CONSOLIDATED PLAN
ACTION PLAN

July 1, 2011 – June 30, 2012

Executive Summary
This Action Plan is for the 2011-12 program year (July 1, 2011 – June 30, 2012), year four of a five year Consolidated Plan, which was developed through a comprehensive statewide effort including the analysis of secondary data, programmatic input sessions and surveys, needs assessments, input sessions, and consultations with housing and social service agencies and other entities. The resulting plan and document will be used by the Department of Housing and Community Development (DHCD) to allocate:

- Community Development Block Grant (CDBG),
- Emergency Shelter Grant (ESG),
- HOME Investment Partnership (HOME), and
- Housing Opportunities for People with AIDS (HOPWA) program funds within the Commonwealth of Virginia.

DHCD has made progress toward meeting housing, community development, and homelessness needs over the past year. These goals include:

- Supporting local community and economic development activities
- Increasing the supply of affordable housing (both rental and homeowner)
- Supporting homeownership opportunities for low to moderate income first-time homebuyers
- Increasing affordable, accessible housing opportunities for special needs populations
- Enhancing the quality of housing for low to moderate income homeowners
- Supporting local efforts to assure that households in a housing crisis are able to obtain and/or maintain housing stability

Evaluation of Past Performances		
CDBG	**Results –projects completed**	
2007-08	Parks	1
	Parking	1
	Flood/Drainage	4
	Water/Sewer	88
	Streets	32
	Sidewalks	10
	Childcare Centers	1
	Street Scapes	2
	Health Care Facility	5
	SF Housing Rehab	111
	Multi-family Rehab	7
	Homeownership Assistance	10

2008-09	Parks 1 Parking 0 Flood/Drainage 4 Water/Sewer 60 Streets 25 Sidewalks 12 Childcare Centers 1 Street Scapes 1 Health Care Facility 2 SF Housing Rehab 93 Multi-family Rehab 5 Homeownership Assistance 7
2009-10	Parks 0 Parking 0 Flood/Drainage 1 Water/Sewer 28 Streets 12 Sidewalks 10 Childcare Centers 0 Street Scapes 1 Health Care Facility 2 SF Housing Rehab 45 Multi-family Rehab 3 Homeownership Assistance 5
HOME	**Results –units completed**
2007-08	• 448 units of affordable rental/homebuyer • 71 units of owner-occupied rehab • 191 units of homebuyer assistance
2008-09	• 466 units of affordable rental/homebuyer • 73 units of owner-occupied rehab • 236 units of homebuyer assistance
2009-10	• 497 units of affordable rental/homebuyer • 105 units of owner-occupied rehab • 286 units of homebuyer assistance

ESG	Results
2007-08	• 80 shelters (emergency and transitional housing) • 3,103 beds • 17,651 individuals
2008-09	• 84 shelters (emergency and transitional housing) • 3,268 beds • 15,675 individuals
2009-10	• 83 shelters (emergency and transitional housing) • 3,205 beds • 17,369 individuals
HOPWA	**Results –number served**
2007-08	• 281 households
2008-09	• 210 households
2009-10	• 286 households

The CPD funds allocated through this process leverage other federal resources to address housing, homeless, and community and economic development needs across the state.

Chart of Federal Resources (2011-2012)*	
Source	**Amount**
CDBG	$20.7 million*
CDBG –R –multiple years	$5.2 million
HOME	$12.4 million
Emergency Shelter Grant	$2.3 million
Housing Opportunities for Person with Aids	$725,533
Neighborhood Stabilization Program HERA –multiple years	$38.7 million
Neighborhood Stabilization Program III	$5 million
Weatherization (Department of Energy)	$3.9 million
Weatherization (Department of Energy) ARRA –multiple years	$94.1 million
LIHEAP (HHS)	$6 million
Homelessness Prevention and Rapid Re-Housing ARRA –multiple years	$11.4 million
Continuum of Care SHP HMIS	$60,855
Appalachian Regional Commission	$2.3 million

** Includes recaptured funds and program income, both of which were estimated based on previous year,*

Managing the Process

The Commonwealth of Virginia's strategic planning process was managed by the Virginia Department of Housing and Community Development (DHCD). As HUD grantee for the four key programs (CDBG, ESG, HOME, and HOPWA) under the HUD Consolidated Plan requirement, DHCD took the lead role in the organization and implementation of the statewide strategic planning activities. Planning activities included:

- The review of prior year programmatic data (methods of distribution, outcomes - goals and results, and input sessions)
- Review of secondary data (e.g., census data) on housing, community development, and homelessness
- Consultation activities with housing, social service agencies, and other entities, including those focusing on services to children, elderly persons, persons with disabilities, persons with HIV/AIDS and their families, and homeless persons
- Consultation activities with Planning District Commissions, local county, town, and city administrators and managers
- Statewide input sessions for gathering needs assessment data
- Online survey to gather needs assessment data

Review of Programmatic Data

The review of prior year programmatic data includes an analysis of methods of distribution to identify service area gaps and challenges, a review of outcome data to assess overall effectiveness and identify areas for overall improvement, and input sessions to gather direct feedback from program stakeholders.

Programmatic input sessions were held for each program during fall-winter of 2010-2011. In each case key stakeholders as appropriate to the specific program, including grantees, regional administrators, sub-recipients, project sponsors, applicants, project developers, state-certified community housing development organizations, and clients were invited to attend input sessions held at various locations across the state.

Program-Specific Input Sessions

Program	*When*	*Where*
CDBG	October 2010	Richmond; and Wytheville
ESG	December 2010	Roanoke; Abingdon; Richmond; Newport News; and Prince William
HOME	March 2011	Richmond and Roanoke
HOME –IPR Program	October 2010	Virginia Beach
HOPWA	February 2011	Web-based

Citizen Participation

For DHCD, prior years' public participation efforts had produced limited results. In an effort to increase the overall level of participation, DHCD implemented a three-tiered approach that included:

- Program specific input sessions and surveys
- Consolidated Plan-specific needs assessment input sessions and surveys
- Traditional and mandatory public posting and public hearing

As indicated in the prior section on *Managing the Process,* DHCD held input sessions specific to each of the programs included under that Consolidated Plan. These were held in various locations across the state. These sessions specifically invited key stakeholders such as DHCD partners, grantees, sub-recipients, and project sponsors.

In addition to these efforts to gather citizen input, DHCD also made the Annual Action Plan available for review and held a public hearing for comments on April 15, 2011. Legal notice of the public hearing was distributed through the sources listed above as well as published in seven newspapers across Virginia:

- Bristol Herald Courier
- Lynchburg News Advance
- Potomac News
- Richmond Times Dispatch
- Roanoke Times
- Virginia Pilot
- Richmond Free Press

CONSOLIDATED PLAN
PUBLIC NOTICE

On Friday, April 24, 2009, the Virginia Department of Housing and Community Development (DHCD) will hold a public hearing on items relating to the Commonwealth of Virginia's administration of the Consolidated Plan 2009-2010 Action Plan; Homelessness Prevention and Rapid Re-housing Program (HPRP); and the CDBG Stimulus funding.

The public hearing will be held at 10:00 am in the Board Room of The Jackson Center, 501 North Second Street, Richmond, Virginia 23219. DHCD will be taking comments on the proposed 2009-2010 Action Plan including goals and objectives for housing and community development; the projected use of funding; and the method for distributing an anticipated $12,839,029 in HOME Investment Partnership funds, $105,402 in American Dream Down Payment Initiative (ADDI) funds; $1,673,895 in Emergency Shelter Grant (ESG) funds; $634,000 in Housing for Persons with AIDS (HOPWA) funds, and $19,247,912 in Community Development Block Grant (CDBG) funds. Comments on uses and methods for distributing the $5.2 million in CDBG Stimulus Funding and the $11,389,160 in HPRP will also be taken during this public hearing.

Copies of plan documents may be requested by calling (804) 371-7100, (804) 371-7122, or (804) 371-7084 TDD. Persons requiring special accommodations should call (804) 371-7122. The Plans will appear on the agency's web site at http://www.dhcd.virginia.gov under "What's New."

The Department will receive written comments and testimony on the proposed 2009-2010 Action Plan; CDBG Stimulus; and HPRP funding through the close of business on May 15, 2009 at the following address:

Virginia Department of Housing and Community Development
The Jackson Center
501 North 2nd Street
Richmond, Virginia 23219
Attn: Deputy Director for Housing

VP April 13, 2009 20061743

No written comments were received. Comment period was open until May 15, 2011.

Institutional Structure

DHCD works with many different organizations, both public and private, to carry out its Consolidated Plan. The community economic development activities are carried out through contractual agreements with units of local government. The housing activities, both production and preservation activities, are accomplished through partnerships with units of local government, non-profits, housing developers, and specifically through partnerships with state certified Community Housing Development Organizations (CHDOs). Homelessness, HIV/AIDS, and other special needs services result from DHCD's relationship with a network of non-profit service providers including shelters and units of local government across the state of Virginia.

Appropriate service coverage and the logistics of getting the funding and activities to the areas of need within Virginia are on-going challenges. The solution in many cases is long-term and evolving. DHCD works with community based organizations to develop local assets for meeting local needs. DHCD puts special emphasis on CHDO development and encourages partnerships and collaborations in the work that is done.

Public housing authorities (PHAs) are components in the statewide system for the delivery of affordable housing. Local housing authorities are established through the auspices of local government, subject to state enabling legislation. Neither the state nor DHCD specifically has direct oversight for local PHAs, however we may partner with these entities through a grantee or project sponsor relationship to complete local projects or activities. DHCD does certify local plans and projects' consistency with the state program's Consolidated Plan.

One Virginia public housing authority has a "troubled" status. All other public housing authorities within the Commonwealth have either a standard or high performing assessment status. DHCD is gathering additional information related to the troubled status assessment and continues to monitor the local PHA situations and the impact on current or pending local project activities.

DHCD continues to monitor activities and the distribution of accomplishments and results in relationship to community needs. Through DHCD's Geographic Information System (GIS) analysis we are able to specifically identify service gaps and concentrations of results on an ongoing basis. This has greatly enhanced DHCD's responsiveness to meeting the needs of the Virginia communities. To date there are no significant gaps in DHCD's Consolidated Plan delivery system.

