



## City of Hampton

December 1, 2011

Dear Agency Executive:

Fiscal Year 2013 will represent the 38<sup>th</sup> year that Hampton has received Community Development Block Grant (CDBG) funds and the 19<sup>th</sup> year of the Home Investment Partnership (HOME) program. Over the years, these programs have benefited the residents of Hampton in many ways, both through programs operated by city departments and those offered by the Hampton Redevelopment and Housing Authority. Your request for funding under the CDBG and HOME programs will be reviewed and evaluated, in part on its relevance to the Hampton Neighborhood Initiative and the priorities identified in Hampton's 2011-2015 Consolidated Plan for Housing and Community Development. For more information regarding activities funded in the past, a copy of the City's most recent Consolidated Annual Action Plan can be viewed at all Hampton Public Library locations or online at [www.hampton.gov/neighborhoods/cdbg](http://www.hampton.gov/neighborhoods/cdbg).

The City is required by the Department of Housing and Urban Development to request funding proposals under the CDBG and HOME Programs; although the funds are generally fully obligated to current projects and priorities. The City's CDBG and HOME allocations for 2012 totaled \$1,662,815 (\$973,263 for CDBG and \$689,552 for HOME) while requests for funding totaled over \$3 million. Unfortunately, this is a challenge becoming frequently more common to localities faced with decreasing CDBG and HOME allocations from the Federal government. We are anticipating reductions in these grant amounts for fiscal year 2013, but do not know yet what the City's allocation will be. Please keep in mind that competition for funds will be keen and demand will exceed the amount of funds available.

The Community Development Block Grant and Home Investment Partnership Program Application, along with guidelines and general instructions for completion are attached. An application must be completed for each project your organization is proposing. I encourage you to review the materials in this package and to contact me if you have any questions about the application process or the administration of the CDBG or HOME programs. The entire project packet (including all attachments) must be completed and submitted no later than **4:30 p.m. on Tuesday, January 31, 2012**, to receive consideration.

Thank you for your interest in the City of Hampton's Community Development Block Grant (CDBG) and Home Investment Partnership (HOME) Programs. If you have any questions or comments, please contact me at (757) 727-6492 or [aolwig@hampton.gov](mailto:aolwig@hampton.gov).

Sincerely,

*Amanda F. Olwig*

Amanda F. Olwig  
Neighborhood Grants Clerk  
Housing & Neighborhood Services Division

Attachments

**Department of Community Development**  
**Phone (757)727-6140; Fax (757)728-2449**  
**22 Lincoln Street, 5<sup>th</sup> Floor, Hampton, Virginia 23669**

***"Oldest Continuous English-Speaking Settlement in America – 1610"***

**Fact Sheet**  
**Community Development Block Grant • Home Investment Partnerships Program**  

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**Fiscal Year 2013**

**Introduction**

The City of Hampton is currently accepting applications for funding from the Community Development Block Grant (CDBG) program and Home Investment Partnership (HOME) program. The deadline for submitting Fiscal Year 2013 applications is **Tuesday, January 31, 2012 by 4:30 pm**. Applications should be submitted to:

Hampton Community Development Department  
Housing and Neighborhood Services Division  
Attn: Amanda Olwig  
22 Lincoln Street, 5<sup>th</sup> floor  
Hampton, Virginia 23669

**Community Development Block Grant (CDBG) Program**

The CDBG Program provides the City of Hampton and other local governments with the opportunity to develop viable urban communities by funding activities that provide decent housing, a suitable living environment and by expanding economic opportunities, principally for low and moderate income persons. Funds are awarded to carry out a wide range of community development activities directed towards neighborhood revitalization, homeownership, and the condition of the housing stock. The program is funded by the Department of Housing and Urban Development (HUD). The City received approximately \$1.6 million in fiscal year 2012. The amount of funding for fiscal year 2013 has not been determined, but it is expected to be less.

Localities receiving these funds are required to develop a five-year Consolidated Plan for Housing and Community Development. The Plan provides the policy direction for housing and community development in Hampton and identifies housing, homeless, community and economic development needs and resources, while providing a strategic plan to address those needs in accordance with community priorities. Policy guidance for the Consolidated Plan is taken from Hampton's many adopted plans; including the Community Plan, Master Plans, and Neighborhood Plans. In turn, the Consolidated Plan must be consistent with other city plans and initiatives, and is adopted as a part of the City's Community Plan.

