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IN THE COUNCIL OF THE CITY OF ROANOKE, VIRGINIA  
The 15th day of June, 2020.

No. 41763-061520.

A RESOLUTION approving the 2020-2024 Consolidated Plan (Consolidated Plan) and 2020-2021 Annual Plan (Annual Plan); authorizing the City Manager, or the City Manager's designee, to submit the approved Consolidated Plan and 2020-2021 Annual Plan to the United States Department of Housing and Urban Development (HUD) for final review and approval; and authorizing the execution of all necessary documents pertaining to such Consolidated Plan and Annual Plan.

WHEREAS, in order to receive Community Development Block Grant (CDBG), HOME Investment Partnership (HOME), and Emergency Solutions Grant (ESG) entitlement funding, HUD requires that entitlement localities such as the City of Roanoke submit a Consolidated Plan every 5 years, and annual updates to the Consolidated Plan thereafter,

WHEREAS, the current five year Consolidated Plan will expire on June 30, 2020;

WHEREAS, opportunities for community input regarding the Consolidated Plan, which included the Annual Plan, have been provided the public through means which included direct outreach through a public input session held November 14, 2019, use of social media and online surveys to establish goals and objectives, links to the City's webpage, a 30-day public review and comment period from May 11, 2020 through June 12, 2020; and a public hearing on May 28, 2020;

WHEREAS, due to the COVID-19 disaster, HUD granted the City of Roanoke an extension of time until August 16, 2020, to approve the Consolidated Plan and Annual Plan Update and to send the same to HUD for final review and approval in order to receive such entitlement funding.

THEREFORE, BE IT RESOLVED by the Council of the City of Roanoke as follows:

1. The 2020-2021 Consolidated Plan, and the 202-2021 Annual Plan are hereby approved.

2. The City Manager, or the City Manager's designee, is hereby authorized for and on behalf of the City, to submit the approved Consolidated Plan to HUD for final review and approval, and to execute all documents pertaining to such Consolidated Plan, such documents to be approved as to form by the City Attorney.

3. The City Manager, or the City Manager's designee, is hereby authorized, for and on behalf of the City, to submit the approved Annual Plan to HUD for final review and approval, and to execute all necessary documents pertaining to such Annual Plan, such documents to be approved as to form by the City Attorney.

4. The City Manager is authorized to execute such subgrant agreements and amendments as maybe required pursuant to the Annual Plan, and as may otherwise exceed the City Manager's authority under Section 2-124 of the Code of the City of Roanoke, as amended, such subgrant agreements or amendments to be within the limits of funds provided for in the Consolidated Plan and the Annual Plan, and to be approved as to form and as to execution by the City Attorney, all as more particularly set forth in the City Manager's City Council Agenda Report dated June 15, 2020, to this Council.

ATTEST:

*Cecilia J. Meloy*  
City Clerk.



# CITY COUNCIL AGENDA REPORT

**To:** Honorable Mayor and Members of City Council

**Meeting:** June 15, 2020

**Subject:** Approval of 2020-2024 HUD Consolidated Plan and 2020-21 HUD Annual Plan

## **Background:**

Since 1991, the City of Roanoke has received entitlement funds from the US Department of Housing and Urban Development (HUD) under the Community Development Block Grant (CDBG), HOME Investment Partnership (HOME) and Emergency Solutions Grant (ESG) programs. Approximately \$2.6 million in new federal funds are expected in FY 2020-21. Coupled with limited program income and unexpended prior-year funds, \$3.0 million or more of such grant funds will be available to assist with the City's housing and community development needs, public services, economic development and provide services to the homeless.

In order to receive these entitlement grants, the City must submit a five-year Consolidated Plan and related Annual Plans to HUD for approval. The Consolidated Plan describes the City and its priorities and objectives for the anticipated funds for the next five years. It also includes an Annual Plan describing the planned uses of the funds estimated to be available for the first of the five years. Each Annual Plan thereafter provides the activities to be funded for the given year and the amount of funding apportioned to each activity. The 2020-2024 Consolidated Plan will cover the period from July 1, 2020, to June 30, 2024, and is the successor to the current five-year plan, which expires June 30, 2020.

