allocation for one year's work on an urgent community need that is rapidly becoming worse and impacting the appearance, economic health and overall safety of low to moderate income neighborhoods in Winchester. The sidewalks that would be improved with this funding would remove the pressing danger and the negative influence on the applicable neighborhoods. Furthermore, investment in these low to moderate income neighborhoods could incentivize additional private investment in these regions to promote economic growth and potential workforce opportunities for the inhabitants of these regions.

#### Conditions Prior to Funding

- There are no conditions prior to funding at this time

#### Loan Term, Repayment Schedule and Collateral

The City of Winchester is requesting a \$1,000,000 (which includes the applicable financing fee) Loan Guarantee from HUD in order to provide permanent funding for the

replacement and improvement of sidewalks within the city. The requested terms of the Loan Guarantee is a ten-year amortizing loan with annual payments at the applicable percentage rate available for the Loan. Debt payments will be made from the City's future annual CDBG entitlement allocations.

The City of Winchester is prepared to allocate an annual pledge of CDBG Entitlement funds over the term of the loan and will provide the appropriate commitment to guarantee debt service if its annual CDBG allocations are reduced.

### CDBG Does Not Substitute for Private Funds

There are no private funds available for this project. Conducting the improvements on the targeted sidewalks is a public responsibility that will benefit the residents of surrounding neighborhoods. As such, the Section 108 Loan funds do not displace private investment, but neither will the Section 108 Loan funds directly generate any program income.

### Timetable

Once the Loan Guarantee application is approved, the City will move quickly to complete the design drawings and contract documents for bidding. It is anticipated that designs will be completed within three months following the application approval and a construction contract will be awarded within six months following the application approval. Construction on the project is expected to be completed within 18 months following the application approval.

### Team Capacity and Experience

The City of Winchester has effectively managed federal funding (including CDBG) programs for many years and recently paid off a previous Section 108 Loan that created a public pocket park and addressed blight abatement in our downtown neighborhood. In addition, members of the current City Administration have been or are involved in these programs as well as numerous, public and private grant programs, involving economic development, transportation and community facilities. Furthermore, the City will comply with all regulations and requirements necessary to complete the Section 108 project.

### Citizen Participation

In accordance with the City of Winchester CDBG Citizen Participation Plan, the public will be offered two separate meetings to relay input regarding the proposed funding applications. The first public input session will be held July 17, 2018 during a Winchester Community Development Committee meeting. The second will be during the August 14, 2018 Winchester Common Council meeting. The Public will be notified of the sessions through a variety of means including use of the local newspaper being posted notice inside City Hall and the City's website. Comments will be attached to this application upon receipt. Copies of the plan will be made available for public review in Rouss CityHall.

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**EXHIBITS**

- I. Conditions of Targeted Sidewalks**
- II. Notice of Public Hearings** (to be provided upon scheduling)
- III. Loan Repayment Schedule** (estimate)
- IV. Resolution from the Winchester Common Council** (to be provided upon approval)
- V. Certifications**

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**EXHIBIT I**

**CONDITIONS OF TARGETED SIDEWALKS**





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**EXHIBIT III**  
**LOAN REPAYMENT SCHEDULE (ESTIMATE)**

<b>Principal Due Date</b>	<b>Commitment Amount</b>	<b>Advanced Amount</b>
August 1, 2019	100,000	100,000
August 1, 2020	100,000	100,000
August 1, 2021	100,000	100,000
August 1, 2022	100,000	100,000
August 1, 2023	100,000	100,000
August 1, 2024	100,000	100,000
August 1, 2025	100,000	100,000
August 1, 2026	100,000	100,000
August 1, 2027	100,000	100,000
August 1, 2028	100,000	100,000
<b>Total</b>	1,000,000	1,000,000

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**EXHIBIT IV**

**RESOLUTION FROM THE WINCHESTER COMMON COUNCIL**

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**EXHIBIT V**  
**CERTIFICATIONS**

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**SECTION 108 LOAN GUARANTEE**

**Public Entity Certifications**

In accordance with Section 108 of the Housing and Community Development Act of 1974, as amended, (the "Act") and with 24 CFR §570.704(b) the public entity certifies that:

(i) It possesses the legal authority to submit the application for assistance under 24 CFR Part 570, Subpart M ("Subpart M") and to use the guaranteed loan funds in accordance with the requirements of Subpart M.

