

# **HOME-American Rescue Plan (ARP)**

## *ALLOCATION PLAN*

City of Hampton, VA

March 8, 2023

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## Executive Summary

In 2021, Congress appropriated \$5 billion in ARP funds to be administered through HOME Investment Partnerships (HOME) program to address the need for homelessness assistance and supportive services within communities. The City of Hampton was allocated \$1,954,965 in HOME-ARP funds to support eligible activities for qualifying populations. In order to expend HOME-ARP funds, the City must develop and submit an Allocation Plan to HUD for review and approval. The approved Allocation Plan will become a substantial amendment to the City's PY 2021-2022 Annual Action Plan.

During the formulation of the Allocation Plan, the City consulted with Continuum of Care (CoC) and non-CoC organizations serving Hampton and the Peninsula of Hampton Roads. A virtual consultation was held on January 17, 2022 soliciting feedback regarding the prioritization of both eligible activities and qualifying populations.

In order of priority, the following eligible activities were identified:

- (1) Creation of Affordable Housing,
- (2) Expanding McKinney-Vento and homelessness prevention related supportive services,
- (3) Improving landlord-tenant relations that increase housing accessibility.

The City identified the following preferences to serve qualifying populations - in order of priority:

- (1) Homeless,
- (2) At-risk of homelessness,
- (3) Family homelessness and those at greatest risk of homelessness, and
- (4) Households fleeing/attempting to flee violence.

The needs assessment and gap analysis uncovered the following:

- Between 2012 and 2022, the number of people receiving homeless assistance in Hampton grew from 645 in 2012 to 1,158 in 2021-22, which is an increase of 44%.
- The number of households without children (single adults) increased significantly over the past ten years, from 58% in 2012 to 88% in 2021-22, while families with children reduced by 26% over the same period.
- According to data from the Housing Crisis Hotline, the number of callers who claimed to be at imminent risk of homelessness (within 2 weeks) ranged between 12% – 18% of total calls placed in the past two years.

- Non-profit organizations shared they are experiencing a greater difficulty in finding housing units available that are affordable, safe, and sanitary.
- Non-profits and local authorities working to create affordable housing units are faced with increased challenges due to rising housing values, increased market demand, and increased cost of materials/labor.
- Stakeholders managing housing vouchers expressed the greatest challenges are in finding units and in staff capacity to provide supportive services as demands for service have outpaced organizational growth.

To address the needs identified in this planning process, the City of Hampton will direct HOME-ARP funds towards (1) the development and support of affordable housing; (2) supportive services targeting homelessness, food supplementation and rental assistance; and (3) non-profit operational costs related to implementation of HOME-ARP initiatives. To effectively distribute the funds, the City of Hampton will seek applications from service providers whose mission aligns with the above eligible activities the City wishes to pursue.

## Introduction

The City of Hampton was allocated \$1,954,965 in HOME-American Rescue Plan (HOME-ARP) funds to support eligible activities for qualifying populations. In order to expend HOME-ARP funds, the City must develop and submit an Allocation Plan to the U.S. Department of Housing and Urban Development (HUD) for review and approval. The approved Allocation Plan will become a substantial amendment to the City's PY 2021-2022 Annual Action Plan.

The following entities are responsible for preparing the Allocation Plan and responsible for administering the HOME-ARP funding.

Table 1 - Responsible Agencies

Agency Role	Agency Name	Department
HOME-ARP Recipient	City of Hampton	Community Development
HOME-ARP Administrator	City of Hampton	Community Development

## HOME-ARP Eligible Activities and Qualifying Populations

HUD's Notice CPD-2 1-10 details the requirements for the use of funds in the HOME-ARP program. The City of Hampton is one of 651 jurisdictions awarded funding to support activities that primarily benefit qualifying individuals or families who are homeless, at risk of homelessness, or in other vulnerable populations. HUD Notice CPD-21-10 describes the four (4) eligible activities along with the qualifying populations (individuals or families) that are able to benefit from the funding.

The four (4) eligible activities are:

1. Development and support of affordable housing;
2. Tenant-based rental assistance (TBRA);
3. Provision of supportive services; and
4. Acquisition and development of non-congregate shelter units.

Qualifying individuals or families as those that are:

1. Homeless, as defined in section 103(a) of the McKinney-Vento Homeless Assistance Act, as amended (42 U.S.C. 11302(a)) (McKinney-Vento");
2. At risk of homelessness, as defined in section 401 of McKinney-Vento;
3. Fleeing, or attempting to flee domestic violence, dating violence, sexual assault, stalking, or human trafficking;

4. Part of other populations where providing supportive services or assistance would prevent a family's homelessness or would serve those with the greatest risk of housing instability; or
5. Veterans and families that include a veteran family member that meet the criteria in one of (1)-(4) above.