## **Considerations:**

Development of the 2020-2024 Consolidated Plan began with the efforts of an internal staff team to review and update information contained in the current five-year plan and to review the 2019 study that prioritized a list of deserving target areas. An area known as the Belmont/Fallon Target Area was selected as the focus of HUD funds for at least the next 5 years, including a transitioning period to address some Melrose-Orange Target Area public infrastructure. As part of the plan development process, numerous opportunities have been offered to the public for its participation. These have included direct outreach through a public input session held November 14, 2019, interaction with the Roanoke Neighborhood Revitalization Partnership, using social media and *MyRoanoke* to promote an online survey to establish goals and objectives, links to the City's webpage, and a 30-day public review and comment period from May 11, 2020 through June 12, 2020. No comments have been received during the current 30-day period, but any that may be received will be made part of the Consolidated Plan document submitted to HUD. Furthermore, City Council held a

public hearing on May 28, 2020 on the Consolidated Plan and Annual Action Plan and no comments were presented.

The 2020-2024 Consolidated Plan includes the Annual Plan for FY 2020-2021, the first year of the new five-year period, which begins July 1, 2020. For the coming year, the following sources and amounts will be available:


CDBG Entitlements	\$1,795,505
CDBG Carry Over	320,000
HOME Entitlements	676,053
HOME Carry Over	70,000
ESG Entitlements	<u>152,376</u>
Total HUD Funds	\$3,013,934

The original proposal included amounts for CDGB-CV and ESG-CV funds. Those funds are a part of the amendment to the 2019-2020 Plan.

Due to the COVID-19 pandemic, HUD extended the time the City has to submit the Consolidated Plan to HUD until August 16, 2020. A copy of the proposed five year Consolidated Plan and FY 2020-21 Annual Plan are attached to this report for the City Council's information.

**Recommended Action:**

Approve the 2020-2024 Consolidated Plan which contains the 2020-21 Annual Plan, and authorize the City Manager, or the City Manager's designee, to execute and submit this document to HUD for final review and approval, and to execute any necessary additional documents pertaining thereto, all such documents to be approved as to form by the City Attorney.



Robert S. Cowell, Jr.  
City Manager

Attachments: 2020-2024 Consolidated Plan  
2020-21 Annual Plan Summary

Distribution: City Council Appointed Officers  
R. Brian Townsend, Assistant City Manager for Community Development  
W. Brent Robertson, Assistant City Manager for Community Development, designated  
Amelia C. Merchant, Director of Finance  
Chris Chittum, Director of Planning, Building and Development  
Keith Holland, Community Resources Program Administrator

**CITY OF ROANOKE  
HUD ENTITLEMENT GRANTS  
FY 2020-2021 ANNUAL PLAN SUMMARY**

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**Overview**

The City of Roanoke anticipates receiving approximately \$2.5 million in new entitlement funds annually from the U.S. Department of Housing and Urban Development (HUD) in three grants: Community Development Block Grant (CDBG), HOME Investment Partnerships (HOME) and Emergency Solutions Grant (ESG). Roanoke is an entitlement community under these HUD programs. This means that HUD funds are allocated to the City every year using a formula based on population, income levels, and other factors. The amount that the City receives then depends on how much Congress appropriates for the entire nation.

**CDBG**

CDBG funds have been allocated to the City since 1975 and can be used for activities ranging from housing to economic development and from job training to infrastructure projects. For the 2020-2021 program year, the City is scheduled to receive \$1,795,505 in new CDBG entitlement funds. CDBG funds are primarily intended to benefit low- and moderate-income persons and areas, though a limited amount can also be used for reducing blight in economically distressed areas. The amount of funds that can be used for administration, planning, and human services is also limited by regulation and City Council policy; however, the 2020-2021 Annual Plan has administrative cost at 17.2% of total entitlement, below the 20% threshold allowed by HUD. Public Services are generally capped at 15% of entitlement funds.

**HOME**

The HOME program is exclusively for housing to benefit those of low or moderate income, including rehabilitation, new construction, homeownership assistance, and improvements to rental housing. The City has been receiving HOME funds since 1992. For the 2020-2021 program year, the City is scheduled to receive \$676,053 in new HOME funds. HOME funds require a 12.5% match, which is met with volunteer labor from Habitat for Humanity projects funded with HOME dollars. At least 15% of each annual HOME grant must be invested in qualifying projects conducted by Community Housing Development Organizations ("CHDOs"). Currently, Habitat for Humanity is the only CHDO serving the city. Administrative expenses for HOME are set at \$67,092, below the 10% maximum allowed.