(ii) Its governing body has duly adopted or passed as an official act a resolution, motion or similar official action:

(A) Authorizing the person identified as the official representative of the public entity to submit the application and amendments thereto and all understandings and assurances contained therein, and directing and authorizing the person identified as the official representative of the public entity to act in connection with the application to provide such additional information as may be required; and

(B) Authorizing such official representative to execute such documents as may be required in order to implement the application and issue debt obligations pursuant thereto (provided that the authorization required by this paragraph (B) may be given by the local governing body after submission of the application but prior to execution of the contract required by §570.705(b);

(iii) Before submission of its application to HUD, the public entity has:

(A) Furnished citizens with information required by §570.704(a)(2)(i);

(B) Held at least one public hearing to obtain the views of citizens on community development and housing needs; and

(C) Prepared its application in accordance with §570.704(a)(1)(iv) and made the application available to the public.

(iv) It is following a detailed citizen participation plan which meets the requirements described in §570.704(a)(2).

(v) The public entity will affirmatively further fair housing, and the guaranteed loan funds will be administered in compliance with:

(A) Title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d *et seq.*); and

(B) The Fair Housing Act (42 U.S.C. 3601–3619).

(C) (For entitlement public entities only.) In the aggregate, at least 70 percent of all CDBG funds, as defined at §570.3, to be expended during the one, two, or three consecutive years specified by the public entity for its CDBG program will be for activities which benefit low and moderate-income persons, as described in criteria at §570.208(a).

(D) (For nonentitlement public entities eligible under Subpart F of this Part only.) It will comply with primary and national objectives requirements, as applicable under Subpart F of this Part

(vi) It will comply with the requirements governing displacement, relocation, real property acquisition, and the replacement of low and moderate-income housing described in §570.606.

(vii) It will comply with the requirements of §570.200(c)(2) with regard to the use of special assessments to recover the capital costs of activities assisted with guaranteed loan funds.

(viii) Where applicable, the public entity may also include the following additional certification.) It lacks sufficient resources from funds provided under Subpart M or program income to allow it to comply with the provisions of §570.200(c)(2), and it must therefore assess properties owned and occupied by moderate income persons, to recover the guaranteed loan funded portion of the capital cost without paying such assessments in their behalf from guaranteed loan funds.

(ix) It will comply with the other provisions of the Act and with other applicable laws.

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(Signature of Authorized Official)

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(Typed Name and Title of Authorized Official)

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(Date)

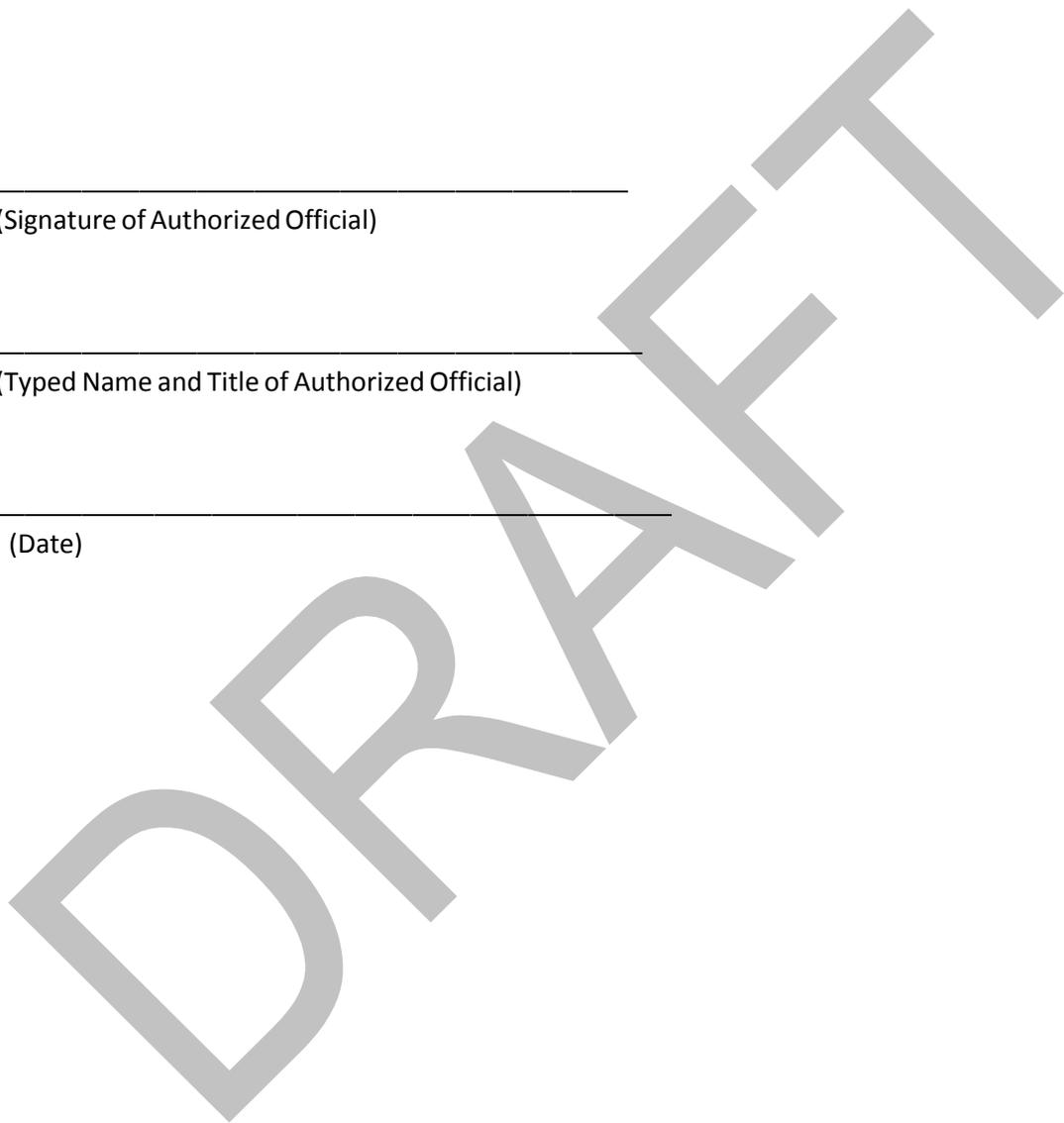
**SECTION 108 LOAN GUARENTEE**  
**Certification of Legal Authority to Pledge Grants**