The Consolidated Plan places primary emphasis on improving the condition of housing stock, increasing homeownership and revitalizing low- and moderate-income neighborhoods through:

- Providing decent housing by preserving the affordable housing stock, increasing the availability of affordable housing, reducing discriminatory barriers, increasing the supply of supportive housing for those with special needs and transitioning homeless persons and families into housing;
- Providing a suitable living environment through safer, more viable neighborhoods, greater integration of low and moderate income residents and increasing housing opportunities and reinvestment in deteriorating neighborhoods, and;
- Expanding economic opportunities through job creation paying a self-sufficient wage to low- and moderate-income persons, homeownership opportunities and development of activities that promote long-term community viability.

If your organization is interested in improving or expanding the City's affordable housing stock, revitalizing

a particular neighborhood, including economic development, or providing needed public services, especially in coordination with other housing and/or revitalization activities, a CDBG project may be appropriate.

**Eligible Activities**

While federal legislation and regulations have established rules that all CDBG funded activities must meet, the City of Hampton has developed its own CDBG funding policies and priorities. The City of Hampton’s priorities are identified in the 2011 - 2015 Consolidated Plan for Housing and Community Development. A brief summary of the Consolidated Plan priorities are included below; however, the full document is available at all Hampton Public Libraries and on the web at [www.hampton.gov/neighborhoods](http://www.hampton.gov/neighborhoods).

**CDBG Program National Objectives**

As required by the federal regulations, the City must assure that all projects funded meet one of the three national objectives of the program. Activities that do not meet one of these three national objectives cannot be undertaken with CDBG funds. Each project must either:

1. Benefit low- and moderate-income persons;
2. Aid in the prevention of slums and blight; or,
3. Represent an urgent need.

*Benefit to Low and Moderate Income Persons*

For a project to meet the first national objective of benefiting low- to moderate-income persons it must either have income eligibility requirements that limit the benefits of that project to low- and moderate-income persons, or the project must be located in an area that is predominantly inhabited by residents who are persons of low- and moderate-income. Under the regulations of the CDBG program, facilities that serve the elderly or persons with disabilities are usually considered to benefit low- and moderate-income persons.

2011 HUD Income Limits (Hampton)

Family Size	30% of Median	Very Low	Low-Income
1	14,700	24,500	39,150
2	16,800	28,000	44,750
3	18,900	31,500	50,350
4	20,950	34,950	55,900
5	22,650	37,750	60,400
6	24,350	40,550	64,850
7	26,000	43,350	69,350
8+	27,700	46,150	73,800

For a project to meet the second national objective of removal of blight, it must be designed to address the conditions causing slums and blight. Generally, the City determines areas of slums and blight, though activities designed to remove a specific blighting condition can be considered.

#### *Urgent Need*

The use of the third national objective, urgent need, is extremely rare. It is designed only for activities that alleviate emergency conditions. Urgent need activities must meet the following criteria: (1) the existing condition must pose a serious and immediate threat to the health or welfare of the community; (2) the existing conditions are of recent origin or recently became urgent (generally within the last 18 months); (3) the recipient is unable to finance the activity on its own; and, (4) other sources of funding are not available.

#### **City of Hampton 2011-2015 Priority Needs**

In addition to meeting one of the national objectives, eligible activities are required to be consistent with the priorities identified in the City of Hampton's Consolidated Plan for Housing and Community Development. A copy of the City's 2011-2015 Consolidated Plan can be viewed at all Hampton Public Library locations and on the web at [www.hampton.gov/neighborhoods](http://www.hampton.gov/neighborhoods). An executive summary of the needs identified in the 2011-2015 Consolidated Plan are as follows:

The housing needs and strategies in Hampton have not changed substantively since the completion of the last Consolidated Plan. Adjustments that have been made since the completion of the last Consolidated Plan are due to an analysis of census data and lessons learned from the last five years of implementation.

