



5 Year Strategic Plan

This document includes Narrative Responses to specific questions that grantees of the Community Development Block Grant, HOME Investment Partnership, Housing Opportunities for People with AIDS and Emergency Shelter Grants Programs must respond to in order to be compliant with the Consolidated Planning Regulations.

GENERAL

Executive Summary

The Executive Summary is required. Include the objectives and outcomes identified in the plan and an evaluation of past performance.

5 Year Strategic Plan Executive Summary:

The Strategic Plan covers the years 2008-2012. This plan was developed through a comprehensive state wide effort including the analysis of secondary data, programmatic input sessions and surveys, community conditions and needs assessment input sessions and surveys, 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 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 five years and will continue to further address these needs over the next five years through meeting the following objectives:

- 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

Strategic Plan

Due every three, four, or five years (length of period is at the grantee's discretion) no less than 45 days prior to the start of the grantee's program year start date. HUD does not accept plans between August 15 and November 15.

Mission:

The regulations of the U.S. Department of Housing and Urban Development (HUD) require the preparation of a Consolidated Plan covering a Three, Four, or Five Year Period as a pre-requisite to receiving CDBG, ESG, HOME, and HOPWA funding. In response, DHCD has prepared this Consolidated Plan for a Five Year Period for program years 2008-2012, beginning July 1, 2008 through June 30, 2013. The plan consists of several parts including general strategies that will be followed in the implementation of the CDBG, ESG, HOME, and HOPWA programs; a housing section including a priority housing needs, a housing market analysis, specific housing objectives, and barriers to affordable housing; a homeless section including a homeless need assessments, priority homeless needs, homeless inventory, homeless strategic plan, and the ESG five year strategy; a Community Development section including a community development needs assessment, antipoverty strategy, and a plan for the coordination of Low Income Housing Tax Credit (LIHTC); and a non-homeless special needs section including a non-homeless special needs assessment, a HOPWA strategy, and specific HOPWA objectives; and an annual action plan that describes the annual activities that will be undertaken through DHCD to utilize the \$105,402 in American Downpayment Dream Initiative; the \$19,247,912 in CDBG; the \$1,673,895 in ESG; the \$12,782,351 in HOME; and the \$634,000 in HOPWA funds that DHCD anticipates receiving from the U.S. Department of Housing and Community Development.

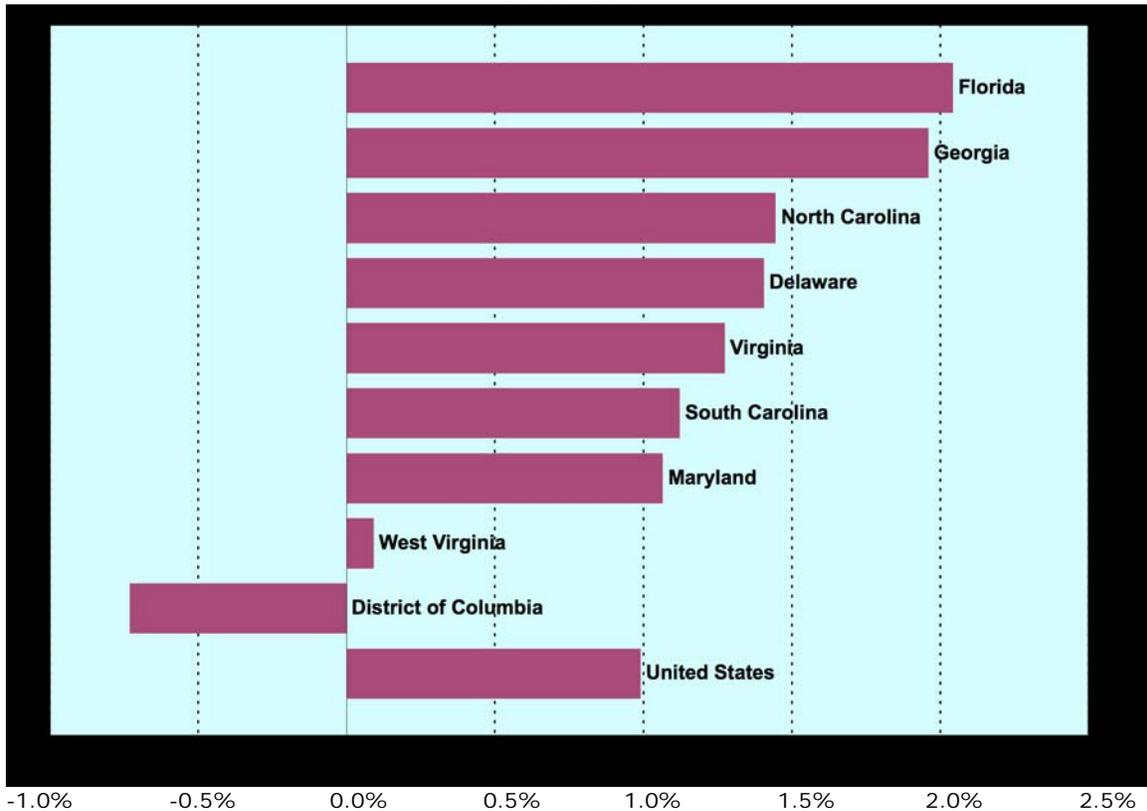
General Questions

1. Describe the geographic areas of the jurisdiction (including areas of low income families and/or racial/minority concentration) in which assistance will be directed.
2. Describe the basis for allocating investments geographically within the jurisdiction (or within the EMSA for HOPWA) (91.215(a)(1)) and the basis for assigning the priority (including the relative priority, where required) given to each category of priority needs (91.215(a)(2)). Where appropriate, the jurisdiction should estimate the percentage of funds the jurisdiction plans to dedicate to target areas.
3. Identify any obstacles to meeting underserved needs (91.215(a)(3)).

5 Year Strategic Plan General Questions response:

Virginia's population reached 7.7 million in 2007, maintaining the Commonwealth's position as the 12th largest state in the country. Overall Virginia's population growth rate is greater than the nation's as a whole and greater than that of neighboring states.

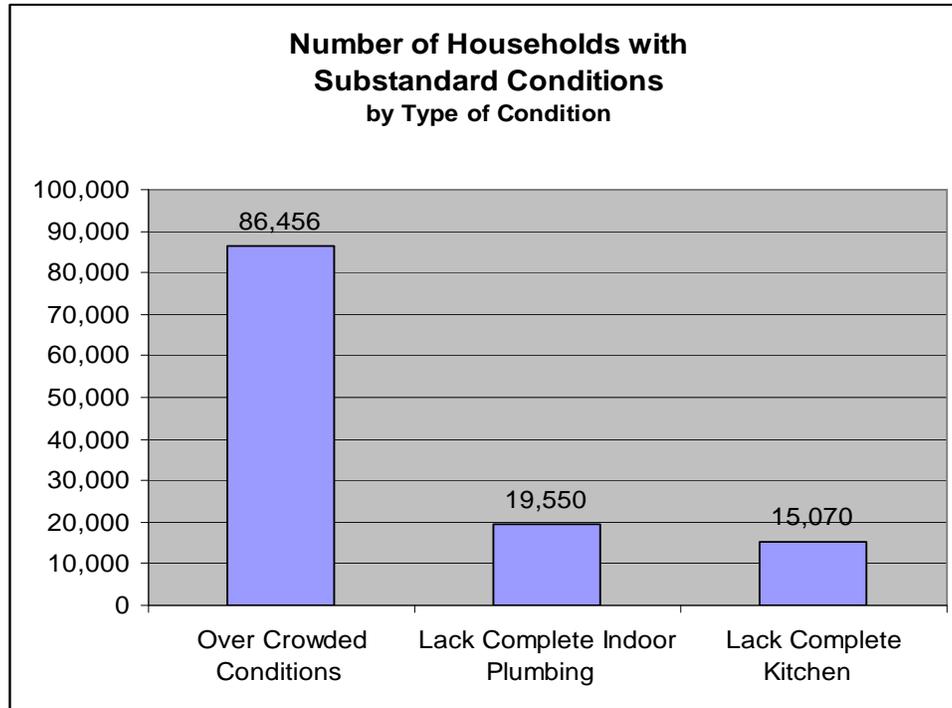
Annual Growth Rates for the South Atlantic States and the United States, 2000-2005



Source: Demographic Profile of Virginia (2006), Weldon Cooper Center for Public Service

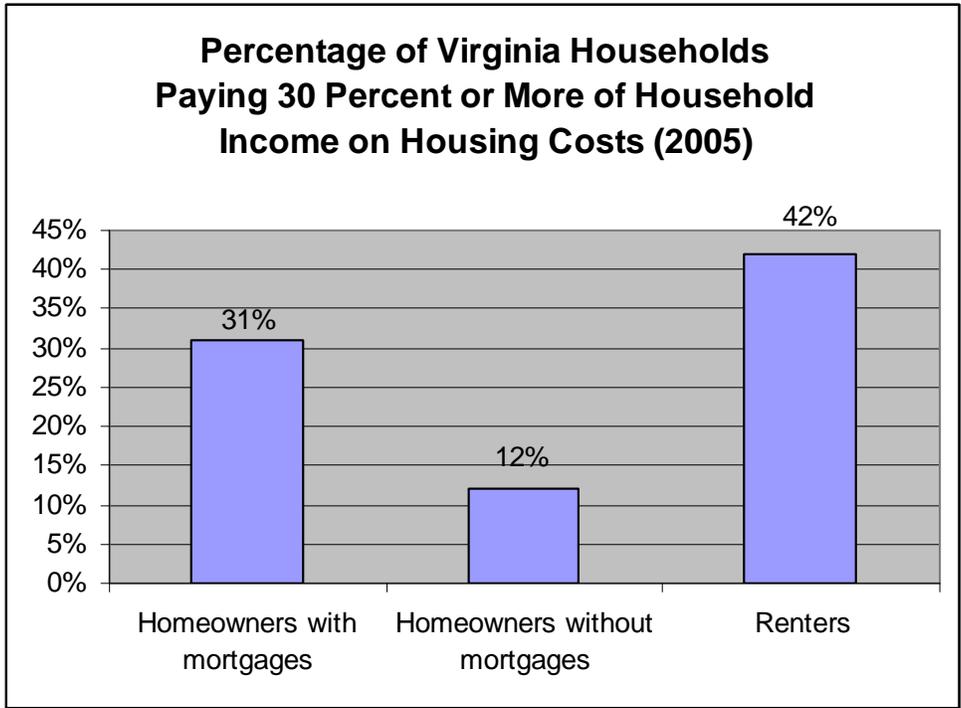
Roughly a third of Virginia population or approximately 2.5 million individuals live outside of the Northern Virginia, Richmond, or Tidewater Metropolitan areas, in the primary target areas served by this five year Consolidated Plan. It is in these areas that Virginia experiences its highest concentrations of aging homes and of housing units that lack complete indoor plumbing. These are also the areas that are less likely to have access to public water and sewer, internet, and other critical community services such as health care and transportation.

These challenging situations mean that many Virginians live in households that are considered substandard. Based on 2000 Census, there are more than 86,000 households where individuals are living in what is considered over-crowded situations. This is more than 1.1 individuals per room (excluding kitchens, baths, and hall ways). Almost 20,000 housing units lack complete indoor plumbing and just over 15,000 units lack complete kitchens.



Source: U.S. Census –Note; Households include both renters and homeowners. Households may have multiple conditions.

Beyond these specific substandard conditions there are households that are spending far too much of their household income (30 percent or more) on housing costs. Based on 2005 data thirty-one percent of homeowners with mortgages, 12 percent of homeowners without mortgages, and 42 percent of renters spent 30 percent or more of their total income on housing.



Specific social, economic, and demographic statistic for the state of Virginia based on U.S. Census American Community Survey 2006 is as follows:

Social Characteristics -	VA Estimate	Percent	U.S.	Margin of Error
Average household size	2.55	(X)	2.61	+/-0.01
Average family size	3.12	(X)	3.20	+/-0.02
Population 25 years and over	5,068,993			+/-6,869
High school graduate or higher	(X)	85.4	84.1%	(X)
Bachelor's degree or higher	(X)	32.7	27.0%	(X)
Civilian veterans (civilian population 18 years and over)	771,782	13.5	10.4%	+/-12,357
Disability status (population 5 years and over)	950,842	13.7	15.1%	+/-13,697
Foreign born	773,785	10.1	12.5%	+/-13,217
Male, Now married, except separated (population 15 years and over)	1,601,758	53.5	52.4%	+/-13,998
Female, Now married, except separated (population 15 years and over)	1,564,016	49.5	48.4%	+/-15,005
Speak a language other than English at home (population 5 years and over)	937,609	13.1	19.7%	+/-14,612
Household population	7,407,542			*****

Economic Characteristics	VA Estimate	Percent	U.S.	Margin of Error
In labor force (population 16 years and over)	4,082,653	67.5	65.0%	+/-17,477
Mean travel time to work in minutes (workers 16 years and over)	26.9	(X)	25.0	+/-0.2
Median household income (in 2006 inflation-adjusted dollars)	56,277	(X)	48,451	+/-458
Median family income (in 2006 inflation-adjusted dollars)	66,886	(X)	58,526	+/-623
Per capita income (in 2006 inflation-adjusted dollars)	29,899	(X)	25,267	+/-251
Families below poverty level	(X)	6.8	9.8%	(X)
Individuals below poverty level	(X)	9.6	13.3%	(X)

Housing Characteristics	VA Estimate	Percent	U.S.	Margin of Error
Total housing units	3,230,821			+/-356
Occupied housing units	2,905,071	89.9	88.4%	+/-10,869
Owner-occupied housing units	2,030,284	69.9	67.3%	+/-16,101
Renter-occupied housing units	874,787	30.1	32.7%	+/-13,816
Vacant housing units	325,750	10.1	11.6%	+/-10,981
Owner-occupied homes	2,030,284			+/-16,101
Median value (dollars)	244,200	(X)	185,200	+/-1,998
Median of selected monthly owner costs				
With a mortgage (dollars)	1,540	(X)	1,402	+/-13
Not mortgaged (dollars)	345	(X)	399	+/-4

ACS Demographic Estimates -	VA Estimate	Percent	U.S.	Margin of Error
Total population	7,642,884			*****
Male	3,757,523	49.2	49.2%	+/-5,483
Female	3,885,361	50.8	50.8%	+/-5,483
Median age (years)	36.9	(X)	36.4	+/-0.2
Under 5 years	503,491	6.6	6.8%	+/-3,428
18 years and over	5,837,331	76.4	75.4%	+/-2,661
65 years and over	886,014	11.6	12.4%	+/-3,564
One race	7,497,725	98.1	98.0%	+/-8,457
White	5,413,295	70.8	73.9%	+/-11,229
Black or African American	1,496,076	19.6	12.4%	+/-7,657
American Indian and Alaska Native	18,553	0.2	0.8%	+/-2,070
Asian	365,515	4.8	4.4%	+/-4,642
Native Hawaiian and Other Pacific Islander	6,291	0.1	0.1%	+/-1,753
Some other race	197,995	2.6	6.3%	+/-10,716
Two or more races	145,159	1.9	2.0%	+/-8,457
Hispanic or Latino (of any race)	470,871	6.2	14.8%	+/-2,634

Source: U.S. Census Bureau, 2006 American Community Survey

Explanation of Symbols:

***** - The median falls in the lowest interval or upper interval of an open-ended distribution. A statistical test is not appropriate.

