

**CITY OF ROANOKE  
HUD ENTITLEMENT GRANTS  
FY 2015-2016 ANNUAL PLAN**

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**Overview**

The City of Roanoke anticipates receiving approximately \$2.0 million in new 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 construction projects. For the 2015-2016 program year, the City will receive \$1,536,172 in new CDBG funds, a reduction of \$16,991 in 2014 allocation. However, with carry-over and program income, the City estimates that a total of \$2,136,172 million in CDBG funds will be available. CDBG funds are primarily intended to benefit low- and moderate-income persons and areas, though a limited amount can also be used for reducing slums and blight in economically distressed areas. The amount of funds that can be used for administration, planning and human services is also limited by regulation.

**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 2015-2016 program year, the City is expected to receive \$415,552 in new HOME funds. This represents a decrease of 14.4% from current year allocations. Including carry-over and program income, the City estimates that a total of \$565,552 in HOME funds will be available. 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”). Current CHDOs include Habitat for Humanity, TAP, and Community Housing Partners.

**ESG**

The HUD priorities for the Emergency Solutions Grants have changed from the former Emergency Shelter Grants that the city had previously received. The emphasis for use of these 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 2014-2015 is expected to be approximately \$138,444.

**Available Funding:**

The total funding anticipated for Fiscal Year 2015-2016 from CDBG, HOME and ESG sources is \$2,840,168, but relies heavily on prior year uncommitted or available funds of \$750,000. The estimated amount by category is as follows:

| <u>Category</u>   | <u>Description</u>              | <u>Available Funding</u> |
|---|---------------------------------|--------------------------|
| CDBG  | 2015-2016 Entitlement Grant     | \$1,536,172              |
|   | 2014-2015 Carry-Over            | 600,000                  |
|   | Subtotal – CDBG Funds Available | \$2,136,172              |
| HOME  | 2015-2016 Entitlement Grant     | \$415,552                |
|   | 2014-2015 Carry-over            | 150,000                  |
|   | Subtotal – HOME Funds Available | \$565,552                |
| ESG:  | 2015-2016 ESG Entitlement Grant | \$138,444                |
| <b>Total 2015-2016 CDBG, HOME and ESG Funds Available</b> |                                 | <b>\$2,840,168</b>       |

**Allocation of Resources:**

The City’s 2015-2016 Annual Update outlines the use of approximately \$2.8 million in CDBG, HOME and ESG, including carry-over and anticipated program income. These funds will support an array of housing, homeless prevention, public services, and neighborhood and economic development activities, and planning and administrative costs associated with these activities.

- Economic Development – No CDBG funding is proposed for projects in the economic development category for FY 15-16.
- Homeless Services -- \$132,271 for homeless prevention and rapid re-housing through Emergency Solutions Grants for programs benefitting the homeless or those at-risk of becoming homeless.
- Housing Development -- \$985,518 for new construction and housing rehabilitation for homeownership, downpayment and closing costs assistance, and the rehabilitation of owner- and renter-occupied homes.
- Human Services -- \$218,881 for services such as social services, after-school educational development, and other youth and family programs.
- Neighborhood Development – \$1,176,500 which includes \$26,500 for grants to six (6) neighborhood organizations for small community improvement projects not otherwise categorized, \$150,000 to fund a portion of City code inspectors to serve conservation and rehabilitation low mod neighborhoods and \$1,000,000 for infrastructure and streetscape improvements targeted in the West End 13<sup>th</sup> Street commercial corridor.
- Planning and Administration -- \$326,998 for staffing and operating costs incurred by the City to administer the CDBG, HOME and ESG funds.

**Distribution of Housing Funds:**

For 2015-2016, the City estimates its CDBG and HOME housing funds will be allocated as follows:

- \$365,000 for activities encouraging and facilitating the repair, maintenance, improvement or re-use of existing owner-occupied or rental housing.
- \$620,518, for activities encouraging and facilitating new homeownership.