**ESG**

The emphasis for use of Emergency Solutions Grant funds has shifted from providing for activities that assist homeless individuals and families to early intervention and prevention of homelessness. HUD has issued new rules for the distribution of these funds by entitlement communities, which are being assessed by city staff and the Roanoke Valley Council of Community Services. Total funding in FY 2020-2021 is scheduled to be \$152,376.

**Available Funding** (Based on estimates)

<u>Category</u>	<u>Description</u>	<u>Available Funding</u>
CDBG	2020-2021 Entitlement Grant	\$1,795,505
	Carry-Over and Program Income	<u>\$320,000</u>
	<i>Subtotal – CDBG Funds Available</i>	<i>\$2,115,505</i>
HOME	2020-2021 Entitlement Grant	\$676,053
	Carry-Over and Program Income	<u>\$70,000</u>
	<i>Subtotal – HOME Funds Available</i>	<i>\$746,053</i>
ESG:	2020-2021 ESG Entitlement Grant	<u>\$152,376</u>
	<i>Subtotal – ESG Funds Available</i>	<i>\$152,376</i>
<b>Total 2020-2021 CDBG, HOME and ESG Funds Available</b>		<b>\$3,013,934</b>

**Allocation of Resources:**

The City's 2020-2021 Annual Plan outlines the use of nearly \$3.0 million in CDBG, HOME and ESG, including carry-over. These funds will support an array of housing, homeless prevention, public services, neighborhood and economic development activities, and planning and administrative costs associated with these activities.

- Economic Development – \$0 in CDBG funding is proposed for projects in the economic development category for FY 20-21.
- Homeless Services -- \$152,376 for homeless prevention and rapid re-housing through ESG funds for programs benefiting the homeless or those at-risk of becoming homeless.
- Housing Development -- \$1,335,961 in CDBG and HOME funds for new construction and housing rehabilitation for homeownership and the rehabilitation of owner-occupied homes.
- Public Services -- \$107,625 in CDBG and funds for services such as social services, academic enrichment, other youth and family programs to benefit low to moderate income families, physical/mental health services, substance abuse, and food services.
- Neighborhood Development – \$1,041,778 which includes \$31,225 for grants to five (5) neighborhood organizations for small community improvement projects not otherwise categorized, \$800,000 for infrastructure costs in the Melrose-Orange Target Area; \$50,000 for infrastructure in Belmont/Fallon Target Area, \$160,553 to fund a portion of City code inspectors to serve conservation and rehabilitation low-mod neighborhoods.
- Planning and Administration -- \$376,194 for staffing and operating costs incurred by the City to administer the CDBG, HOME and ESG funds.

**Distribution of Housing Funds:**

For 2020-2021, the City estimates its CDBG and HOME housing funds will be allocated as follows:

- \$552,000 for activities encouraging and facilitating the repair, maintenance, improvement or re-use of existing owner-occupied or rental housing.
- \$783,961, for activities encouraging and facilitating new homeownership.

## **Project Locations:**

The city will be transitioning this year between the Melrose-Orange Target Area (MOTA) and the recently approved Belmont/Fallon Target Area (BFTA). We will be wrapping up some housing initiatives in MOTA while beginning some in BFTA. The city is setting aside \$800,000 in CDBG funds for the Melrose Avenue Street Improvement project, currently under design. Due to the economic impact of COVID-19, matching General Funds expected for this project will not be available for FY 20-21. Hence, we will reserve these funds, along with supplemental match from CDBG or General Funds in FY 21-22 to begin construction. Other activities will be intended for use citywide. Total funds earmarked for MOTA are \$1,710,961, and BFTA are \$260,000, which meets the City's policy on Use of HUD Funds by channeling 65.4% of total funds into the targeted area.