***** - The estimate is controlled. A statistical test for sampling variability is not appropriate.

'N' - Data for this geographic area cannot be displayed because the number of sample cases is too small.

'(X)' - The value is not applicable or not available.

Investing across a large and diverse area is challenging; however DHCD continues to evaluate its methods of distribution to assure that funds for these critical programs (ADDI, CDBG, ESG, HOME, HOPWA) meet the priority needs within the Commonwealth. Each program varies in its methods for fund distribution, but as a rule DHCD gives priority to non-entitlement areas within the state. Each specific program is tailored to meet federal and program specific regulations and to best meet the needs specific to each target population.

ADDI is administered along with the Downpayment Assistance component of the HOME program. These funds are distributed through DHCD's partnerships with regional administrators across the state.

Other Special Needs and Affordable Housing development components of the HOME program are distributed through partnerships with housing developers that are selected through quarterly competitive proposal processes that give priority to proposals in non-HOME entitlement areas (areas that do not receive a direct HOME allocation).

The Indoor Plumbing Rehabilitation Program, another component of the HOME program) provides assistance through partnerships with local governments and non-profits to serve low-income homeowners in non-HOME entitlement areas.

ESG funds are used to support shelters within non-ESG entitlement areas across the state of Virginia.

CDBG funding supports projects and activities with non-CDBG entitlement areas.

The HOPWA program is administered through a competitive grant process to non-entitlement areas. At least 65 percent of the funding utilized received by grantees (or project sponsors) through this program must be used for direct housing assistance to eligible HOPWA clients.

Obstacles to meeting underserved needs include:

- Virginia housing costs far exceed increases in household income
- Significant quantity of substandard housing
- Absence of state resources for affordable housing
- Increased federal priority on community integration for disabled persons has highlighted a severe shortage in subsidized, affordable, and accessible housing
- Serious market decrease in the demand for tax exempt bonds has limited leveraging opportunities
- Rural challenges to providing homeless services

Managing the Process (91.200 (b))

1. Lead Agency. Identify the lead agency or entity for overseeing the development of the plan and the major public and private agencies responsible for administering programs covered by the consolidated plan.
2. Identify the significant aspects of the process by which the plan was developed, and the agencies, groups, organizations, and others who participated in the process.
3. Describe the jurisdiction's consultations 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.

*Note: HOPWA grantees must consult broadly to develop a metropolitan-wide strategy and other jurisdictions must assist in the preparation of the HOPWA submission.

5 Year Strategic Plan Managing the Process response:

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 five key programs (ADDI, 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 and city administrators and managers
- Statewide in-put 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 2007-2008. 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			
<i>Program</i>	<i>When</i>	<i>Where</i>	<i>Number of Participants</i>
CDBG	October 2007	Richmond; and Abingdon	45
ESG	January – February 2008	Roanoke; Abingdon; Richmond; Norfolk; Annandale; and online	174
HOME-down payment assistance program	February 2008	Richmond and online	28
HOME-affordable housing and special needs housing program	February 2008	Roanoke; Wytheville; Hampton; Richmond; and online	48
HOPWA	December 2007	Roanoke; Richmond; and online	17
HOME-indoor plumbing rehabilitation program	February 2007	Charlottesville	65

Review of Needs Assessment Data

Beyond the data collected through programmatic input sessions, reviews of program outcomes, and online surveys of program stakeholders, DHCD also gathered information about community and housing conditions and needs. This data gathering process was launched in November at the 2007 Governor’s Housing

Conference where DHCD utilized the OptionTechnology application, a real-time survey tool that allowed DHCD to collect input through specific questions during the meeting. Session participants used hand-held sets to answer specific questions and were able to review and discuss the question results during the session. In addition, open-ended responses and other comments were recorded in writing.

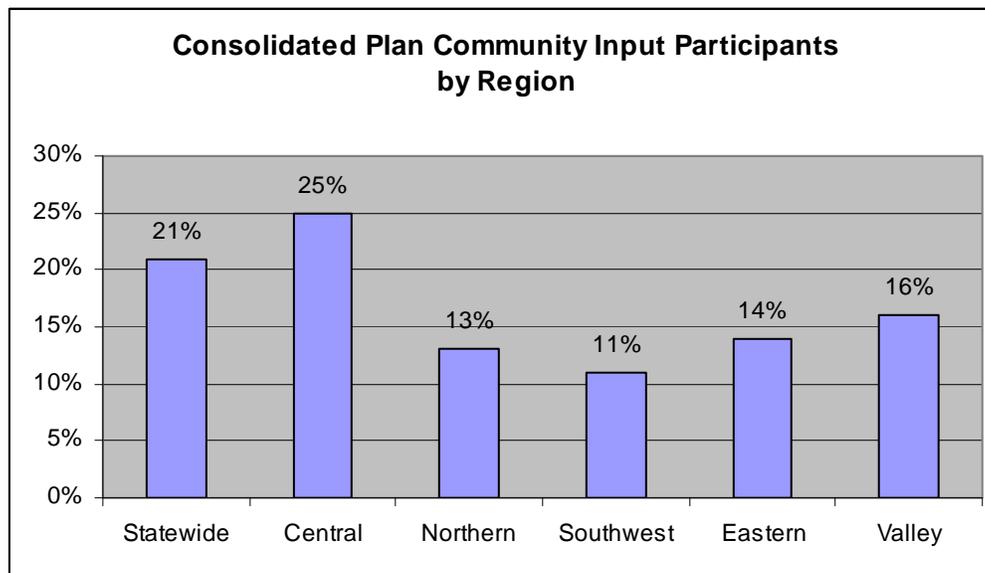
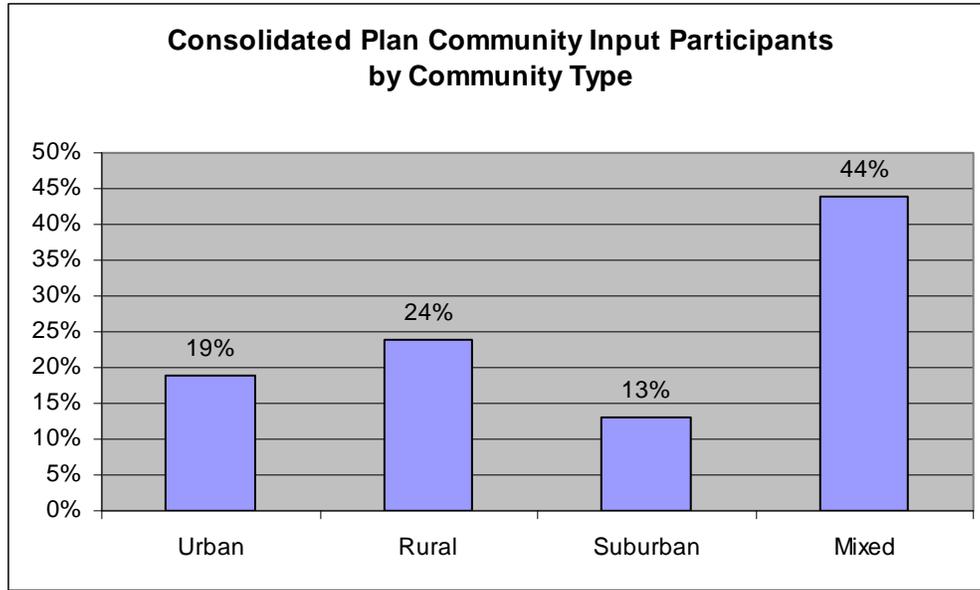


During February 2008, DHCD conducted a series of Community Input Sessions held in Hampton, Abingdon, Annandale, and Richmond. Invitations to participate in the in-person sessions or through an online survey version of these sessions were distributed through:

- The 2007 Governor's Housing Conference attendee list
- DHCD program grantees, sub-recipients, and partners email distribution lists and listservs
- Email distribution list for units of local government and local planning District Commissions

In addition information about the Community Input Sessions was made available on DHCD's website.

More than 575 individuals representing urban, suburban, rural, and mixed areas and all regions of Virginia participated in either the in-person Community Input Sessions or through the on-line survey, providing direct input about community conditions and needs in their communities.



In addition to the needs assessment data that was gathered directly through input sessions and online surveys, DHCD also solicited needs assessment data and other direct feedback through consultations with housing, social service agencies, and other entities. This information was gathered through direct requests for specific data, information or research and through an on-line survey of key contacts at various agencies including:

- Virginia Department of Health (Chronic Disease, HIV/AIDS, and Environmental Hazards)
- Lead Safe Virginia (Virginia Department of Health)
- Department Mental Health, Mental Retardation, Substance Abuse Services
- Virginia Fair Housing Office

- Rural Development
- Virginia Community Capital
- Virginia Housing Development Authority
- Virginia Department of Social Services
- Virginia Department of Justice
- Virginia Employment Commission
- Virginia Coalition to End Homelessness
- Virginia Economic Development Partnership
- Virginia Resource Authority
- Housing Opportunities Made Equal (HOME)

Citizen Participation (91.200 (b))

1. Provide a summary of the citizen participation process.
2. Provide a summary of citizen comments or views on the plan.
3. Provide a summary of efforts made to broaden public participation in the development of the consolidated plan, including outreach to minorities and non-English speaking persons, as well as persons with disabilities.
4. Provide a written explanation of comments not accepted and the reasons why these comments were not accepted.

*Please note that Citizen Comments and Responses may be included as additional files within the CPMP Tool.

5 Year Strategic Plan Citizen Participation response:

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. Data gathered through these in-person sessions and provided through the online survey version of the input session specifically collected data from the perspective of the partners and the direct clients or beneficiaries that they serve.

In addition to these program-specific citizen participation opportunities, DHCD also held Consolidated Plan needs assessment public input sessions. These sessions were initiated at the November 2007 Governor's Housing Conference and subsequently held at various locations across the state of Virginia. See prior section on *Managing the Process* for specific locations and the timeline. An online survey version of the input session efforts as well as the invitations to the in-person sessions were posted

on DHCD public website and distributed broadly through several list servers and email distributions including:

- 2007 Governor's Housing Conference attendee list
- HOPWA grantee email distribution list
- Ryan White distribution list
- DHCD program grantees, sub-recipients, and partners email distribution lists and listservs
- Email distribution list for units of local government and local planning District Commissions
- Key state housing and social service agencies

In addition to these new creative efforts to gather citizen input, DHCD also made the plan available for review and held a public hearing for comments on April 14, 2008. Legal notice of the public hearing was distributed through the sources listed above as well as published in six newspapers across Virginia:

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

CONSOLIDATED PLAN PUBLIC NOTICE

On Monday, April 14, 2008, the Virginia Department of Housing and Community Development (DHCD) will hold a public hearing on items relating to the Commonwealth of Virginia's 2008-2012 Consolidated Plan and 2008 Action Plan.

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. The proposed 2008-2012 Consolidated Plan identifies housing, community development, and homelessness needs and the state's proposed strategies for addressing these needs. The proposed 2008 Action Plan includes goals and objectives for housing and community development; the projected use of federal 2008 program year funds; and the method for distributing an anticipated \$12,782,351 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. Copies of the draft 2008 Action Plan will be available from DHCD after April 15, 2008, via mail or Internet. Copies 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 Plan 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 2008-2012 Consolidated Plan and 2008 Action Plan through the close of business on May 16, 2007 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

Overall participation through the new input session and online survey efforts was effective. More than 575 individuals representing diverse areas and interests within the state provided specific feedback on needs and priorities within their areas of the state. For complete comments and feedback please see additional files submitted with the Consolidated Plan. These summarized input or feedback reports include:

- HOPWA Input Session Results
- Shelter Programs Input Session Results (ESG)
- Affordable Housing and Special Needs Housing Input Session Results
- Downpayment Assistance Program Input Session Results
- Consolidated Plan Summary of Open-ended Responses

All formal written comments (3) received outside the input sessions and online survey methods were also accepted (none were rejected) by DHCD and summarized as follows:

Comment:

The Thomas Jefferson Planning District Commission submitted a written comment that acting on a recommendation from the Regional Housing Directors Council, the Thomas Jefferson Planning District Commission adopted a resolution in support of DHCD receiving and funding proposal for HOME funds for rural rehabilitation projects without indoor plumbing as part of the program design for the program.

Response:

HOME funds have been reduced from prior years and the need for homeowner rehabilitation far exceeds available funds, therefore DHCD will continue to use lack of indoor plumbing as a means to prioritize funds for homeowner rehabilitation. Units lacking indoor plumbing tend to have other significant rehabilitation needs that warrant immediate attention. DHCD will continue to monitor this situation and reconsider this prioritization as needed and as funds are available.

Comment:

The Endependence Center Inc. submitted a written comment that DHCD should make the commitment to creating a minimum number of affordable, accessible housing –units that include subsidies to benefit individuals with disabilities who are extremely low income. They also recommended that the units created or altered to be accessible and provided in integrated, mainstream developments and are set aside or prioritized to people with disabilities who need accessible features. In addition, the Endependence Center Inc. requested that DHCD continue to support homeownership opportunities for people with disabilities who are very low and extremely low income and noted that one strategy be to encourage VHDA to implement a Section 8 Homeownership Program. The Center recommended that DHCD provide guidance to CHDOs on the provision of adequate grant assistance for people with disabilities who are extremely low income.

The Endependence Center recommend that DHCD ensure that non-profit housing organizations and developers using HUD-funded programs develop affordable housing in safe neighborhoods near public transportation route and close to shopping centers. The center also recommends that DHCD ensure that owners of existing and

future multifamily housing developed in Western Tidewater comply with FHAA accessibility design and construction requirements and are meeting the minimum required number of 504 accessible units.

