

EXHIBIT B: THRESHOLD REQUIREMENTS

COMMONWEALTH OF VIRGINIA

ExhibitBThresholdRequirements.pdf

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Virginia presents the “Most Impacted and Distressed” threshold data for the Cities of Norfolk and Chesapeake accepted by HUD’s 45-day threshold review letter and the corrected “Unmet Recovery Needs” threshold data with addressed deficiencies.

CITY OF NORFOLK - MOST IMPACTED AND DISTRESSED THRESHOLD. The target area identified as most impacted and distressed is identified census tracts in **Norfolk, Virginia** as a result of **Hurricane Irene** that occurred in 2011. The area is a sub-county area within a county declared as a Qualified Disaster.

Target Area. Norfolk, VA census tracts¹, 2.01, 2.02, 3, 4, 5, 6, 7, 8, 9.01, 9.02, 11, 12, 13, 14, 15, 16, 17, 20, 21, 22, 23, 24, 25, 26, 27, 28, 29, 30, 31, 32, 33, 34, 35.01, 36, 37, 38, 40.01, 40.02, 41, 42, 43, 44, 45, 46, 47, 48, 49, 50, 51, 55, 56.01, 56.02, 57.01, 57.02, 58, 59.01, 59.02, 59.03, 60, 61, 62, 64, 65.01, 65.02, 66.01, 66.02, 66.03, 66.04, 69.01, 69.02, 70.01, 70.02, 9801, 9802. (see [MID-URNTargetNorfolk.pdf](#)).

Most Impacted Characteristics. As a result of Hurricane Irene in 2011, 345 homes in the contiguous sub-county target area sustained damage – 187 dwellings affected, 2 residential dwellings destroyed, 28 residential dwellings sustained major damage, and 128 residential dwellings sustained minor damage, as recorded by the City’s damage assessment team during windshield survey in the aftermath of the Qualified Disaster, using FEMA’s Individual Assistance Damage Assessment Level Guideline (see [1DatasetMINorfolk.pdf](#)).

Most Distressed Characteristics. More than 50% of people in the target area earn less than 80% of the area median income. The population of the target area is 206,675. Of that 112,415 individuals, or 54.39%, are low- and moderate-income, as indicated by the CDBG low- and moderate-income summary data. Dataset 2 provides a detailed breakdown of the LMI population ([2DatasetDistressNorfolk.pdf](#)).

Unmet Recovery Needs Threshold. The City of Norfolk has Unmet Recovery Needs, meaning needs that have not been addressed by federal, state, or other sources, in the target area identified in this application as “Most Impacted and Distressed.”

The Commonwealth of Virginia has calculated the unmet needs under the Most Impacted Characteristics of Housing using the following NOFA definition found in Section III (b)(ii) of Appendix G of the NOFA: *A methodologically sound “windshield” survey of the target area conducted since January 2014. A list of 20 addresses needs to be provided to HUD of units identified with remaining damage. A survey of at least 9 of these addresses confirming (i.) the damage is due to the disaster and (ii.) they have inadequate resources from insurance/FEMA/SBA for completing their repairs.*

93 houses with remaining damage – in need of resilient repair

- Of 345 homes in the Most Impacted and Distressed sub-county target area that sustained damage from Qualified Disaster, Hurricane Irene, 196 lie within FEMA designated floodplain.
- Windshield survey conducted on 93 of these houses in March 2015 demonstrates that these houses have remaining damage as repairs to these homes did not incorporate resilient measures, such as house elevation, to mitigate similar future damage (see photos: [WindshieldSurveyNorfolk](#) [Dropbox folder]; see also [3DatasetUnmetNorfolk.pdf](#)). Ten (10) surveyed home owners confirmed that (i.) the damage was due to the disaster and (ii.) they had inadequate resources from insurance/FEMA/SBA to complete resilient repairs such as elevating the structure (see [10ResSurveysNorfolk.pdf](#)).
- Effective January 1, 2014, Norfolk changed requirements for new construction for structures located in the floodplain to be built with freeboard at three (3) feet above the 100 year flood estimated flooding levels. The previous level had been one (1) foot above the 100 year flood estimated flooding levels. Additionally, in the 0.2% annual chance flood zone, all new construction shall have the lowest floor, including basement, elevated or flood-proofed to one and one-half (1.5) feet above the highest grade immediately adjacent to the structure.
- Appendix G: Section III A(a) states that total repair costs can include the reasonable extra cost to buyout homes or repair homes resiliently, e.g., extra cost to elevate or build a safe room. Based on

their location in the FEMA defined floodplain and the city's commitment to ensuring that structures are elevated, resilient repair would include house elevation.