## **Lead Agencies:**

The HUD Community Resources Division of the City's Department of Planning, Building and Development is the lead organization for developing and administering the Consolidated Plan and the Annual Updates. Numerous City offices and departments and other public, nonprofit and community organizations conduct projects funded in whole or in part with CDBG, HOME and ESG funds. The specific projects, agencies, and funding recommended for the 2020-2021 period are given in the following section.

## **2020-2021 Projects Submitted, Agencies and Recommended Funding:**

### **ECONOMIC DEVELOPMENT**

- No applications qualifying as Economic Development were submitted (Recommended: \$0 CDBG)

### **HOMELESS SERVICES**

- Case Management (Family Promise of Greater Roanoke) Funds will provide for staff to provide extensive case management of individuals utilizing the homeless shelter operated by Family Promise. The position will perform initial intake, work with each family to develop life-management plans, make referrals to mental health services and physical health services, arrange child care for families, arrange transportation and oversee the day center. (Recommended: \$29,500 ESG)
- Emergency Sheltering & Homelessness Prevention (ARCH) Funds will provide for emergency shelter assistance for operating expenses (i.e. utilities and insurance) to support direct services. ARCH will also utilize homeless prevention assistance to fund its full-time housing stability coordinator who manages services for Trust House residents who transition to permanent housing. (Recommended: \$40,200 ESG)
- Homeless Prevention and Rapid Rehousing (Council of Community Services) Funds will provide for rapid rehousing and one-time rental assistance, coordinate homelessness prevention services to households most at-risk of homelessness to increase housing stability, and track data using Homeless Management Information System. (Recommended \$77,676 ESG).
- Street Outreach (City of Roanoke, Homeless Assistance Team) Funds to purchase bus passes and prescription assistance for homeless persons and families in places not meant for human habitation and emergency shelters. (Recommended: \$5,000 ESG)

### **HOUSING DEVELOPMENT**

- Belmont Preservation Project (Restoration Housing) Restoration Housing (RH) will utilize CDBG funding, historic tax credits and leveraged funding to acquire and restore 820 Dale Avenue SE, a blighted and abandoned single-family dwelling in the Belmont-Fallon Target Area (BFTA) for conversion to single family rental for eligible LMI family (Recommended \$150,000 CDBG)
- BFTA Residential Façade Improvements (Renovation Alliance) The Belmont-Fallon Target Area Façade Grant Program will provide opportunities for property owners in the Belmont-Fallon Target Area to access matching funding for façade improvements. This program is intended to help address slum/blight remediation in the Belmont-Fallon Target Area. (Recommended \$40,000 CDBG)

- Down Payment Assistance (City of Roanoke) Funds to provide 5-year forgivable, 0% interest loans of up to \$8,000 for down payment and closing costs to assist low/mod-income families to buy homes in the City. The program will be administered by the HUD Community Resources office staff and restricted to homes acquired in the Belmont/Fallon Target Area. (Recommended: \$20,000 HOME)
- Emergency Home Repair Program (Total Action For Progress) TAP's FY 20–21 Limited/Emergency Home Repair program, run by the agency's Energy Conservation and Housing Rehab (ECHR) component, will provide repairs to owner-occupied homes that are considered an immediate threat to the health and/or safety of the occupants. With CDBG funding, TAP will provide repairs to 12 eligible homes throughout the City of Roanoke, not to exceed \$15,000 per home. Repairs to homes will address physical defects contributing to an unsafe condition for occupants, as deemed necessary by the qualified rehabilitation specialist. (Recommended: \$105,000 CDBG.)
- Empowering Individuals with Disabilities (Blue Ridge Independent Living Center) BRILC's program will assist low income City of Roanoke homeowners with disabilities to remain independent within their own homes and the community by completing home modifications such as handrails, ramps, modifications of sidewalks, steps and doorways, bathroom modifications, and the installation of grab bars, etc. (Recommended: \$50,000 CDBG.)
- Target Area New Homeownership – New Construction/Rehabilitation (Habitat for Humanity) HFHRV is proposing the development and sale of sustainable and affordable single-family housing through the rehabilitation of two existing properties and the construction of four new homes to benefit eligible low-moderate income homebuyers in and around the City's Melrose Orange Target Area. All housing shall be developed in a manner consistent with the applicable neighborhood plans, local/federal historic requirements and any design overlay which may apply to each development site under consideration. Additionally, HFHRV will identify and purchase two properties in the Belmont/Fallon area for rehabilitation in 2021/2022. (Recommended: \$105,000 CDBG and \$658,961 HOME)
- Target Area Owner-Occupied Limited Rehab (Renovation Alliance) The funding requested for this application will be used to complete a minimum of 14 owner-occupied rehabilitations with less than \$15,000 per unit maximum for households in the Belmont-Fallon and Melrose-Orange Target Areas whose household incomes are at or below 80% Area Median Income. Basic rehabilitation services utilizing volunteer labor to address "safe, warm and dry" homeowner needs for low-income persons. (Recommended \$82,000 CDBG.)
- Target Area Owner-Occupied Major Rehab (Total Action for Progress) Major rehabilitation to 1-2 owner-occupied housing units in Melrose-Orange Target Area. Major rehabilitation is targeted for rehabilitation in excess of \$15,000 to address health, safety and welfare needs of residents. (Recommended: \$65,000 CDBG.)
- Summer Youth Rehabilitation (Renovation Alliance) This program entails limited rehabilitation and repairs to about 15 homes citywide primarily utilizing over 400 youth volunteers from faith-based programs for low income, elderly, and disabled homeowners. Renovation Alliance reviews and selects homes to be included in the program, determine eligibility, work scopes, any environmental testing and historic reviews, and required permits. (Recommended: \$60,000 CDBG).