The Endependence Center also asked DHCD to support accessibility modification for homeowner units and for the regular inclusion of data related to the housing needs for individuals with disability be included in the Consolidated Plan and the annual action plans.

Response:

DHCD will be prioritizing special needs housing in a number of ways. DHCD will be setting aside a specific pool of HOME funds to be utilized for special needs housing development. DHCD will actively seek opportunities to leverage special needs HOME projects with Low Income Housing Tax Credits (LIHTC) and private activity bond funds through Virginia Housing Development Authority (VHDA). DHCD is also setting aside funds in the 2008-09 Action plan for accessibility modifications for individuals leaving institutions and re-entering the community through the Commonwealth's federal *Money Follows the Person Initiative*. Priority in DHCD's competitive process for both affordable housing development and accessible housing is given to projects with supportive services and access to public transportation.

DHCD has included data related to disabilities and housing needs in its assessment of housing and community development needs for the states' program. This data has been and will continue to be leveraged to understand and address these needs as they related to DHCD's administration of the programs under the Consolidated Plan.

Comment:

The York County Division of Housing and Neighborhood Revitalization requests that DHCD consider making funding available to rehab existing sub-standard structures occupied by low to moderate income (LMI) Seniors that are not contiguous at the neighborhood level. They noted that there was once funding through DHCD for this type of activity under the Rural Rehab program and noted that York County needs a program like that to be funded again.

Response:

HOME funds have been reduced from prior years and the need for homeowner rehabilitation far exceeds available funds, therefore DHCD will continue to use lack of indoor plumbing as a means to prioritize funds for homeowner rehabilitation. Units lacking indoor plumbing tend to have other significant rehabilitation needs that warrant immediate attention. DHCD will continue to monitor this situation and reconsider this prioritization as needed and as funds are available.

Institutional Structure (91.215 (i))

1. Explain the institutional structure through which the jurisdiction will carry out its consolidated plan, including private industry, non-profit organizations, and public institutions.
2. Assess the strengths and gaps in the delivery system.
3. Assess the strengths and gaps in the delivery system for public housing, including a description of the organizational relationship between the jurisdiction and the public housing agency, including the appointing authority for the commissioners or board of housing agency, relationship regarding hiring, contracting and procurement; provision of services funded by the jurisdiction; review by the jurisdiction of proposed capital improvements as well as proposed development, demolition or disposition of public housing developments.

5 Year Strategic Plan Institutional Structure response:

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.

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 local government, subject to state enabling legislation. Neither the state nor DHCD specifically have direct oversight for local PHA, 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 project's consistency with the state program's Consolidated Plan.

One Virginia public housing authority has a "troubled" status, three have substandard physical assessments, and one has a substandard financial assessment. 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.

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 the DHCD's Consolidated Plan delivery system.

Monitoring (91.230)

1. Describe the standards and procedures the jurisdiction will use to monitor its housing and community development projects and ensure long-term compliance with program requirements and comprehensive planning requirements.

5 Year Strategic Plan Monitoring response:

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

1. Fiscal accounting monitoring
2. Action Plan compliance monitoring
3. Project/grantee level monitoring

Fiscal management of each program means that each program is set up where the Housing or Community Development Divisions of the agency determines actual sub allocation categories and amounts. The division staff are also responsible for the RFP processes, if applicable, and the awards of grants or other forms of assistance. The administrative division of the agency is responsible for the fiscal set up of all program allocations, and sub allocations. The Housing and Community Development Divisions, if applicable, are responsible for project/activity set-up, requests and approvals (by two separate division positions) of draw-downs, de-obligations or re-obligations are originated within the Community Development or Housing Divisions to be executed by the administrative division.

In addition to fiscal monitoring practices, DHCD monitors program spending and practices to assure that the department is meeting its action plan targets and federal regulations on the amount 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, grantees, and sub-recipients are monitored on a regular basis in accordance with program specific guidelines and risk assessments. All programs conduct these monitoring 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.

Priority Needs Analysis and Strategies (91.215 (a))

1. Describe the basis for assigning the priority given to each category of priority needs.
2. Identify any obstacles to meeting underserved needs.

5 Year Strategic Plan Priority Needs Analysis and Strategies response:

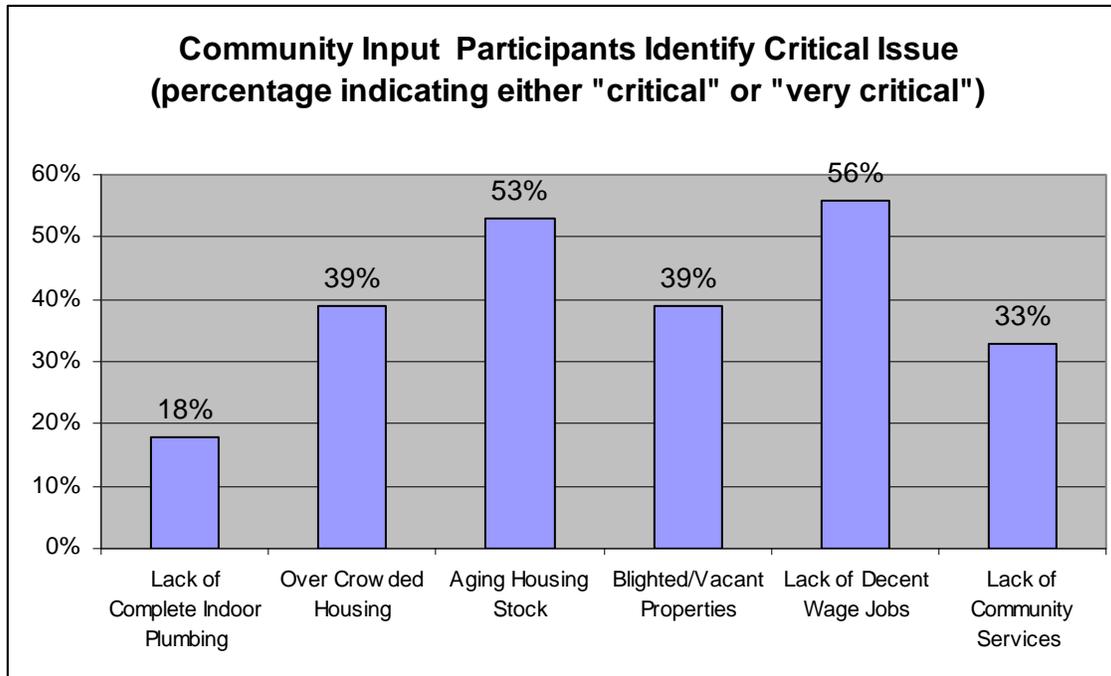
Data gathered through the input sessions and the online survey were combined with existing housing, community development, and homelessness related data sources and information gathered through consultations with other state agencies to identify priority needs and strategies.

Approximately 575 individuals representing:

- Clients
- All regions of Virginia
- Housing, community development, housing development and homeless service providers operating within the state of Virginia
- DHCD sub-recipients, grantees, and other partners
- Non-profits, for-profits, and state and local governments
- Planning district commissions, city managers, and county administrators
- Other related state level organization (e.g., VHDA, Fair housing, health department)

As a result of these efforts DHCD has identified the following as critical barriers or obstacles to meeting underserved needs within the Commonwealth of Virginia:

- Lack of decent, affordable, accessible housing
- Costs of land and construction costs
- NIMBYism –community resistance
- Limited access to community service and facilities
- Prohibitive local zoning
- Economic factors (lack of living wage jobs, credit, housing market, transportation)



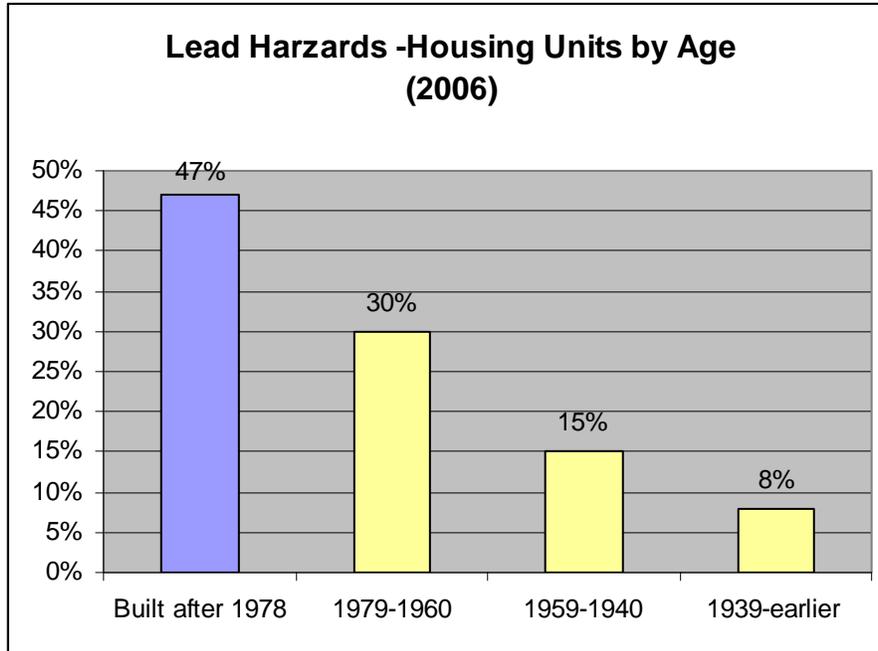
Lead-based Paint (91.215 (g))

1. Estimate the number of housing units that contain lead-based paint hazards, as defined in section 1004 of the Residential Lead-Based Paint Hazard Reduction Act of 1992, and are occupied by extremely low-income, low-income, and moderate-income families.
2. Outline actions proposed or being taken to evaluate and reduce lead-based paint hazards and describe how lead based paint hazards will be integrated into housing policies and programs, and how the plan for the reduction of lead-based hazards is related to the extent of lead poisoning and hazards.

5 Year Strategic Plan Lead-based Paint response:

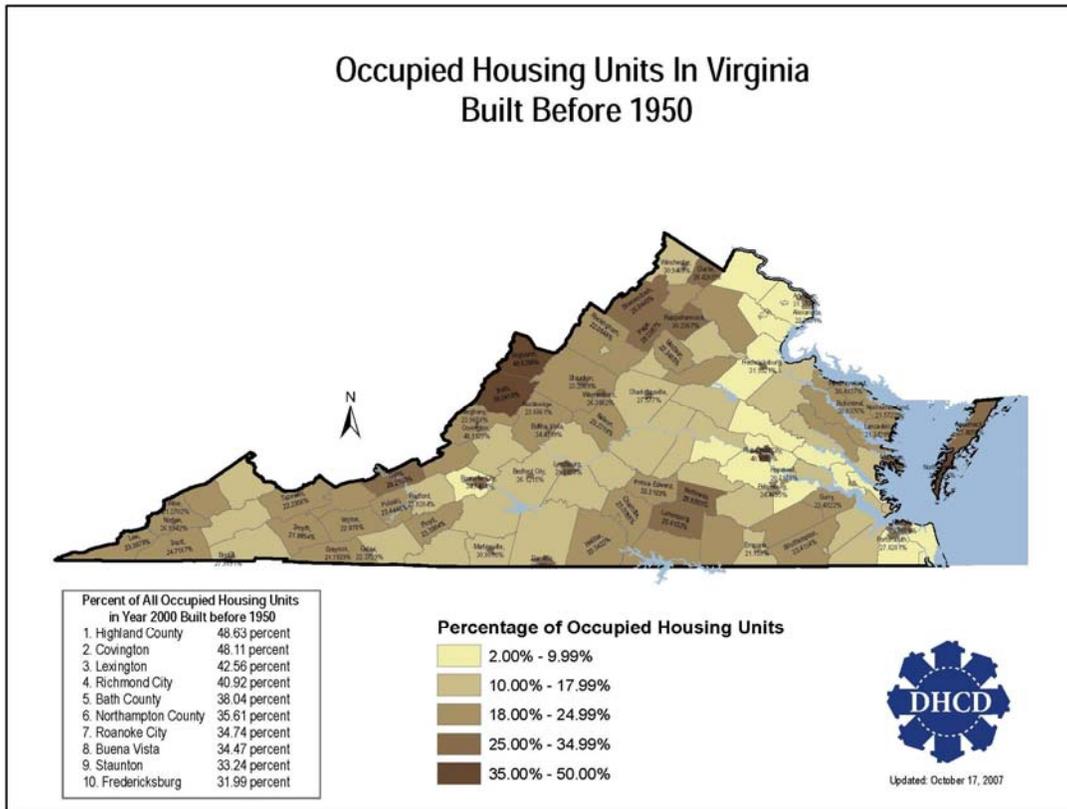
Although lead paint was banned from residential use in 1978, lead remains a danger in homes constructed before 1978 (especially in homes built before 1950). Paint deterioration and home renovations in these structures result in a significantly elevated risk for exposure to lead and subsequently lead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



Source: 2006 American Community Survey

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



U.S. Census 2000

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 month or young testing positive in a specific housing unit.

In addition, DHCD will be joining the Virginia Lead Elimination Plan Work Group, Housing and Policy Committee that will work across multiple state level agencies and with local housing and community development agency and authorities to develop and implement a statewide plan to eliminate lead hazards.

HOUSING

Housing Needs (91.205)

*Please also refer to the Housing Needs Table in the Needs.xls workbook

1. Describe the estimated housing needs projected for the next five year period for the following categories of persons: extremely low-income, low-income, moderate-income, and middle-income families, renters and owners, elderly persons, persons with disabilities, including persons with HIV/AIDS and their families, single persons, large families, public housing residents, victims of domestic violence, families on the public housing and section 8 tenant-based waiting list, and discuss specific housing problems, including: cost-burden, severe cost-burden, substandard housing, and overcrowding (especially large families).
2. To the extent that any racial or ethnic group has a disproportionately greater need for any income category in comparison to the needs of that category as a whole, the jurisdiction must complete an assessment of that specific need. For this purpose, disproportionately greater need exists when the percentage of persons in a category of need who are members of a particular racial or ethnic group is at least ten percentage points higher than the percentage of persons in the category as a whole.

5 Year Strategic Plan Housing Needs response:

Based on Census 2000, 194,894 Virginia households at or below 30 percent area median income (AMI) (121,740 renters and 73,154 homeowners) live in substandard conditions (paying 30 percent or more of the incomes on housing; lack complete indoor plumbing, lack complete kitchen, and/or are over crowded). Almost half of the homeowner at or below 30 percent AMI that are living in these substandard conditions are considered elderly (62 year of age or older).