Monitoring

All programs within the Consolidated Plan are monitored on an on-going basis with a three-tiered process that includes:

1. Financial monitoring
2. Action Plan compliance monitoring
3. Project/sub-grantee level monitoring

Financial monitoring is completed on a sub-grantee/project sponsor level based on risk assessment completed at the beginning of the program year. Financial monitoring includes a review of accounting practices and procedure and a review of transactions on a programmatic level. Monitoring includes both onsite and desk monitoring.

DHCD monitors program spending to assure that the department is meeting its action plan targets and federal regulations on the amount of funds committed and expended by program and sub allocations (e.g., CHDO set aside); the number of types of units/projects created by program, sub allocations, and by type (e.g., special needs); the occupancy data by program and sub allocation requirements; and income targeting by program and sub allocation.

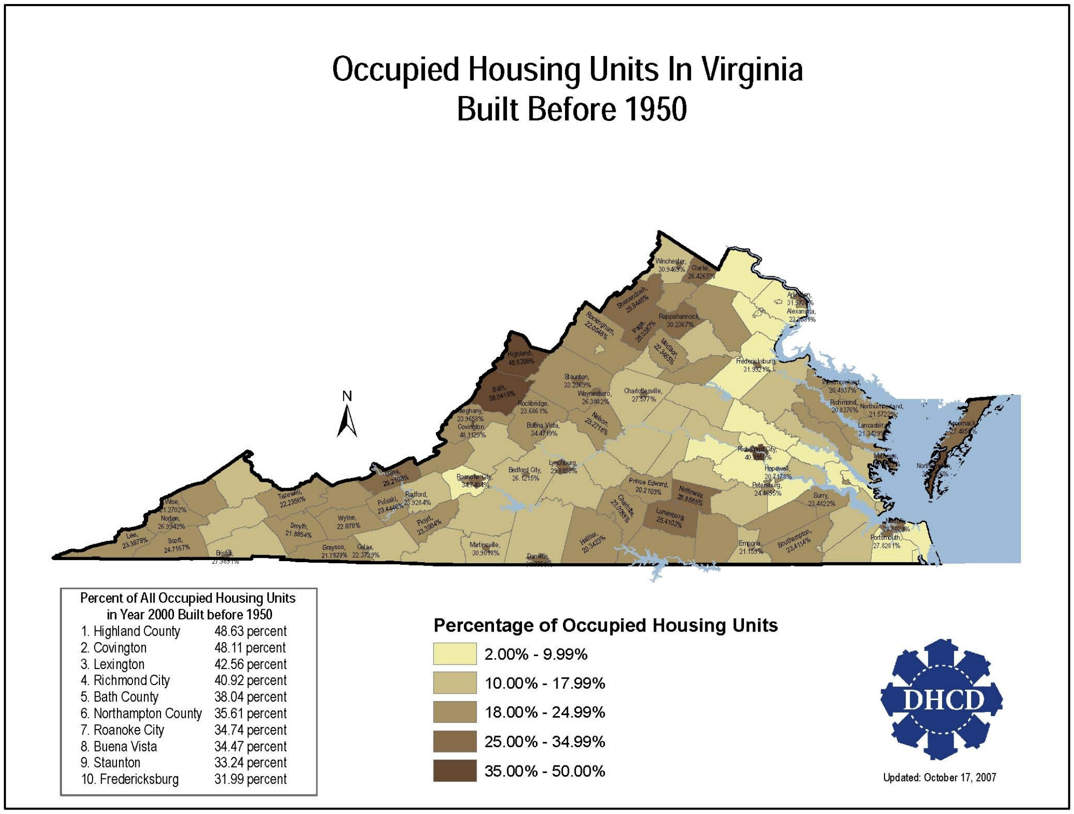
On a project or activity level, project sponsors, sub-grantees, and sub-recipients are monitored on a regular basis in accordance with program specific guidelines and risk assessments. All programs conduct these monitoring activities annually, based on risk assessments, and/or as needed. The DHCD approach to project and activity monitoring is to both ensure compliance and to provide appropriate technical assistance to assure the long-term success of our partners, programs, and the clients that they serve.

Lead-based Paint

Although lead paint was banned from residential use in 1978, lead remains a danger in homes constructed before 1978 (especially in homes built before 1950). Paint deterioration and home renovations in these structures result in a significantly elevated risk for exposure to lead and subsequently lead poisoning.

Based on the 2006 American Community Survey (U.S. Census) data 53 percent (or 1,546,079 units) of Virginia occupied housing units are units constructed prior to 1978 and are at risk for lead-based paint hazards.

The greatest concentration of the highest risk housing units (those built before 1950) tend to be located within Virginia's rural counties.



Source: 2000 U.S. Census

All DHCD-administered HUD programs must conform to federal and state lead regulations. This means that all grantees, sub-recipients, project sponsors, developers, or other partners are required to conduct visual lead inspections of any structure where appropriate per program guidelines. Appropriate measures to remove the hazard and re-inspection are required where peeling or chipping paint is observed. More extensive measures are required in the case of a child 72 months, or younger testing positive for exposure in a specific housing unit.

Specific Housing Objectives
Based on anticipated funding levels, DHCD's goal is to complete 680 units of affordable housing over the next program year. These accomplishments will be achieved through activities and projects carried out through the following programs:

- Down Payment Assistance Program
- Indoor Plumbing (Homeowner) Rehabilitation Program
- Affordable and Special Needs Housing Programs
- Community Development Block Grant

The goal is to complete 365 homeownership units. These units will be completed through the homeowner rehabilitation program (Indoor Plumbing and Rehabilitation), the Down Payment Assistance Program (DPA), and the Affordable Housing and Special Needs Programs. All of these programs leverage state funds toward the completion of affordable homeownership units. The Indoor Plumbing Program receives a direct allocation from the state, and the clients using the DPA program frequently leverage low-interest mortgage products available through VHDA. The Affordable Housing and Special Needs Programs leverage a number of other financial resources toward the development of affordable, accessible units.

At least some of these units may target specific special needs populations (physically, sensory, mentally, and/or developmentally disabled). All units completed through the Indoor Plumbing and Rehabilitation Program will target households in non-HOME entitlement areas at or below 80 percent AMI. Those units completed through the DPA or the Affordable Housing and Special Needs Housing programs will primarily target household units at or below 80 percent AMI.   Many of these units will target households at or below 60 percent AMI.

Homeownership Unit -Year 4 Goal, 365		
Program	*Resources*	*Number of Units*
Indoor Plumbing and Rehabilitation	HOME and State Allocation	60
Down Payment Assistance Program	HOME, VHDA (state)	200
Affordable Housing and Special Needs Programs	HOME, VHDA, other private financing	10
CDBG	CDBG, VHDA, HOME, Private financing	95
		Year 4 Total -365 Units

The goal is to complete 300 affordable rental units. These units will be completed through the Affordable Housing and Special Needs Programs. All these programs leverage state funds and other resources toward the completion of affordable, accessible rental units.

At least some of these units may target specific special needs populations (physically, sensory, mentally, and/or developmentally disabled). These units may target specific subpopulations like individuals with HIV/AIDS, older adults, chronically homeless, prisoner re-entry, and others. All rental units completed through Affordable and Special Needs Housing Programs will target incomes at or below 60 AMI and at least 20 percent of the units in any one project will target incomes at or below 50 percent AMI. Higher priority is given to lower income targeting, special needs housing, and to projects that include special features such as being fully accessible, green built, and access to transportation and other community services. In addition, projects with units that will be located in HOME non-entitlement areas are given priority.

Rental Unit –Year 4 Goal, 300		
Program	*Resources*	*Number of Units*
Affordable Housing and Special Needs Programs	HOME, VHDA, other private financing	300
		Year 4 Total -300 Units

Summary of Objectives and Outcomes

CDBG Activities	Objective	Outcome
Owner-occupied Rehab	2	1
Commercial Development	3	3
Public Facilities Projects	1	3
New Construction	2	2
HOME Activities	**Objective**	**Outcome**
Owner-occupied Rehab (IPR)	2	1
Rental Rehab/New Construction (ASNHP)	2	1
Homebuyer Development (ASNHP)	2	1
Homebuyer Assistance (DPA)	2	2
ESG Activities	**Objective**	**Outcome**
Shelter Operations	1	1
Prevention	2	2
HOPWA Activities	**Objective**	**Outcome**
Rent, mortgages, and utility assistance	2	2

Objective:
(1) Create suitable living environments
(2) Provide decent affordable housing
(3) Create economic opportunities

Outcome:
(1) Availability/accessibility
(2) Affordability
(3) Sustainability

Needs of Public Housing

The public housing authorities (PHA) are components in the statewide system for the delivery of affordable housing. Local housing authorities are established through the auspices of local government, subject to state enabling legislation. Neither the state nor DHCD specifically have direct oversight for local PHAs, however we may partner with these entities through a grantee or project sponsor relationship to complete local projects or activities. DHCD does certify local plan's or projects' consistency with the state program's Consolidated Plan.

One Virginia public housing authority has a "troubled" status. All other public housing authorities within the Commonwealth have either a standard or high performing assessment statuses. DHCD is gathering additional information related to the troubled status assessment and continues to monitor the local PHA situations and the impact on current or pending local project activities.

Barriers to Affordable Housing
There are institutional barriers to affordable housing. In the coming years, the State will work toward removing and reducing, where possible, these barriers. The following are some of the measures that will be taken over the program year period to address these barriers:

- Continue to coordinate project funding through various sources in a way that will reduce nonessential duplicative requirements.
- Continue to administer a Uniform Statewide Building Code (USBC) that emphasizes the attainment of public health and safety goals for new construction and maintenance at the least cost consistent with those goals.
- Offer training through the Building Code Academy that focuses on the provisions of the USBC that facilitate the maintenance, rehabilitation, development and reuse of existing buildings in accordance with those provisions.
- Promote the use of varied types of single-family dwellings in areas zoned agricultural and residential.
- Continue to scrutinize state enabling legislation, local land use ordinances, and introduced legislation with the potential to affect the production and preservation of affordable housing.
- Recommend support for legislation with the potential to increase housing affordability.
- Continue to consult with the homebuilding industry, local governments, and affordable housing advocates in considering the potential impact of state statutes and state and local regulations on affordable housing.
- Participate in the working groups of the Virginia Housing Commission that are focusing on the development of a statewide housing policy, including such issues as affordability, community revitalization and blight removal.
- Pursue homeownership initiatives underway at the Department that assist lower-income households for the purchase of their first home.
- Monitor Virginia's foreclosure trends and develop an appropriate state-level response.
- Develop strategies, in consultation with the Virginia Housing Development Authority, and the Governor's Re-entry Council to create and implement programs to meet the housing needs of persons released from federal, state, or local incarceration.
- Implement the objectives and activities outlined in the *Housing Policy Interim Report*.

