

# CITY OF WINCHESTER, VIRGINIA

## PROPOSED CITY COUNCIL AGENDA ITEM

**CITY COUNCIL/COMMITTEE MEETING OF:** April 14, 2015 **CUT OFF DATE:**     

**RESOLUTION**   X   **ORDINANCE**      **PUBLIC HEARING**   X  

**ITEM TITLE:** Approval of the City of Winchester's 2015 Annual Action Plan for the use of Community Development Block Grant and HOME Allocations during Program Year 2015

**STAFF RECOMMENDATION:** City Staff recommends the approval of the 2015 Annual Action Plan

**PUBLIC NOTICE AND HEARING:** Authorize advertisement of proposed use of CDBG and HOME funds for Annual Action Plan for purposes of receiving public comment and hold public hearing April 28th, 2015.

**ADVISORY BOARD RECOMMENDATION:** The City's Community Development Committee and Northern Shenandoah Valley Regional Commission's Housing & Community Services Policy Board have discussed and recommend the attached Annual Action Plan

**FUNDING DATA:** Provides Prioritization in the Delegation of CDBG and HOME Allocations

**INSURANCE:** N/A

The initiating Department Director will place below, in sequence of transmittal, the names of each department that must initial their review in order for this item to be placed on the City Council agenda.

<u>DEPARTMENT</u>	<u>INITIALS FOR APPROVAL</u>	<u>INITIALS FOR DISAPPROVAL</u>	<u>DATE</u>
1. Finance	<i>JB</i>		<i>4-2-15</i>
2. _____			
3. _____			
4. _____			
5. City Attorney	<i>[Signature]</i>		<i>4/9/2015</i>
6. City Manager	<i>[Signature]</i>		<i>9 APR 2015</i>
7. Clerk of Council			

Initiating Department Director's Signature: *Amberly L. Munn* Date: *4/9/15*  
Economic Redevelopment Director



**APPROVED AS TO FORM:**  
*[Signature]*  
**CITY ATTORNEY** *4/9/2015*

# CITY COUNCIL ACTION MEMO

**To:** Honorable Mayor and Members of City Council  
**From:** Tyler Schenck, Economic Development Coordinator  
**Date:** April 14, 2015  
**Re:** Adoption of the City of Winchester's 2015 Annual Action Plan

**THE ISSUE:** Recipient jurisdictions of Community Development Block Grant, HOME Investment Partnership, Emergency Shelter or Housing for Persons with AIDS/HIV program funding must submit to the US Department of Housing and Urban Development (HUD) an Annual Action Plan for use of CDBG and HOME allocations in a given fiscal year.

**RELATIONSHIP TO STRATEGIC PLAN:** Goal 2: Create a More Livable City for All

**BACKGROUND:** 2015 allocations from HUD are as follows:

CDBG: \$243,921  
HOME: \$463,448

The Annual Action Plan will be final upon Council's approval on April 28<sup>th</sup>. The proposed breakdown of this year's Annual Action Plan for CDBG and HOME funding is displayed below:

**CDBG Program**

- \$219,528.90 to Repayment of Section 108 Loan
- \$24,392.10 to Administrative Activities

**HOME: \$463,448**

- \$46,344.80 to Administrative Activities
- \$46,344.80 to Tenant Based Rental Assistance in Region
- \$46,344.80 to Owner Occupied Home Repair in Region
- \$301,241.20 for Rental Housing Development in Region
- \$23,172.40 for CHDO Predevelopment Loan in Region

**BUDGET IMPACT:** The adoption of the Annual Action Plan dictates how CDBG and HOME funds will be allocated during program year 2015.

**OPTIONS:** Council may approve or disapprove the Annual Action Plan

**RESOLUTION ADOPTING THE CITY OF WINCHESTER'S 2015 ANNUAL ACTION PLAN FOR THE USE OF COMMUNITY DEVELOPMENT BLOCK GRANT AND HOME ALLOCATIONS DURING PROGRAM YEAR 2015**

**WHEREAS**, agencies that receive U.S. Department of Housing and Urban Development (HUD) funds must prepare and submit an annual action plan; and

**WHEREAS**, the City of Winchester desires to receive HUD funds to develop a viable urban community and to expand economic opportunities; and

**WHEREAS**, the City of Winchester has developed an annual action plan and has satisfactorily followed HUD requirements for the creation of the document.