**Project Locations:**

While some of the projects in the 2015-16 Annual Plan affect areas throughout the City of Roanoke, the City will be in the fifth year of targeting of HUD resources to projects serving the West End Target Area and the first year of targeting the Melrose-Orange Target Area. Total funds earmarked for the West End and Melrose-Orange Target Areas are \$1,670,518.

### **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 or HOME funds. The specific projects, agencies and funding recommended for the 2015-2016 period are given in the following section.

### **2015-2016 Projects Submitted, Agencies and Recommended Funding:**

#### **ECONOMIC DEVELOPMENT**

- Business Seed Capital Façade Improvement Program (TAP/Business Seed Capital Inc.) Funds to loan to owners of commercial property throughout the city to drive capital investment in private property with an emphasis on using BCSI's community development loan facility to leverage the City's Enterprise Zone reimbursement incentives available to qualifying businesses. (Recommended: \$0.)

#### **HOMELESS SERVICES**

- Emergency Sheltering & Rapid Rehousing (Family Promise of Greater Roanoke) Funds will provide for emergency shelter to families with children. Family Promise will also collaborate with the Community Housing Resource Center to rapidly re-house low barrier families and provide continued case management once they are re-housed. (Recommended: \$26,500 ESG)
- Emergency Sheltering & Homelessness Prevention (TRUST House) Funds will provide for emergency shelter assistance for operating expenses (i.e. utilities and insurance) to support direct services. TRUST 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: \$35,000 ESG)
- Homeless Prevention, Rapid Rehousing and (Council of Community Services) Funds will provide for rapid rehousing and one-time rental assistance as well as coordinate homelessness prevention services to households most at-risk of homelessness to increase housing stability. (Recommended \$67,571 ESG).
- Street Outreach (City of Roanoke – Homeless Assistance Team) ESG funds will provide for prescription assistance and transportation for homeless persons and families sleeping in places not intended for human habitation and persons in emergency shelter. (Recommended \$3,200 ESG)

#### **HOUSING DEVELOPMENT**

- Demolition (City of Roanoke Dept. of Planning, Bldg and Dev.) Funds to demolish vacant condemned structures in an advanced state of deterioration. (Recommended \$50,000 CDBG.)
- Down Payment Assistance Program (City of Roanoke Dept. of Planning, Bldg and Dev.) Funds for staffing and operating costs and project 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. Despite success and meeting target goals, proposed funding to be cut due to allocated HUD funds to other priorities. (Recommended: \$35,000. CDBG)
- Emergency Home Repair Program (Total Action Against Poverty) Limited and emergency repairs and weatherization services to low/mod-income owner-occupied single-family homes. Program requests to target 17 owner-occupied homes for emergency repairs, with 10 of these homes also receiving weatherization services. (Recommended: \$60,000.)

- Empowering Individuals with Disabilities (Blue Ridge Independent Living Center) Install special needs home improvements such as ramps and grab bars for 30 extremely low to low income homeowners with disabilities to meet independent living needs. (Recommended: \$100,000.)
- Target Area(s) New Homeownership – New Construction/Rehabilitation (Habitat for Humanity) Acquire and renovate a minimum of 3 existing vacant houses for single-family homeownership as well as construction of 2 new single family homes in West End and/or Melrose-Orange target areas. (Recommended: \$59,172 CDBG and \$526,346 HOME)
- Target Area(s) Owner-Occupied Limited Rehab (Rebuilding Together Roanoke) Basic rehabilitation services utilizing volunteer labor to address “safe, warm and dry” homeowner needs for low-income persons. Proposed goal of 17 homes in West End and/or Melrose-Rugby target areas. (Recommended \$85,000 CDBG.)
- Target Area(s) Limited Housing Rehabilitation (Total Action Against Poverty) Limited rehabilitation services to 10 owner-occupied single family homes in either West End or Melrose-Orange target areas. (Recommended \$0)
- Target Area(s) Owner-Occupied Major Rehab (SERCAP) Major rehabilitation to 3 owner-occupied housing units in West End and/or Melrose-Orange Target Areas. Major rehabilitation is targeted for rehabilitation in excess of \$25,000 to address health, safety and welfare needs of residents. (Recommended: \$0 CDBG.)
- Summer Youth Rehabilitation (Rebuilding Together Roanoke) This program entails limited rehabilitation and repairs to about 20 homes primarily utilizing over 400 youth volunteers from faith-based programs for low income, elderly, and disabled homeowners. RTR reviews and selects homes to be included in the program, determine eligibility, work scopes, any environmental testing and historic reviews, and required permits. (Recommended: \$70,000 CDBG).