Funds Leveraged
In the 2011-2012, the Department of Housing and Community Development (DHCD) will leverage approximately $50 million in federal and state funding toward addressing affordable housing and community development needs in the Commonwealth.

For the HOME program, the state will meet the required 25 percent match through:

- The present value of interest reductions of below-market-rate loans, where a project also receives HOME assistance.
- State general revenue funds that are contributed to housing projects assisted with HOME funds and meet the HOME affordability requirements.
- The face value of State mortgage revenue bond loans (multi-family and single family loans).

CDBG projects do not have a specific match requirement, but applicants can enhance their competitiveness by incorporating local resources.

ESG requires a dollar for dollar match. DHCD will use state general funds appropriation for homeless shelter support as the match for the ESG program.

The HOPWA program does not have a match requirement.

Annual Outcomes and Objectives
DHCD seeks to improve the lives of Virginians by:

- Providing safe, accessible, and decent housing opportunities to low income households
- Preventing individuals and families from becoming homeless
- Developing and revitalizing local communities

DHCD works to achieve these goals through:

- Leveraging of resources to support effective community programs working toward these goals
- Developing strategic partnerships to address barriers to achieving these goals
- Providing planning, coordination, and management of strategies to meet these goals

Challenges and Actions
Current program year will end on June 30, 2011. During this program year DHCD has faced several challenges including:

- Declining housing market
- Increases in foreclosures rates
- Increased numbers of households at-risk of homelessness
- Job losses
- High unemployment
- Limited financial and other resources
- Interagency barriers

During the past year DHCD has continued to work toward addressing these challenges through efforts such as:

- Community Housing Organizations (CHDO) development and support
- Foreclosure Prevention Task Force
- Virginia Housing Commission
- State Housing Policy Plan
- State Homeless Outcomes Advisory Council

HOME Program: Method of Distribution
In the 2011-12 program year, Virginia's HOME Investment Partnership funding will be allocated to the following principal categories of usage:

HOME Appropriation -2011-12 Uses	*Appropriation*
DHCD's Anticipated HOME Allocation	$12,404,080[1]
Anticipated Program Income	$500,000
Carry-Over Funds	$2,013,473[2]
Total	$14,917,553
Proposed Uses	
Affordable and Special Needs Housing Program	$6,769,539
Homeownership (Down Payment Assistance)	$1,500,000
Indoor Plumbing and Rehabilitation	$4,500,000
CHDO Operating	$200,000
Predevelopment	$200,000
Urgent Needs	$500,000
State Administration	$1,247,014
Total	$14,917,553

DHCD reserves the right to reallocate up to 15 percent or less of HOME funds among proposed uses within the program year.

Amendment Process
Any change in eligible activities or method of fund distribution that exceeds 15 percent of the total HOME funding as contained in the Action Plan is subject to an amendment process. The State would conduct one public hearing in Richmond for any such changes. Notification will be made through DHCD's mailing list. A 30 day comment period will be provided.

Performance Reports
Any performance report submitted to HUD relative to the Consolidated Plan is subject to participation and comment. The state provides reasonable notice of the comment period (through newspaper advertisements at least two weeks in advance) and also provides a period of not less than 15 days to receive comment on any performance report prior to submission to HUD. A commenter may review the performance report at DHCD's offices after alerting DHCD at least five working days in advance. Summaries of comments received shall be attached to the performance report.

1 HUD 2011 HOME appropriation minus $203,956 in returned program funds.
2 Carry-over funds included $100,000 in funds allocated to the 2010 Community Integration program, $1,500,000 in 2010 DPA funds, and $413,473 in 2009 DPA funds.

Complaint Process
The State shall provide a substantive written response to written complaints regarding the Action Plan, substantial amendments to the Plan, and performance reports within 15 working days, where practicable.

DHCD Technical Assistance
DHCD will provide technical assistance to any for-profit or nonprofit affordable housing developer or their agents in preparing and submitting proposals and otherwise pursuing assistance under the HOME Program. This assistance will generally occur via telephone, facsimile transmission, electronic mail, formal meetings, and occasional site visitation.

Match Requirements
The State will satisfy the requirement that it provide a 25 percent match with non-federal funds using the following sources:

- The present value of interest reductions of below-market-rate loans where the project also receives HOME assistance;

- State general revenue funds that are contributed to housing projects assisted with HOME funds and meet the HOME affordability requirements; and/or

- The face value of State mortgage revenue bond loans (multi-family and single family loans).

Affordability Periods/Recapture Provision
To ensure that HOME investments yield affordable housing over the long term, HOME imposes rent and occupancy requirements over the length of an affordability period. For homebuyer the length of the affordability period depends on the amount of the HOME investment in the property. For rental all rehabilitation project will have a 15 year affordability period with rental new construction requiring 20 years of affordability.

The table below provides the affordability periods.

HOME Investment	Length of the Affordability Period
Homebuyer less than $15,000 per unit	5 years
Homebuyer $15,000-$40,000 per unit	10 years
Homebuyer more than $40,000 per unit	15 years
Rehabilitation of rental housing	15 years
New construction of rental housing	20 years

All HOME-assisted units are subject to the affordability for the entirety of the affordability period.

Homebuyer HOME-assisted units (down payment assistance) are subject to a recapture provision in order to assure that the units either remain affordable (i.e., housing eligible clients) or that DHCD recovers its investment based on the terms of the agreement. The total amount of per unit subsidy or the down payment and closing costs assistance is recaptured only from the net proceeds of the sale or foreclosure prior to the end of the affordability period. Please see specific HOME program details for recapture provision specifics.

Homebuyer HOME-assisted units structured as developer subsidy are not subject to the recapture provision. In these cases units must be resold to an income eligible homebuyer if with the applicable affordability period.

In the case of HOME investment in rental properties the property must remain in service under HOME program compliance terms for the full affordability term. Failure to maintain affordability will trigger repayment of the total HOME investment.

Program Income
The State anticipates approximately $500,000 in program income attributed to the HOME Investment Partnership Fund. This income is in the form of interest earnings on multifamily projects and repayment of HOME funds on rehabilitated owner-occupied units. The program income returned to DHCD will be used for other HOME-eligible activities through reinvestment in the Down Payment Assistance Program.

While the Indoor Plumbing/Rehabilitation (IPR) Program has continued to be administered as a loan program, recent changes have been made due to the requirements of the Secure and Fair Enforcement of Mortgage Licensing Act of 2008 (SAFE Act) legislation. IPR sub-recipients now must choose one of three options in housing rehabilitation security instruments for all rehabilitation assistance:

1. Option one: The sub-recipient must have a person on staff who is a licensed Mortgage Loan Originator in order to recapture the investment from beneficiaries of housing improvement assistance.
2. Option two: The sub-recipient can opt to contract for all mortgage loan origination services with a licensed Mortgage Loan Originator.
3. Option three: The sub-recipient can opt to operate the program as a grant and only recapture the rehabilitation investment if the property is transferred or sold to someone other than the original beneficiary within ten years of the completion of construction.

When Option one or two is utilized, repayments are made based on the homeowner's financial capacity. The sub-recipient retains repayments under IPR for use on other HOME-eligible projects. Each sub-recipient must develop a plan for using any program income and report program income to the State.

Affirmative Marketing/Minority and Women Business Outreach
DHCD requires that its grantees and or administrators not exclude any organization or individual from participation under any program funded in whole or in part by HOME Program funds on the grounds of age, disability, race, creed, color, national origin, familial status, religion or sex. The following federal requirements are applicable to HOME Program developments:

- Fair Housing Act 24 CFR 100
- Executive Order 11063, as amended 24CFR107 (Equal Opportunity in Housing)
- Title VI of the Civil Rights Act of 1964 24 CFR 1 (Nondiscrimination in Federal Programs.)
- Age Discrimination Act of 1975 24 CFR 146
- Section 504 of the Rehabilitation Act of 1973 24 CFR 8
- Executive Order 11246, as amended 41 CFR 60 (Equal Employment Opportunity Programs.)
- Section 3 of the Housing and Urban Development 24 CFR 135 Act of 1968
- Executive Order 11625, as amended (Minority Business Enterprises)
- Executive Order 12432, as amended (Minority Business Enterprises)
- Executive Order 12138, as amended (Women's Business Enterprise)

DHCD requires sponsors for projects consisting of five or more units to adopt affirmative marketing procedures and requirements. DHCD provides each sponsor with a model affirmative marketing strategy that may be adapted to meet the individual project's specific features. DHCD reviews draft strategies and requires that sponsors submit their final or adopted strategies for review and approval before committing funding. The affirmative marketing procedures and requirements must include the following elements:

- The project sponsor's methods for informing all parties of fair housing laws;
- The policies, requirements and practices that the owner must carry out to assure the widest possible outreach;
- Record keeping requirements; and
- The method to be used to assess the success of the marketing strategy.

Although all housing programs DHCD operates are subject to minority and women's business enterprise outreach requirements, HOME-funded projects are subject to more specific requirements. Project sponsors must initiate practices that facilitate participation by small women-owned and minority enterprises that include the following:

- Dividing procurement for goods, services, and contracts, where possible, into small segments;
- Establishing delivery schedules to encourage their participation;
- Publishing notices via *legal advertisement* in *regional* newspapers of anticipated contracts, services and procurement;
- Maintaining solicitation lists;
- Providing construction contractors copies of this solicitation list; including goals for women-owned and minority business goals in construction contract documents; and
- Maintaining a register of all minority and women-owned enterprises actually used.

