

CITY OF NEWPORT NEWS

2020–2024 FIVE YEAR CONSOLIDATED HOUSING & COMMUNITY DEVELOPMENT PLAN

2020–2021 ANNUAL ACTION PLAN

CITIZEN PARTICIPATION PLAN

Agenda

- Introduction and Purpose
- Overview of HUD's Community Planning and Development (CPD) Formula Programs
 - CDBG
 - HOME
- Briefing of the City of Newport News' Competitive Programs
- The Consolidated Plan Process and Getting Involved
- Brainstorming Exercises
 - Non-Housing Community Development Needs
 - Affordable Housing Needs
 - Homeless and Special Needs
- Wrap-Up and Summary

Purpose

The City of Newport News Consolidated Plan for Housing and Community Development and Annual Action Plan is a planning requirement of the Department of Housing & Urban Development (HUD) for application and use of Community Development Block Grant (CDBG) and HOME Investment Partnerships Program funds.

Purpose, continued

The Consolidated Plan assists the City to determine community needs to:

- provide decent housing;
- establish and maintain a suitable living environment; and
- expand economic opportunities, particularly for low- and very low-income persons.

Overview of HUD's Community Planning and Development (CPD) Formula Programs

HUD's Community Planning and Development (CPD) Programs

- Grantee:

- The State or Locality that receives and distributes funding.

- Formulas:

- Determines which States and Localities will receive the funding and how much of it.

HUD's Community Planning and Development (CPD) Programs

- Community Development Block Grant (CDBG)
- HOME Investment Partnerships Program (HOME)

HUD Formula Programs

VA: FY 2019–2020 (current year)

- **Community Development Block Grant (CDBG)**
 - VA: FY 2019–2020 Allocations Total – \$56,721,372
 - City of Newport News Allocation Total: \$1,259,514

- **HOME Investment Partnership Program (HOME)**
 - VA: FY 2019–2020 Allocations Total – \$24,562,319
 - City of Newport News Allocation Total: \$714,010

<https://www.hudexchange.info/grantees/allocations-awards/>

Community Development Block Grant (CDBG)

CDBG Overview

- The CDBG program is a flexible program that provides communities with resources to address a wide range of community development needs.
- It started through the **Housing and Community Development Act of 1974.**
- It is one of the longest continuously run programs at HUD.

CDBG National Objectives

Each Activity MUST meet at least one:

- Benefit low- and moderate-income persons
- Prevent or eliminate slums or blight
- Assist with an urgent need

Primary Objectives of CDBG

The development of viable communities, principally for low and moderate income persons, through:

- Decent Housing
- Suitable Living Environment
- Expanded Economic Opportunity

Persons Served by CDBG

Low and Moderate Income

- Households and persons whose income do not exceed 80 percent of the median income of the area involved, as determined by HUD, with adjustments for household or family size.
- Over a 1, 2, or 3-year period, as selected by the grantee, **not less than 70 percent** of CDBG funds **MUST** be used for activities that benefit low and moderate income persons.

Eligible CDBG Activities

- Acquisition of Real Property
- Construction of Public Facilities and Improvements
- Rehab of Residential and Non-Residential Structures
- Public Services, within certain limits
- Activities related to Energy Conservation and Renewable Energy Resources

Eligible CDBG Activities, continued

- Relocation and Demolition
- Housing Services (includes some Homeownership Activities)
- Economic Development
- Planning and Administration

Ineligible Activities

- Building for the general conduct of government and general government expenses
- Political activities
- New housing construction by local units of government
- Income payments
- Purchase of equipment
- Operating and maintenance expenses

Who is eligible to receive CDBG funds?

- A public or private nonprofit agency, authority, or organization; OR
- A for-profit entity authorized under §570.201(o), receiving CDBG funds from the recipient or another subrecipient to undertake eligible activities.

HOME Investment Partnerships Program (HOME)

Purpose of HOME

Designed exclusively to create affordable housing for low-income households.

Overview of Basic HOME Rules

- All HOME funds must be used for families with income below 80 percent of the Area Median Income.
- Deeper targeting for rental housing
- HOME-funded projects are subject to affordability periods.
- New construction and rehab must meet local codes and property standards and federal accessibility requirements.