- Therefore, unmet needs include the cost of elevating 93 houses at an average cost of \$150,000 per house.
- As noted above, the Unmet Need is the documented instances of homes to be elevated out of the repetitive flooding zones. The City has worked with residents on an individual basis where possible to undertake this action; however, there are insufficient resources to complete this much needed activity.

CITY OF CHESAPEAKE - MOST IMPACTED AND DISTRESSED THRESHOLD. The target area identified as most impacted and distressed is identified census tracts in **Chesapeake, Virginia** as a result of **Hurricane Irene** that occurred in 2011. The area is a sub-county area within a county declared a Qualified Disaster. **Target Area.** Chesapeake, Virginia census tracts 214.03, 200.02, 200.03, 201, 202, 203, 204, 205, 206, 207, 209.03, 209.04 (see [MID-URNTargetChes.pdf](#)). This target area exhibits Most Impacted Characteristics and Most Distressed Characteristics which affect the ability of the area to recover from Hurricane Irene.

Most Impacted Characteristics. Chesapeake, Virginia meets the Housing Most Impacted Characteristics as defined in Appendix G of the NOFA as follows: *A concentration of housing damage in a sub-county area due to the eligible disaster causing damage to either a minimum of 100 homes or serious damage to a minimum of 20 homes.*

As a result of Hurricane Irene in 2011, 335 residential properties sustained damage. 166 of these damaged houses are concentrated in the contiguous sub-county target area – 82 residential dwellings affected, 21 residential dwellings sustained major damage, and 63 residential dwellings sustained minor damage as recorded by the City's damage assessment team during windshield survey in the aftermath of the Qualified Disaster, using FEMA's Individual Assistance Damage Assessment Level Guideline (see [4DatasetMIChes.pdf](#)).

Most Distressed Characteristics. More than 50% of people in the target area earn less than 80% of the area median income. The population of the target area is 50,025. Of that 25,940 individuals, or 51.85%, are low- and moderate-income (LMI), as indicated by CDBG low- and moderate-income summary data. Dataset 5 provides a detailed breakdown of the LMI population (see [5DatasetDistressChes.pdf](#)).

Unmet Recovery Needs Threshold. The City of Chesapeake has Unmet Recovery Needs, meaning needs that have not been addressed by Federal, state, or other sources, in the area(s) identified in this letter as “most impacted and distressed.”

The Commonwealth of Virginia has calculated the unmet needs under the Most Impacted Characteristics of Housing using the NOFA definition found in Section III (b)(ii) of Appendix G of the NOFA noted above.

59 houses with remaining damage – in need of resilient repair

- Windshield survey conducted in January 2015 demonstrates that 59 homes in the target area have remaining damage from the Qualified Disaster as repairs to these homes did not incorporate resilient measures, such as house elevation, to mitigate similar future damage (see photos: [WindshieldSurveyChes \[Dropbox folder\]](#); see also [6DatasetUnmetChes.pdf](#)). All of these houses lie within FEMA designated floodplain. Ten (10) surveyed residents confirmed that (i.) the damage was due to the disaster and (ii.) they had inadequate resources from insurance/FEMA/SBA for completing their repairs (see [10ResSurveysChes.pdf](#)).
- Twenty-five (25) of the 59 houses have had multiple flood insurance claims according to historic flood claims data.
- Effective July, 2013, Chesapeake changed requirements for new construction for structures located in the floodplain to be built with freeboard at one and half (1.5) feet above the 100 year flood estimated flooding levels. The previous level had been one (1) foot above the 100 year flood estimated flooding levels.

- Appendix G: Section III A(a) states that total repair costs can include the reasonable extra cost to buyout homes or repair homes resiliently, e.g., extra cost to elevate or build a safe room. Based on their location in the FEMA defined floodplain and the city's commitment to ensuring that structures are elevated, resilient repair would include house elevation.
- Therefore, unmet needs include the cost of elevating 59 houses at an average cost of \$150,000 per house.

National Objective. The Hampton Roads target areas in the Cities of Chesapeake and Norfolk, Virginia described above represent households with up to 80% of the area's median income, and thus the target areas qualify as meeting the low- and moderate-income person benefit national objective.

Overall Benefit. The Commonwealth of Virginia will ensure that at least 50% of the funds requested for programs and activities developed in the Phase II application will benefit low- and moderate-income persons in the form of services, area benefit, housing, and/or jobs.

Tie-back. Virginia's Phase II application for CDBG-NDR grant funding will document how its proposed programs and activities respond to its Qualifying Disaster, Hurricane Irene (2011).

However, both the Commonwealth and the Hampton Roads region are committed to applying the overall approach articulated for **THRIVE: Resiliency In Virginia** in this proposal. Virginia will seek funding support from additional sources in order to develop and implement a comprehensive plan to increase resiliency across the region.