Contract documents and individual project goals must be sent to DHCD at the time that the project sponsor is preparing bid specification packages. Project sponsors are responsible for requiring contractors to submit information monthly on minority and women-owned enterprise.

Definition of Income

Income eligibility standard for the HOME program is HUD's Section 8 income eligibility standard.

Rental Project Compliance Monitoring
Rental projects are monitored based on the total number of units in the project for the length of the affordability period. Monitoring includes property standards inspection, rent and occupancy compliance, and compliance with tenant selection plan, and income verification procedures.

Minimum Rental Inspection Requirements	
Number of Units	**Inspection Required**
1 to 4	Every 3 years
5 to 25	Every 2 years
26 or more	Annually

In 2010, DHCD launched an online system to collect rent and occupancy reports and track overall monitoring and compliance results for HOME rental projects.

Displacement
Projects causing the displacement of individuals or families are discouraged. HOME applicants whose projects involve relocation or acquisition must submit a relocation assistance plan (technical assistance is available from DHCD staff). All recipients of funds must comply with the provisions of the Uniform Relocation Act and, as applicable, Section 104(d).

Uniform Relocation Act and Section 104(d) Requirements
The Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (URA) is separate, government-wide legislation that applies to HUD programs such as HOME, CDBG, or Section 108 loan guarantees. It does not apply to other federal guarantees or insurance (e.g., FHA insurance) *nor does it apply to Low-Income Housing Tax Credit programs.* URA is triggered when any of the following occur:

- Displacement of homeowners, tenants, and businesses that results from the acquisition, demolition, or rehabilitation for HUD-assisted projects carried out by public agencies, nonprofit organizations, private developers, or others; or
- Real property acquisition for HUD-assisted projects (whether publicly or privately undertaken).

Typically, projects triggering URA include one or more of the following:

- Property acquisition, including acquisition of vacant lots for homebuyer programs;
- Relocation of homeowners, tenants, or businesses; and
- Homeowner rehabilitation programs where household participation is not voluntary (includes programs where code compliance is used as

enforcement mechanism for households to participate in the rehabilitation program).

The URA protects all persons who are displaced by a federally assisted project, regardless of their income. This is in contrast to Section 104(d), which only protects displaced persons whose income is at or below 80 percent of the area median. Section 104(d) applies to some, but not all, CDBG- or HOME-funded projects, and its requirements differ from URA in several ways, including who is eligible for assistance and what assistance is provided. Section 104(d) requirements may also be triggered in a HOME-assisted project. These requirements focus on the "loss" of low/moderate income housing (both rental and owner occupied) through demolition or conversion. Section 104(d) requires:

- Relocation assistance for displaced low/moderate income families; it does not provide protection or assistance to households with incomes above the Section 8 Low Income Limit; and
- One-for-one replacement of low/moderate income dwelling units that are demolished or converted to another use.

Lead-Based Paint

All DHCD administered HUD programs, including the HOME program, must conform to federal and state lead regulations. This means that all grantees, sub-recipients, project sponsors, developers, or other partners are required to conduct visual lead inspections of any structure where appropriate per program guidelines. Appropriate measures to remove the hazard and re-inspection are required where peeling or chipping paint is observed. More extensive measures are required in the case of a child 72 months or younger testing positive in a specific housing unit. Please see program guidelines for more details.

Property Standards

Upon completion of project activities (e.g., acquisition, rehabilitation or new construction), the project must meet, and continue to meet through the affordability period, minimum property standards including:

A. Decent, safe, sanitary housing that minimally meets all applicable local and State codes, rehabilitation standards, ordinances, and zoning ordinances including, but not limited to, the State's Building Standard (AS 18.56.300) as implemented by 15 AAC 150.030, Building Energy Efficiency Standard (AS 46.11.040) as implemented by 15 AAC 155.010.

B. The owner must maintain the assisted housing in compliance with all applicable State and local housing quality standards and code requirements. If there are no such standards or code requirements, the housing must meet the Housing Quality Standards in 24 CFR 982.401 (Section 8 Housing Assistance Payments Program's Housing Quality Standards [HQS]) and comply with HUD's Lead Based Paint Hazard and Control in 24 CFR Part 35. (Also see Chapter 7 § II. Housing Quality Standards Inspections.)

Environmental Review
In implementing the HOME Program, the environmental effects of each activity must be assessed in accordance with the provisions of the National Environmental Policy Act of 1969, and the related authorities listed in HUD's Regulations at 24 CFR Parts 50 and 58. **HOME Program funds cannot be committed until the environmental review process has been completed.** Down payment assistance activities to individual homebuyers are categorically excluded and do not require an Environmental Review (24 CFR Part 92.352).

Program Targeting
HOME funds are targeted to specific household incomes. Please see specific HOME program for each income targeting requirement.

Eligible Property Types
HOME funds are targeted to specific property types. Please see specific HOME program for eligible properties types.

Prohibited Activities for HOME Funds

- **Project reserve accounts**: HOME funds may not be used to provide project reserve accounts (except for initial operating deficit reserves) or to pay for operation subsidies.
- **Tenant-based rental assistance for certain purposes**: HOME funds may not be used as rental assistance in conjunction with the federal Rental Rehabilitation Program (Section 17) to prevent displacements. They also may not be used for certain mandated existing Section 8 Program uses, such as Section 8 rent subsidies for troubled HUD-insured projects.
- **Match for other programs**: HOME Program funds may not be used as the "nonfederal" match for other federal programs *except* to match McKinney Act funds.
- **Operations or modernization of public housing**: HOME funds may not be used to provide annual contributions for the operation of public housing or to carry out modernization activities in public housing. (Public housing is housing established under the 1937 Housing Act. Public housing modernization activities are defined at 24 CFR Part 968.)
- **Properties receiving assistance under 24 CFR Part 248 (Prepayment of Low-Income Housing Mortgages)**: Properties receiving assistance through the Low Income Housing Preservation and Resident Homeownership Act (LIHPRHA) or the Emergency Low Income Preservation Act (ELIHPA) are not eligible for HOME assistance except if the HOME assistance is provided to priority purchasers.
- **Double dipping:** During the first year after project completion, the PJ may commit additional funds to a project. After the first year, no additional HOME funds may be provided to a HOME-assisted project during the relevant period of affordability, *except* that:
    - Rental assistance to families may be renewed.
    - Rental assistance may be provided to families that will occupy housing previously assisted with HOME funds.

    - A homebuyer may be assisted with HOME funds to acquire a unit that was previously assisted with HOME funds.
- **Acquisition of PJ-owned property**: A PJ *may not* use HOME Program funds to reimburse itself for property in its inventory or property purchased for another purpose. However, in anticipation of a HOME project, a PJ may use HOME funds to:
    - Acquire property, or.
    - Reimburse itself for property acquired specifically for a HOME project with other funds.
- **Project-based rental assistance**: HOME funds may not be used for rental assistance if receipt of the funds is tied to occupancy in a particular project. Funds from another source, such as Section 8, may be used for this type of project-based assistance in a HOME-assisted unit. Further, HOME funds may be used for other eligible cost, such as rehabilitation, in example, Section 8 or state-funded project-based assistance.
- **Emergency Shelter** projects are prohibited under HOME funds.

Community Housing Development Organizations
A CHDO is a private non-profit, community-based service organization whose primary purpose is to provide and develop decent, affordable housing for the community it serves. Certified CHDOs receive certification from a Participating Jurisdiction indicating that they meet certain HOME Program requirements and therefore are eligible for HOME funding. CHDOs certified through DHCD that have a current project funding commitments are eligible to apply for HOME funds out of the DHCD HOME CHDO Operating Program to cover the cost of operating expenses. Technical assistance is also available to those DHCD-certified CHDOs. (CHDO certification may also be accomplished through a locality designated as a CHDO, however, DHCD's CHDO specific HOME funds are available only to those certified through DHCD.)

The funds that have been set aside for CHDO Operating assistance can be used for the organization's operating support in connection with its expenses in developing a project, and some of the set-aside funds can be used for training CHDOs to help build their capacity and longevity. Eligible training activities may include the following, but are not limited to:

- Developing and sustaining community partnerships
- Raising private funds to match HOME funds, and for operations
- Effective homeownership counseling and training for prospective homebuyers and renters.
- Planning and managing successful real estate projects

Affordable Housing and Special Needs Housing Programs
A quarterly competitive application process is the Commonwealth's method of distributing funding for homebuyer and rental development activities. The Affordable Housing and Special Needs Housing programs provide flexible, below-market-rate loans to projects that create or preserve affordable housing for lower-income Virginians.

DHCD uses the following avenues to communicate about the availability and the nature of its HOME-funded activities, including other funds linked to the programs:

- Annual Governor's Housing Conference;
- Website;
- Participation with various advisory teams and committees;
- Contact lists within the affordable housing development community:
- Press releases;
- Collaboration with affordable housing partners; and
- Application workshops.

HOME funds assigned to the Affordable Housing and Special Needs Housing programs will be distributed on a quarterly basis through a competitive application process that evaluates applicant projects on:

- Meeting critical needs – worth 40 points
- Feasibility (likelihood of projects coming to a timely completion) – worth 30 points
- Developer capacity (ability to successfully complete projects and deliver affordable housing) – worth 30 points

All applications received by the deadline for the quarter will be reviewed by DHCD staff. Applications not meeting established thresholds for funding will not be eligible for funding during the quarter that the application was received, but will receive comments and feedback upon request from DHCD staff and will be allowed to reapply during the subsequent quarters within the program year. Proposals cannot be carried into the next program year. All applicants must score at least 60 points on the application in order to be qualified for funding. All qualified applications will then be ranked based on score and the highest scoring applicants will receive a funding commitment from DHCD based on project needs, up to the amount of funds available for the quarter. If the full quarter of available funding is not committed, it is carried forward into the next quarter, as needed, to be made available to proposals meeting threshold requirements and scoring at least 60 points.

Applicants that have outstanding audit or monitoring findings, unresolved IRS findings, and/or applicants not in compliance with previous DHCD agreements are ineligible for funding.