RENTERS	Household Income <30% MFI		Household Income >30% - <50% MFI		Household Income >50% - <80% MFI	
	Percent	Number	Percent	Number	Percent	Number
Elderly						
With housing problems	59.3	22,865	58.5	14,320	36.9	6,864
With cost burden >30%	56.6	21,830	56.7	13,885	35.2	6,559
With cost burden >50%	40	15,430	21.7	5,315	8.1	1,504
Small related families						
With housing problems	75.4	45,085	67.1	38,185	31.6	24,204
With cost burden >30%	72	43,085	62.3	35,435	24.6	18,839
With cost burden >50%	57.1	34,135	13.8	7,825	1.2	929
Large related families						
With housing problems	87.3	10,660	77.9	10,630	49.3	8,310
With cost burden >30%	73.3	8,955	51.5	7,025	14.9	2,515
With cost burden >50%	52.7	6,440	8.8	1,200	0.5	90
All other households						
With housing problems	73.5	43,130	78	34,385	36.4	24,450
With cost burden >30%	71.7	42,075	76.2	33,580	34.4	23,135
With cost burden >50%	61.5	36,135	24.3	10,695	2.4	1,620

Comprehensive Housing Affordability Strategy (CHAS) Data: U.S. Census 2000 Special Tabulation

OWNERS	Household Income <30% MFI		Household Income >30% - <50% MFI		Household Income >50% - <80% MFI	
	Percent	Number	Percent	Number	Percent	Number
Elderly						
With housing problems	64.4	33,559	33.6	21,897	20.8	17,249
With cost burden >30%	62.6	32,694	32.5	21,168	20.1	16,669
With cost burden >50%	37.8	19,760	15.7	10,218	6.6	5,445
Small related families						
With housing problems	76.4	19,595	66.6	27,179	47.5	46,309
With cost burden >30%	74.7	19,160	64.5	26,329	45.8	44,709
With cost burden >50%	62.6	16,045	34	13,869	10.6	10,310
Large related families						
With housing problems	88.8	4,755	78.2	8,500	53.6	12,595
With cost burden >30%	78.8	4,220	66.8	7,260	40.5	9,530
With cost burden >50%	64	3,425	28.9	3,140	6.4	1,495
All other households						
With housing problems	72.3	15,245	63.5	12,130	52.2	20,270
With cost burden >30%	70.4	14,850	62.3	11,900	51.1	19,855
With cost burden >50%	57.3	12,090	38.4	7,325	13.4	5,225

Comprehensive Housing Affordability Strategy (CHAS) Data: U.S. Census 2000 Special Tabulation

Priority Housing Needs (91.215 (b))

1. Identify the priority housing needs and activities in accordance with the categories specified in the Housing Needs Table (formerly Table 2A). These categories correspond with special tabulations of U.S. census data provided by HUD for the preparation of the Consolidated Plan.
2. Provide an analysis of how the characteristics of the housing market and the severity of housing problems and needs of each category of residents provided the basis for determining the relative priority of each priority housing need category.
 Note: Family and income types may be grouped in the case of closely related categories of residents where the analysis would apply to more than one family or income type.
3. Describe the basis for assigning the priority given to each category of priority needs.
4. Identify any obstacles to meeting underserved needs.

5 Year Strategic Plan Priority Housing Needs response:

Housing needs for both renters and homeowners in Virginia are substantial. Funding available through CDBG, HOME, ESG, and HOPWA is insufficient to fully meet these needs. Consequently, DHCD has prioritized meeting these needs through its housing strategy whereby the state directs funds to target:

- Low to moderate income homeowners in substandard housing
- Low to very low income renters
- Low to very low income renter with special needs including HIV/AIDS
- Low to moderate income first-time homebuyers



Housing needs of low-to-moderate income homeowners in substandard housing are addressed through DHCD's Indoor Plumbing Rehabilitation program (HOME and state funds), the Weatherization Program (Department of Energy and Department of Social Services), Emergency Home Repair program (State funds), and the Affordable Housing Program. DHCD leverages other federal funding and state funding with HOME funds to address rehabilitation needs of low to moderate income households. The

needs are significant for homeowner rehabilitation. Units that lack complete indoor plumbing tend to be units that require substantial rehabilitation, therefore a portion of the resources leveraged to meet the needs of low to moderate income homeowners give priority to those most critical needs or units lacking complete indoor plumbing. Additionally, DHCD leverages HOME funds toward the development (acquisition, rehabilitation, and new construction) of affordable homeowner units.

The Virginia HOME Program also targets first-time low-to-moderate income homeowners through the Down Payment Assistance Program. This program leverages HOME funds and American Downpayment Dream Initiative along with low interest rate first-time homebuyer mortgage products available through Virginia Housing Development Authority (VHDA) to provide assistance to households that would not otherwise have the opportunity to purchase a home.



Utilization of HOME and funds available through CDBG allows DHCD to target the needs of low to very low income renters. These needs are met through the support of development (acquisition, rehabilitation, and new

construction) that produces rental units, which are affordable to households at or below 60 percent AMI. Many of the units produced through this strategy are affordable at incomes considerable below 60 AMI.

Part of the overall housing strategy is to address the housing needs of households with special needs. Special needs populations include those with sensory and physical impairments in general and specific subpopulation such as individuals with HIV/AIDS, individuals experiencing chronic homelessness, older adults, and individuals with mental disorders. A portion of the development activities in the

DHCD plan are specifically targeted to development (acquisition, rehabilitation, and new construction) of units that will be reserved for special needs households.

Evaluation of project proposals regardless of whether the overall project is considered a special needs project are weighted toward projects that have at least some special needs units, including special adaptation, and/or universal design.

While this development strategy is typically structured as low-interest permanent financing and does not include rental subsidies, all proposals for new projects consider overall project cash flow and favor project with rental subsidies sources that target to the typically very low income levels of special needs households.



DHCD's overall housing strategy seeks to increase the availability of affordable, accessible housing, however DHCD also seeks to help households obtain and/or maintain housing stability. Here the focus is in terms of changes or improvements in human lives. DHCD leverages state funds, along with funds available through the HOPWA program, to provide rent, mortgage, and utility assistance to help households obtain and/or maintain their housing. While this approach primarily focuses on providing immediate and relatively short-term housing assistance it also provides support and case management to these households toward assuring longer-term housing stability.

Unfortunately all of these measures are sometimes not enough to prevent households from falling into homelessness. To address these unmet needs DHCD leverages both state and federal (ESG) funds to quickly move households out of homelessness into safe, decent, and affordable housing.

Housing Market Analysis (91.210)

*Please also refer to the Housing Market Analysis Table in the Needs.xls workbook

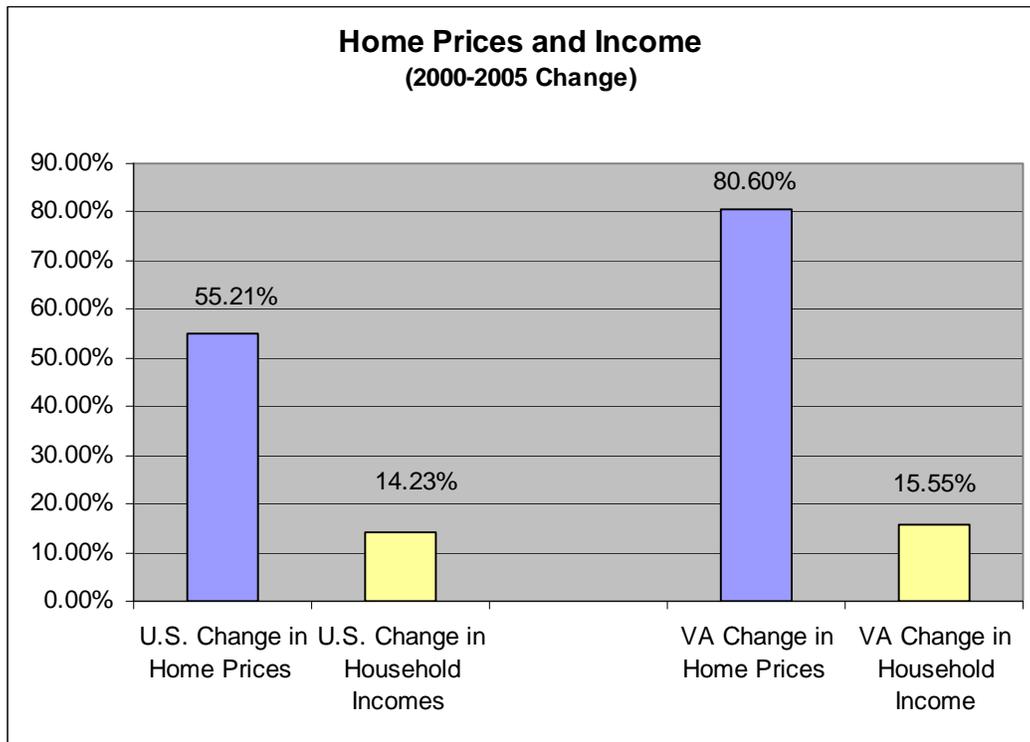
1. Based on information available to the jurisdiction, describe the significant characteristics of the housing market in terms of supply, demand, condition, and the cost of housing; the housing stock available to serve persons with disabilities; and to serve persons with HIV/AIDS and their families. Data on the housing market should include, to the extent information is available, an estimate of the number of vacant or abandoned buildings and whether units in these buildings are suitable for rehabilitation.
2. Describe the number and targeting (income level and type of household served) of units currently assisted by local, state, or federally funded programs, and an assessment of whether any such units are expected to be lost from the assisted housing inventory for any reason, (i.e. expiration of Section 8 contracts).

- Indicate how the characteristics of the housing market will influence the use of funds made available for rental assistance, production of new units, rehabilitation of old units, or acquisition of existing units. Please note, the goal of affordable housing is not met by beds in nursing homes.

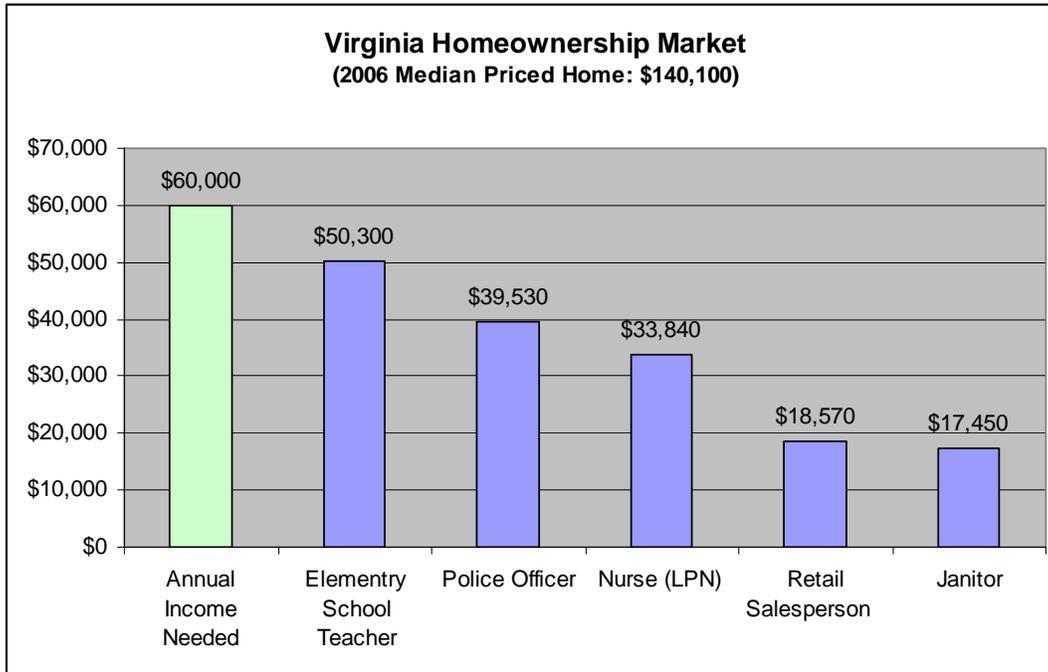
5 Year Strategic Plan Housing Market Analysis responses:

Based on community input and consistent with secondary data sources the largest gaps in the supply of affordable housing were reportedly for very low income (less than 50 percent the area median income or AMI) renter households and for low income (at or below 60 percent AMI) first home buyers. Those working in more urban areas and Northern Virginia tended to report overall more of a gap in affordable rental and homebuyer housing as compared to other areas within Virginia.

Overall Virginia has experienced a significant increase in home sales prices from 2000-2005 as compared to the nation as a whole. While home sale prices are anticipated to adjust with recent housing market changes, homeownership will continue to be out of reach for many Virginia households.