## The Consultation Process

*In the development of its allocation plan, a PJ must consult with the CoC(s) serving the jurisdiction's geographic area, homeless and domestic violence service providers, veterans' groups, public housing agencies (PHAs), public agencies that address the needs of the qualifying populations, and public or private organizations that address fair housing, civil rights, and the needs of persons with disabilities, at a minimum. Local PJs must consult with all PHAs (including statewide or regional PHAs) and CoCs serving the jurisdiction.*

### Summarize the consultation process:

The City of Hampton convened a meeting with core service providers in Hampton in November 2022 to discuss the HOME-ARP funding requirements and potential needs and trends in services across the Peninsula. This planning team included representatives from the following agencies:

1. Hampton Department of Human Services
2. Hampton Redevelopment & Housing Authority
3. The United Way of the Virginia Peninsula
4. The Planning Council
5. HELP, Inc (Hampton Ecumenical Lodgings and Provisions, Inc.)

Understanding that HOME-ARP funds had to be utilized for "qualifying populations," given the activities deemed eligible by HUD, the overall goal was to target activities that would favorably impact homelessness and the prevention of homelessness in the community. The planning team assisted in compiling population data for the Allocation Plan, identifying agencies to consult in the planning process, and recommending preferences for funding.

The initial areas of concern were gaps in supportive services to prevent homelessness, limited access to housing crisis support, limited availability of housing in areas of opportunity, and increased need for eviction diversion and prevention.

The City of Hampton and the planning team identified agencies and non-profit organizations whose mission aligns with the activities deemed eligible by HUD for HOME-ARP funding. The organizations contacted were:

1. Hampton Department of Human Services
2. Hampton Redevelopment & Housing Authority

3. Greater Virginia Peninsula Homelessness Consortium (CoC)
4. The Planning Council
5. Housing Development Corporation of Hampton Roads
6. HELP
7. United Way of the Virginia Peninsula
8. Virginia Supportive Services
9. Hampton-Newport News Community Services Board

Each non-profit organization received a questionnaire and was asked a series of questions to determine how they would prioritize opportunities to support efforts through the HOME-ARP funding.

A 21-day comment period was advertised on January 5, 2023. All comments were due no later than 5:00 p.m. on January 26, 2023.

A virtual Public Meeting was held via Zoom on Tuesday, January 17, 2023. The purpose of the meeting was to obtain feedback from service providers targeting “qualifying populations” their thoughts on how to best utilize HOME-ARP funds for eligible activities. Invitees included the nine (9) organizations listed above along with 39 member organizations that make up the Greater Virginia Peninsula Homelessness Consortium (GVPHC).

The City staff shared information with participants that included the following: (1) Overview of Hampton’s HUD Entitlement Programs, (2) HOME-ARP overview, (3) eligible activities, (4) qualifying populations, (5) a discussion with participants on HOME-ARP initiatives they deemed most important, and (6) next steps going forward.

Twenty individuals registered to attend the virtual Public Meeting, of the 20 registered, 14 participants attended the virtual meeting.

The participants discussed the need for additional units in areas of opportunity across the Peninsula and a concern around preventing/mitigating the impacts of homelessness as the highest priorities.

#### [Top Eligible Activities](#)

1. Development and support of affordable rental housing
2. Preventative and supportive services

Top Qualifying Populations

1. Homeless
2. At-risk of homelessness

The City of Hampton will submit the Home-ARP Allocation Plan to the U.S. Department of Housing & Urban Development (HUD), which will be an amendment to our PY2021 Annual Action Plan.

List the organizations consulted, and summarize the feedback received from these entities.

Agency/Org Consulted	Agency/Org Description	Method of Consultation	Summary of Feedback
Greater Virginia Peninsula Homelessness Consortium (CoC)	GVPHC is a regional body comprised of six separate political jurisdictions working to prevent homelessness in the peninsula area of Hampton Roads	Planning Team & Contributor of the Needs Assessment and Gap Analysis	Provided detailed summary of the qualified populations and the CoC's efforts to address homelessness and assist those in need of shelter.
Hampton Department of Human Services	The City of Hampton's primary division responsible for coordinating services to prevent and address homelessness.	Online Survey, Consultation Meeting, and Planning Team	Two greatest challenges facing services is a lack of affordable units and limited staffing to support unique client needs. Staffing limitations create a lack of access when it is needed most. Solutions need to avoid creating too many steps to go through to get residents the urgent assistance needed.
Hampton Redevelopment & Housing Authority	Public Authority providing low income housing opportunities and certified housing counseling services	Online Survey, Consultation Meeting, and Planning Team	Residents face a need for increases in rental subsidy standards for units to address a lack of quality affordable housing units.
United Way of the Virginia Peninsula	Collective Impact Agency bringing our community together to create Pathways out of Poverty, including addressing housing insecurity for ALICE households.	Online Survey, Consultation Meeting, and Planning Team	Service organizations need additional staff capacity and more flexible financial resources for clients. Residents are in need of expanded assistance to be able to afford paying barrier bills. There is a lack of financial assistance for household 30%-80% AMI
Bacon Street Youth & Family Services	Youth and families struggling with substance use disorders	Online Survey and Consultation Meeting	Not having enough resources/housing opportunities.