**The public entity** hereby certifies and assures with respect to its application for a loan guarantee pursuant to Section 108 of the Housing and Community Development Act of 1974, as amended, that it possesses the legal authority to make the pledge of grants required under 24 CFR§ 570.705(b)(2)

\_\_\_\_\_  
(Signature of Authorized Official)

\_\_\_\_\_  
(Typed Name and Title of Authorized Official)

\_\_\_\_\_  
(Date)



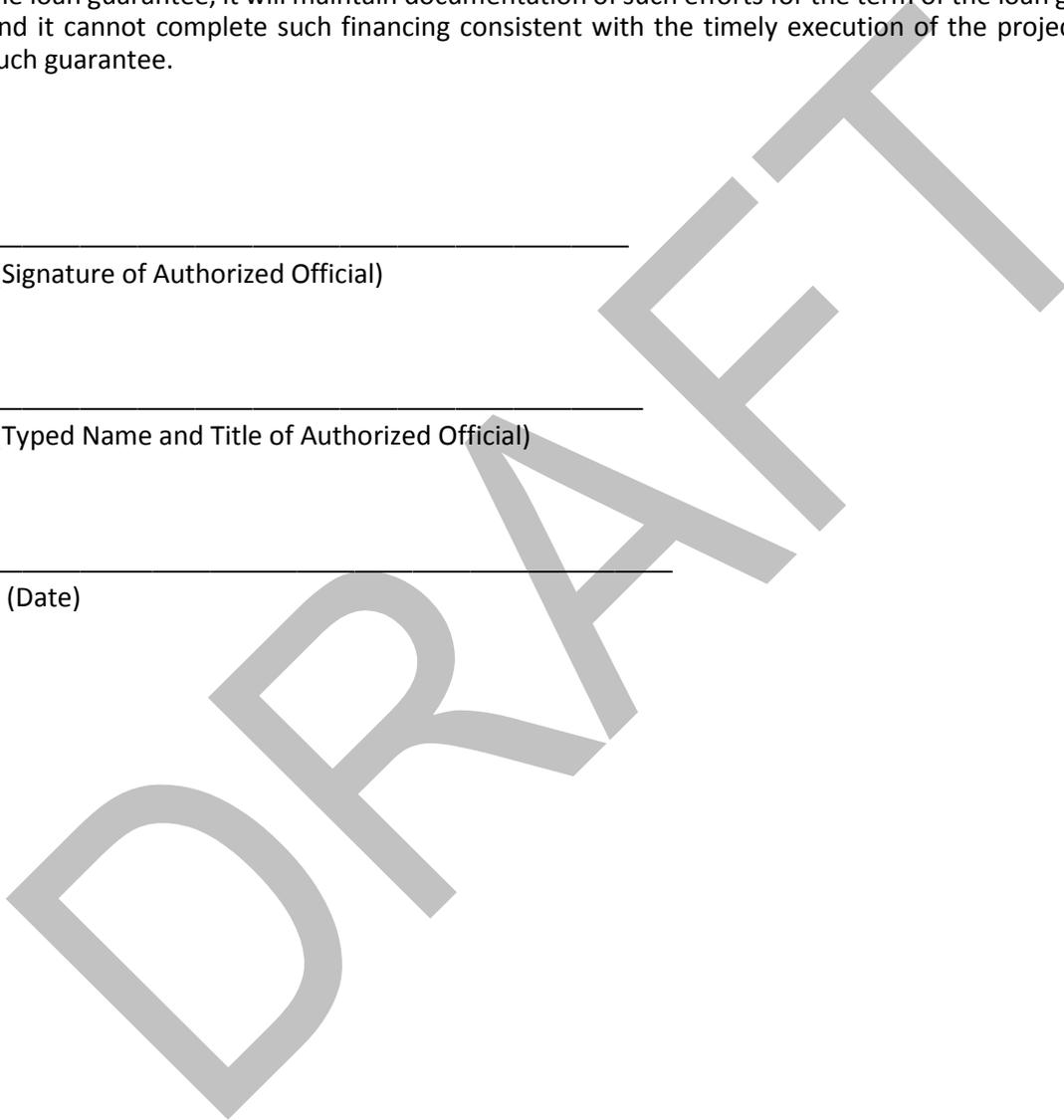
**SECTION 108 LOAN GUARANTEE**  
**Certification of Efforts to Obtain Other Financing**