**NOW THEREFORE BE IT RESOLVED**, that the adoption of this Resolution shall serve as the Winchester City Council's approval of the City of Winchester's 2015 Annual Action Plan; and,

**BE IT FURTHER RESOLVED**, that the Mayor, or presiding officer, is hereby authorized to affix her signature to this Resolution signifying its adoption by the City Council of the City of Winchester, and the City Clerk, or her duly appointed deputy, is directed to attest thereto; and,

**BE IT FURTHER RESOLVED**, that the Winchester City Council approves of the City Manager's submission of the City of Winchester's 2015 Annual Action Plan to the U.S. Department of Housing and Urban Development.



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15 North Cameron Street  
Winchester, VA 22601

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TDD: (540) 722-0782  
Website: [www.winchesterva.gov](http://www.winchesterva.gov)

**TO: HONORABLE MAYOR AND MEMBERS OF THE WINCHESTER CITY COUNCIL**  
**FROM: TYLER SCHENCK, ECONOMIC DEVELOPMENT COORDINATOR**  
**DATE: APRIL 14, 2015**  
**RE: ADOPTION OF 2015 ANNUAL ACTION PLAN FUNDING PRIORITIES**

**SUBJECT**

Recipient jurisdictions of Community Development Block Grant (CDBG), HOME Investment Partnership, Emergency Shelter or Housing for Persons with AIDS/HIV program funding must submit to the US Department of Housing and Urban Development (HUD) an Annual Action Plan for use of CDBG and HOME allocations in a given fiscal year.

These annual action plans dictate how participating jurisdictions allocate their annual allocations. Per the current agreement with the Northern Shenandoah Valley Regional Commission (NSVRC), the City of Winchester is responsible for setting the allocation priorities related to the use of CDBG funds (\$243,921 for program year 2015) and any other community development resources made available. The NSVRC is responsible for setting the allocation priorities for the use of HOME funds. A required public comment period has been set for March 18, 2015 - April 16, 2015. The 2015 Annual Action Plan is due to HUD no later than May 15, 2015.

**RECOMMENDATION**

City Staff recommends that the Winchester City Council adopts the attached 2015 Annual Action Plan and the following CDBG funding priorities:

- \$219,528.90 to Repayment of Section 108 Loan
- \$24,392.10 to Administrative Activities

Utilizing this prioritization will continue our efforts to repay the outstanding Section 108 Loan in approximately 2-3 years.

The final 2015 Annual Action Plan will be distributed to the public and members of the Community Development Committee upon the Winchester City Council's approval.

**Notice of Public Comment on Housing and Community Development Priorities: 2015 Annual Action Plan; Notice of Public Comment on Amendment to Public Participation Plan**

Concurrent public comment periods will be held March 18, 2015 through April 16, 2015 on the 2015 Annual Action Plan and Amendments to Northern Shenandoah Valley Regional Commission's Public Participation Plan. The Annual Action Plan includes the following proposed use of CDBG funding in the City of Winchester and HOME funding throughout the Northern Shenandoah Valley for the upcoming program year. Please note that the CDBG funds in Winchester are directed by the Community Development Committee and Winchester City Council, while the regional HOME funds are directed by the Housing and Community Services Policy Board and the NSVRC. Copies of the Plan are available from the City of Winchester or NSVRC.

2015 Annual Action Plan Priorities:

**CDBG PROGRAM**

- \$219,528.90 to repayment of Section 108 Loan for the Taylor Hotel Rehabilitation Project
- \$24,392.10 to Administrative Activities

**HOME PROGRAM**

- \$46,344.80 to Administrative Activities
- \$46,344.80 to Tenant Based Rental Assistance Region Wide
- \$46,344.80 to Owner Occupied Home Repair in Clarke County
- \$301,241.20 for Rental Housing Development in Warren County
- \$23,172.40 for CHDO PreDevelopment Loan