Participating Jurisdictions (PJs)

- State and Local Governments, or Consortia.
- Receive annual formula allocations of HOME funds.
- Responsible for the eligible use of funds.
- A PJ may designate a “subrecipient” (public agency or nonprofit) to administer all or a portion of the program.

Four HOME Program Types

- Homeowner (Owner–Occupied) Rehabilitation
- Homebuyer Assistance
- Rental Development
 - New construction or rehabilitation
- Tenant–Based Rental Assistance (TBRA)

Eligible HOME Activities

- Acquisition (standard properties)
- Rehabilitation
- New Construction
- Tenant-based Rental Assistance

Eligible HOME Expenditures

- Hard costs (construction)
- Land acquisition
- Demolition
- Project-related soft costs
 - Inspections
 - Financing fees, etc.
- Relocation costs

Prohibited HOME Activities

- Non-housing facilities (shelters, nursing homes, treatment facilities, other public facilities)
- Emergency repairs
- Project-based rental assistance
- Paying delinquent taxes on behalf of the owner
- Operation, construction or modernization of Public Housing
- Match for other federal programs

Forms of HOME Assistance

- Direct Assistance
 - Grants
 - Direct loans (interest or non-interest bearing)
 - Deferred loans
- Loan Guarantees
 - For rental, owner-occupied rehab, or homebuyer programs.

Limits on How Funds can be Spent

- **Administration:** Up to 10% of allocation
- **CHDO Operating Expenses:** Up to 5%
- **CHDO Set-Aside for Development Project Activities:** At least 15%
- **Remaining HOME funding is used for Project Activities**

Briefing of the City of Newport News' Competitive Programs

▶ Survey

- <https://www.surveymonkey.com/r/2020-2024ConsolidatedPlanSurvey>

▶ CDBG Application Review

The Consolidated Plan Process and Getting Involved

The Consolidated Plan

- The Five-Year Strategic Plan
- The Annual Action Plan
- The Annual Performance Plan

Five Stages of the Consolidated Plan Process

- Identifying Needs
- The “Proposed” Consolidated Plan
- The “Final” Consolidated Plan
- Annual Performance Report
- Substantial Amendments

Setting Priority Needs

- Specific Objectives / Performance Measures
- Non-Housing Community Development Plan
- Neighborhood Revitalization Strategy Areas
- Continuum of Care Homeless Strategy
- Anti-Poverty Strategy

Stakeholders

- HUD
- State and Local Governments
- Community Groups
- Non-Profits
- Private Sector
- Financial Institutions

Annual Action Plan

- Resources and annual objectives
- Programs, projects, or activities
- Annual numeric goals
- Other relevant actions
- Certifications

Identifying Needs

Share your ideas on what should be the City's priorities as it relates to the previously described programs.

Preparing the Consolidated Plan

- **Setting Priorities**
 - Activities designed to respond to the identified needs
 - Geographic areas where needs exist
 - Indicate how funds identified will be used to meet needs
 - Performance indicators

The Citizen Participation Plan

- Community Stakeholders
- Access to Information
- Public Hearings
 - At least two (2) each year
 - Accommodations
- Review and Comment

Technical Assistance for Citizen Participation

The Citizen Participation Plan describes how technical assistance will be provided to appropriate groups that request assistance to develop proposals.

Substantial Amendments

- Specify criteria to be used to determine what constitutes a substantial amendment.
- Describe how citizens will be given the opportunity to comment during the public comment period.

The “Final” Consolidated Plan

- Considers all the comments made during the Citizen Participation Process and comment period.
- Must be publicly available
- HUD approval is necessary
 - Due 45 days before the start of the program year
 - HUD has 45 days to approve or disapprove

Annual Performance Report

- CAPER: Consolidated Annual Performance and Evaluation Report
- Provides a detailed description of the activities funded with CPD money during the program year.
 - How much money budgeted?
 - How much money spent?
 - Location of activities?
 - What was accomplished?
 - Who benefited?

Brainstorming Exercises

Conclusion

- Wrap Up
- Next Steps
- Any Questions

Thank you for attending the Citizen Participation meeting!