The public entity hereby certifies and assures with respect to its application for a loan guarantee pursuant to Section 108 of the Housing and Community Development Act of 1974, as amended, that it has made efforts to obtain **financing** for activities described in the application without the use of the loan guarantee, it will maintain documentation of such efforts for the term of the loan guarantee, and it cannot complete such financing consistent with the timely execution of the project without such guarantee.

\_\_\_\_\_  
(Signature of Authorized Official)

\_\_\_\_\_  
(Typed Name and Title of Authorized Official)

\_\_\_\_\_  
(Date)



**SECTION 108 LOAN GUARANTEE**  
**Statement Regarding Lobbying**

The undersigned states, to the best of his or her knowledge and belief, that:

If any funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this commitment providing for the United States to insure or guarantee a loan, the undersigned shall complete and submit Standard Form—LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.

Submission of this statement is a prerequisite for making or entering into this transaction imposed by Section 1352, Title 31, U.S. Code. Any person who fails to file the required statement shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

\_\_\_\_\_  
(Signature of Authorized Official)

\_\_\_\_\_  
(Typed Name and Title of Authorized Official)

\_\_\_\_\_  
(Date)



# REINVEST & REVITALIZE: BUILDING A SUSTAINABLE COMMUNITY TOGETHER

**Purpose:** Habitat for Humanity of Winchester-Frederick-Clarke (HFHWFC) is seeking support through the Community Development Block Grant (CDBG) for property acquisition and rehabilitation opportunities along the designated East Piccadilly/North Kent Redevelopment Corridor in Winchester's North End which would complement the EDA's residential-commercial mixed-use property on the corner of North Kent and East Piccadilly streets.

**Method:** HFHWFC will focus on acquiring structures for substantial rehabilitation which typically bring the property up to local codes and standards. Certain existing substandard properties in the targeted area may qualify for reconstruction (which means demolishing and re-building a housing unit on the same lot while neither increasing nor decreasing density).

**End State:** Collectively, this partnership will improve the outlook of our community by investing economic incentivization and affordable housing options – which is proven to increase strength, stability, and self-reliance in families and in the community as a whole. Together we can partner to preserve and rehabilitate existing affordable units and homes, while increasing the number of affordable units available. This will result in an improved community in the East Piccadilly/North Kent Redevelopment corridor specifically.

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HABITAT FOR HUMANITY OF WINCHESTER-FREDERICK-CLARKE

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# Organization Overview

HFHWFC is part of a global, nonprofit housing organization focused on building and rehabilitating homes, communities, and hope.

Since 1997, HFHWFC has transformed the lives of 65 hardworking family homeowners in our service area. Currently, HFHWFC has the infrastructure to build three to four homes per year, complete numerous Neighborhood Revitalization Critical Home Repair projects, partner with other nonprofits for expanded reach, and run a successful ReStore home improvement outlet store. Our families nurture their children while building equity in their own lives, becoming taxpaying citizens, and accessing services and products they need locally. HFHWFC offers a hand up, not a hand out.

**CDBG Funding Requested:** \$200,000 for property acquisition and redevelopment to complement the EDA's ongoing and projected work plans.

