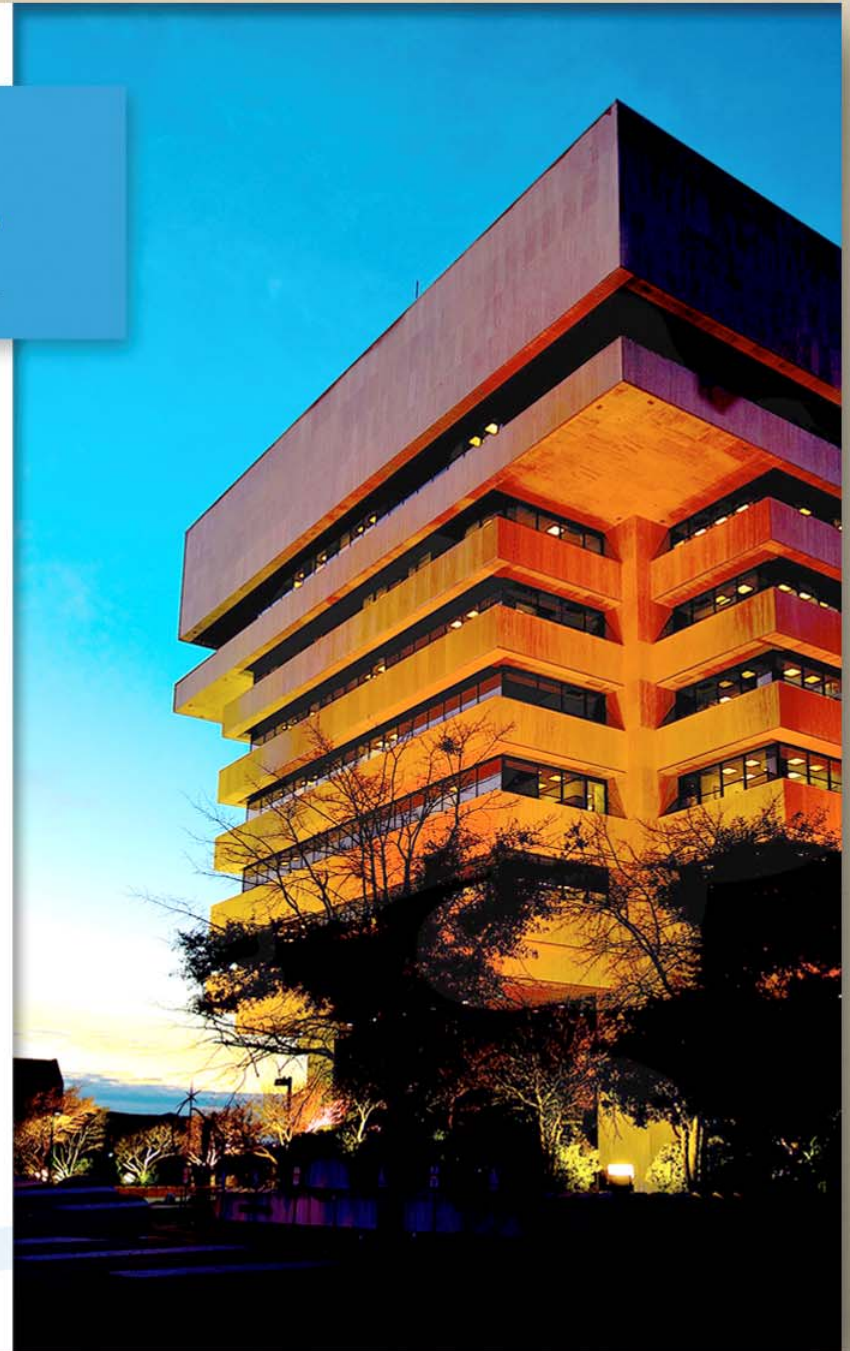


HAMPTON VA

Department of Housing &
Urban Development

Potential CDBG/HOME Entitlement Grant Budget Impact

March 22, 2017



Current HUD Proposal

- Current proposal for significant cuts to HUD's budget (13% Overall = \$6 Billion)
- Initial proposals would eliminate CDBG/HOME (\$3 Billion, nationally)
- If passed, a significant & lasting impact to neighborhood revitalization, particularly in low to moderate income neighborhoods

Overall Annual HUD Allocation Scenarios

	CDBG	HOME
Scenario 1 100% Funding	\$ 1,289,801	\$542,800
Scenario 2 75% Funding	\$ 967,351	\$407,100
Scenario 3 50% Funding	\$ 483,675	\$203,550
Scenario 4 25% Funding	\$120,919	\$50,888
Scenario 5 0% Funding	\$ -	\$-

CDBG/HOME Activity Budget Limits

Service <i>(Department / Fund)</i>	% Limit <i>(Allocation + Income)</i>
Housing Services <i>(HRHA / CDBG)</i>	25% Max
Grant Administration & Planning <i>(CDD / CDBG)</i>	20% Max
Public Service <i>(PRLS / CDBG)</i>	15% Max
Community Housing Development Organization <i>(CHDO: Habitat For Humanity / HOME)</i>	15% Min
Rental Inspection/Enforcement <i>(CDD / CDBG)</i>	No Max