#### *Priority Housing and Community Development Needs*

The City of Hampton is committed to allocating funds that serve the needs of the lowest-income and most disadvantaged residents. Households with incomes less than 80% of the area median income, particularly those with extremely low incomes (less than 30% of area median income), are particular priorities. The City has also identified special needs individuals as among those who face the greatest challenges and who should receive high priority in the expenditure of federal funds, including at-risk youth, low income families, the homeless and persons threatened with homelessness, the elderly, and persons with disabilities. Provision and maintenance of affordable housing, investment in community development activities in lower-income and deteriorating neighborhoods, investment in facilities that serve lower-income populations, and supportive services to maintain independence are the priority needs being addressed.

The City of Hampton's priority needs focus on improving the quality of existing stock for both renters and owners and enhancing the viability of the neighborhoods in which the housing is located as follows:

- *Priority Rehabilitation Needs* – The City of Hampton is built-out, with a limited number of remaining developable parcels. This fact necessitates that the City's housing strategy provide for the thoughtful use or reuse of existing development. Additionally the age, size and condition of existing housing stock increases the importance of renovation and reinvestment as a means to promote healthy neighborhoods and quality housing. There is a great need to rehabilitate or purchase, demolish and redevelop existing older, affordable units. Therefore, the units that are of a size and character that is attractive in the market should be rehabilitated and, if necessary, upgraded to current standards of size and amenities. Units for which rehabilitation would be an inefficient investment of resources should be purchased, demolished and replaced with units of quality and value that exceeds surrounding properties, in order to diversify the housing values in targeted neighborhoods. Low-income elderly households are a particular priority for rehabilitation assistance because their incomes are typically fixed, and job training investments are not a suitable strategy to increase their ability to afford market-rate housing

- *Priority Homeownership Needs* – The City has identified concentrated areas of renter-occupied housing, often comprised of single-family affordable housing stock that was once primarily owner-occupied. This trend, accelerated in recent years by effects of the larger economic downturn that has threatened the abilities for families to maintain ownership, impacts neighborhood stability. The City will create opportunities to make homeownership possible for qualified renters in order to benefit both renters and the stability of neighborhoods in which affordable housing stock is located.
- *Priority Distributing and Diversifying Housing Needs* – In order to maintain and increase the availability of decent, affordable housing, the City must create sustainable economic conditions that will invite investment. Neighborhoods are economically stable when the housing stock as a composite mirrors the average housing values in the region, allowing the area to attract private investment and become less dependent on scarce local government resources. Public investments need to focus on strategies that will encourage the private sector to participate in and sustain neighborhood revitalization. The City has prioritized diversifying the value of the housing stock in order to achieve mixed-income neighborhoods.

Additionally, based on shifting demographics and a growing demand for housing types other than the single-family detached homes that comprise more than half of the current stock, the City recognizes that changes in household composition will have a significant influence on the types of residential units that are needed to meet current and projected market demand and has placed a high priority on diversifying housing types to meet these new market demands.

- *Priority Upgrading and Expanding Affordable Stock for Rental Housing Needs* – By comparison to other jurisdictions in the Hampton Roads region, the City of Hampton has a large stock of reasonably priced rental housing. Many of these rental units are in outdated substandard structures, often concentrated in blighted areas. The area of greatest priority for rental housing is improving neighborhood viability, and upgrading and improving viable affordable rental projects. Affordable rental housing that is no longer economically viable should be demolished and the site redeveloped in a manner that brings about a mixed-income neighborhood. In all development and redevelopment, the City will strive to deconcentrate affordable and subsidized units while also pursuing homeowner initiatives as a means of stabilizing targeted neighborhoods.
- *Priority in Helping Lower-Income Rental Households Attain Economic Independence* – There is still a housing need among the lowest-income renters of all household types which the City plans to address by providing and facilitating supportive services. These services will include job training with the ultimate goal of helping very-low-income households achieve economic self-sufficiency, in addition to, a local network of other anti-poverty services.

#### *Priority Homeless Needs*

*The priority needs for the homeless in Hampton are emergency housing, transitional housing and support services to move homeless persons and families safely out of the cycle of homelessness and back into self-sufficiency.*

#### *Priority Non-Homeless Special Needs*

It is increasingly difficult for the City to fund non-homeless special needs projects due to the limited amount

of funding received annually to support housing and community development initiatives and the increasing amount of basic community needs resulting from current economic conditions. The City's current planned activities targeted to special need populations are Section 3 entrepreneurial and employment training for Section 8, public housing residents and hundreds of at-risk-youth who benefit from the City's investment in its neighborhood center programs.