## Acquisition for Housing in the East Piccadilly/North Kent Redevelopment Corridor

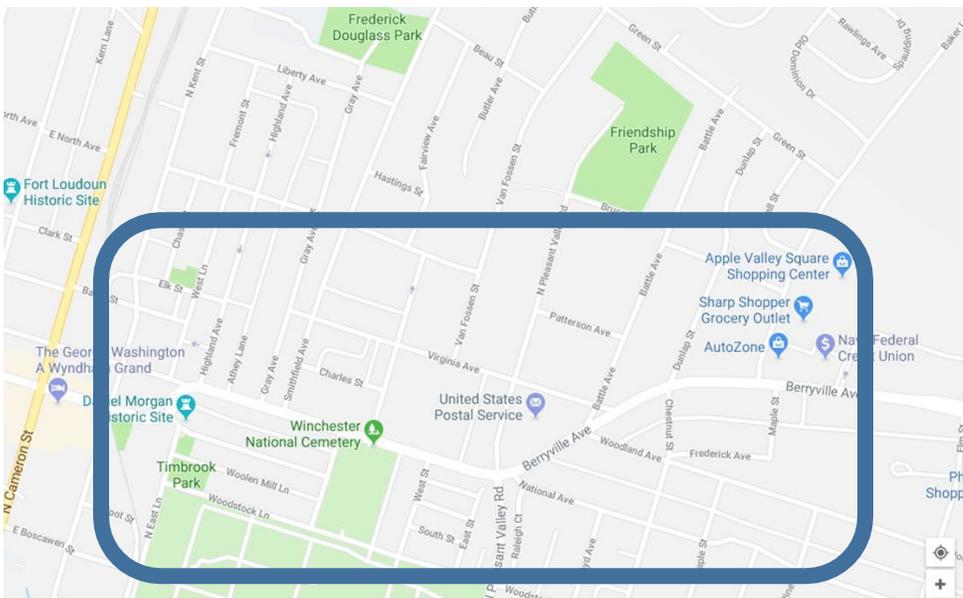


Figure 1: Generalized HFHWFC CDBG Targeted Area

Many communities struggle with providing decent, safe and sanitary affordable housing solutions to their residents. CDBG funds can be used to acquire, rehabilitate or construct affordable homes for rental housing or for purchasing. CDBG funds necessitate that there are tenant income requirements and rent restrictions for rental housing projects, while house sales to LMI homebuyers are done in conjunction with a neighborhood revitalization or community economic

development projects. Habitat for Humanity already has the models in place to oversee such ventures.

According to section 570.201(a) and (b) of CDBG regulations, acquisition for housing is a sought-after use of CDBG funding. Grantees may acquire housing units, as long as the units are not newly constructed, and either lease or sell them for residential purposes. Habitat for Humanity property acquisition funding is intended to help address the substandard housing market and encourage continued and renewed homeownership in the Northeast Geographical Planning Area of Winchester city. Individuals who earn less than the area median income are more likely to rent than to own a