Please take note of the opportunity for public comment, outlined below: The City of Winchester staff will receive public comment on proposed use of CDBG funds and the Northern Shenandoah Valley Regional Commission (NSVRC) staff will receive public comment on the proposed priorities HOME funding during a 30 day public comment period, March 18 – April 16, 2015. A public information and input session regarding the proposed use of CDBG funds will be held on March 24th 2015 in conjunction with the Community Development Committee Meeting following the 8 am Economic Development Authority Meeting.. A public information and input session regarding the proposed use of HOME funds will be held on April 2nd 2015 from 9:30-10:30 am at the NSVRC office located at 400E Kendrick Lane in Front Royal. Copies of the Plan are available from the respective office(s). Citizens may attend the meetings and participate or direct comments in writing for CDBG to the City of Winchester Attn: Department of Finance, 15 North Cameron Street Winchester VA 22601; or for HOME to the NSVRC, Attn: Community Development Program, 400E Kendrick Lane Front Royal Virginia 22630. Interpretation and special needs services are available for both public meetings upon request. Individuals that request accommodations for accessibility or language should contact the City of Winchester or NSVRC at least 7 days prior to assure requests can be accommodated.

The EDA and Housing and Community Services Policy Board will review all comments received during the input period prior to forwarding the 2015 Annual Action Plan priorities to the NSVRC and the Winchester City Council for approval of the 2015 Action Plan priorities for submission to HUD no later than May 15th, 2015.

The City of Winchester and NSVRC ensures nondiscrimination and equal employment in all programs and activities in accordance with Title VI and Title VII of the Civil Rights Act of 1964. If you have questions or concerns about your civil rights in regards to this program or special assistance for persons with disabilities or limited English proficiency, contact the office(s) listed above.

## **Executive Summary**

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

#### **1. Introduction**

The purpose of the 2015 Annual Action Plan is to continue to develop specific objectives and projects to meet goals identified in the 2013-2017 Consolidated Plan. CDBG priorities were identified by the Winchester Community Development Committee. 2015 HOME funding priorities were identified by the Housing & Community Services Policy Board to address: HOME program administration, CHDO eligible activities, owner-occupied home repair, rental housing development, and tenant based rental assistance.

#### **2. Summarize the objectives and outcomes identified in the Plan**

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

CDBG priorities were identified by the Winchester Community Development Committee. For 2015, this includes the 90% use of funds for the repayment of the Section 108 Loan Repayment and 10% for CDBG program administration.

HOME priorities were identified by the Housing and Community Services Policy Board:

- 5% of funding available in FY 2016 for a Technical Assistance/ PreDevelopment Loan for a certified Community Housing Development Organization (CHDO) interested in site selection/feasibility for development of Permanent Supportive Housing;
- 10% of funding available in FY 2016 for Program Administration, Planning and Monitoring;
- 10% of funding available in FY 2016 for Owner Occupied Home Repair with preference to applicants in the Josephine City Neighborhood;
- 10% of funding available in FY 2016 for Tenant Based Rental Assistance throughout the region;  
and
- 65% of funding available in FY 2016 for Rental Housing Development in Warren County.

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

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

The 2013-2017 Consolidated Plan proposes the following objectives & outcomes; which in turn drives the development of the Annual Action Plan goals identified in the preceding response.

- Increasing availability of safe, decent, affordable housing.
- Providing variety of housing choices throughout the region.
- Addressing special needs populations (homeless, elderly, disabled, veterans, HIV/Aids).
- Providing supportive services in housing options.
- Planning for community infrastructure

### **4. Summary of Citizen Participation Process and consultation process**

Summary from citizen participation section of plan.

Citizen Participation is a vital part of the Annual Action 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 two (2) locally circulated newspapers (Winchester Star & Northern VA Daily) from March 18th through April 16th. 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 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 meet's bi-monthly and 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 City elected officials, key staff, non-profits, and other local stakeholders to inform community development activities, primarily those related to public infrastructure, within the City of Winchester.

Public Comment period ended with a public hearing at the regular City Council meeting in April 28, 2015. Public comment is summarized below.

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 2015 Annual Action Plan was published on March 7, 2015 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 March 18 to April 16, 2015. The Public Comment period ended with a public hearing at the regular City Council meeting on April 28, 2015.