Eligible applicants must be qualified developers of affordable housing, including certified CHDOs undertaking CHDO-eligible activities throughout the Commonwealth of Virginia. All funds are intended for use with other types of financing including, but not limited to, low income housing tax credits, bond financing, and other public and private funds. Please note that HOME compliance requirements apply. Other funding source requirements must be compatible with HOME program requirements.

Affordable Housing and Special Needs Housing funds are typically disbursed at the completion of construction, when DHCD takes out 100 percent of the construction financing. For homeownership projects, HOME funds can be disbursed during the construction phrase in three intervals of 30 percent (based on a matching percentage of completed construction); with the remaining 10 percent disbursed at the issuance of the certificate of occupancy and the submission of the project close-out report.

Any entity including private non-profits and for-profit organizations and public housing authorities may apply for these resources.

Any project in an entitlement area (area directly receiving direct HOME allocation) must have a 25 percent local match in order to be eligible for funding through these programs. This local match can include local HOME or CDBG funds or other local support including documented waived fees.

Rental housing properties can be single-family detached, duplexes, etc.; homes can be scattered-site but should be in reasonable proximity (i.e. neighborhood); and congregate housing and single room occupancies are included in this category. All HOME-assisted units must be targeted to households with incomes at or below 60 percent AMI with at least 20 percent of these units targeted to households at or below 50 percent AMI. All HOME-assisted units must have rents that meet HOME program limits and be held in compliance with the project's HOME program agreement.

Homebuyer development is defined as units developed for sale to low-income, first-time homebuyers. Short-term lease/purchase projects (lease period not more than three years) are considered homeownership projects. An applicant must be a CHDO in order to be eligible for HOME funds for a homebuyer development project. All HOME-assisted homebuyer units must be targeted to households at or below 80 percent AMI.

With the exception of group homes, a minimum of five units must be included in the total project in order for the project to be eligible. The HOME-assistance may be included in all units in the project or a subset of the total project units. In either case, there must be a minimum of five HOME-assisted units (with the exception of group homes) in order to be eligible.

A group home is housing occupied by two or more single persons or families consisting of common space and/or facilities for group use by the occupants of the group home, and (except in the case of shared one bedroom units) separate private space for each family. This includes group housing for elderly or disabled persons. These projects will be considered one unit projects with subsidy limits based on the Section (d) (3) limits for the number of bedrooms in the unit. Group Home project must house at least four households (includes single person households) in order to be eligible.

Single room occupancy (SRO) housing is housing consisting of single room dwelling unit that contains either food preparation or sanitary facilities (or both). The number of units is based on the number of separate identifiable units in the project. The maximum per-unit subsidy limits are the 221 (d) (3) limits for zero-bedroom units. These projects must contain a minimum of five separate units.

HOME Program subsidies are subject to a maximum per-unit subsidy limit.

The state does ***not*** intend to use HOME funds to refinance existing debt secured by multifamily housing being rehabilitated with HOME funds. Therefore, it has not adopted guidelines defining the conditions under which it would refinance existing debt.

Funds available through these programs are available to the extent that a gap exists in the permanent financing for an eligible project and the funding requested has a positive impact on the affordability of the housing provided. DHCD and its underwriters reserve the right to recommend increases or decreases to fund requests based on cash flow, rents, and other financing. Generally, however, loans will be limited to $500,000 ($700,000 for special needs and/or very low income projects) per project or the maximum allowed based on maximum per unit subsidies allowable under the HOME program, whichever is the lesser. DHCD reserves the right to fund projects at an amount greater than $500,000 under special circumstances. In tax credit deals the maximum subsidy may be affected by the percentage of federal funds that can be used while remaining in compliance with the requirements of the tax credit program.

Special needs and very low income targeted projects will be limited to $700,000 per project or the maximum allowed based on maximum per unit subsidies allowable under the HOME program. These projects include those projects targeting at least 50 percent of the HOME units to special needs (chronically homeless or disabled) and/or projects targeting at least 50 percent of the HOME units at 30 percent or below AMI.

Successful applicants for new construction must submit an analysis relating to site and neighborhood standards. Specifically, an analysis indicating that the proposed project site addresses all of the following elements:

- Is adequate in size, exposure, and contour to accommodate the number and type of units proposed;
- Has adequate water, sewer, gas and electric;
- Has streets available to service the site;
- Is capable of complying with applicable provisions of Title VI of the Civil Rights Act of 1964, the Fair Housing Act, Executive Order 11063 and implementing HUD regulations;
- Is not located in an area of minority concentration nor is it located in a racially mixed area such that it will cause a significant increase in the proportion of minority to non-minority residents in the area;
- Promotes greater choice of housing opportunities, yet is not resulting in a concentration of assisted persons in an area that already has a high proportion of low-income persons;
- Is not “seriously detrimental” to family life nor characterized by substandard dwellings or other undesirable conditions;
- Will support housing accessible to social, recreational, commercial and health facilities and services that are at least equivalent to those typically found in neighborhoods consisting of unassisted standard housing of similar market rents; and
- Does not impose excessive travel time and cost via public transportation or private auto for low-income workers.

All project developed through this program will have required affordability periods.

For rental new construction the period of affordability is 20 years. For acquisition combined with rehabilitation of multi-family rental housing, the period of affordability is 15 years.

Homebuyer HOME-assisted units (down payment assistance) are subject to a recapture provision in order to assure that the units either remain affordable (i.e., housing eligible clients) or that DHCD recovers its investment based on the terms of the agreement. The total amount of per unit subsidy or the down payment and closing costs assistance is recaptured only from the net proceeds of the sale or foreclosure prior to the end of the affordability period. Please see specific HOME program details for recapture provision specifics.

Homebuyer HOME-assisted units structured as developer subsidy are not subject to the recapture provision. In these cases units must be resold to an income eligible homebuyer if with the applicable affordability period.

In the case of HOME investment in rental properties the property must remain in service under HOME program compliance terms for the full affordability term. Failure to maintain affordability will trigger repayment of the total HOME investment.

This document provides an outline of program parameters. All interested parties should reference current program guidelines for full details.

Indoor Plumbing Rehabilitation Program
The Indoor Plumbing Rehabilitation Program (IPR) only funds projects in HOME non-entitlement jurisdictions. The IPR Program is limited to 107 eligible cities and counties. The program's 31 current sub-recipients serve eligible localities. Sub-recipients include local governments, housing authorities, planning district commissions and a wide-range of non-profit organizations whose coverage ranges from multiple jurisdictions to very small organizations with limited capacity. This network allows programs to reach into most parts of the state. To help serve areas of the state that are either not served or are under-served by IPR sub-recipients, DHCD now allows sub-recipients to "roam" to serve units that are completely outside of the jurisdictions they are contracted to serve."

While the Indoor Plumbing Rehabilitation (IPR) Program has continued to be administered as a loan program, recent changes have been made due to the requirements of the Secure and Fair Enforcement of Mortgage Licensing Act of 2008 (SAFE Act) legislation. IPR sub-recipients now must choose one of three options in housing rehabilitation security instruments for all rehabilitation assistance:

4. Option one: The sub-recipient must have a person on staff who is a licensed Mortgage Loan Originator in order to recapture the investment from beneficiaries of housing improvement assistance.
5. Option two: The sub-recipient can opt to contract for all mortgage loan origination services with a licensed Mortgage Loan Originator.
6. Option three: The sub-recipient can opt to operate the program as a grant and only recapture the rehabilitation investment if the property is transferred or sold to someone other than the original beneficiary within ten years of the completion of construction.

When Option one or two is utilized, repayments are made based on the homeowner's financial capacity. The sub-recipient retains repayments under IPR for use on other HOME-eligible projects. Each sub-recipient must develop a plan for using any program income and report program income to the State.

The Indoor Plumbing Rehabilitation Program provides zero percent interest forgivable loans in non entitlement cities and counties of Virginia to low- and moderate-income (LMI) owner-occupants of substandard housing where indoor plumbing does not exist or where the existing water delivery or waste disposal system has failed when a licensed Mortgage Loan Originator (MLO) is involved in the transaction. The program also provides for the general rehabilitation of these units, and for accessibility improvements or relief from overcrowded conditions, as needed, once the primary income, ownership and failed plumbing criteria are met.

The Virginia Department of Housing and Community Development initiated the IPR Program and has operated it since 1989, using a combination of state appropriations and federal HOME Program funds.

The IPR program works to meet the needs of its clients and sub-recipients, while upholding programmatic regulations and the major policy guidance of the Board of Housing and Community Development. The Department contracts with sub-recipients to provide local administration of the IPR program. The sub-recipients are responsible for most program operations including outreach, application intake, beneficiary and property eligibility determination, financial packaging with the assistance of an MLO, construction management, and loan servicing. Each sub-recipient has direct ties to the community via its local housing rehabilitation advisory board. Each beneficiary household receives training in house maintenance, cleaning, and budgeting.

The key tenets of the Indoor Plumbing Rehabilitation Program are:

- Only owner-occupied houses that lack complete indoor plumbing qualify for assistance;
- Programs have the option to require beneficiaries repay loans based upon ability to pay; and
- Self-help and homeownership opportunities create responsibility for ongoing property maintenance and increase wealth for lower-income participants.

All IPR Programs being funded in whole or part by DHCD must operate according to a written Program Management Plan (PMP) including any revisions that have been adopted by the sub-recipient's governing body.

A Rehabilitation Oversight Board must oversee the provision of the program benefits and supervise the implementation of the adopted PMP. The Rehab Board may be the jurisdiction's governing body, the non-profit's board of directors or a specially-appointed board which has this program as its only responsibility. The Rehab Board must be composed of at least three members with at least one resident from each locality served by the sub-recipient being a part of this membership. Three members must be present to conduct business. The grant administrator, rehab specialist and any other person involved in the daily oversight cannot be a voting member. Minutes must be taken at the meetings. Please read Chapter 5 of the IPR manual for more details.

Project/Applicant Eligibility

The applicant must have lived in his/her residence for at least one (1) year. The gross household income must be at or below 80% of the median income adjusted for family size for the locality. All income and assets **must** be verified by independent source documentation such as employer verification, social security, unemployment office or W-2 forms prior to approval for assistance by the Rehab Oversight Board.