*Priority Community Development Needs* – The City of Hampton is concerned with stabilizing and revitalizing its LMI neighborhoods. A neighborhood where the housing stock as a composite mirrors the average housing values of the region is economically stable and can attract private-sector investment. This arrangement is a sustainable one in which a neighborhood becomes less dependent on scarce local government resources. Over the next five years, the City of Hampton's non-housing development activities will include the following:

- Providing operational resources and technical assistance for neighborhood center programs,
- Supporting economic development activities in designated low and moderate income areas,
- Conducting neighborhood planned activities in low and moderate income areas, and
- Completing infrastructure improvements where most needed.

### **Funding Priorities**

Priority will be given to projects that:

- Have a high benefit to low- and moderate-income persons;
- Have a detailed plan for permanent funding;
- Require a one-time only infusion of funds;
- Are likely to achieve their objectives and be successful;
- Use other public and private sources to the greatest extent possible;
- Support or coordinate with other community development efforts;
- Are consistent with the Hampton Community Plan and/or adopted master plans;
- Document substantial neighborhood or public support;
- Present a reasonable, sound budget; and,
- Are to be implemented by organizations with a solid track record.

Funding is limited; therefore, these programs cannot be considered as on-going, multi-year funding sources. Applications submitted for funding should be either a one-time expenditure, such as a renovation project, or a new and needed service. For a new service, the funds should be used to test the effectiveness of the service; permanent funding should come from another source.

### **Ineligible Activities**

Certain types of projects are ineligible for assistance from the CDBG program. The following types of activities are generally ineligible:

1. Acquisition, construction or reconstruction of buildings for the general conduct of government.
2. Routine operation, maintenance, and repair activities for public facilities and services.
3. Political activities.
4. Any costs already incurred by an organization prior to receiving a signed agreement from the City.
5. Any activity that is not consistent with the goals and priorities identified in the City of Hampton's 2011-2015 Consolidated Plan for Housing and Community Development.

### **General Guidelines**

The Hampton Community Development Department's Housing and Neighborhood Services Division makes

funding recommendations to City Council regarding the CDBG and HOME programs. City Council, as part of the budget process, will then determine the final selection of projects to be funded with CDBG and HOME funds. Projects proposed during this application process will be funded in the City's next budget year, starting July 1, 2012. Due to HUD restrictions and clearances that must be obtained, we recommend that any proposed project start after September 1, 2012. Projects are not required to terminate at the end of the City's fiscal year and may be extended for a longer period of time.

### **Home Investment Partnership (HOME) Program**

The HOME Program, created by the National Affordable Housing Act of 1990, provides funds to state and local governments to support affordable housing initiatives. The intent of the HOME Program is to provide funds for the development and rehabilitation of affordable rental and ownership housing to low and moderate-income households, expand the capacity of nonprofit housing providers, strengthen the ability of state and local governments to provide housing, and leverage private sector participation. Activities funded under the HOME program must also be consistent with the priorities and strategies outlined in the City of Hampton's Consolidated Plan for Housing and Community Development (see 2011-2015 Priority Needs above). In addition, the HOME program regulations are very specific regarding the types of projects that can be undertaken with these funds as well as the record keeping requirements.

The City of Hampton contracts with the Hampton Redevelopment and Housing Authority for the implementation of HOME program activities. However, the HOME regulations require that localities receiving HOME funds set-aside a minimum of 15% of the funds for specific activities to be undertaken by a special type of nonprofit called a Community Housing Development Organization (CHDO). A CHDO is defined as a private non-profit, community-based service organization that has obtained or intends to obtain staff with the capacity to develop affordable housing for the community it serves. CHDO's receiving funding must act either as the owner, developer and/or sponsor of an affordable housing project. Applications for CHDO activities are accepted on an ongoing basis. To obtain additional information or to request an application packet, please contact Aaron Carter, Community Development Manager with the Hampton Redevelopment and Housing Authority at 727-1111 ext. 319.