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 2015 Annual Action Plan was published on March 18th, 2015 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 March 18 to April 16, 2015. The Public Comment period ended with a public hearing at the regular City Council meeting on April 28, 2015.

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

This could be a brief narrative summary or reference an attached document from the Citizen Participation section of the Con Plan.

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

## **7. Summary**

**PR-05 Lead & Responsible Agencies – 91.200(b)**

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

Describe the agency/entity 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	Department of Economic Redevelopment
HOPWA Administrator		
HOME Administrator		Community Development
HOPWA-C Administrator		

Table 1 – Responsible Agencies

**Narrative (optional)**

**Consolidated Plan Public Contact Information**

CDBG Program: Tyler Schenck (Tyler.Schenck@winchesterva.gov)

HOME Program: Alex Schweiger (aschweiger@nsvregion.org)

## **AP-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 Annual Action 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))**

**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.**

To better inform the process, the HCSPB (described above) utilizes the Northern Shenandoah Valley Homeless Coalition which also serves a dual role as the region's Continuum of Care (CoC) to address the needs of homeless persons and persons at risk of homelessness. The CoC in 2012 merged with the Rockingham/Harrisonburg CoC to form the Northern Shenandoah Valley CoC (VA-513) and partnered with the Virginia Coalition to End Homelessness (VCEH) to serve as the staff to the CoC. The Northern Shenandoah Valley Regional Commission continues to serve as the lead agency for the CoC, providing staff and financial support.

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

Currently, the Northern Shenandoah Valley CoC does not utilize Emergency Shelter Grant (ESG) funds. In the past ESG funds were pursued by individual organizations through the TAN/CoC and the Regional Commission through the City of Winchester certified that the applications for funding were consistent with the 2008-2012 Consolidated Plan. The CoC is the primary body responsible for developing, maintaining and reporting data through the Homeless Management Information Systems (HMIS). To better utilize existing data, the CoC through the lead agency (NSVRC) contracted in 2011 with Homeward, VA (and Service Point) for HMIS services, training and database management. Performance standards were developed by Homeward to meet US Department of Housing and Urban Development

(HUD) requirements. As part of the Ten (10) Year Plan to End Homelessness the CoC plans to develop and adopt performance standards to evaluate outcomes of the Region's Ten Year Plan.

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

Table 2 – Agencies, groups, organizations who participated

1	<p><b>Agency/Group/Organization</b></p> <p><b>Agency/Group/Organization Type</b></p> <p><b>What section of the Plan was addressed by Consultation?</b></p>	<p>Northern Shenandoah Valley Continuum of Care (CoC) VA-513</p> <p>Regional organization</p> <p>Housing Need Assessment</p> <p>Homeless Needs - Chronically homeless</p> <p>Homeless Needs - Families with children</p> <p>Homelessness Needs - Veterans</p> <p>Homelessness Needs - Unaccompanied youth</p> <p>Homelessness Strategy</p> <p>Non-Homeless Special Needs</p> <p>Market Analysis</p> <p>Anti-poverty Strategy</p>
2	<p><b>Briefly describe how the Agency/Group/Organization was consulted.</b></p> <p><b>What are the anticipated outcomes of the consultation or areas for improved coordination?</b></p> <p><b>Agency/Group/Organization</b></p> <p><b>Agency/Group/Organization Type</b></p> <p><b>What section of the Plan was addressed by Consultation?</b></p> <p><b>Briefly describe how the Agency/Group/Organization was consulted.</b></p> <p><b>What are the anticipated outcomes of the consultation or areas for improved coordination?</b></p>	<p>Continuum of Care provided input specifically regarding homelessness, homeless facilities, and services. The Continuum of Care also confirmed housing needs assessment information</p> <p>City of Winchester</p> <p>Other government - Local</p> <p>Economic Development</p> <p>Grantee for CDBG and HOME Program; set CDBG priorities for Annual Action Plan.</p>
3	<p><b>Agency/Group/Organization</b></p> <p><b>Agency/Group/Organization Type</b></p>	<p>NORTHERN SHENANDOAH VALLEY REGIONAL COMMISSION</p> <p>Regional organization</p> <p>Planning organization</p>

