

## COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM

### APPLICATION INSTRUCTIONS FISCAL YEAR 2019 (JULY 1, 2018 TO JUNE 30, 2019)

#### Introduction

The City of Hampton is currently accepting applications for funding from the Community Development Block Grant (CDBG) program. The deadline for submitting Fiscal Year 2017 applications is **Tuesday, February 27, 2018 by 4:30 pm.**

Completed applications should be submitted to:  
Hampton Community Development Department  
Housing and Neighborhood Services Division, 5<sup>th</sup> Floor  
Attn: Arkeisha Whitley  
22 Lincoln Street  
Hampton, Virginia 23669

**Please Note: Late Applications will not be accepted.  
Separate applications must be submitted for each project.  
All other applications are obsolete.**

#### 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 condition of housing stock. The program is funded by the Department of Housing and Urban Development (HUD). The City received \$1,140,773 million in fiscal year 2018. The amount of funding for fiscal year 2019 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 Comprehensive Plan, the Strategic Plan and neighborhood plans) as well as, the Hampton Neighborhood Initiative. In turn, the Consolidated Plan must be consistent with other city plans and initiatives, and is adopted as a part of the City's Comprehensive 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 2015 - 2020 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.

2016 HUD Income Limits (Hampton)

Family Size	Extremely Low (30%)	Very Low (50%)	Low-Income (80%)
1	14,850	24,700	39,500
2	16,950	28,200	45,150
3	20,160	31,750	50,800
4	24,300	35,250	56,400
5	28,440	38,100	60,950
6	32,580	40,900	65,450
7	36,730	43,750	69,950
8+	40,890	46,550	74,450

### *Removal of Slums and Blight*

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 2015-2020 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 2015-2020 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 2015-2020 Consolidated Plan are as follows:

The housing needs and strategies in Hampton have not changed substantially since the completion of the last Consolidated Plan. An amendment to the City's priorities on the Safe and Clean initiative can be viewed at [www.hampton.gov/neighborhoods](http://www.hampton.gov/neighborhoods). Other 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.
- Implementing the Safe and Clean Initiative - The Safe and Clean Campaign is a door-to-door effort to build relationships with the community and to improve safety and the quality of life in Hampton.

**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.
- Implement the Safe and Clean Initiative.

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 for 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 2015-2020 Consolidated Plan for Housing and Community Development.

### **General Guidelines**

The Housing and Neighborhood Services Division makes funding recommendations to City Council regarding the CDBG program. City Council, as part of the budget process, will then determine the final selection of projects to be funded with CDBG funds. Projects proposed during this application process will be funded in the City's next budget year, starting July 1, 2018. Due to HUD restrictions and clearances that must be obtained, we recommend that any proposed project start after September 1, 2018. Projects are not required to terminate the City's fiscal year end and may be extended for a longer period of time.

## **Fiscal Year 2019 Community Development Block Grant Application Guidelines**

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1. Please complete a separate application for each project you are proposing. A detailed list of instructions is provided on the following page to assist in filling out the CDBG application. 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 must also be attached.
4. One original of each application (including all attachments) must be submitted by **4:30 p.m. on Tuesday, February 27, 2018** to:

Community Development Department  
Housing & Neighborhood Services Division  
Attn: Arkeisha Whitley  
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 Sherri Payton with the Hampton Housing and Redevelopment Authority at 757-727-1521 ext. 303.

**Section I – Agency Information:** Enter the information as it relates to the organization requesting funding. Please include both the Employer Federal I.D. Number and the agency's D-U-N-S Number. If you do not have a D-U-N-S Number available, please visit <http://fedgov.dnb.com/webform>.

**Section II – Project Information:** Enter the name and location of the project. A map of the City of Hampton Census tracts portraying low-moderate income areas as designated by the 2009 HUD LMI estimates can be found in the 2015-2020 Consolidated Plan for Housing & Community Development which can be viewed at all Hampton public libraries, the Community Development Department – 5<sup>th</sup> floor of City Hall, or at [www.hampton.gov/neighborhoods](http://www.hampton.gov/neighborhoods).

**Section III – Project Funding:** Enter the amount of funds being requested and all other sources of funding being leveraged for this specific program including any local, state, or private sources. Identify any program income to be generated during the program year.