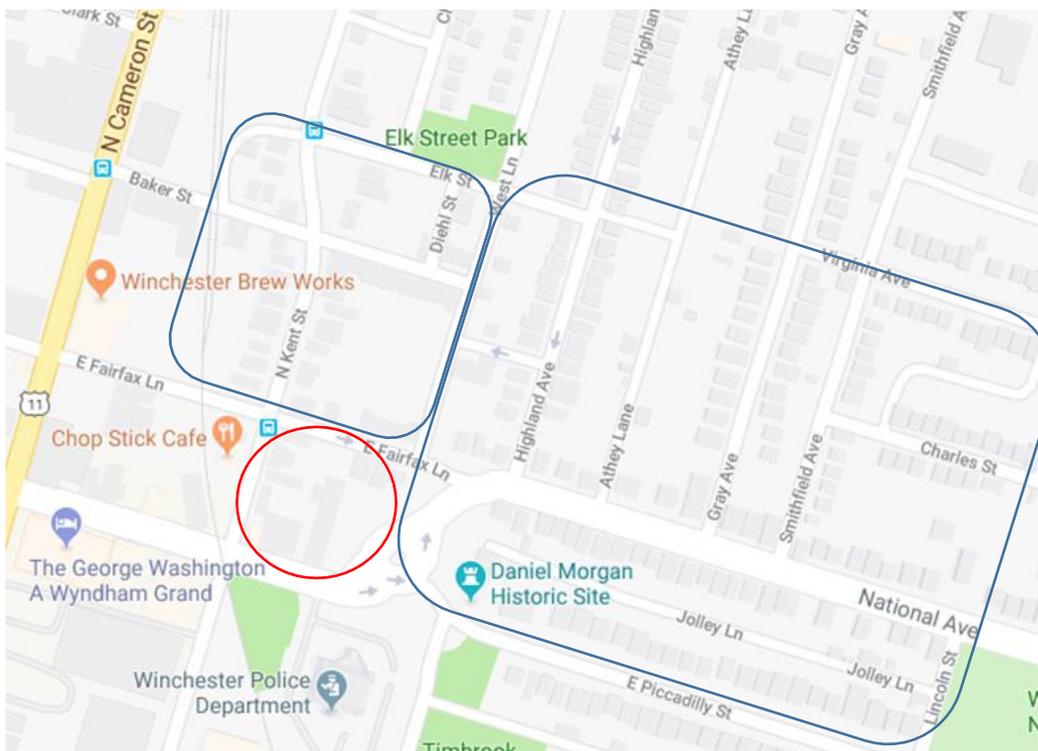


Figure 2: East Piccadilly/North Kent Redevelopment Corridor is highlighted in RED. HFHWFC will target property acquisition and rehabilitation opportunities flanking the East Piccadilly/North Kent Redevelopment Corridor in Winchester's North End which would complement the EDA's residential-commercial mixed-use property on the corner of North Kent and East Piccadilly streets. If properties cannot be found in the areas highlighted in BLUE, HFHWFC will move westward from the East Piccadilly/North Kent Redevelopment Corridor following National Ave from the roundabout to Baker Lane and its environs as highlighted in Figure 1.

home and live in substandard housing. While one part of HFHWFC's mission is to help these gain relief from being cost-burdened and get them into owner-occupied homes that are considered decent and affordable, another part of our mission is to preserve affordable housing rental opportunities within our service area for those who may not qualify for homeownership or choose not to become homeowners. Living in a high-quality home within reach of the family budget means children do better in school, parents are less stressed,

and seniors are better positioned to age in place. Better housing choices mean greater opportunities.

Habitat is committed to building a preserving high quality affordable homes in our local community. Our affordable housing preservation projects provide improved stability by removing blighted properties and encouraging adjacent property owners to improve their own investments.

Habitat for Humanity property acquisition will meet National Objectives for Housing activities. CDBG requires that all housing activities must qualify as meeting one of the three national objectives of the program and meet specific tests for benefiting LMI persons, preventing or eliminating slums or blight and meeting other community development. By focusing on property acquisition in support of affordable housing, the City and Habitat will use CDBG funds to lower the cost of private development. Lower land costs and improved sites may reduce the ultimate sale price for homes or monthly rent for apartments.

As with all HFHWFC endeavors, these planned projects meet all the six Strategic Goals outlined in the Comprehensive Plan. It will 1) increase homeownership opportunities; 2) utilize construction standards that promote decent, affordable and energy efficient housing; 3) strengthen our communities by rehabilitating blighted properties; 4) ensure equal opportunity in housing through our selection process; 5) embrace high standards of ethics, management and accountability as enforced by our local Board of Directors and Habitat for Humanity International; and 6) promote partnerships with faith-based and community organizations, other non-profits, volunteers, donors, and subject matter experts.



Figure 3 (Above): 507 Highland Avenue at the time it was purchased by Habitat for Humanity.

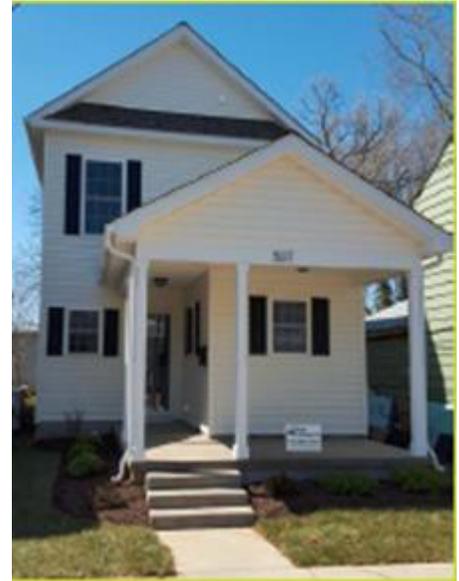


Figure 4 (Right): 507 Highland Avenue after it had to be reconstructed. The home was sold to a single mother with 2 children.