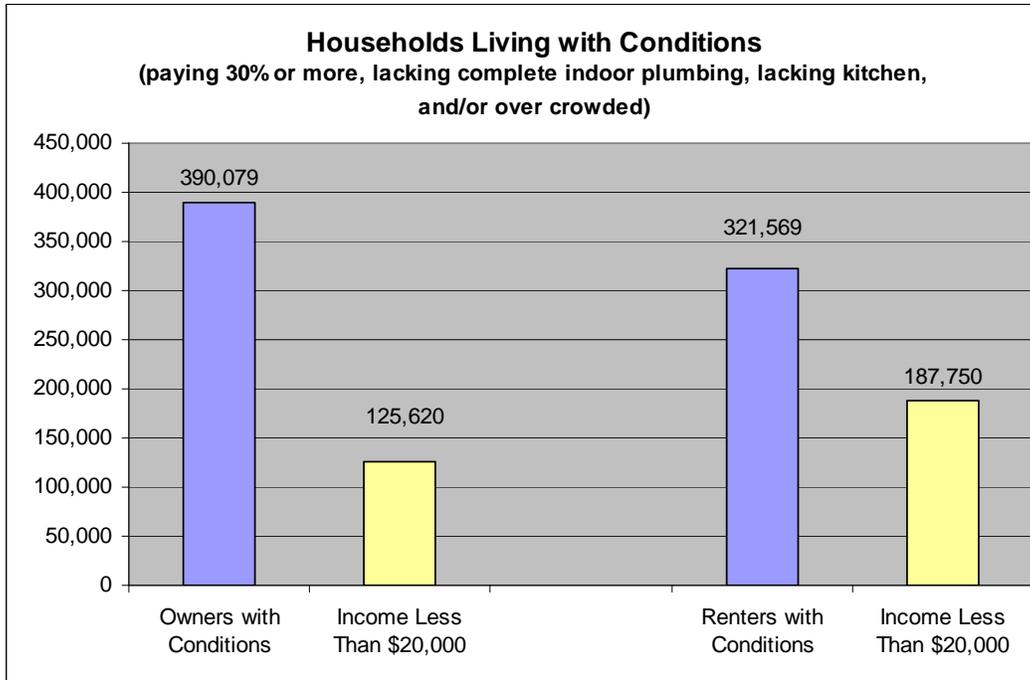


Source: Office of Federal Housing enterprise Oversight and the U.S Census



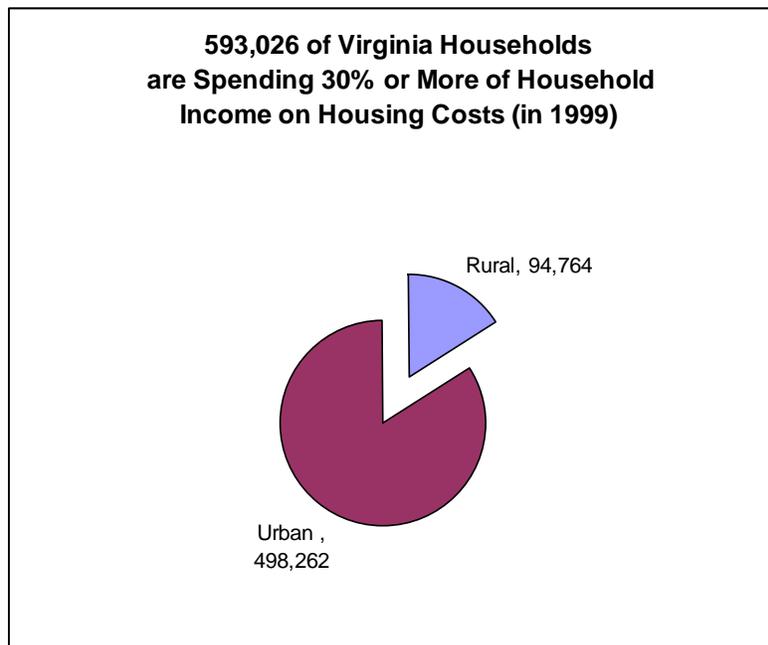
Data on the median home prices comes from the National Association of Realtors. The annual income needed to qualify for a mortgage was calculated using the average prevailing interest rate, assumes a 10 percent downpayment and the use of private mortgage insurance, and includes principal, interest, taxes, and insurance.

Housing costs at 30 percent or more of a household's income are by many standards too much to spend on housing, one of the housing "conditions" tracked by Census data. In addition, lack of complete indoor plumbing, lack of a complete kitchen, and over crowded condition are also considered substandard housing conditions. More than 700,000 households (renters and owners households) in Virginia live in these types of conditions.



Source (U.S. Census, 2000)

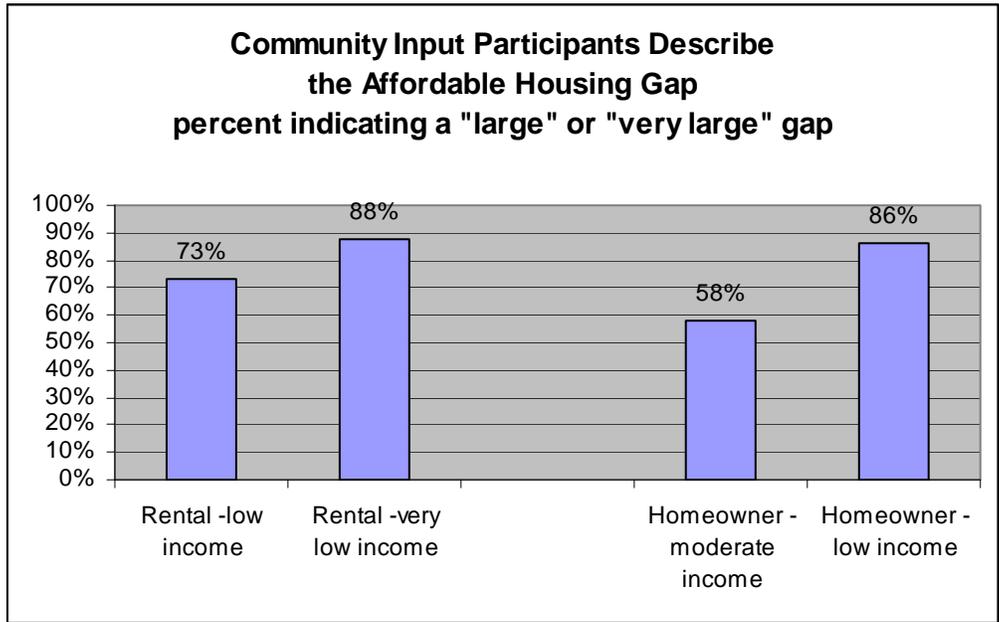
Nearly 600,000 households actually spend 30 percent or more of their household income on housing costs. Nearly 95,000 are households in rural areas.



Source (U.S. Census, 2000)

DHCD asked stakeholders from across the state about the housing markets and the gaps in the market relative to type of house and income. The largest identified gap was rental housing units for very-low income households (below 50 percent AMI)

where 88 percent of participants indicated either a large gap or a very large gap existed for this specific type of housing.



Census 2000 data indicated a total of 2,779,950 units with a vacancy rate of six percent for rental units and two percent for the owner units.

Housing Stock Inventory						
	Vacancy Rate	0 & 1 Bedroom	2 Bedrooms	3+ Bedrooms	Total	Substandard Units
Affordability Mismatch						
Occupied Units: Renter		246,475	354,000	260,725	861,200	274,693
Occupied Units: Owner		44,900	308,380	1,484,700	1,837,980	225,790
Vacant Units: For Rent	6%	11,690	25,225	11,225	48,140	15,647
Vacant Units: For Sale	2%	2,070	9,615	20,945	32,630	5,359
Total Units Occupied & Vacant		305,135	697,220	1,777,595	2,779,950	521,489

Comprehensive Housing Affordability Strategy (CHAS) Data: U.S. Census 2000 Special Tabulation

Larger households are more likely to live in owner-occupied housing and single person households tended are more likely to live in rental property.

Household Size by Unit Type			
	<i>Occupied housing units</i>	<i>Owner-occupied housing units</i>	<i>Renter-occupied housing units</i>
	2,905,071	2,030,284	874,787
1-person household	27.8%	23.2%	38.4%
2-person household	33.1%	35.6%	27.4%
3-person household	17.1%	17.6%	15.8%
4-or-more-person household	22.0%	23.6%	18.4%

American Community Survey 2006, U.S. Census

Occupants per Room by Unit Type			
	<i>Occupied housing units</i>	<i>Owner-occupied housing units</i>	<i>Renter-occupied housing units</i>
	2,905,071	2,030,284	874,787
1.00 or less occupants per room	98.6%	99.2%	97.2%
1.01 to 1.50 occupants per room	1.1%	0.6%	2.3%
1.51 or more occupants per room	0.2%	0.1%	0.5%

American Community Survey 2006, U.S. Census

HOUSEHOLD TYPE (INCLUDING LIVING ALONE) AND AGE OF HOUSEHOLDER			
	<i>Occupied housing units</i>	<i>Owner-occupied housing units</i>	<i>Renter-occupied housing units</i>
	2,905,071	2,030,284	874,787
Family households	66.8%	73.4%	51.3%
<u>Married-couple family</u>	50.5%	60.8%	26.5%
Householder 15 to 34 years	8.4%	7.3%	10.7%
Householder 35 to 64 years	34.0%	42.7%	13.7%
Householder 65 years and over	8.1%	10.7%	2.1%
Other family	16.3%	12.6%	24.9%
<u>Male householder, no wife present</u>	4.1%	3.4%	5.8%
Householder 15 to 34 years	1.2%	0.6%	2.6%
Householder 35 to 64 years	2.5%	2.3%	3.0%
Householder 65 years and over	0.4%	0.5%	0.3%
<u>Female householder, no husband present</u>	12.2%	9.2%	19.0%
Householder 15 to 34 years	3.3%	1.2%	8.1%
Householder 35 to 64 years	7.3%	6.1%	9.9%
Householder 65 years and over	1.7%	1.9%	1.0%
Nonfamily households	33.2%	26.6%	48.7%
<u>Householder living alone</u>	27.8%	23.2%	38.4%
Householder 15 to 34 years	5.2%	2.3%	11.8%
Householder 35 to 64 years	14.2%	12.5%	18.3%
Householder 65 years and over	8.3%	8.4%	8.2%
Householder not living alone	5.4%	3.3%	10.3%
Householder 15 to 34 years	2.8%	0.9%	7.2%
Householder 35 to 64 years	2.3%	2.1%	2.9%
Householder 65 years and over	0.3%	0.3%	0.2%

American Community Survey 2006, U.S. Census

FAMILY TYPE AND PRESENCE OF OWN CHILDREN			
	<i>Occupied housing units</i>	<i>Owner-occupied housing units</i>	<i>Renter-occupied housing units</i>
	2,905,071	2,030,284	874,787
With related children under 18 years	33.7%	33.7%	33.8%
With own children under 18 years	31.1%	31.0%	31.2%
Under 6 years only	7.3%	6.4%	9.3%
Under 6 years and 6 to 17 years	5.9%	5.5%	6.6%
6 to 17 years only	18.0%	19.1%	15.3%
No own children under 18 years	2.6%	2.7%	2.6%
No related children under 18 years	66.3%	66.3%	66.2%

American Community Survey 2006, U.S. Census

UNITS IN STRUCTURE BY TYPE			
	<i>Occupied housing units</i>	<i>Owner-occupied housing units</i>	<i>Renter-occupied housing units</i>
	2,905,071	2,030,284	874,787
1, detached	64.1%	79.9%	27.4%
1, attached	10.2%	10.4%	9.8%
2 apartments	1.7%	0.3%	4.8%
3 or 4 apartments	2.4%	0.4%	6.9%
5 to 9 apartments	4.8%	0.9%	14.0%
10 or more apartments	11.3%	2.6%	31.7%
Mobile home or other type of housing	5.5%	5.5%	5.4%

American Community Survey 2006, U.S. Census

Fifty-three percent of occupied housing units in Virginia are structure built before 1978, representing a potential lead hazard as well as likely greater maintenance costs due to the age of the structure.

YEAR STRUCTURE BUILT BY TYPE			
	<i>Occupied housing units</i>	<i>Owner-occupied housing units</i>	<i>Renter-occupied housing units</i>
	2,905,071	2,030,284	874,787
2000 or later	10.9%	11.8%	8.8%
1990 to 1999	17.3%	18.8%	14.1%
1980 to 1989	18.3%	18.5%	17.7%
1960 to 1979	30.2%	28.6%	34.0%
1940 to 1959	15.3%	14.9%	16.3%
1939 or earlier	7.9%	7.4%	9.0%

American Community Survey 2006, U.S. Census

NUMBER OF ROOMS BY TYPE			
	<i>Occupied housing units</i>	<i>Owner-occupied housing units</i>	<i>Renter-occupied housing units</i>
	2,905,071	2,030,284	874,787
1 room	0.4%	0.1%	1.3%
2 or 3 rooms	8.1%	1.9%	22.4%
4 or 5 rooms	33.6%	25.0%	53.7%
6 or 7 rooms	31.6%	37.8%	17.3%
8 or more rooms	26.3%	35.2%	5.4%

American Community Survey 2006, U.S. Census

NUMBER OF BEDROOM BY TYPE			
	<i>Occupied housing units</i>	<i>Owner-occupied housing units</i>	<i>Renter-occupied housing units</i>
	2,905,071	2,030,284	874,787
No bedroom	0.6%	0.1%	1.6%
1 bedroom	7.8%	1.8%	21.8%
2 or 3 bedrooms	64.8%	63.0%	68.8%
4 or more bedrooms	26.8%	35.0%	7.8%

American Community Survey 2006, U.S. Census

UNITS WITH COMPLETE FACILITIES BY TYPE			
	<i>Occupied housing units</i>	<i>Owner-occupied housing units</i>	<i>Renter-occupied housing units</i>
	2,905,071	2,030,284	874,787
With complete plumbing facilities	99.6%	99.7%	99.5%
With complete kitchen facilities	99.6%	99.8%	99.1%

American Community Survey 2006, U.S. Census

UNITS WITH VEHICLES AVAILABLE BY TYPE			
	<i>Occupied housing units</i>	<i>Owner-occupied housing units</i>	<i>Renter-occupied housing units</i>
	2,905,071	2,030,284	874,787
No vehicle available	6.3%	2.8%	14.5%
1 vehicle available	30.7%	23.7%	46.9%
2 vehicles available	37.6%	41.3%	29.1%
3 or more vehicles available	25.4%	32.2%	9.5%

American Community Survey 2006, U.S. Census

UNITS WITH TELEPHONE SERVICE AVAILABLE BY TYPE			
	<i>Occupied housing units</i>	<i>Owner-occupied housing units</i>	<i>Renter-occupied housing units</i>
	2,905,071	2,030,284	874,787
With telephone service	95.2%	97.9%	88.8%

American Community Survey 2006, U.S. Census

HOUSING HEATING FUEL BY TYPE			
	<i>Occupied housing units</i>	<i>Owner-occupied housing units</i>	<i>Renter-occupied housing units</i>
	2,905,071	2,030,284	874,787
Utility gas	35.0%	37.1%	30.1%
Bottled, tank, or LP gas	5.3%	6.3%	3.0%
Electricity	47.4%	42.8%	58.1%
Fuel oil, kerosene, etc.	9.3%	10.4%	6.7%
Coal or coke	0.1%	0.2%	0.1%
All other fuels	2.7%	3.1%	1.7%
No fuel used	0.2%	0.2%	0.3%

American Community Survey 2006, U.S. Census

More than 180,000 Virginia households earn less than \$10,000 a year and 131,913 families live in poverty.