## **HUMAN SERVICES**

- African American Studies in Contemporary Issues (TAP) Funds to administer and monitor this program which targets freshman African American male students at William Fleming High School who are at risk of not completing high school. Students remain in the program throughout the school year. Funding provides staffing and program costs associated with the curriculum to those targeted students. (Recommended: \$10,000 CDBG.)
- Aspire Connect Program – Aspire 2016 Rites of Passage Program (Apple Ridge Farm, Inc.) Funding will provide for staffing to assist 30 students from five elementary schools, and tracked from the third grade, with the academic competencies, interpersonal skills and resources needed to be successful in middle school and achieve graduation from high school in June 2016. (Recommended: \$32,473 CDBG.)
- Community Based Prevention Services (Department of Social Services) Funds for staff and out-stationing costs to increase the accessibility and use of child abuse and neglect prevention services and reduce the necessity of foster care placements. (Recommended: \$104,800 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 \$27,608 CDBG.)
- Housing Stabilization for Families in Need (Council of Community Services) CDBG funds to partially replace Homelessness Prevention and Rapid Re-Housing Program previously funded with ARRA grants. The program will use the CDBG funds to leverage additional resources to assist with homeless prevention and re-housing activities. (Recommended \$44,000 CDBG.)
- Housing Legal Services for Low Income Residents (Legal Aid Society of Roanoke Valley) Funds to provide legal assistance for housing related matters for low income City residents (Recommended \$0)
- LEAP Community Kitchen Boot Camp (LEAP Local Food Network) This program is intended to address unemployment and help create jobs by removing barriers to food-based entrepreneurs for LMI individuals. (Recommended \$0)

- Senior Community Services Employment Program (Goodwill Industries of Roanoke Valley) Job training and employment support services to adults 55 and older who are low income and unemployed with poor employment prospects. (Recommended \$0)
- Transitional Options for Women (Transitional options for Women) Program intended to address the needs of women who return to the community after incarceration and do not have children in their care. (Recommended \$0).

## NEIGHBORHOOD DEVELOPMENT

- Infrastructure Improvements (City of Roanoke) CDBG funds used for engineering design and public infrastructure improvements in to 13<sup>th</sup> Street corridor in West End Target Area, such as sidewalks, bicycle lanes, pedestrian lighting, trash receptacles, landscaping and other streetscape improvements. The City will provide up to \$800,000 in General Funds to supplement the project. (Recommended \$1,000,000.).
- 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: \$150,000 CDBG.)
- Neighborhood Development Grant Program (Dept. of Planning, Bldg and Dev.) Provides for grants of up to \$25,000 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: \$26,500. Applications were received from the following organizations:
  - Belmont Neighborhood Association – training and conferences. (Requested \$1,445; Recommended \$500 CDBG)
  - Belmont Neighborhood association – Art in the neighborhood. (Requested \$12,500; Recommended \$0)
  - Gainsboro SW Community Organization – Victorian street lamps. (Requested \$24,000; Recommended \$24,000 CDBG)
  - Gainsboro SW Community Organization – Training and conferences. (Requested \$2,200; Recommended \$500 CDBG)
  - Loudon-Melrose Neighborhood Organization – Training and conferences. (Requested \$700; Recommended \$500 CDBG)
  - Old Southwest Inc. – Training and conferences. (Requested \$2,000 Recommended \$500 CDBG)
  - SE Action Forum – Training and conferences. (Requested \$1,215 Recommended \$500 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: \$281,619 CDBG; \$39,206 HOME; \$6,173 ESG.)

