

CITY OF NEWPORT NEWS

2025-2029 FIVE-YEAR CONSOLIDATED
HOUSING & COMMUNITY DEVELOPMENT PLAN

2025-2026 ANNUAL ACTION PLAN

CITIZEN PARTICIPATION PLAN

NEIGHBORHOOD REVITALIZATION STRATEGY
AREA

Speakers:

- ▶ Tricia Wilson
 - ▶ Business Development Specialist
 - ▶ City of Newport News - Department of Development
- ▶ David Staley
 - ▶ Director, Community Development
 - ▶ Newport News Redevelopment & Housing Authority (NNRHA)
- ▶ Alicia Thornwell
 - ▶ Development Administrator with NNRHA
- ▶ Teresa Sobotta
 - ▶ Grants Administrator with NNRHA

Agenda

- Introduction and Purpose – David Staley
- Overview of HUD's Community Planning and Development (CPD) Formula Programs – David Staley
 - CDBG – Teresa Sobotta
 - HOME – Alicia Thornwell
- The Consolidated Plan Process – Tricia Wilson
 - CPP – Alicia Thornwell
 - NRSA – Tricia Wilson
- Citizen Input – Teresa Sobotta
- Wrap-Up and Summary – David Staley

Purpose

The City of Newport News' Five-Year Consolidated Plan for Housing & 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 Five-Year 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 very low- to moderate-income persons.

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

HUD's Community Planning and Development (CPD) Programs

7

- Grantee:
 - The State or Locality that receives and distributes funding.
- Formulas:
 - HUD determines which states and localities will receive the funding and how much.

HUD's Community Planning and Development (CPD) Programs

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

HUD Formula Programs

VA: FY 2024-2025 (current program year)

- Community Development Block Grant (**CDBG**)
 - VA: FY 2024-2025 Allocations Total - \$58,272,106
 - City of Newport News Allocation Total: \$1,345,362
- HOME Investment Partnership Program (**HOME**)
 - VA: FY 2024-2025 Allocations Total - \$24,637,492
 - City of Newport News Allocation Total: \$800,547

<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 very low- to 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.

HUD Income Limits

FY 2024 Income Limit Area	Median Family Income	FY 2024 Income Limit Category	Persons in Family							
			1	2	3	4	5	6	7	8
Virginia Beach- Norfolk- Newport News, VA-NC HUD Metro FMR Area	\$100,700	Very Low (50%) Income Limits (\$)	35,250	40,300	45,350	50,350	54,400	58,450	62,450	66,500
		Extremely Low Income Limits (\$)*	21,150	24,200	27,200	31,200	36,580	41,960	47,340	52,720
		Low (80%) Income Limits (\$)	56,400	64,450	72,500	80,550	87,000	93,450	99,900	106,350

Eligible CDBG Activities

- Acquisition of Real Property for Public Purposes
- Public Facilities and Improvements (acquisition, construction, rehabilitation)
- Rehabilitation for Residential (owner-occupant only) & Commercial/Industrial Properties
- Public Services (includes labor, supplies, materials and other approved costs)

Eligible CDBG Activities, continued

- Demolition of Buildings and Improvements
- Special Economic Development
- Planning and Administration

Ineligible Activities

- Buildings or portions thereof, used 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?

19

- A public or private nonprofit agency, authority, or unit of local government; **OR**
- A for-profit entity authorized under §570.201(o) or §570.203, receiving CDBG funds from either the recipient or another sub-recipient to undertake eligible activities.

HOME Investment Partnerships Program (HOME)

Purpose of HOME

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

Overview of Basic HOME Rules

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

Participating Jurisdictions (PJs)

- State and local governments, or a consortia (multiple jurisdictions).
- Receive annual formula allocations of HOME funds.
- Responsible for the eligible use of funds.
- A PJ may designate a “sub-recipient” (public agency or nonprofit) to administer all or a portion of the program.

Eligible HOME Activities

- Down Payment Assistance
- Rehabilitation of Owner-Occupied Residential Properties
- Tenant-Based Rental Assistance
- New Construction of Single-Family Homes
- Rehabilitation of Rental Developments

Eligible HOME Expenditures

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

HUD Income Limits

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Prohibited HOME Activities

- Non-housing facilities (shelters, nursing homes, treatment facilities, other public facilities)
- Emergency residential repairs
- Project-based rental assistance
- Paying delinquent taxes on behalf of an 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

Limits on how HOME 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 to be used for Project Activities**

The Consolidated Plan Process

Five-Year Consolidated Plan

- ▶ Purpose: To identify critical needs within a community and outline a five-year strategic plan to address them using federal funds
- ▶ Priority Areas: Affordable housing, homelessness assistance, community & economic development projects, and non-housing community development initiatives
- ▶ Used by: Local governments receiving HUD funding.

Annual Action Plan

- ▶ Based on the priorities set in the Five-Year Consolidated Plan, the Annual Action Plan is created.
- ▶ The Annual Action Plan details what activities the locality will support over the next 12-month period utilizing both CDBG and HOME entitlement funds.
- ▶ This annual document is required by HUD.
- ▶ The last Five-Year Consolidated Plan prepared was for program years 2020 through 2024.
- ▶ Currently, the City of Newport News is in the 5th program year (2024-2025) of the 2020-2024 Five-Year Consolidated Plan.

Annual Performance Report

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

The Citizen Participation Plan

- ▶ Required by Section 104(a)(2) of the Housing and Community Development Act and by regulations at 24 CFR 91
- ▶ The primary goal is to provide citizens an opportunity to participate in an advisory role in the planning, implementing, and assessing both programs and projects funded by HUD grants.
- ▶ Must be:
 - ▶ In written form
 - ▶ Up to date
 - ▶ Detail how citizens can provide input

Reasons for a Citizen Participation Plan

- HUD requirement for input from citizens
- Access to information
- Public hearings
- Technical assistance available, upon request
- Substantial amendment to address any changes from the original Plan
- Review and comment

Neighborhood Revitalization Strategy Area (NRSA)

- A NRSA is a geographically defined area designated by a Community Development Block Grant (CDBG) grantee (i.e., the City of Newport News) which is specifically targeted for revitalization efforts.
- HUD approval is required for an area to be designated as a NRSA.
- The City of Newport News sought and received approval in 2005 to designate a portion of the southeast community as a NRSA.
- The NRSA document for the southeast community has been updated and continues to be a vital area for revitalization efforts.

Citizen Input

Citizen Input

- Identifying and prioritizing community needs through citizen input in the following areas:
 - Housing Needs
 - Homelessness Needs
 - Non-Housing Community Development Needs
 - Other Needs

Priorities of the 2020-2024 Five-Year Con Plan

- ▶ Housing Preservation & Neighborhood Revitalization
- ▶ Youth & Senior Initiatives
- ▶ Homeless Intervention & Special Population Housing
- ▶ Expand Economic Development
- ▶ Increase Affordable Housing Options
- ▶ Increase Community Services Programming

Suggested Priorities for 2025-2029 (Citizen Input)

Now it's time for you to share with us your thoughts on which priorities should be the focus for the City of Newport News over the next five years.

- Complete the Survey
 - <https://www.surveymonkey.com/r/LY3KHLT>



Conclusion

- Wrap Up
- Next Steps
 - CDBG funding applications for PYs 2025-2026 will be available on Friday morning, December 13, 2024
 - Completed applications are due to NNRHA by 5 p.m. Friday, January 10, 2025
- Any Questions

Thank you for attending the Citizen Participation meeting!