Virginia Households		
INCOME AND BENEFITS (IN 2006 INFLATION-ADJUSTED DOLLARS)		
Total households	2,905,071	+/-10,869
Less than \$10,000	183,341	+/-6,896
\$10,000 to \$14,999	137,962	+/-5,496
\$15,000 to \$24,999	266,661	+/-7,296
\$25,000 to \$34,999	285,760	+/-8,141
\$35,000 to \$49,999	412,003	+/-10,801
\$50,000 to \$74,999	562,922	+/-10,146
\$75,000 to \$99,999	371,029	+/-8,744
\$100,000 to \$149,999	387,423	+/-9,367
\$150,000 to \$199,999	153,130	+/-4,851
\$200,000 or more	144,840	+/-5,250
Median household income (dollars)	56,277	+/-458
Mean household income (dollars)	75,764	+/-655
With earnings	2,404,109	+/-13,155
Mean earnings (dollars)	75,729	+/-685
With Social Security	727,665	+/-8,500
Mean Social Security income (dollars)	13,758	+/-128
With retirement income	585,998	+/-8,289
Mean retirement income (dollars)	23,464	+/-458
With Supplemental Security Income	91,434	+/-4,135
Mean Supplemental Security Income (dollars)	6,980	+/-239
With cash public assistance income	48,589	+/-3,485
Mean cash public assistance income (dollars)	2,563	+/-226
With Food Stamp benefits in the past 12 months	174,266	+/-5,941

American Community Survey 2006, U.S. Census

Virginia Families in Poverty		
PERCENTAGE OF FAMILIES WHOSE INCOME IN THE PAST 12 MONTHS IS BELOW THE POVERTY LEVEL		
All families (n = 1,939,891)	6.8%	+/-0.3
With related children under 18 years	10.3%	+/-0.5
With related children under 5 years only	12.0%	+/-1.3
Married couple families	2.9%	+/-0.2
With related children under 18 years	3.5%	+/-0.4
With related children under 5 years only	3.8%	+/-0.9
Families with female householder, no husband present	21.8%	+/-1.2
With related children under 18 years	28.4%	+/-1.6
With related children under 5 years only	40.0%	+/-4.7

American Community Survey 2006, U.S. Census

Specific Housing Objectives (91.215 (b))

1. Describe the priorities and specific objectives the jurisdiction hopes to achieve over a specified time period.
2. Describe how Federal, State, and local public and private sector resources that are reasonably expected to be available will be used to address identified needs for the period covered by the strategic plan.

5 Year Strategic Plan Specific Housing Objectives response:

Based on anticipated funding levels, DHCD's goal is to complete 3,350 units of affordable housing over the next five years. 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

The goal is to complete 1,850 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 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 (individuals with physical, mental, sensory, or developmental disabilities). All units completed through the Indoor Plumbing and Rehabilitation Program will target households in non-CDBG 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 60 percent AMI.

Homeownership Unit Five Year Goal, 1,850		
<i>Program</i>	<i>Resources</i>	<i>Number of Units</i>
Indoor Plumbing and Rehabilitation	HOME and State Allocation	300 (60 x 5)
Down Payment Assistance Program	HOME, VHDA (state)	1500 (300 X 5)
Affordable Housing and Special Needs Programs	HOME, Home loan bank, VCC, other private financing	50 (10 x 5)
		<i>Five Year Total -1,850 Units</i>

The goal is to complete 1,500 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 will target specific special needs populations (e.g., physically impaired). All 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 non-HOME entitlement areas are given priority.

Rental Unit Five Year Goal, 1,500		
<i>Program</i>	<i>Resources</i>	<i>Number of Units</i>
Affordable Housing and Special Needs Programs	HOME, Home loan bank, VCC, other private financing	1500 (300 X 5)
		<i>Five Year Total -1,500 Units</i>

Needs of Public Housing (91.210 (b))

In cooperation with the public housing agency or agencies located within its boundaries, describe the needs of public housing, including the number of public housing units in the jurisdiction, the physical condition of such units, the restoration and revitalization needs of public housing projects within the jurisdiction, and other factors, including the number of families on public housing and tenant-based waiting lists and results from the Section 504 needs assessment of public housing projects located within its boundaries (i.e. assessment of needs of tenants and applicants on waiting list for accessible units as required by 24 CFR 8.25). The public housing agency and jurisdiction can use the optional Priority Public Housing Needs Table (formerly Table 4) of the Consolidated Plan to identify priority public housing needs to assist in this process.

5 Year Strategic Plan Needs of Public Housing response:

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 local government, subject to state enabling legislation. Neither the state nor DHCD specifically have direct oversight for local PHA, 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 project's consistency with the state program's Consolidated Plan.

One Virginia public housing authority has a "troubled" status, three have substandard physical assessments, and one has a substandard financial assessment. 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.

Public Housing Strategy (91.210)

1. Describe the public housing agency's strategy to serve the needs of extremely low-income, low-income, and moderate-income families residing in the jurisdiction served by the public housing agency (including families on the public housing and section 8 tenant-based waiting list), the public housing agency's strategy for addressing the revitalization and restoration needs of public housing projects within the jurisdiction and improving the management and operation of such public housing, and the public housing agency's strategy for improving the living environment of extremely low-income, low-income, and moderate families residing in public housing.
2. Describe the manner in which the plan of the jurisdiction will help address the needs of public housing and activities it will undertake to encourage public housing residents to become more involved in management and participate in homeownership. (NAHA Sec. 105 (b)(11) and (91.215 (k))
3. If the public housing agency is designated as "troubled" by HUD or otherwise is performing poorly, the jurisdiction shall describe the manner in which it will provide financial or other assistance in improving its operations to remove such designation. (NAHA Sec. 105 (g))

5 Year Strategic Plan Public Housing Strategy response:

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 local government, subject to state enabling legislation. Neither the state nor DHCD specifically have direct oversight for local PHA, 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 project's consistency with the state program's Consolidated Plan.

One Virginia public housing authority has a "troubled" status, three have substandard physical assessments, and one has a substandard financial assessment. 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 (91.210 (e) and 91.215 (f))

1. Explain whether the cost of housing or the incentives to develop, maintain, or improve affordable housing are affected by public policies, particularly those of the local jurisdiction. Such policies include tax policy affecting land and other property, land use controls, zoning ordinances, building codes, fees and charges, growth limits, and policies that affect the return on residential investment.
2. Describe the strategy to remove or ameliorate negative effects of public policies that serve as barriers to affordable housing, except that, if a State requires a unit of general local government to submit a regulatory barrier assessment that is substantially equivalent to the information required under this part, as

determined by HUD, the unit of general local government may submit that assessment to HUD and it shall be considered to have complied with this requirement.

5 Year Strategic Plan Barriers to Affordable Housing response:

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 Consolidated Plan 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.
- Develop strategies, in consultation with the Virginia Housing Development Authority, to create and implement programs to meet the housing needs of persons released from federal, state, or local incarceration.

Homeless Needs (91.205 (b) and 91.215 (c))

*Please also refer to the Homeless Needs Table in the Needs.xls workbook

Homeless Needs — The jurisdiction must provide a concise summary of the nature and extent of homelessness in the jurisdiction, (including rural homelessness and chronic homelessness where applicable), addressing separately the need for facilities and services for homeless persons and homeless families with children, both sheltered and unsheltered, and homeless subpopulations, in accordance with Table 1A. The summary must include the characteristics and needs of low-income individuals and children, (especially extremely low-income) who are currently housed but are at imminent risk of either residing in shelters or becoming unsheltered. In addition, to the extent information is available, the plan must include a description of the nature and extent of homelessness by racial and ethnic group. A quantitative analysis is not required. If a jurisdiction provides estimates of the at-risk population(s), it should also include a description of the operational definition of the at-risk group and the methodology used to generate the estimates.

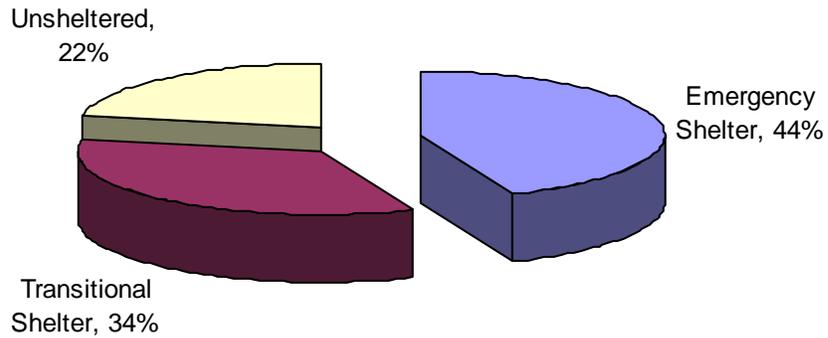
5 Year Strategic Plan Homeless Needs response:

Homelessness directly affects thousands of Virginians annually. According to the annual 2007 point-in-time count conducted by localities statewide, at least 9,644 individuals were homeless during a 24-hour snapshot in January 2007. Four to five times that number may actually experience homelessness at some point during the year, according to national homeless studies. Many of these persons have special needs based on situations ranging from physical or mental disabilities to chronic substance abuse. Of the total homeless population, many are also victims of other circumstances such as job loss or domestic violence. The Commonwealth of Virginia utilizes a variety of approaches to serve the needs of a diverse homeless population.

Every year each jurisdiction across the state participates in an annual point-in-time count of sheltered and unsheltered persons experiencing homelessness. Sheltered persons are any individuals (including children and unaccompanied youth) sleeping in emergency shelters, transitional housing, or using a hotel/apartment voucher.

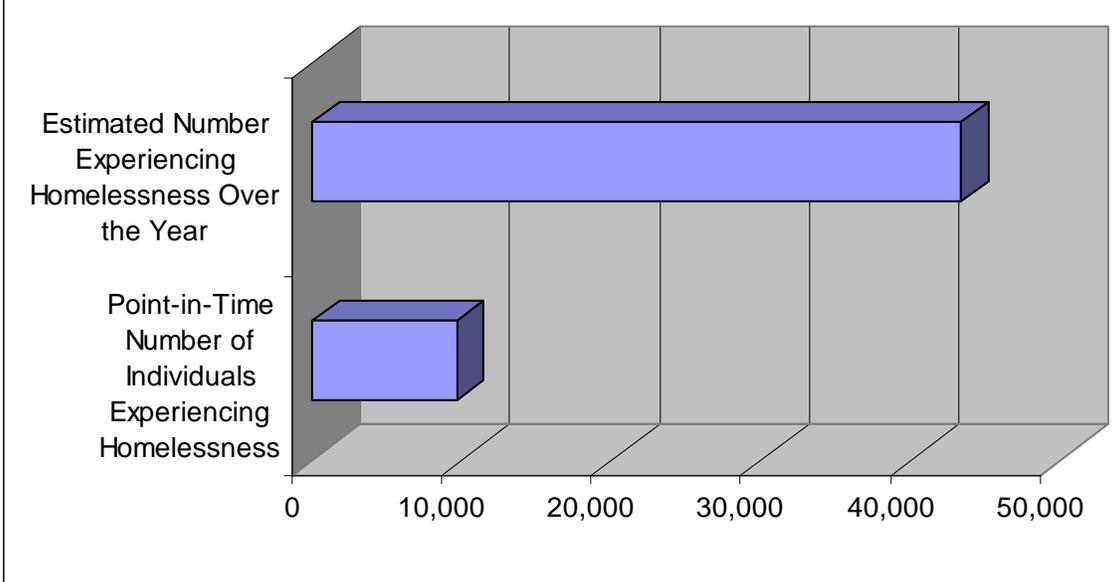
The January 2007 point-in-time count identified 9,644 individuals as experiencing homelessness. About 44 percent of these individuals were in emergency shelters, 34 percent were in transitional shelter programs, and 22 percent were unsheltered.

**Virginia Population Experiencing Homelessness
Individuals by Shelter Type
Point-in-Time Count
January 2007**



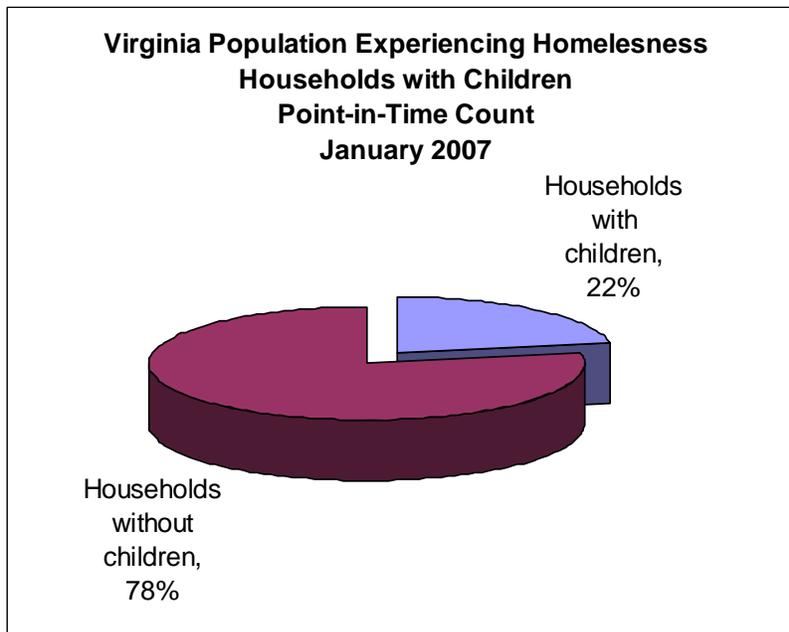
The number of individuals experiencing homelessness over an entire year is typically four to five times that of the point-in-time count. In this case, an estimated 38,000 to 48,000 individuals in Virginia experienced homelessness throughout the year.

**Virginia Population Experiencing Homelessness
Point-in-Time Count, January 2007
as Compared to Annual Estimates**

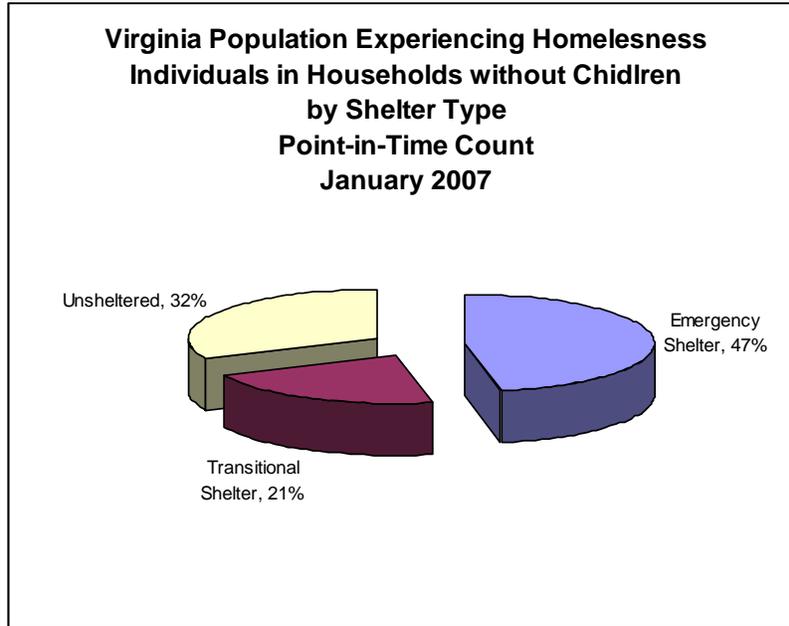


Twenty-two percent of households experiencing homelessness during the point-in-time count included households with children. Forty-three percent of these households with children were in emergency shelters.