**Section IV – CDBG Eligibility:** This section should only be used by applicants applying for funding under the CDBG program. Select the appropriate activity category as defined below:

*Public Service:* Includes, but is not limited to programs concerned with employment, crime prevention, health, education, fair housing counseling, energy conservation, rental assistance, or recreational needs.

*Planning and Administration:* Limited to costs associated with administration of approved CDBG activities.

*Project:* Housing or infrastructure related activities. These activities may include, but are not limited to those associated with acquisition, demolition, relocation, and rehabilitation.

*Population to be Served:* Select the appropriate population to be served by the proposed program or project. The options include: Youth, Elderly, Special Needs, Homeless, or other.

*National Objective:* Select the appropriate National Objective being met by this program or project. In order for your application to be considered as benefiting low-or moderate-income persons, an activity must fall into one of the categories listed in this section.

*Represent Urgent Need:* An activity enabling prompt response to existing serious and immediate threats to local health and safety. A current declaration of an emergency by the governor of Virginia in relation to a natural disaster or a current declaration of an immediate and severe health threat by the state Commissioner of Health is required. Projects must benefit low-moderate income persons and support long-term recovery.

*L/M Area Benefit:* An activity that benefits are available to all residents in a particular area where at least 51 percent of the residents are low-or moderate-income persons.

*L/M Limited Clientele:* An activity which benefits a limited clientele, where each person benefited is confirmed to be a low- or moderate-income person. Income verification is required.

*L/M Housing:* An eligible activity providing or improving permanent residential structures which, upon completion, 51 percent or more will be occupied by low- and moderate- income households.

*L/M Jobs:* An activity designed to create or retain permanent jobs where at least 51 percent of the jobs created on a full time equivalent basis employ low- and moderate-income persons. One L/M job must be created per \$35,000 of CDBG.

*Slum/Blight:* The project will prevent or eliminate specific conditions of blight or physical decay.

**Section V – Required Documents Checklist:** This section identifies the additional required documentation. Select the appropriate response for each document listed.

**Section VI – Agency Narrative and Project Description:** This section is designed to provide a summary of the applicant's ability to successfully undertake the proposed project and a complete description of the project to be undertaken.

**Section VII.A. – FY 2019 CDBG Program Budget**

This section is designed to provide a complete description of associated costs, and resources available for program/project implementation.

Provided below is a brief example of acceptable charges under each category.

CDBG Program Description

*Personnel* - Costs related to salaries and fringe benefits for program staff and leveraged dollar amounts that will be used towards the CDBG program.

*Client Services* - Includes, but is not limited to, office supplies, postage and other supplies directly related to client services and programs.

*Operating Costs* - Includes, but is not limited to, rent, waste removal, utilities, printing, etc.

*Project Costs* - Cost related to **ONLY** construction rehabilitation, off-site expenses, etc.

**Section VII.B. – FY 2019 CDBG Program Budget Description.**

After the budget form, provide personnel involvement, calculate costs per household served and a leveraged funds description budget explanation for use of program funds in the designated area.

1. Personnel Involvement for CDBG Programs: Provide personnel titles with status, time devoted to the program, if the position is new or exiting, and a brief summary of the program responsibilities.
2. Calculate total costs per household and individuals: Take the total of program costs provided your program budget divided by the number of households and individuals to be served.
3. Leveraged funds and/or matching funds description: Provide a description of leveraged funds that will be utilized for the CDBG Program.
4. Cost Reasonableness: Provide a narrative justifying the reasonableness of the application requested amount.

**Section VIII – for CDBG Results of Prior Year Projects.** Each applicant has an individual page to report, if applicable. If applicant received prior year funds, please provide a description for prior year funded programs with the following:

- Check the appropriate funding year and funding source. Indicate the outcomes achieved and explain if any outcomes were not achieved with the funds awarded.
- Each program funded should include a new results sheet.



**Section IX – Applicant Sustainability.**

Provide a description of agency's sustainability plans.

**Section X – Statement of Applicant:** This statement outlines key conditions relative to the submission of the application. It must be signed by a person with appropriate authority and attached to the application.