<p><b>What section of the Plan was addressed by Consultation?</b></p> <p>Housing Need Assessment  Public Housing Needs  Homeless Needs - Chronically homeless  Homeless Needs - Families with children  Homelessness Needs - Veterans  Homelessness Needs - Unaccompanied youth  Homelessness Strategy  Non-Homeless Special Needs  Market Analysis  Economic Development  Anti-poverty Strategy  Lead-based Paint Strategy</p>	<p><b>Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?</b></p>
<p>Lead entity for HOME program; set priorities for HOME program.</p>	

**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. NSRC 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**

Name of Plan	Lead Organization	How do the goals of your Strategic Plan overlap with the goals of each plan?
Continuum of Care	Northern Shenandoah Valley Regional Commission	10 Year Plan to End Homelessness data is used in setting priorities for the 2015 Action Plan

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

**Narrative (optional)**

**AP-12 Participation – 91.105, 91.200(c)**

**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 Annual Action 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 two (2) locally circulated newspapers (Winchester Star & Northern VA Daily) from March 18 to April 16th, 2015. 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.

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 2015 Annual Action Plan was published on March 18, 2015 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 March 18 to April 16, 2015. The

Public Comment period ended with a public hearing at the regular City Council meeting on April 28th, 2015. Public comment is summarized below.

**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)

Table 4 – Citizen Participation Outreach

Annual Action Plan  
2015



## Expected Resources

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

#### Introduction

Based on FY 2016 entitlement allocations. All anticipated resources are estimates until Annual Action Plan is approved; leveraged funds will also be necessary to ensure project implementation and meeting Consolidated Plan goals.

#### Priority Table

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1			Expected Amount Available Remainder of ConPlan \$	Narrative Description
			Annual Allocation: \$	Prior Year Resources: \$	Total: \$		
CDBG	public - federal	Acquisition Admin and Planning Economic Development Housing Public Improvements Public Services	243,921	0	243,921	0	



**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 - 91.420, 91.220(c)(3)&(e)

**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		Addressing Substandard Housing Create Stable Housing Situations		Rental units constructed: 12 Household Housing Unit Homeowner Housing Rehabilitated: 3 Household Housing Unit Tenant-based rental assistance / Rapid Rehousing: 35 Households Assisted Homelessness Prevention: 35 Persons Assisted

**Table 6 – Goals Summary**

### Goal Descriptions

1	Goal Name	Provide Safe, Affordable, and Accessible Housing
	Goal Description	

**Table 7 – Goal Descriptions**

**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 91.215(b):**

45

## AP-35 Projects – 91.220(d)

### Introduction

2015 Annual Action Plan priorities are as follows:

#### **CDBG PROGRAM**

90% to repayment of Section 108 Loan for the Taylor Hotel Rehabilitation Project

10% to Administrative Activities

#### **HOME PROGRAM**

5% Project Pre Development Loan (to a certified Community Housing Development Organization- CHDO) for rental housing development for permanent supportive housing

10% Administration

10% Owner Occupied Home Repair in Clarke County (preference Josephine City Neighborhood Improvement Project)

10% Tenant Based Rental Assistance (region wide)

65% Rental Housing Development in Warren County (preferred and if not viable- throughout the region)

-

#	Project Name
1	SECTION 108 LOAN RE-PAYMENT
2	CDBG ADMINISTRATION
3	CHDO Project Pre Development Loan
4	2015 HOME Admin
5	2015 Owner Occupied Home Repair
6	2015 TBRA
7	2015 Rental Housing Development

**Table 8 – Project Information**

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

CDBG priorities were identified by the Winchester Community Development Committee. For 2015, this includes the 90% use of funds for the repayment of the Section 108 Loan Repayment and 10% for CDBG

program administration. HOME priorities were identified by the Housing and Community Service Policy Board.