## Acquisition of Existing Structures for Housing

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- ✓ Grantees may use CDBG funds to finance or to supplement the financing of acquisition of properties.
  - ✓ Existing housing units may become more affordable when grantees acquire those units and sell or lease them at reduced prices. CDBG funds may be provided to private individuals and private for-profit entities to acquire property for the purpose of its being rehabilitated. The property may then be rehabilitated and used or sold for residential purposes. [Section 570.202(b)(1)]
  - ✓ Grantees may acquire housing units, as long as the units are not newly constructed, and either lease or sell them for residential purposes. [section 570.201(a) and (b)] CDBG regulations do not limit the amount of write-down to the buyer.
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## Statement of Need

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The City of Winchester has 27,284 residents. Approximately 15.7% of Winchester's population is living at or below the federal poverty level. The area median income (AMI) for Winchester is \$44,731. Thirty-two percent of homeowners and 53.8% of renters are considered cost-burdened, which means they spend more than 30% of their pre-tax income on housing.

As of 2014 there were 11,917 units available: 5,684 were owner-occupied, with the rest either being rented or vacant. Approximately three quarters of the rental units are located in Winchester's central corridor while 85% of the homes on the suburban edges of the city are owner-occupied. Twenty-eight percent of housing units in Winchester are multi-unit structures while 72% are single-unit structures. Of those units, 1% lack complete plumbing facilities, 1.4% lack complete kitchen facilities, and 3.2% lack phone service. The median number of rooms is six and 55% of housing units have three or more bedrooms. Twenty-four percent of Winchester's housing stock predates 1939.

The Northeast (NE) Geographical Planning Area is the largest area in terms of population. It is characterized by multiple land uses but is mostly medium and high density residential use and zoning with some new and old commercial use and zoning. It consists of mainly older single-family and two-family dwellings with some small and mid-sized apartments and townhouses mixed within an HR-1 district west of Smithfield Ave and south of Virginia Ave.

There are notable concentrations of deteriorated residences, including new developments on Smithfield Ave and at the east end of Franklin Str. Some blighted residential properties still exist along Conway St in a B-2 commercial district in the northeast corner. Generally older (and somewhat obsolete) industrial land use is within a heavy industrial (M-2) zoning district in the northwest corner of the area. Numerous public and semi-public land uses include: Daniel Morgan Middle School, Virginia Avenue Charlotte DeHart Elementary School, and the Douglas Learning Center. There are two parks; 2-3 playgrounds; numerous churches; two cemeteries; and a fire/rescue station. In addition, the Timbrook Public Safety Center is located in the extreme southwest corner of the Area.

## Organizational Competencies

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Typically, HFHWFC constructs or rehabilitates properties for home purchase through no-interest loans. Families may qualify for this program if their income ranges within 30%-60% of HUD-established Area Median Income. They typically invest 250 sweat equity hours (250 for individuals; families must invest up to 350 hours) for the construction or rehabilitation of their own home as well as those of their Habitat neighbors. In addition, they must complete a year-long program of classes focused on skills development in household budgeting, financial management, and basic home maintenance. This comprehensive approach to affordable home ownership is designed to give new Habitat families the support and skills they need to pursue greater opportunities and make a lasting contribution to the stabilization and revitalization of their neighborhood. However, Habitat also maintains 6 rental properties. Families in our rental program fall under the same HUD/Habitat guidelines for AMI. These families are not required to perform sweat-equity unless they want to convert to our homeownership program. So far, two renters have converted to Habitat homeowners once they were able to improve their financial situation.

To assist Family Partners and renters with overall cost-effective and energy-efficient living, the HFHWFC Board decided in 2010 to promote green, sustainable housing standards and, whenever possible, strive for EarthCraft certification. In 2011, our affiliate produced the first EarthCraft-certified Habitat home renovation project in the Commonwealth of Virginia. Since then, all HFHWFC homes are built or renovated to EarthCraft-certified standards. Our goal is to rehabilitate all Habitat Norris Village rentals into energy-efficient homes by 2022.

**Core Competencies:** HFHWFC's core competencies are demonstrated in its unparalleled ability to mobilize community resources and leverage partnerships to create and execute programs that change lives. HFHWFC achieves this mission in the following ways:

- Acquisition, construction and rehabilitation of blighted properties
- Urban renewal and revitalization through home construction and neighborhood clean-up programs
- Education and skills development to enhance family and neighborhood stability

- Collaboration with government and civic agencies, local businesses, service organizations, faith groups, educational institutions, citizens' groups and associations, private volunteers, and donors
- Sustainability through Green building practices and environmentally-conscious harvesting and reuse of donated materials

**Household Skills Development and Preparedness Training:** In partnership with the Virginia Cooperative Extension, Virginia Tech, and Virginia State University, HFHWFC provides basic household fiscal management, home upkeep and maintenance education to prepare partner families for the responsibilities and opportunities of home ownership. This enables partner families to become more financially secure, which greatly enhances family and neighborhood stability.