The occupant must have fee simple ownership or control of the property unless a formal written waiver of ownership is approved by DHCD. The household must have been selected according to an objective priority system that is overseen by the Rehab Oversight Board and recorded in the meeting minutes by beneficiary name.

Funding Thresholds

Loan repayments are determined by the homeowner’s ability to make payments based on household income, utility costs, and fixed housing costs and availability of an MLO to oversee the transaction. Applicants may not pay more than 25 percent of their adjusted gross income for repayment of the loan and other related housing costs. Loans are amortized over a ten-year (120 month) period. They are secured by a lien on the property, which is proportionately forgiven over the ten-year term. If no MLO is involved the program is operated as a grant secured with a ten year deed of trust and note.

Administrative and construction related soft costs are based on performance varied by the complexity of work on a given house. CDBG, IPR and other DHCD involved supplemental funds may not leverage each other. Rehabilitation cost limits range from $25,000 to $40,000 plus exceptions for accessibility, well or septic, expansion of the footprint and lead laboratory testing.

The sub-recipient may obligate up to one percent of base construction costs per unit up to a maximum allowable cost of $250.00 based on the actual documented costs to carry out home maintenance education. These costs are not intended to cover staff or rehab specialist time for training delivery. This is intended to cover items such as cleaning kits and tool kits to assist the homeowner in maintaining the property after rehabilitation.

For houses constructed before 1978, lead-based paint renovation regulations dictate “Renovation, Repair and Painting” training and certification for contractors and a thorough cleaning and clearance test by a certified Risk Assessor. To assist contractors with this tedious chore, the DHCD has made no cost training available and the sub-recipient can provide use of a HEPA vacuum which captures particulate matter such as harmful lead paint dust. Each sub-recipient who purchases a HEPA vacuum will be reimbursed at an allowance of $200.00 per house completed until the total cost of the vacuum (up to $1,000) has been received. A copy of the invoice must be submitted to DHCD with first request for payment.

This document provides an outline of program parameters. All interested parties should references current program guidelines for full details.

Down Payment Assistance Program

The Down Payment Assistance (DPA) Program is a HOME program administered through the state of Virginia's Department of Housing and Community Development. This program is one of several HUD programs that are included under the HUD Consolidated Plan Action Plan for the 2011-2012 program year.

DPA provides down payment and closing costs assistance to income eligible first-time homebuyers to obtain homes that are decent, safe and accessible. The program goal is to provide homeownership opportunities to households that otherwise may not have the opportunity to own a home. By providing these opportunities DHCD helps to sustain affordable housing units and overall growth in personal wealth and equity for low-income Virginians.

The DPA program seeks to provide this assistance statewide through local sub-recipient that provide comprehensive homeownership services including for example housing counseling, debt repair services, and foreclosure prevention.

The program seeks to assist annually at least 200 income-eligible first-time homebuyer households in Virginia with bridging the gap to homeownership.

Funding Levels

During 2011-2012 DHCD will allocate approximately 1.5 million dollars through the DPA program to assist approximately 200 income-eligible first-time homebuyers into homeownership during the program year.

2011-2012 DPA Estimated Funding	
2011-2012 HUD Allocation Designated to DPA	$1,000,000
HOME Program Income	~$500,000
Total	**~$1,500,000**

The 2011-12 program year is year one of a two year funding cycle. Funding decisions will be made as a result of an open competitive application process whereby proposals meeting threshold requirements will be scored and ranked based on the following categories:

- Need (40 percent)
- Organizational capacity (30 percent)
- Program approach (30 percent)

DPA funding agreements are structured as two one-year funding agreements with the second year agreement based on year one performance. These offers are made to those applicants with the highest ranked proposals scoring at least 60 points or more based on requested amounts and available funding. Funding agreements will be made based on scores to the extent that funds are available.

Sub-recipient performance and spending will be monitored throughout the year. Any funding at risk of being unspent at the beginning of the fourth quarter will be de-obligated and re-obligated to sub-recipients based on performance and spending. Any sub-recipient with outstanding findings or reports will not be eligible for subsequent allocations. Any unspent funding for 2011-12 will be carried forward and reallocated for the 2012-13 program year.

Allocation of funds to the sub-recipient is done on a per transaction basis. This includes the down payment and closing costs assistance and an administrative fee per individual DPA unit assisted. Please note that the allocation of any assistance and administrative fee is contingent upon the sub-recipient meeting program guidelines including submitting the required documents. Funds may be reallocated based on performance during the first ten months of the program year. Funds are reallocated to sub-recipients that have met all performance criteria on a first-come first-served basis.

Eligible Service Areas
DHCD's goal is to provide funding support for HOME eligible DPA assistance across Virginia. Any locality within the state of Virginia is an eligible service area including both HOME entitlement and non-entitlement localities. Higher priority will be given to proposals submitted that include non-entitlement localities. Eligible proposals must include the following provisions:

- Coordination with other HOME Entitlements
- Coordination with other DPA programs
- Reaching out to clients beyond the providers immediate client base

Applicant Eligibility
Applicants must be a non-profit or a unit of government targeting services to individuals living within the Virginia. All nonprofit applicants must have and be current on 990 filings (not applicable to units of government).

Applicants must demonstrate the ability to manage all applicable state and federal policies and procedures including compliance with federal and state non-discrimination laws.

Applicants must be experienced with providing similar assistance and should provide a comprehensive approach to homeownership.

All applicants must demonstrate the ability to coordinate DPA assistance with other HOME funds or other types of assistance.

Applicants must have established internal control and fiscal accounting procedures and be able to track agency and program budgets by revenue sources and expenses.

Applicants with outstanding audit findings, IRS findings, DHCD monitoring findings or other compliance issues are not eligible applicants and any sub-recipient selected for funding will not be eligible for subsequent allocations if any of these conditions occur. Please note that DHCD will work with all interested parties toward the resolution of unresolved matters, where appropriate.

Applicants must demonstrate the ability to meet all reporting and record keeping requirements.

Key Applicant Eligibility Factor:

- *Either non-profit or unit of local government*
- *No outstanding findings or other issues*
- *Experienced Homeownership assistance provider*
- *Must be coordinating proposed DPA assistance with other HOME assistance*
- *Must be able to meet record keeping and reporting requirements*
- *Must be able to serve program participants beyond the agency's typical client base*

Participation in the program is limited to credit-eligible first time homebuyers at or below 80 percent of the area median income (AMI) who would otherwise be unable to purchase a home. Program participants must meet the usual and customary mortgage underwriting criteria that demonstrates creditworthiness sufficient to obtain a mortgage loan commitment.

All units assisted with HOME are limited in value and must not exceed limits on maximum sales prices. Upon closing a required affordability period is imposed based on the amount of total HOME assistance. The total amount of HOME assistance is recaptured in the cases where a unit does not remain the primary residence of the program participant and/or in the case of refinancing, resale, or foreclosure. The amount of funds recaptured is out of net proceeds.

<u>CHDO Operating Assistance</u>
CHDOs that are certified by DHCD as a "state-certified" CHDO are eligible to apply for CHDO Operating Assistance funds if the CHDO has a current Affordable and Special Needs Housing program project funding commitment. CHDO Operating Assistance is based on the development of a specific project. CHDO must have or have just received a Virginia Affordable and Special Needs Housing funding commitment in order to be eligible.

DHCD will accept applications on a quarterly basis for up to two years of assistance (based on a one year renewable agreement). All applications will be reviewed and scored by a panel based on the developer's need for operating assistance. Each quarter CHDO operating commitments will be issued for up to a quarter of the total annual allocation for CHDO Operating Assistance. Any uncommitted balance for the quarter will be carried forward to the next quarter. Any uncommitted funding at the end of the program year will be carried forward and reallocated during the next program year.

These funds are intended to provide general operating support during the development and construction of CHDO Set-Aside funded affordable housing projects. This program is intended to assist organizations that can demonstrate a need for operating support. The applicants must comply with HOME rules and regulations.

The following guidelines apply to CHDO Operating Grants:

- Applicant must be certified by the state to work in the area where the project is located;
- Applicant must possess a demonstrated history of serving the area or community within which HOME-assisted housing will be located (usually this is evidenced by documentation of a minimum of one year of experience of service; and
- Applicant must have an ASNH loan commitment from DHCD.

Funds may be used for operational expenses as follows:

- Salaries, Wages, and Benefits;
- Rent and Utilities;
- Training and Travel;
- Technical Assistance;
- Equipment and Supplies;
- Internet Access and Communications; and
- Contracted Professional Services.

Funds may not be used for project costs. The term of the grant agreement is 12 months with options for 12- month renewal for each project.

An organization may receive the greater of $50,000 or 50 percent of their operating budget for the year in which the application is made.

CHDOs not in compliance with DHCD funding agreements are not eligible for new funding.

The program requires a 25 percent cash match, which may be met by local government, state government, or private funds. The match must be applied to operating expenses. Funds received for administering other programs may not be used as match. Source documentation must be submitted along with the application to verify the availability of funds.

Paid invoices must be submitted with each programmatic and financial report in order to receive funding draws. Paid invoices will be reimbursed at a rate of 75 percent. The remaining 25 percent will be held back and represents the applicant's portion of the cash match.

Applicants receiving Operating Assistance will be required to provide copies of approved conflict of interest and procurement policies, participate in the Consolidated Planning Process, participate in a minimum of one fair housing activity every year, and submit a Comprehensive Organizational Plan with annual updates.

This document provides an outline of program parameters. All interested parties should reference current program guidelines for full details.

Predevelopment Assistance
Predevelopment assistance up to $50,000 will be made available through a quarterly application process for predevelopment costs associated with the development of a special needs and/or permanent supportive housing projects.

Applicants must be a state-certified CHDO and have experience developing similar projects.

All proposals will be reviewed and scored based on need, project feasibility, developer capacity and assistance will be issued for up to a quarter of the total annual predevelopment allocation. Any uncommitted balance for the quarter will be carried forward to the next quarter. Any uncommitted funding at the end of the program year will be carried forward and reallocated during the next program year.