**Fiscal Year 2013**  
**Community Development Block Grant • HOME Investment Partnerships Program**  

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**Application Guidelines**

1. Please complete a separate application for each project you are proposing. All questions in the application must be answered in a concise manner. If a question is not applicable to your project, do not leave it blank. Mark it as not applicable (N/A).
2. Applicants must complete all sections of the application.
3. To be eligible for funding as a non-profit, applicants must be incorporated as a non-profit under state law. Eligible non-profits must submit a copy of their most recent State Corporation Commission Filing and IRS Form 990, if also a 501 (c)(3) organization. A copy of the organization's bylaws and articles of incorporation also should also be attached.
4. One original of each application (including all attachments) must be submitted by **4:30 p.m. on Tuesday, January 31, 2012** to:

Community Development Department  
Housing & Neighborhood Services Division  
c/o Amanda Olwig  
22 Lincoln Street, 5<sup>th</sup> floor  
Hampton, Virginia 23669

NOTE: If you are an individual seeking assistance with rehabilitation to a privately owned residence, please contact Sid Alvarado, Housing Program Specialist, with the Hampton Housing and Redevelopment Authority at 757-727-1111 ext. 314.





4. Describe the organization's experience including staffing, prior experience in carrying out projects and financial capacity (attach resumes if appropriate).

## **Section II. Project Goals**

1. State the goals of the project and how the goals can be measured (impact of the project on the issue being addressed):

2. If your project is funded this year and is an on-going or multi-phased activity, explain how you anticipate supporting the project in the future.

### Section III. Project Beneficiaries

1. Please identify the primary beneficiaries this project will serve if approved. Please check all the appropriate categories below.
- a) Low and moderate income community
  - b) Individuals with disabilities
  - c) Elderly individuals
  - d) Homeless individuals
  - e) At-risk children and youth
- Please specify type of risk \_\_\_\_\_
- f) Others (identify) \_\_\_\_\_
2. If serving primarily the elderly, disabled, homeless and/or at-risk children and youth, what percentage of those served will fall into each category? \_\_\_\_\_
3. Estimate the total number of minority persons to be served by this project \_\_\_\_\_
- What percentage falls into each of the following categories? African American \_\_\_\_\_
- American Indian/Alaskan Native \_\_\_\_\_ Asian/Pacific Islander \_\_\_\_\_ Other \_\_\_\_\_
- Hispanic \_\_\_\_\_

### Section IV. Previous Project Implementation

- a) Has your organization carried out this project before, or attempted it before?
- Yes  No
- If yes, please answer the following questions. If you do not have specific information, please provide estimates.
- b) When was the project previously attempted? \_\_\_\_\_
- c) How was it funded? \_\_\_\_\_
- d) Is the project still going on?  Yes  No
- e) Total number of persons served since the project began \_\_\_\_\_
- f) Total number of low and moderate income persons or households served since the project began \_\_\_\_\_
- g) Total number of minority persons served since the project began \_\_\_\_\_

**Section V. Other Funding Sources**

a) Has your organization applied for funding from other sources for this project?  Yes  No

b) If yes, who have you applied to?

Organization/Program Name	Approved	Pending	Denied
_____	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
_____	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
_____	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
_____	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
_____	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

c) If no, why has your organization not applied for other funding? \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**Section VI. Budget and Budget Narrative**

Please complete an operating budget for each activity and describe the budget in narrative form. The budget and budget narrative should give a total picture of your project and the resources available to it. All related costs must be covered in the budget. The applicant may not be aware of all the costs associated with the budget, but should estimate all costs to the best of their ability. The applicant is required to identify the source of funding for each line item. The budget narrative provides a brief explanation of each line item. The value and type of any in-kind contributions should be thoroughly explained. It is important that your budget figures clearly relate to what is proposed in the project description.

**P R O P O S E D   B U D G E T**

		<b>Funding Sources</b>			<b>Budget Narrative</b>
<b>Budget Item</b>	<b>CDBG (A)</b>	<b>Other Sources (B)</b>	<b>Specify Source (State, City, Federal, Private Donations, etc.)</b>	<b>Explanation of Budget Items</b>	
<b>TOTALS:</b>					
	(Will be the same as indicated on page 1 of the application.)				