HRHA / CHDO* Impacts

	Housing Services Funding [HRHA] (Max 15% of CDBG)	Housing Services Staff [HRHA]	CHDO Budget (Min. %15 HOME)
Scenario 1 100% Funding	\$ 238,389	4	\$ 55,000
Scenario 2 75% Funding	\$ 178,792	3	\$ 41,250
Scenario 3 50% Funding	\$ 89,396	1.5	\$ 20,625
Scenario 4 25% Funding	\$ 22,349	0	\$ 5,156
Scenario 5 0% Funding	\$ -	0	\$ -

*CHDO = Community Housing Development Organization

HRHA / CHDO* Impacts

	<i>Properties & Houses Impacted</i>	<i>Education & Counseling Participants</i>	<i>CHDO New Construction (Habitat)</i>
Scenario 1 100% Funding	41	179	4
Scenario 2 75% Funding	15	150	3
Scenario 3 50% Funding	13	0	1
Scenario 4 25% Funding	0	0	1
Scenario 5 0% Funding	0	0	0

*CHDO = Community Housing Development Organization

Parks & Rec & Property Maintenance Impacts

	PRLS CDBG Funding (Max 15% of CDBG)	PRLS CDBG Staff	CDD PMZE CDBG Funding (Unrestricted)	Rental Inspectors
Scenario 1 100% Funding	\$ 144,840	2	\$ 232,000	4
Scenario 2 75% Funding	\$ 108,630	1	\$ 174,000	3
Scenario 3 50% Funding	\$ 54,315	1	\$ 87,000	2
Scenario 4 25% Funding	\$ 13,579	0	\$ 21,750	0
Scenario 5 0% Funding	\$ -	0	\$ -	0

Parks & Rec / Property Maintenance Impacts

	Newtown / Little England Participants	YH Thomas Participants	Rental Inspection Areas	Rental Inspections
Scenario 1 100% Funding	4000	20,000	8	1200
Scenario 2 75% Funding	0	20,000	8	1000
Scenario 3 50% Funding	0	20,000	5	750
Scenario 4 25% Funding	0	0	0	0
Scenario 5 0% Funding	0	0	0	0

CDD Housing & Neighborhoods Impacts

	HNS CDBG Funding (Max 20% of CDBG)	CDBG Grant Administration & Planning Staff	City Funded HNS Staff
Scenario 1 100% Funding	\$ 252,005	3	5
Scenario 2 75% Funding	\$ 189,004	3	5
Scenario 3 50% Funding	\$ 94,502	2	5
Scenario 4 25% Funding	\$ 23,625	0.25	5
Scenario 5 0% Funding	\$ -	0	5

CDD Housing & Neighborhoods Impacts

	<i>Low-Mod Income Neighborhood Districts</i>	<i>Homes Improved (Curb Appeal / Blitz)</i>	<i>Customers Engaged</i>
Scenario 1 100% Funding	6	100	6,100
Scenario 2 75% Funding	6	100	6,100
Scenario 3 50% Funding	4	80	4,550
Scenario 4 25% Funding	3	50	4,050
Scenario 5 0% Funding	3	35	3,050

Total Annual Service Impact

	<u>Total Properties</u> <i>Improved/Cleared/ Inspected/Redeveloped</i>	<u>Total Customers</u> <i>Engaged/Trained/ Participated</i>	<u>CDBG/HOME</u> <u>Positions</u>
Scenario 1 100% Funding	1345	30,279	13
Scenario 2 75% Funding	1118	26,250	10
Scenario 3 50% Funding	845	24,550	6.5
Scenario 4 25% Funding	51	4,050	.25
Scenario 5 0% Funding	35	3,050	0

OMB Proposed Budget Impact

- **Elimination of CDBG/HOME funding**
 - Elimination of almost all **Affordable Housing** development, **Homeownership** programs, **Housing Counseling, & Neighborhood Revitalization** initiatives
 - Elimination of dedicated funding for **CHDO's (Habitat)**
 - Elimination of **Fair Housing** training & coordination
 - Reprioritization of inspections between **Rental Inspection & Property Maintenance Enforcement**

OMB Proposed Budget Impact

- **Elimination of CDBG/HOME funding**
 - Explore change in leadership and volunteer support at **Neighborhood Centers**
 - Reduction of 40-50% in **Neighborhood Engagement, Curb Appeal Grant** management, **Home Repair Blitz** events, & **Community Civic Education** activities

Next Steps

- **City is not poised to pick up significant cuts**
 - Approx. \$650,000 in total personnel costs to City/HRHA
- **Work with regional agencies to coordinate with legislative contacts & increase awareness**
 - *Hpt. Roads Housing Consortium*
 - *Hpt. Roads Community Housing Resources Board*
 - *Virginia Housing Alliance – Federal Housing Day*
- **Explore other potential alternative resources along with state & outside agencies**
- **Expected budget impact as early as Oct 2017**