**HOME PROGRAM**

5% Project Pre Development Loan (to a certified Community Housing Development Organization- CHDO) for rental housing development for permanent supportive housing

10% Administration

10% Owner Occupied Home Repair in Clarke County (preference Josephine City Neighborhood Improvement Project)

10% Tenant Based Rental Assistance (region wide)

65% Rental Housing Development in Warren County (preferred and if not viable- throughout the region)

-

## Projects

### AP-38 Projects Summary Project Summary Information

Table 9 – Project Summary

<b>1</b>	<b>Project Name</b>	SECTION 108 LOAN RE-PAYMENT
	<b>Target Area</b>	
	<b>Goals Supported</b>	
	<b>Needs Addressed</b>	
	<b>Funding</b>	:
	<b>Description</b>	Re-payment of Section 108 Loan for rehabilitation of the Taylor Hotel property in Downtown Winchester, VA.
	<b>Target Date</b>	6/30/2018
	<b>Estimate the number and type of families that will benefit from the proposed activities</b>	
	<b>Location Description</b>	
	<b>Planned Activities</b>	
<b>2</b>	<b>Project Name</b>	CDBG ADMINISTRATION
	<b>Target Area</b>	
	<b>Goals Supported</b>	
	<b>Needs Addressed</b>	

	<b>Funding</b>	:
	<b>Description</b>	Administration of CDBG program
	<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>	
<b>3</b>	<b>Project Name</b>	CHDO Project Pre Development Loan
	<b>Target Area</b>	HOME TARGET AREA
	<b>Goals Supported</b>	
	<b>Needs Addressed</b>	Addressing Substandard Housing Create Stable Housing Situations
	<b>Funding</b>	HOME: \$23,172
	<b>Description</b>	CHDO Project Pre Development Loan to a certified CHDO for rental housing development for permanent supportive housing
	<b>Target Date</b>	7/1/2016
	<b>Estimate the number and type of families that will benefit from the proposed activities</b>	This project is a Pre-Development Loan for certified CHDO's to do a feasibility study and related eligible activities.
	<b>Location Description</b>	Region Wide
	<b>Planned Activities</b>	
<b>4</b>	<b>Project Name</b>	2015 HOME Admin
	<b>Target Area</b>	

	<b>Goals Supported</b>	
	<b>Needs Addressed</b>	
	<b>Funding</b>	CDBG: \$46,344
	<b>Description</b>	
	<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>	
<b>5</b>	<b>Project Name</b>	2015 Owner Occupied Home Repair
	<b>Target Area</b>	
	<b>Goals Supported</b>	
	<b>Needs Addressed</b>	Addressing Substandard Housing
	<b>Funding</b>	HOME: \$46,344
	<b>Description</b>	OOHP in Clarke County with preference to Josephine City Neighborhood
	<b>Target Date</b>	
	<b>Estimate the number and type of families that will benefit from the proposed activities</b>	This project is estimated to benefit 3 to 4 low to moderate income families.
	<b>Location Description</b>	Preference to the Josephine City Neighborhood in Berryville. If not feasible, Clarke County.
	<b>Planned Activities</b>	Owner Occupied Home Rehab activities
<b>6</b>	<b>Project Name</b>	2015 TBRA

<b>Target Area</b>	
<b>Goals Supported</b>	
<b>Needs Addressed</b>	
<b>Funding</b>	HOME: \$46,344
<b>Description</b>	Tenant Based Rental Assistance to families in the City of Winchester, Frederick, Clarke, Warren, Shenandoah, and Page Counties.
<b>Target Date</b>	
<b>Estimate the number and type of families that will benefit from the proposed activities</b>	This project is estimated to benefit 30 to 35 low to moderate income families.
<b>Location Description</b>	Region Wide
<b>Planned Activities</b>	
<b>Project Name</b>	2015 Rental Housing Development
<b>Target Area</b>	
<b>Goals Supported</b>	
<b>Needs Addressed</b>	Create Stable Housing Situations
<b>Funding</b>	HOME: \$301,241
<b>Description</b>	Rental Housing Development in Warren County (preferred, but if not viable, region wide)
<b>Target Date</b>	
<b>Estimate the number and type of families that will benefit from the proposed activities</b>	This project is estimated to benefit 10 to 12 low to moderate income households.
<b>Location Description</b>	Warren County

7

	<p><b>Planned Activities</b></p> <p>New construction of 36 unit multifamily rental housing, with 12 units set aside for HOME investment for low to moderate income families.</p>
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## **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 Taylor Hotel is located in the City's pedestrian mall which is in the historic downtown district. The Taylor Hotel was finished in 1848 and has served as a hotel, Civil War headquarters and hospital, theater, department store and telecom center. The building has been vacant since 2004, and its condition has rapidly deteriorated since then, especially after a partial roof collapse in 2007. The property was condemned by the City in 2010, but a substantial investment has been made in the property by the City and redevelopment efforts began in late 2012.