## 2015-2016 HUD Funding Recommendations

|                             |                                   |                    |
|-----------------------------|-----------------------------------|--------------------|
| <b>Funding by Category:</b> | Economic Development              | \$0                |
|                             | Homeless Services                 | \$132,271          |
|                             | Housing Development               | \$985,518          |
|                             | Human Development                 | \$218,881          |
|                             | Neighborhood Development          | \$1,176,500        |
|                             | Planning and Administrative Costs | <u>\$326,998</u>   |
|                             | <b>Total</b>                      | <b>\$2,840,168</b> |

Breakout – 2015-2016 Funding for West End/Melrose-Orange Target Areas Revitalization Initiative: **\$1,670,518**

| Project Name                                     | Agency                                | Current   | Requested   | Recommended |
|--|---------------------------------------|-----------|-------------|-------------|
| Aspire Connect Program                           | Apple Ridge Farm, Inc                 | \$26,250  | \$32,473    | \$32,473    |
| African American Studies in Contemporary Issues  | TAP                                   | \$15,000  | \$10,000    | \$10,000    |
| Business Seed Capital Façade Improvement Program | TAP/BSCI                              | \$0       | \$50,000    | \$0         |
| Code Enforcement                                 | Dept. of Planning, Bldg & Dev.        | \$150,000 | \$150,000   | \$150,000   |
| Community Based Prevention Services              | Dept of Social Services               | \$109,012 | \$112,472   | \$104,800   |
| Demolition                                       | Dept of Planning, Bldg & Dev.         | \$75,000  | \$75,000    | \$50,000    |
| Down Payment Assistance                          | Dept of Planning, Bldg & Dev.         | \$200,000 | \$200,000   | \$35,000    |
| Emergency Home Repair                            | TAP                                   | \$100,000 | \$75,000    | \$60,000    |
| Empowering Individuals with Disabilities         | Blue Ridge Independent Living Center  | \$106,185 | \$106,185   | \$100,000   |
| Homeless Services and Prevention                 | Council of Community Services         | \$59,000  | \$64,000    | \$67,571    |
| Homeless Services and Prevention                 | Family Promise of Roanoke Valley      | \$26,500  | \$26,500    | \$26,500    |
| Homeless Services and Prevention                 | TRUST House                           | \$34,203  | \$35,000    | \$35,000    |
| Family Advocates Program                         | Children's Trust                      | \$27,000  | \$27,608    | \$27,608    |
| Housing Legal Services for Low Income Residents  | Legal Aid Society of Roanoke Valley   | \$0       | \$21,609    | \$0         |
| Housing Stabilization for Families in Need       | Council of Community Service          | \$44,000  | \$44,000    | \$44,000    |
| HUD Admin Funds                                  | Dept. of Planning, Bldg & Dev.        | \$332,394 | \$361,309   | \$326,998   |
| Infrastructure Improvements                      | Dept. of Engineering                  | \$829,257 | \$1,300,000 | \$1,000,000 |
| LEAP Community Kitchen Boot Camp                 | LEAP                                  | \$0       | \$24,000    | \$0         |
| Neighborhood Development Grant Program           | Neighborhood Services                 | \$24,387  | \$26,500    | \$26,500    |
| Senior Community Services Employment Program     | Goodwill Industries of Roanoke Valley | \$0       | \$22,750    | \$0         |
| Street Outreach                                  | Homeless Assistance Team              | \$0       | \$3,200     | \$3,200     |
| Target Area Limited Rehabilitation               | TAP                                   | \$0       | \$71,888    | \$0         |
| Target Area New Homeownership                    | Habitat For Humanity                  | \$562,889 | \$637,500   | \$585,518   |
| Target Owner-Occupied Limited Rehabilitation     | Rebuilding Together Roanoke           | \$90,000  | \$90,000    | \$85,000    |
| Target Area Owner-Occupied Major Rehabilitation  | SE Rural Community Assistance Project | \$127,200 | \$166,365   | \$0         |
| Transitional Options for Women                   | Transitional Options for Women        | \$0       | \$26,000    | \$0         |
| World Changers/Summer Youth Rehab Project        | Rebuilding Together Roanoke           | \$75,000  | \$80,000    | \$70,000    |
|  |                                       |           |             |             |