Predevelopment assistance will be structured as a loan. Any predevelopment costs will be added to a subsequent Affordable and Special Needs Housing funding commitment. Please note that all project limitations of the Affordable and Special Needs Housing program will apply to the resulting projects. Recipients of predevelopment funds that fail to result in an Affordable and Special Needs Housing funding commitment and subsequent units may be **required to repay the predevelopment assistance in full.**

Urgent Needs
HOME funds will be allocated through an open submission process to meet urgent housing needs in Virginia. These are housing needs related to a current declaration of an emergency by the Governor of Virginia relative to a flood, a hurricane, a tornado, an earthquake, or other disaster event, not including droughts, snow, or ice conditions. Allowable HOME activities include only those activities that would otherwise be allowable allowable through:

- Affordable and Special Needs Housing
- Homeownership
- Indoor Plumbing and Rehabilitation

Submissions will be evaluated based on need, project feasibility, and developer capacity.

Homelessness
DHCD works with the community in a number of ways to specifically meet the needs of homelessness. In addition to facilitating the effective distribution and utilization of the Emergency Solutions Grant (ESG), State Shelter Grant (SSG), Homelessness Prevention and Rapid-Re-housing Program (HPRP) and the State Homeless Intervention Program (HIP), DHCD works to improve service delivery and coordination, remove barriers, and leverage resources to address the needs of individuals experiencing homelessness and special needs. As of the writing of this Action Plan:

- All of Virginia’s localities are now covered by a Continuum of Care (CoC)

- HMIS has been established to improve coordination of services to meet needs of clients and to improve the overall understanding of system utilization trends for future improvements,
- All DHCD ESG, SSG, and HPRP sub-grantees (with the exception of Domestic violence shelters) must be active users of HMIS.

In addition, DHCD recognized the economic challenges that families with children face when also experiencing homelessness and established homeless childcare programs that help to coordinate and pay for childcare services for families facing homelessness.

A discharge policy has to be developed and implemented, to the maximum extent practicable and where appropriate including, policies and protocols for the discharge of persons from publicly funded institutions or systems of care (such as health care facilities, foster care or other youth facilities, or correction programs and institutions) in order to prevent such discharge from immediately resulting in homelessness for such persons.

Emergency Solutions Grants (ESG): Method of Distribution
Authorized by the Stewart B. McKinney Homeless Assistance Act, ESG is funded through an appropriation from the U.S. Department of Housing and Urban Development and administered by the Virginia Department of Housing and Community Development (DHCD). The required state matching funds are provided by DHCD through a dollar to dollar match with state general funds through the State Shelter Grant (SSG) program.

The goal of ESG is to assist families and individuals experiencing homelessness or at-risk of becoming homeless by providing shelter and services at emergency and transitional housing facilities in Virginia and through rapid re-housing and prevention services.

The state allocation minus five percent for state/local government administrative costs will be allocated to sub-grantees (non-profits and units of local governments) in ESG non-entitlement localities. These are localities that do not receive a direct ESG allocation from HUD. Sub-grantees will be selected for the July 1, 2011 - June 30, 2012 and July 1, 2012 – June 30, 2013 program years based on a competitive application process. The funds will be structured as one year renewable, based on performance and available funding, commitments.

Proposals that meet minimum threshold requirements will be reviewed and ranked by a proposal review panel based on the following criteria:

- Need (maximum 40 points)
- Approach (maximum 30 points)
- Capacity (maximum 30 points)

Proposals must receive a score of at least 60 points in order to receive funding. ESG funding commitments will be based on scores and funding request beginning with the highest scored proposal until funds are fully committed.

In the case of any allocation being de-obligated, this amount will be added to the total available for allocation and be allocated based on the ESG method of distribution.

Sub-grantee Eligibility
Sub-grantees must be non-profits or units of local government and current on 990 filings (not applicable to units of government).

A primarily religious organization must establish a completely secular, private, non-profit organization to serve as the sub-grantee for ESG funding through this program. Sub-grantees must be in compliance with ESG guidelines and applicable state and federal policies and procedures, including compliance with federal and state non-discrimination laws.

Sub-grantees must have established standard accounting practices including internal control and fiscal accounting procedures and be able to track agency and program budgets by revenue sources and expenses.

Applicants with outstanding audit findings, IRS findings, DHCD monitoring findings, or other compliance issues are not eligible ESG sub-grantees and any sub-grantee will not be eligible to receive allocations if any of these conditions occur within the grant period. Please note that DHCD will work with all interested parties, where appropriate, toward the resolution of unresolved matters.

Sub-grantees must be able to demonstrate prior experience serving individuals and families experiencing homelessness. Sub-grantees must also be involved in their local Continuum of Care (CoC) and certify (with the exception of Domestic Violence Shelters) that they will fully utilize the Homelessness Management Information System (HMIS) for their area.

Eligible Activities

Eligible activities are emergency shelter, transitional housing, rapid re-housing (pending finalization of ESG regulations), and homeless prevention.

Please note that eligible program activity types and costs categories are based on current program design and anticipated changes to HUD's design for the ESG program and may be subject to change.

Emergency shelter provides short-term emergency housing for the homeless in general or for specific populations of individuals or families experiencing homelessness. Emergency shelter programs provide temporary emergency shelter, housing barrier assessments and referrals to appropriate permanent housing resources.

Eligible program costs include actual costs (rent, maintenance, utilities) associated with the facility or units where temporary shelter is provided and where intake, assessments and services are provided. Eligible costs include staff costs associated with intake, assessments, referrals and shelter operations. These costs exclude mortgage related costs in the case where a sub-grantee has a debt service on a facility and/or housing unit, location for temporary shelter and/or service provision.

Transitional housing is a type of temporary supportive housing used to facilitate the movement of homeless individuals and families to permanent housing. It is temporary housing in which homeless persons may live for up to 24 months and receive supportive services that enable them to live more independently; therefore it is intended to serve program participants with more significant housing barriers.

While transitional housing programs may allow for shelter stays for up to 24 months, the ultimate goal is that no one is homeless (living on the streets, in emergency shelter or in transitional housing) for more 30 days. Eligible transitional housing programs are structured to:

- Serve those with more significant housing barriers,
- Minimize the length of the shelter stay, and
- Transition program participants into permanent or permanent supportive housing as soon as possible.

Please note that the lead-based paint requirement applies for programs 100 days or more in duration.

Transitional housing programs must assure that program participants have access to supportive services to address housing barriers. The supportive services may be provided by the organization managing the transitional housing or coordinated by them and provided by other public or private agencies.

Please note that eligible transitional housing program costs outlined in this guideline are based on current ESG federal regulations and anticipated regulatory changes and may be subject to change.

Rapid Re-housing (pending finalization of ESG regulations) is designed to provide immediate permanent housing to individuals and families experiencing homelessness. This program is typically targeted to program participants with relatively few housing barriers. It may include follow-up and/or short-term case management. Eligible costs include program participant rent subsidy, rent and utility deposits, and rent and utility arrears in the case where payment is necessary to secure permanent housing. Eligible costs also include staff and facility costs associated with the provision of the rapid re-housing.

Transition-in-place is an eligible type of rapid re-housing. These types of programs typically target program participants with fewer housing barriers then those requiring transitional housing. Transition-in-place program participants are those who, based on assessments of housing barriers, appear to be able to live independently in permanent housing with initial limited support. These types of programs allow for a reduction of support over time toward independent permanent housing. Transition-in-place differs from transitional housing and rapid re-housing in that:

- Transition-in-place is intended to target program participants that need less support services than transitional housing

- Transition-in-place provides support services and a longer period of case management than rapid re-housing

In both cases rapid re-housing and transition-in-place program participants will have the lease in their names and will retain the unit in their name once they exit the program. Please note that in some cases master or joint leases in the name of the sub-grantee are appropriate.

Please note that eligible rapid re-housing and transition-in-place program costs outlined in this guideline are based on current ESG federal regulations and anticipated regulatory changes and may be subject to change.

Homeless Prevention provides eligible financial assistance and support services to qualified program participants at risk of becoming homeless. All program participants receiving prevention services must have household incomes at or below 30 percent area median income (AMI).

Financial assistance includes rent and utility assistance in the cases where otherwise eligible program participants have received eviction notices or notices of termination of utility services and;

- The program participant cannot make the required payments due to a sudden reduction in income;
- The assistance is necessary to avoid the eviction or termination of services;
- There is a reasonable prospect that the family will be able to resume payments within a reasonable period of time; and
- The assistance will not supplant funding for pre-existing homelessness prevention activities from other sources.

Eligible homeless prevention support services activities or programs are designed to prevent the incidence of homelessness, including (but not limited to):

- Mediation programs for landlord-tenant disputes;
- Legal services programs for the representation of indigent tenants in eviction proceedings;
- Case management; and
- Staff and facility costs associated with providing prevention.

At risk status and income eligibility based on the Section 8 income definition must be documented prior to receiving any services for all program participants receiving homeless prevention services.

Please note that eligible homeless prevention costs outlined in this guideline are based on current ESG federal regulations and anticipated regulatory changes and maybe subject to change.

Community Development Block Grant: Methods of Distribution

The use of Virginia **CDBG** funding in 2011 is anticipated to be as follows:

2011 Available CDBG Funding			
Actual		$17,861,247	
Plus:	Recaptured Funds	$2,799,984	
Less:	State Administration	$357,225	
	State Technical Assistance	$178,612	
	2010 Letters of Intent	$1,400,000	
Less:	Planning Grants	$500,000	
	Equals: Community Improvement Grants	$18,225,394	$18,225,394
The anticipated use of Community Improvement Grant funding is as follows:			
	Construction-Ready Water and Sewer Fund	$1,000,000	
	Community Economic Development Fund	$2,500,000	
	Community Development Innovation Fund	$2,750,000	
	Urgent Need Open Submission Projects	$1,000,000	
	Competitive Grants	**$10,975,394**	$10,975,394
	TOTAL	$18,225,394	

*This amount will be reduced at the time funding decisions are made for the Competitive Round to provide funds for previously awarded multi-year projects that will be positioned to move into their second phase of implementation.