### **Geographic Distribution**

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

**Table 10 - Geographic Distribution**

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

The Old Town Development Board, Community Development Committee, and Economic Development Authority identified the Taylor Hotel located in the historical district as a prime location for redevelopment. The 19th century property had fallen into severe disarray after sitting vacant since 2007. The combined efforts of these public entities helped identify the Taylor Hotel as a target area and initiate its redevelopment.

### **Discussion**

## Affordable Housing

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

#### Introduction

2015 Annual Action Plan priorities are as follows:

#### CDBG PROGRAM

90% to repayment of Section 108 Loan for the Taylor Hotel Rehabilitation Project

10% to Administrative Activities

#### HOME PROGRAM

5% Project Pre Development Loan (to a certified Community Housing Development Organization- CHDO) for rental housing development for permanent supportive housing

10% Administration

10% Owner Occupied Home Repair in Clarke County (preference Josephine City Neighborhood Improvement Project)

10% Tenant Based Rental Assistance (region wide)

65% Rental Housing Development in Warren County (preferred and if not viable- throughout the region)

<b>One Year Goals for the Number of Households to be Supported</b>	
Homeless	10
Non-Homeless	25
Special-Needs	0
<b>Total</b>	<b>35</b>

**Table 11 - One Year Goals for Affordable Housing by Support Requirement**

<b>One Year Goals for the Number of Households Supported Through</b>	
Rental Assistance	35
The Production of New Units	12
Rehab of Existing Units	0
Acquisition of Existing Units	0
<b>Total</b>	<b>47</b>

**Table 12 - 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, rental housing development, 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.

TBRA funding is targeted to reach out to homeless person and put them into permanent housing situations.

#### **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.

TBRA funding is targeted to reach out to homeless person living in shelters or transitional and put them into permanent housing situations.

**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

<b>One year goals for the number of households to be provided housing through the use of HOPWA for:</b>
Short-term rent, mortgage, and utility assistance to prevent homelessness of the individual or family
Tenant-based rental assistance
Units provided in housing facilities (transitional or permanent) that are being developed, leased, or operated
Units provided in transitional short-term housing facilities developed, leased, or operated with HOPWA funds
Total

## **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. Additionally, the City of Winchester and NSVRC are working to update the region's Analysis of Impediments to Fair Housing Choice report (expected completion fall 2014). 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 2015-2016 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**

2015 is the fifth year in which priority special needs populations are identified for project funding, including those individuals and families transitioning from homelessness. It is the intention annually that increased integration between the annual action planning process and the continuum of care planning process we can achieve a higher level of coordination and efficiency of resource allocation and service delivery. The CoC will continue to work, with support of NSVRC

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

Actions planned to foster and maintain affordable housing in the Northern Shenandoah Valley Region include: a strong focus on rental development, continuing to participate in TBRA and Owner Occupied Home Repair, and exploring the feasibility of additional Permanent Supportive Housing via a CHDO Pre-Development loan.

### **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, NSVRC will be coordinating with the region's economic development directors to identify strategies to promote economic development and redevelopment opportunities which benefit low to moderate income families and are conducive to their economic benefit.

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

NSVRC continues to coordinate with area stakeholders, namely human service providers, through staff support provided to the Housing and Community Services Policy Board. Currently in the midst of a

ongoing “membership drive”, 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.

NSVRC will continue to host and promote training opportunities, particularly those focused on resource development, capacity building, and sustainability.

**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 staff support provided to the Housing and Community Services Policy Board and Continuum of Care. Staff has coordinated in the past with local Departments of Social Services to assess the needs to the region's population regarding affordable housing.

**Discussion**

## Program Specific Requirements

### AP-90 Program Specific Requirements – 91.220(l)(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(l)(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	405,000
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.	100.00%

#### 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.

- 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

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 all or a portion of the direct subsidy for housing 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 all or a portion of the direct subsidy for housing 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.

## Discussion