## **PUBLIC SERVICES**

- Growing Esteem and Team (Apple Ridge Farm, Inc.) Apple Ridge seeks funding scholarships for 50 low-income youth (25% from MOTA) to attend Apple Ridge Farms Academic Summer Camp, The project will be the embellishment of the self-esteem, team building, and social emotional learning programs at Apple Ridge's summer camp. They propose to increase the amount of time that the children will be exposed to team building (low and high ropes) programs and mindfulness programs.. (Recommended: \$50,000 CDBG.)
- Court Appointed Special Advocates (Children's Trust) This program is intended to offer support to children in foster care as well as children who are at-risk of foster care placement. CASA offers an objective advocate for abused and neglected children. Volunteers are utilized to work with children whose cases have been assigned to a judge due to unhealthy or unsafe home environments. (Recommended \$22,875 CDBG)



- Family Advocates Program (Children's Trust) Funding to provide support services to the non-offending caregivers in cases of alleged child abuse, resulting in the greater protection and support for the alleged child victim. (Recommended \$34,750 CDBG.)
- Housing Stabilization for Families in Need (Council of Community Services). CSC proposes to continue operations of the homeless intervention services for another year. Funds are provided to landlords of low-income families in order to stop eviction and avoid homelessness. The City will instead fund the program utilizing \$200,000 in CDBG-CV funding allocated in the 2019 Plan Year that can be used through June 30, 2021. (Recommended \$0 CDBG)

## NEIGHBORHOOD DEVELOPMENT

- Code Enforcement (City of Roanoke Dept. of Planning, Bldg and Dev.) Funds a portion of staff and other operating costs for City enforcement of the building maintenance and other codes in low-to-moderate income neighborhoods. (Recommended: \$160,553 CDBG.)
- Infrastructure (City of Roanoke Public Works/Transportation) Installation of handicapped accessible ramps and repair/replacement of dilapidated sidewalks in the Belmont/Fallon Target Area. Funds to be matched by City General Funds (Recommended \$50,000 CDBG)
- Infrastructure (City of Roanoke Dept of Engineering) Funds for streetscape improvements on a three block section of Melrose Avenue within the Melrose-Orange Target Area. Funds will be held until FY 21-22 in order to budget matching funds from other resources (Recommended \$800,000 CDBG)
- Neighborhood Development Grant Program (City Manager's Office/Neighborhood Services) Provides for grants to neighborhood organizations in predominantly low-mod-income neighborhoods for eligible projects such as housing, crime prevention and public facilities and infrastructure projects. Activities related to training and capacity development of eligible neighborhood associations will be paid from HUD planning and administrative accounts. (Recommended: \$31,225 CDBG). Applications were received from the following organizations:
  - Fairland Civic League - - Healthy NW Community Wellness Fair (Recommended \$2,025 CDBG)
  - NNEO – Vacant Lot Beautification (Recommended \$1,100 CDBG)
  - Mountain View Neighborhood Association – Bus Shelter/Public Art Project (Recommended \$12,300 CDBG)
  - Mountain View Neighborhood Association – Historic Mountain View Sign Replacement (Recommended \$2,000 CDBG)
  - Wasena Neighborhood Forum – Main Street Village Accessibility Enhancement (Recommended \$13,800 CDBG)