## Impact

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Habitat homes are centrally located within the underserved Northeast End and will foster a more stable and vibrant neighborhood and help revitalize an area that remains characterized by substandard housing, overcrowding, and blighted properties. Higher levels of homeownership breed social and economically stable neighborhoods, and are linked to decreased crime rates, reduced teen truancy, and increased positive educational and health outcomes.

Research has found that equipping families with a home via multiple housing solution options frees up resources for healthy food and consistent health care. Being in a stable home –either owned or rented- also improves children's educational outcomes, which contributes to lower incarceration rates. One of the things Habitat wants to emphasize is that if we don't invest in housing, we'll spend more on health care, more on education, and more on incarceration. Often, nonprofits will try to solve these problems independently, but healthy communities require all elements working together which is why a partnership between the City and Habitat can create a generational impact upon our community.

Economic (measured over the last six years): An Economic Impact Study was conducted in conjunction with Shenandoah University. The results indicated 30 Habitat building projects over that time period added \$2,838,900 in property values and is generating approximately \$35,000 in real-estate tax revenue annually. In addition, our families have improved mortgage interest savings through the use of zero-interest, fixed mortgages, and higher levels of energy efficiency which results in a commensurate decrease in the cost of utilities. HFHWFC injected almost \$6,000,000 into the economy through direct spending associated with our construction projects during 2006-2013. The U.S. Department of Commerce Bureau of Economic Analysis estimates that each dollar spent on construction in the Winchester turns over 1.73 times within the local economy. Multiplying our affiliate's total spending with this economic figure, HFHWFC has contributed almost \$10,500,000 to the local economy during the timeframe of our analysis. Generating \$4.3 million dollars in gross sales over 10 years, the ReStore continues to provide significant sales tax revenue to the city as well.

Our families also reflect generational impact and personal value associated with our programs. A homeowner's net worth is 34 times greater than that of a renter's net worth. Seventy seven percent of homeowners say this additional net worth has helped them achieve long-term financial and educational goals. Our program also reduces families' reliance on social service programs, such as SNAP and TANF. Through homeownership, families feel they have a voice within their neighborhoods as stable and permanent members of their community. This means these families increase their civic engagement by voting more regularly than renters and by being more active in their school systems.

One in four renters pay more than 50% of their income on rent, leaving less money for other

important expenses like transportation, food, health care or education. By preserving affordable rentals which fall below market rates, Habitat ensures those who rent from us have income to invest elsewhere. This helps families from facing difficult trade-offs with regard to other essential needs, such as food, clothing, transportation and health care. Average rent with in the North End is \$1250 including utilities. Our renters pay \$800 for rent and utilities. If a family had a combined income of \$2000 a month, they would be paying 63% of their monthly income on housing expenses if renting at market rates. By renting from Habitat, that same family is only paying 40% of their income on housing-related costs.

Social: Habitat for Humanity’s model, with almost 1,400 affiliates nationwide and after 40 years of experience, consistently demonstrates increased stability, strength, and self-reliance with our homeowners. HFHWFC conducted a Benchmark Study to analyze the quality-of-living conditions and the impact Habitat home ownership is having on its partner families. Results of this initial study and subsequent annual survey updates are used to evaluate what is positive about the Affiliate’s programs while addressing areas that need improvement. Proudly, 100% of our Partner Families would recommend HFHWFC to others who may qualify as a way to improve their quality of life, and 73% of our Partner Families surveyed believe they are better people than they were five years ago.

<b>HFH Homeowner Benchmark Survey</b>	<b>Before</b>	<b>After</b>	<b>Percent</b>
<b>Opinion Statement:</b>	<b>Program</b>	<b>Program</b>	<b>Difference</b>
I feel I am financially better off than five years ago.	35%	65%	30%
I feel I have no problems paying my bills on time.	14%	55%	41%
I feel that no matter what happens to me, I try to look at the bright side of things.	65%	91%	26%
My relatives do and say things to make me feel appreciated.	43%	64%	21%
When I make plans I am almost certain I can make them work.	44%	64%	20%
The children in my home have made educational achievements.	35%	70%	35%
I feel I have attained personal financial security.	2%	37%	35%
I feel my family is happier with our lives than many families we know.	2%	73%	71%
The adults in my home have made educational achievements.	2%	82%	80%

## Contact

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If you would like further information, or to schedule a meeting about our funding request, please contact:

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