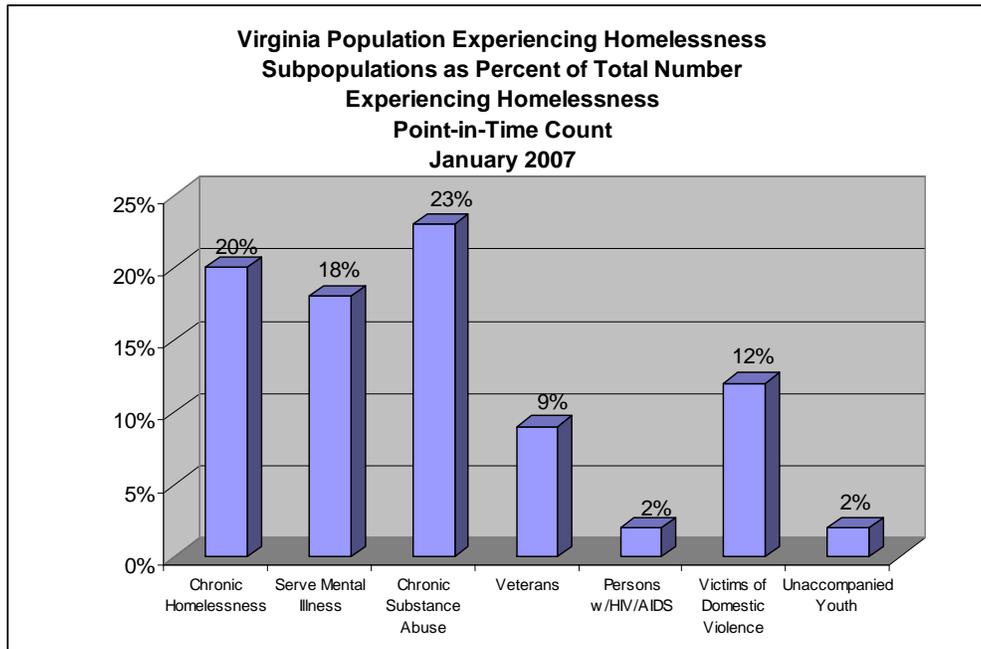
**Virginia Population Experiencing Homelessness
Households with Children
Point-in-Time Count
January 2007**



Nearly half of all individuals not in families (households without dependent children) were in emergency shelters, and almost a third were unsheltered.



Based on data reported from the 2007 point-in-time count, about 20 percent of the 9,644 individuals were experiencing chronic homelessness. This is based on the HUD definition of chronic homelessness. Notably, nine percent of the homeless population in Virginia are reportedly veterans, and another 12 percent are victims of domestic violence.



Priority Homeless Needs

1. Using the results of the Continuum of Care planning process, identify the jurisdiction's homeless and homeless prevention priorities specified in Table 1A, the Homeless and Special Needs Populations Chart. The description of the jurisdiction's choice of priority needs and allocation priorities must be based on reliable data meeting HUD standards and should reflect the required consultation with homeless assistance providers, homeless persons, and other concerned citizens regarding the needs of homeless families with children and individuals. The jurisdiction must provide an analysis of how the needs of each category of residents provided the basis for determining the relative priority of each priority homeless need category. A separate brief narrative should be directed to addressing gaps in services and housing for the sheltered and unsheltered chronic homeless.
2. A community should give a high priority to chronically homeless persons, where the jurisdiction identifies sheltered and unsheltered chronic homeless persons in its Homeless Needs Table - Homeless Populations and Subpopulations.

5 Year Strategic Plan Priority Homeless Needs response:

Approximately 9,600 individuals are estimated to be homeless at any given point in time in Virginia (based on January 2007 Point-in-Time Count). One of the Virginia program's significant focus is in rural areas of the state, where specific homeless services are limited and other barriers such as transportation and the lack of access to community services are especially challenging.

While DHCD has some child care services and coordination funding, this remains a significant area of need. DHCD will coordinate expanded collaborations with partners during the five-year Consolidated Plan period.

Homeless Inventory (91.210 (c))

The jurisdiction shall provide a concise summary of the existing facilities and services (including a brief inventory) that assist homeless persons and families with children and subpopulations identified in Table 1A. These include outreach and assessment, emergency shelters and services, transitional housing, permanent supportive housing, access to permanent housing, and activities to prevent low-income individuals and families with children (especially extremely low-income) from becoming homeless. The jurisdiction can use the optional Continuum of Care Housing Activity Chart and Service Activity Chart to meet this requirement.

5 Year Strategic Plan Homeless Inventory response:

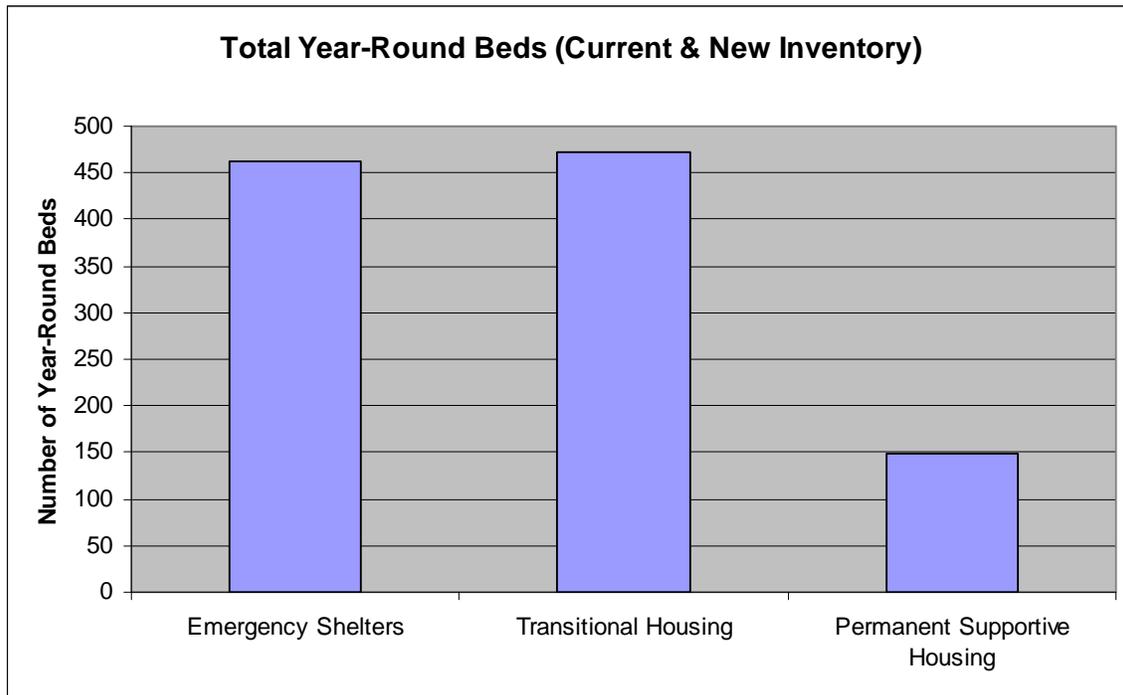
Total Year-round Beds (Current & New Inventory)

Emergency Shelters	Transitional Housing	Permanent Supportive Housing
462	473	148

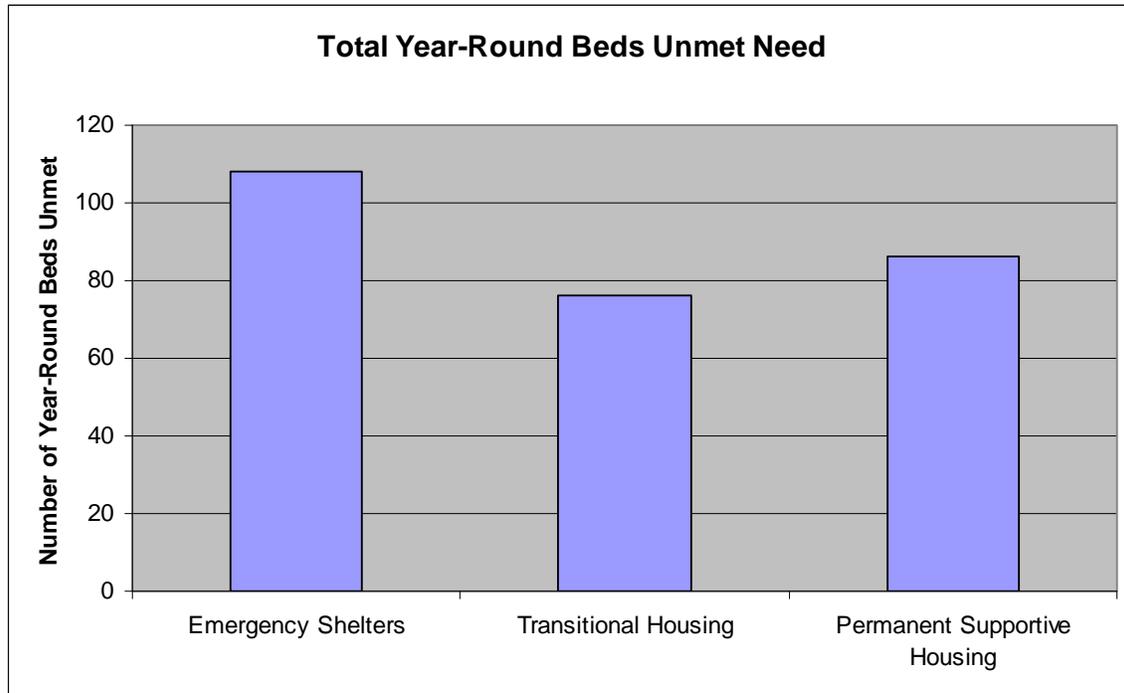
Unmet Need of Total Year-round Beds

Emergency Shelters	Transitional Housing	Permanent Supportive Housing
108	76	86

Based on 2007 Data



Based on 2007 Data



Based on 2007 Data

Homeless Strategic Plan (91.215 (c))

1. Homelessness— Describe the jurisdiction's strategy for developing a system to address homelessness and the priority needs of homeless persons and families (including the subpopulations identified in the needs section). The jurisdiction's strategy must consider the housing and supportive services needed in each stage of the process which includes preventing homelessness, outreach/assessment, emergency shelters and services, transitional housing, and helping homeless persons (especially any persons that are chronically homeless) make the transition to permanent housing and independent living. The jurisdiction must also describe its strategy for helping extremely low- and low-income individuals and families who are at imminent risk of becoming homeless.
2. Chronic homelessness—Describe the jurisdiction's strategy for eliminating chronic homelessness by 2012. This should include the strategy for helping homeless persons make the transition to permanent housing and independent living. This strategy should, to the maximum extent feasible, be coordinated with the strategy presented Exhibit 1 of the Continuum of Care (CoC) application and any other strategy or plan to eliminate chronic homelessness. Also describe, in a narrative, relationships and efforts to coordinate the Conplan, CoC, and any other strategy or plan to address chronic homelessness.
3. Homelessness Prevention—Describe the jurisdiction's strategy to help prevent homelessness for individuals and families with children who are at imminent risk of becoming homeless.
4. Institutional Structure—Briefly describe the institutional structure, including private industry, non-profit organizations, and public institutions, through which

the jurisdiction will carry out its homelessness strategy.

5. Discharge Coordination Policy—Every jurisdiction receiving McKinney-Vento Homeless Assistance Act Emergency Shelter Grant (ESG), Supportive Housing, Shelter Plus Care, or Section 8 SRO Program funds must develop and implement a Discharge Coordination Policy, to the maximum extent practicable. Such a policy should include “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.” The jurisdiction should describe its planned activities to implement a cohesive, community-wide Discharge Coordination Policy, and how the community will move toward such a policy.

5 Year Homeless Strategic Plan response:

DHCD works with the community in a number of ways to specifically meet the needs of the homeless. In addition to facilitating the effective distribution and utilization of the Emergency Shelter Grant (ESG), State Shelter Grant (SSG), and the State Homeless Intervention Program, DHCD works to improve service delivery and coordination, remove barriers, and leverage resources to address the needs of individuals experiencing homelessness and special needs.

DHCD serves as the lead for the Virginia Inter-Agency Council on Homelessness (VIACH). This is a council of agencies with the responsibility of coordinating a more effective inter-agency response to end chronic homelessness. Since the inception of VIACH:

- All of Virginia’s localities are now covered by a Continuum of Care (CoC)
- Collaborative efforts of several local rural continua resulted in the first ever Balance of State award of \$900,000 for Virginia for permanent supportive and transitional housing projects to house 39 individuals and families and for a Homeless Management Information System (HMIS).
- HMIS is being established to improve coordination of services to meet needs of clients and to improve the overall understanding of system utilization trends for future improvements,
- Virginia has held a VIACH sponsored Prisoner Reentry Academy that resulted in new Single Room Occupancy (SRO) program in Norfolk that provides housing and services to 16 ex-offenders.
- Virginia received a SSI/SSDI Outreach, Access, and Recovery (SOAR) grant from the Social Security Administration to train front line workers to improve success rate for initial determinations for Social Security Income (SSI) applications.
- Collaboration between Virginia Department of Health, Division of Vital Statistics, Motor Vehicles, Corrections, and the Department of Mental Health, Mental Retardation, and Substance Abuse Services toward removing barriers unique to homeless persons needing to prove identification and residency requirements for a state-issued id.
- The state of Virginia has establish statewide goals and objectives toward ending chronic homelessness

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 developed and implemented, to the maximum extent practicable and where appropriate, 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 Shelter Grants (ESG)

(States only) Describe the process for awarding grants to State recipients, and a description of how the allocation will be made available to units of local government.

5 Year Strategic Plan ESG response:

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 a dollar to dollar match requirement for all sub-recipients. Additionally, the State Shelter Grant (SSG) Program, an appropriation from the Virginia General Assembly and administered by DHCD, further leveraging these federal funds.

The goal of ESG is to assist homeless families and individuals by providing shelter and services at emergency and transitional housing facilities in Virginia. The primary objective of the program is to provide federal funding to emergency shelters and transitional housing facilities available to serve the homeless and to be used for operations, maintenance costs, supportive services, and administrative costs.