## ADMINISTRATION/PLANNING

- HUD Administrative Funds (Dept. of Planning, Bldg and Dev.) Staffing and other operating costs associated with the general administration of the City's CDBG, HOME and ESG programs. Limits for each program are 20% for CDBG, 10% for HOME and 7.5% for ESG. (Recommended: \$309,102 CDBG; \$67,092 HOME; \$0 ESG.)

## 2020-2021 HUD Funding Recommendations

<b>Funding by Category:</b>	Economic Development	\$0
	Homeless Services	\$152,376
	Housing Development	\$1,335,961
	Public Services	\$107,625
	Neighborhood Development	\$1,041,778
	Planning and Administrative Costs	<u>\$376,194</u>
	<b>Total</b>	<b>\$3,013,934</b>

Breakout – 2020-2021 Funding for Melrose-Orange and Belmont/Fallon Target Areas Revitalization Initiative: **\$1,970,961**

Agency	Project Name	Current	Requested	Recommended
Apple Ridge Farms	Growing Esteem and Team	\$60,000	\$60,000	\$50,000
ARCH Roanoke	Shelter Operations and Rapid Rehousing	\$40,200	\$40,200	\$40,200
Blue Ridge Independent Living Center	Empowering Individuals with Disabilities	\$75,000	\$110,000	\$50,000
Blue Ridge Mountain Council	Scout Outreach and New Building	\$0	\$125,000	\$0
Carilion Clinic	Local Impact For Tomorrow	\$0	\$100,000	\$0
Children's Trust	Family Advocacy Services	\$34,750	\$34,750	\$34,750
Children's Trust	Court Appointed Special Advocates	\$22,875	\$22,875	\$22,875
City of Roanoke	Code Enforcement	\$160,553	\$153,850	\$160,553
City of Roanoke	Down Payment Assistance	\$0	\$20,000	\$20,000
City of Roanoke	Police Bike Overtime	\$0	\$25,000	\$0
City of Roanoke	HUD Administration	\$293,545	\$376,194	\$376,194
City of Roanoke	MOTA Infrastructure	\$264,193	\$800,000	\$800,000
City of Roanoke	BFTA Infrastructure	\$0	\$50,000	\$50,000
City of Roanoke	Neighborhood Development Grants	\$20,270	\$94,871	\$31,225
City of Roanoke	Fallon Park Basketball Facility Rehab	\$0	\$163,500	\$0
City of Roanoke	Street Outreach	\$5,000	\$5,000	\$5,000
Council of Community Services	Homeless Services and Prevention	\$84,482	\$77,676	\$77,676
Council of Community Services	Housing Stabilization for Families in Need	\$50,000	\$50,000	\$0
Family Promise	Case Management	\$29,500	\$29,500	\$29,500
Habitat for Humanity in the Roanoke Valley	MOTA New Homeownership	\$829,766	\$847,500	\$763,961
Renovation Alliance	MOTA Limited Housing Rehabilitation	\$75,000	\$100,000	\$82,000
Renovation Alliance	Summer Youth Housing Rehabilitation	\$80,000	\$105,000	\$60,000
Renovation Alliance	BFTA Residential Façade Improvement	\$0	\$40,000	\$40,000
Restoration Housing	Belmont Preservation Project	\$0	\$150,000	\$150,000
Roanoke Redevelopment & Housing Authority	Envision Center	\$0	\$200,000	\$0
Total Action Against Poverty	Emergency Home Repair	\$100,000	\$130,991	\$105,000
Total Action Against Poverty	MOTA Major Housing Rehabilitation	\$230,000	\$138,603	\$65,000
Virginia Harm Reduction Coalition	Roanoke Opioid Reduction Task Force	\$0	\$100,000	\$0