The Virginia Community Development Block Grant program is a flexible tool that is being utilized to address a wide array of community and economic development needs across the Commonwealth. The program recognizes the breadth of challenges facing Virginia's rural communities and has been designed to present opportunities for meeting many of these needs, ranging from the installation of infrastructure for new or expanding industries, provision of new or improved water and sewer systems in rural areas, revitalization and economic restructuring of commercial districts, providing financial and technical assistance to entrepreneurs, and construction of facilities for a variety of critical services, such as medical needs in underserved areas or workforce training to address gaps in the labor force.

Unlike the programs operating in entitlement jurisdictions throughout Virginia, the state program covers an extensive geographic area whose needs vary significantly. Presently, there are over 280 units of governments in Virginia eligible for the state CDBG program, each with a unique set of needs and varying levels of capacity and resources to address these needs. Due to the large geographic spread and the extensive issues faced by these mostly rural communities, DHCD does not attempt to individually quantify the need in specific terms relative to the table labeled Housing and Community Development Activities.

Regional Priorities
As an alternative to an inventory of need for the balance of the state served, DHCD annually requests each Planning District Commission (PDC) to rank nine specific community development items in one of three priority groups. These items are based on the different project types that are funded through the state CDBG program, and a proposal's relationship to the project priorities is considered when a project is evaluated and rated. The following nine items are utilized:

- Comprehensive Community Development
- Economic Development – Job Creation and Retention
- Economic Development – Site Redevelopment
- Economic Development – Development Readiness
- Economic Development – Business District Revitalization
- Housing – Housing Rehabilitation
- Housing – Housing Production Assistance
- Community Facility
- Community Service Facility

The full prioritization, by PDC, is included as an attachment.

Planning Grants
In addition this assessment methodology described above, DHCD frequently partners with localities to develop solutions to meet identified needs through the use of CDBG-funded planning grants. These grants create the means for localities to target very specific areas of need while providing enough flexibility to address the wide range of issues that affect the nearly 300 localities served through the state program.

For instances when a community may need assistance in identifying and assessing their priorities, both *Community Organizing* and *Community Needs Assessments* planning grants can offer support. These planning grants can be used to conduct a general needs analysis and prioritization of community or economic conditions and future direction. Activities typically include conducting a SWOT analysis, establishing goals and objectives, and developing work plans and implementation strategies.

Strong community support and participation is required for all planning grants to ensure that all stakeholders have an opportunity to be heard. It is anticipated that most localities completing the planning grant process will submit a future CDBG Community Improvement Grant in order to implement the recommended solutions to the identified needs.

Funding

Not surprisingly, the lack of funding available to address community development needs is a significant obstacle. The lack of funding presents several challenges. The CDBG program saw a modest increase in funding last year; however, a significant cut is anticipated in this year's funding. The demand for CDBG funding exceeds what is available as shown by the CDBG Competitive program, the method by which the largest percent of state CDBG funds are distributed.

Further exacerbating the funding crisis is the reality that in most cases, funding from one single source, such as the state CDBG program, is not sufficient to address all needs for a particular project. As a result, localities often must seek additional resources from other funders, many of whom are also seeing a reduction of their own grant resources. The need to utilize other funding sources can further complicate a project since there are varying timetables to consider and coordinate, separate applications that must be completed and submitted, and different thresholds and requirements that must be achieved and reported.

As funding, principally grant resources, continues to diminish, localities must seek to bridge the funding gap by taking on loans or utilizing their own resources. This can be particularly burdensome for many of the localities served by the state CDBG program; localities that are typically rural in nature, economically distressed, and have limited local resources to contribute.

Local Capacity

The state CDBG program serves many small communities that simply do not have the staff to complete the often complex community development projects. While PDCs and private consultants may be available to provide some assistance, involvement of local leadership is critical to a project's success. Localities with limited staff that are already responsible for a number of vital day-to-day government activities do not have the time and in some cases the expertise, necessary for pulling together the pieces of a community development project.

Antipoverty Strategy

DHCD will promote and coordinate housing services with activities that help reduce the number of poverty-level families in Virginia. Virginia continues to pursue several economic development initiatives that, like economic development and self-help portions of the CDBG program, are also intended to strengthen local economies, increase employment opportunities, and enhance business opportunities, particularly within lower income communities or portions of communities. These include the following:

- The **Virginia Enterprise Zone Program** offers state incentives for businesses hiring and investing in distressed communities and areas of the state that have lagged behind the overall growth of the State's economy. The recently reauthorized program, which will use grants rather than tax credits as an incentive for investment in economically distressed communities, targets localities whose relative levels of employment, income, and other indicators are to be considered in determining the designation of future zones.

- The **Virginia Enterprise Initiative**, which leverages private sector support for community-based micro enterprise (self-employment) programs; these programs in turn provide access to capital and business skills to aspiring low-income entrepreneurs.

Neighborhood Stabilization Program

The Virginia Neighborhood Stabilization Program is designed to assist neighborhoods that have been hard hit by the recent foreclosure crisis by purchasing foreclosed or abandoned homes, rehabbing the homes, and reselling them to Low-Moderate- Middle- Income Families (up to 120 percent area median income).

Housing Opportunities for Persons with Aids (HOPWA): Method of Distribution
Housing strategy for the Commonwealth of Virginia Consolidated Plan includes objectives specific to meeting the unmet need of special needs populations in Virginia. DHCD will address these needs through:

- Increasing the overall availability of affordable, accessible housing
- Encourage the inclusion of special needs units in large non special need projects
- Assist individuals with HIV/AIDS to obtain and/or maintain safe, affordable housing
- Increase the availability of permanent supportive housing

The Housing Opportunities for Persons With AIDS (HOPWA) program was authorized by the National Affordable Housing Act of 1990 and revised under the Housing and Community Development Act of 1992, to provide states and localities with the resources and incentives to devise and implement long-term comprehensive strategies for meeting the housing needs of low-income persons with acquired immunodeficiency syndrome (AIDS) and related diseases, and their families. Activities of primary importance are providing housing assistance and services that assist this population to maintain housing stability where they can maintain complex medication regimens and address HIV/AIDS related problems.

Funds are appropriated annually by Congress to the U.S. Department of Housing and Urban Development (HUD) for administration of this program. HOPWA funds are then awarded by formula to eligible states and Eligible Metropolitan Statistical Areas (EMSAs) that meet the minimum number of cumulative AIDS cases. States and metropolitan areas coordinate use of HOPWA funds with their respective Consolidated Plans, a collaborative process where the state or metropolitan area establishes a unified vision for community development actions.

As an eligible state, the Commonwealth of Virginia receives a HOPWA formula grant, administered by the Department of Housing and Community Development (DHCD). Thereby, DHCD grants these HOPWA funds to eligible sub-grantees (that operate outside the state's EMSAs) following a competitive application process. This process awards sub-grantees one year agreements, but this agreement will be renewable for another year based on funding availability, performance, and compliance. In case of any funds being de-obligated from 2011-12, these funds will be allocated during the 2012-13 based on the original allocation percentages and performance.

These project sponsors administer HOPWA-supported assistance locally, to persons with HIV/AIDS and their families, supporting HUD's HOPWA program goals and specifically the state's goals as published in the 2008-2012 Consolidated Plan and specific annual goals and objectives as identified in each subsequent Annual Action Plan.

The HOPWA priority is housing assistance - including short-term rent, mortgage, and utility assistance (STRMU), and tenant-based rental assistance (TBRA) - to eligible individuals and their families.

Funds received through these awards will only support clients and programs within Virginia's non-eligible metropolitan statistical areas. HOPWA eligible metropolitan areas receive their HOPWA allocations directly from HUD and have specific guidelines and separate processes not included within the Virginia HOPWA program process or program.

Virginia HOPWA Program
Eligible Service Areas

Counties of:			**Independent Cities of:**
Accomack	Franklin	Page	Bedford City
Albemarle	Frederick	Patrick	Bristol
Alleghany	Giles	Pittsylvania	Buena Vista
Amherst	Grayson	Prince Edward	Charlottesville
Appomattox	Greene	Pulaski	Covington
Augusta	Greensville	Rappahannock	Danville
Bath	Halifax	Richmond	Emporia
Bedford	Henry	Roanoke	Franklin City
Bland	Highland	Rockbridge	Galax
Botetourt	King George	Rockingham	Harrisonburg
Brunswick	Lancaster	Russell	Lexington
Buchanan	Lee	Scott	Lynchburg
Buckingham	Lunenburg	Shenandoah	Martinsville
Campbell	Madison	Smyth	Norton
Carroll	Mecklenburg	Southampton	Radford
Charlotte	Middlesex	Tazewell	Roanoke City
Craig	Montgomery	Washington	Salem
Culpeper	Nelson	Westmoreland	Staunton
Dickenson	Northampton	Wise	Waynesboro
Essex	Northumberland	Wythe	Winchester
Floyd	Nottoway		
Fluvanna	Orange		

Significantly limited funds are available to meet all the needed housing assistance for moderate to low income individuals with HIV/AIDS in Virginia's non-eligible metropolitan statistical areas. As a result, the funds through this program will be focused on direct housing assistance as needed and supportive services as a last resort only for the individuals eligible for housing assistance through the HOPWA program.

Sub-grantees are strongly encouraged to partner with other service providers (both public and private) to coordinate client services and fully leverage available resources in their particular service areas.

At least 65 percent of the total HOPWA grant to any one sub-grantee must be expended on direct housing assistance.

Eligible housing activities (direct housing assistance) for this HOPWA program can be met through the provision of:

- Tenant based rental assistance (TBRA)

- Short term rental mortgage and utility assistance (STRMU)

Specific HOPWA Objectives

Commonwealth of Virginia Consolidated Plan includes objectives specific to meeting the unmet housing need of individuals with HIV/AIDS. DHCD will address these needs through:

- Encouraging the inclusion of special needs units in large non special need projects
- Assisting individuals with HIV/AIDS to obtain and/or maintain safe, affordable housing

Approximately 250 households will be receiving housing assistance over the course of the 2011-12 program year. These housing needs will be met primarily through the provision of tenant-based rental assistance and short-term mortgage, rent, and utility assistance. Approximately 171 households will receive STRMU assistance and 82 households will receive TBRA.

Special Needs Households -4 Year Goals		
Program	*Resources*	*Number of Units*
HOPWA	HOPWA and private	250 households annually
		4 Year Total -250 Units