Project/Applicant Eligibility

Eligible applicants for ESG are nonprofit organizations, units of local government and public housing authorities that currently provide, or plan to provide, shelter and services for homeless individuals or families in Virginia.

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

ESG funds may be used for any of the following activities:

- staff costs, not to exceed 10 percent of the total ESG award
- payment of shelter maintenance, operation (including administrative expenses but excluding staff costs), rent, security, fuels, insurance, utilities, and furnishings for emergency shelters, winter shelters, day shelters, and transitional housing facilities.

Ineligible Activities

ESG funds may not be used for any of the following activities:

- persons who are not homeless
- prevention activities
- emergency shelter when payment or compensation is required
- transitional housing or any other housing for the homeless if:
 - the applicant receives Section 8 Program Subsidy, or any other government rental subsidy to operate the facility
 - rents charged exceed 30 percent of the residents' income
 - the total annual income from rents exceeds 50 percent of the last year's total budget for the transitional housing program
- staff costs exceeding 10 percent of the award
- purchase of real property
- building conversion or shelter renovation or rehabilitation, or repair, or the costs associated with these activities
- the provision of beds for which third party payments are received
- costs associated with audits
- purchase of computers
- travel or staff training.

Fund Allocations

The distribution of ESG for the 2008-09 program year are based on the number of beds, level of case management, and utilization rates, where 60 percent of the funding will be based on a "per bed" method. Another 20 percent of the allocation will be based on project sponsors' utilization rates and the remaining 20 percent will be based on specific levels of case management that a grantee provides. Note that DHCD will continue to monitor this specific distribution method. Modification to the formula or methodology may occur in subsequent Action Plan years.

Unique Requirements

ESG funds may be used only to provide shelter and services for persons who are homeless.

COMMUNITY DEVELOPMENT

Community Development (91.215 (e))

*Please also refer to the Community Development Table in the Needs.xls workbook

1. Identify the jurisdiction's priority non-housing community development needs eligible for assistance by CDBG eligibility category specified in the Community Development Needs Table (formerly Table 2B), – i.e., public facilities, public improvements, public services and economic development.
2. Describe the basis for assigning the priority given to each category of priority needs.
3. Identify any obstacles to meeting underserved needs.
4. Identify specific long-term and short-term community development objectives

(including economic development activities that create jobs), developed in accordance with the statutory goals described in section 24 CFR 91.1 and the primary objective of the CDBG program to provide decent housing and a suitable living environment and expand economic opportunities, principally for low- and moderate-income persons.

NOTE: Each specific objective developed to address a priority need, must be identified by number and contain proposed accomplishments, the time period (i.e., one, two, three, or more years), and annual program year numeric goals the jurisdiction hopes to achieve in quantitative terms, or in other measurable terms as identified and defined by the jurisdiction.

5 Year Strategic Plan Community Development response:

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 instance when a community needs 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. First and most evident is the continued decrease in funding for the CDBG program. In the last five years alone, the state program has decreased by over \$5 million. Unfortunately, as funding continues to dip, the demand continues to rise and far exceeds what is available. A clear example of the supply and demand issue can be found in the CDBG Competitive program, the method by which the largest percent of state CDBG funds are distributed. For the current program year, approximately \$10 million will be awarded competitively to projects, while the total amount of requests exceeds \$27 million.

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 have limited local resources to contribute.

Cost Increases

An issue that has been raised with more frequency lately is that of the increasing project costs. Increases have been seen in numerous forms, from higher material

costs, increased transportation costs, and until just recently, higher bids due to competition for contractors from the more profitable private market.

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 (91.215 (h))

1. Describe the jurisdiction's goals, programs, and policies for reducing the number of poverty level families (as defined by the Office of Management and Budget and revised annually). In consultation with other appropriate public and private agencies, (i.e. TANF agency) state how the jurisdiction's goals, programs, and policies for producing and preserving affordable housing set forth in the housing component of the consolidated plan will be coordinated with other programs and services for which the jurisdiction is responsible.
2. Identify the extent to which this strategy will reduce (or assist in reducing) the number of poverty level families, taking into consideration factors over which the jurisdiction has control.

5 Year Strategic Plan Antipoverty Strategy response:

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.

Low Income Housing Tax Credit (LIHTC) Coordination (91.315 (k))

1. (States only) Describe the strategy to coordinate the Low-income Housing Tax Credit (LIHTC) with the development of housing that is affordable to low- and moderate-income families.

5 Year Strategic Plan LIHTC Coordination response:

DHCD will continue to coordinate with Low-Income Housing Tax Credits. VHDA is responsible for the administration of federal Low-Income Housing Tax Credit (LIHTC) in Virginia. LIHTC will continue to be used with VHDA taxable and tax-exempt bond issues, the VHDA Housing Fund, the Virginia Housing Partnership, Community Development Block Grant (CDBG), and the HOME Investment Partnerships Program to develop multi-family rental housing. The two agencies have committed to coordinate the use of these resources to the greatest extent possible. As part of this commitment, Virginia statutes and the implementing regulations promulgated by DHCD for the state Low Income Housing Tax Credit firmly tie it to the federal credit. VHDA and the Virginia Department of Taxation cooperate with DHCD in implementing this program.

NON-HOMELESS SPECIAL NEEDS

Specific Special Needs Objectives (91.215)

1. Describe the priorities and specific objectives the jurisdiction hopes to achieve over a specified time period.
2. Describe how Federal, State, and local public and private sector resources that are reasonably expected to be available will be used to address identified needs for the period covered by the strategic plan.

5 Year Non-homeless Special Needs Analysis response:

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

At least some of these specific housing objective units will target specific special needs populations (e.g., physically impaired or disabled population). All 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 non-HOME entitlement areas are given priority.

Special Needs Unit Five Year Goals		
<i>Program</i>	<i>Resources</i>	<i>Number of Units</i>
HOPWA	HOPWA and private	400 households annually (five year goal of 2,000)
Affordable Housing and Special Needs Programs	HOME, Home loan bank, VCC, other private financing	1500 (300 X 5) –at least some special needs units
		<i>Five Year Total - 1,500 Units</i>

Non-homeless Special Needs (91.205 (d) and 91.210 (d)) Analysis (including HOPWA)

*Please also refer to the Non-homeless Special Needs Table in the Needs.xls workbook.

1. Estimate, to the extent practicable, the number of persons in various subpopulations that are not homeless but may require housing or supportive services, including the elderly, frail elderly, persons with disabilities (mental, physical, developmental, persons with HIV/AIDS and their families), persons with alcohol or other drug addiction, victims of domestic violence, and any other categories the jurisdiction may specify and describe their supportive housing needs. The jurisdiction can use the Non-Homeless Special Needs Table (formerly Table 1B) of their Consolidated Plan to help identify these needs.
*Note: HOPWA recipients must identify the size and characteristics of the population with HIV/AIDS and their families that will be served in the metropolitan area.
2. Identify the priority housing and supportive service needs of persons who are not homeless but may or may not require supportive housing, i.e., elderly, frail elderly, persons with disabilities (mental, physical, developmental, persons with HIV/AIDS and their families), persons with alcohol or other drug addiction by using the Non-homeless Special Needs Table.
3. Describe the basis for assigning the priority given to each category of priority needs.
4. Identify any obstacles to meeting underserved needs.
5. To the extent information is available, describe the facilities and services that assist persons who are not homeless but require supportive housing, and programs for ensuring that persons returning from mental and physical health institutions receive appropriate supportive housing.
6. If the jurisdiction plans to use HOME or other tenant based rental assistance to assist one or more of these subpopulations, it must justify the need for such assistance in the plan.

5 Year Non-homeless Special Needs Analysis response:

In 2000, the Virginia Housing Development Authority (VHDA) report Study of Funding for Housing Serving People with Disabilities identified four broad levels of community housing need:

- Supportive Housing: Independent living arrangements where all support services are brought to the consumer's home or provided at community facilities.
- Supervised Housing: Residential settings such as apartments where limited in-home support services are provided on or off-site by "supervisory" staff.
- Intensive Housing: Controlled residential settings, such as group homes, where treatment and training services are provided by on-site staff, usually in traditional single-family structures.
- Highly Intensive Housing: Controlled residential settings, such as Intermediate Care Facilities where in-home treatment and training services are provided by 24-hour on-site staff, usually in special-purpose congregate structures.

A Supplemental Security Income (SSI) recipient receiving \$579 per month can only afford monthly rent of no more than \$174, which is 30 percent of that monthly SSI benefit, while the Fair Market Rent statewide for a one-bedroom unit is \$741. In 2006, 77,792 Virginians relied on SSI to pay for housing and other basic needs. Virginia's population includes 712,330 individuals with a disability who were between the ages of 21 and 64. An additional 317,085 individuals with a disability are over age 65.

The 132,808 Virginians receiving federal Supplemental Security Income (SSI) payments including 107,535 persons with disabilities, of whom 1,439 are blind and 23,834 are age 65 or over. For individuals, regardless of age, who rely on SSI benefits as their major or only source of income, the cost of housing makes it virtually impossible to afford decent, safe housing in their local community. Virginians receiving SSI benefits are at extreme levels of poverty, and are currently facing a housing crisis.

The Study of Funding for Housing Serving People with Disabilities noted an annual cost of operating one unit of affordable housing funded by the Virginia Housing Development Authority (VHDA) as ranging from \$3,000 to \$5,000 per unit a year, before factoring in debt service or mortgage payments. People with disabilities receiving SSI can only afford to pay 30 percent of their income in housing costs, about \$165 per month or \$1,980 per year. Significant rent subsidies are necessary to make it affordable to the disabled households and to cover operating costs.

Housing Opportunities for People with AIDS (HOPWA)

*Please also refer to the HOPWA Table in the Needs.xls workbook.

1. The Plan includes a description of the activities to be undertaken with its HOPWA Program funds to address priority unmet housing needs for the eligible population. Activities will assist persons who are not homeless but require supportive housing, such as efforts to prevent low-income individuals and

families from becoming homeless and may address the housing needs of persons who are homeless in order to help homeless persons make the transition to permanent housing and independent living. The plan would identify any obstacles to meeting underserved needs and summarize the priorities and specific objectives, describing how funds made available will be used to address identified needs.

2. The Plan must establish annual HOPWA output goals for the planned number of households to be assisted during the year in: (1) short-term rent, mortgage and utility payments to avoid homelessness; (2) rental assistance programs; and (3) in housing facilities, such as community residences and SRO dwellings, where funds are used to develop and/or operate these facilities. The plan can also describe the special features or needs being addressed, such as support for persons who are homeless or chronically homeless. These outputs are to be used in connection with an assessment of client outcomes for achieving housing stability, reduced risks of homelessness and improved access to care.
3. For housing facility projects being developed, a target date for the completion of each development activity must be included and information on the continued use of these units for the eligible population based on their stewardship requirements (e.g. within the ten-year use periods for projects involving acquisition, new construction or substantial rehabilitation).
4. The Plan includes an explanation of how the funds will be allocated including a description of the geographic area in which assistance will be directed and the rationale for these geographic allocations and priorities. Include the name of each project sponsor, the zip code for the primary area(s) of planned activities, amounts committed to that sponsor, and whether the sponsor is a faith-based and/or grassroots organization.
5. The Plan describes the role of the lead jurisdiction in the eligible metropolitan statistical area (EMSA), involving (a) consultation to develop a metropolitan-wide strategy for addressing the needs of persons with HIV/AIDS and their families living throughout the EMSA with the other jurisdictions within the EMSA; (b) the standards and procedures to be used to monitor HOPWA Program activities in order to ensure compliance by project sponsors of the requirements of the program.
6. The Plan includes the certifications relevant to the HOPWA Program.

5 Year Strategic Plan HOPWA response:

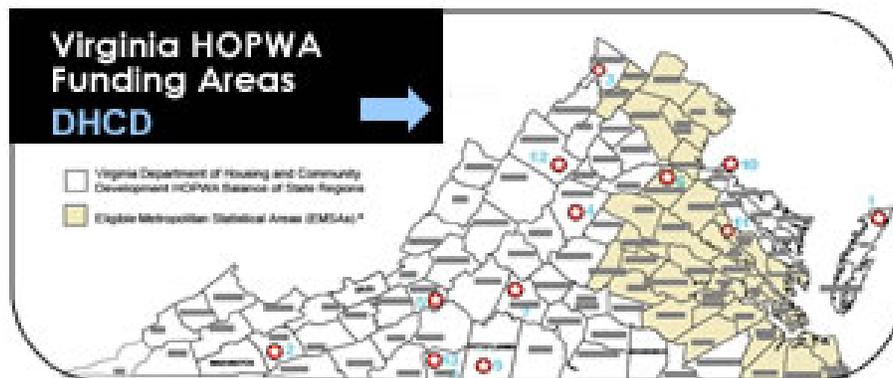
The Housing Opportunities for Persons With AIDS (HOPWA) program was authorized by the National Affordable Housing Act of 1990 and revised under the Housing and Community Development Act of 1992, to provide states and localities with the resources and incentives to devise and implement long-term comprehensive 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). DHCD grants these HOPWA funds to eligible project sponsors (that operate outside the state's EMSAs) following an application process. 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 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-entitlement 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 receiving housing assistance through the HOPWA program.

Project Sponsors 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 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)

- Facility-based or project-based housing assistance - only allowed with prior approval from DHCD and with fully executed certifications as referenced by HUD

Specific HOPWA Objectives

1. Describe how Federal, State, and local public and private sector resources that are reasonably expected to be available will be used to address identified needs for the period covered by the strategic plan.

5 Year Specific HOPWA Objectives response:

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

At least some of these Affordable Housing and Special Needs Programs units will target special needs populations (e.g., physically impaired or disabled population, including individuals with HIV/AIDS). All 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 non-HOME entitlement areas are given priority.

Approximately 2,000 households will be receive housing assistance over the course of the five year Consolidated Plan. These housing needs will be met primarily through the provision of tenant-based rental assistance and short-term mortgage, rent, and utility assistance.

Special Needs Unit Five Year Goals		
<i>Program</i>	<i>Resources</i>	<i>Number of Units</i>
HOPWA	HOPWA and private	400 households annually (five year goal of 2,000)
Affordable Housing and Special Needs Programs	HOME, Home loan bank, VCC, other private financing	1500 (300 X 5) –at least some special needs units
		<i>Five Year Total -1,500 Units</i>

OTHER NARRATIVE

Include any Strategic Plan information that was not covered by a narrative in any other section.