Agency/Org Consulted	Agency/Org Description	Method of Consultation	Summary of Feedback
Hampton-Newport News CSB	HNNCSB is a non-profit extension of the locality to provide behavioral health services to the residents	Online Survey and Planning Team	The greatest needs for qualified populations are affordable housing and sufficient rental subsidies. The majority of people we are serving are at or below 14% AMI. Many people we serve are homeless but also have criminal histories due to their mental illnesses. Funds are needed to prevent evictions, support related services, housing stabilization services and staff.
HELP	HELP is the main service provider for Hampton's homeless population, providing thermal and emergency shelter, day support services, comprehensive case management services, food pantry, and low-cost dental services.	Online Survey, Consultation Meeting, and Planning Team	There is a need for additional case managers that meet with homeless in the streets, day centers or thermal sheltering sites. Additionally, needs exist for expanded services designed for the long-term street homeless/chronic homeless including rental assistance for such customers. Once housed, intensive case management that assist with turning on mainstream benefits to include SSI or SSA-DI applications. Access to on-site services--clients have to go to too many different places to receive the myriad of services needed to stabilize their situations.
Housing Development Corporation of Hampton Roads (HDCofHR)	Non-Profit: Acquisition and rehab of housing to rent to low-income individuals and families, the homeless and the disabled	Online Survey	Clients are facing an inability to meet increases in rent and find affordable housing units. Need additional funding to acquire and rehab units due to higher costs from market impacts and material cost increases.
Virginia Supportive Housing	PSH for chronically homeless single adults.	Online Survey	Fair Market Rent Standards aren't aligning with the current rate of rent. Residents are in need for affordable rent opportunities and long-term housing assistance.
The Ezer Initiative	Serve the residence of Hampton in Newport news by way of our food pantry, large annual outreach, events, emergency, service, provision, and various housing programs.	Online Survey	Residents face reduced ability to direct lease due to prior judgments and poor rental history. Most housing that meets fair market rent rates are in less than favorable neighborhoods. Landlords and property manager are willing to rent to vulnerable populations. There is greater need for ongoing person-centered, case management, and supportive services due to high caseloads and few case managers.
Four Oaks Day Center / NN DHS	One-stop service center supporting and connecting those experiencing homeless to comprehensive community services	Online Survey	Not enough affordable housing that is acceptable i.e. not sharing a room with someone for \$750 per month

## Public Participation

*Participating jurisdictions (PJs) must provide for and encourage citizen participation in the development of the HOME-ARP allocation plan. Before submission of the plan, PJs must provide residents with reasonable notice and an opportunity to comment on the proposed HOME-ARP allocation plan of no less than 15 calendar days. The PJ must follow its adopted requirements for “reasonable notice and an opportunity to comment” for plan amendments in its current citizen participation plan. In addition, PJs must hold at least one public hearing during the development of the HOME-ARP allocation plan and prior to submission.*

*For the purposes of HOME-ARP, PJs are required to make the following information available to the public:*

- *The amount of HOME-ARP the PJ will receive,*
- *The range of activities the PJ may undertake.*

*Describe the public participation process, including information about and the dates of the public comment period and public hearing(s) held during the development of the plan:*

### Public Meeting (Virtual)

Public comment period: January 5, 2023 to January 20, 2023

Public meeting: January 17, 2023 – Virtual Stakeholder Consultation

The purpose of the public meeting (virtual) was to provide an overview of HOME-ARP funding. A presentation was prepared and highlighted the following:

- Overview of City of Hampton HUD Entitlement Programs
- Overview of HOME-ARP and its purpose
- The amount of funding received by the City of Hampton (VA)
- The four (4) eligible activities able to utilize HOME-ARP funding
- The five (5) qualifying populations able to benefit from HOME-ARP funding
- A timetable of detail next steps
- Participants were asked to provide insights on critical needs and gaps in services

### Public Hearing:

Public comment period: February 5, 2023 to March 8, 2023

Public meeting: March 8<sup>th</sup>, 2023 – City Council Legislative Session Public Hearing

The purpose of the public hearing was to brief the local elected officials and obtain final comments of HOME-ARP funding. A presentation was prepared and highlighted the following:

- Overview of City of Hampton HUD Entitlement Programs

- Overview of HOME-ARP and its purpose
- The amount of funding received by the City of Hampton (VA)
- The four (4) eligible activities able to utilize HOME-ARP funding
- The five (5) qualifying populations able to benefit from HOME-ARP funding
- A timetable of detail next steps
- A summary of comments received thus far
- Final public comment will be accepted at the meeting

**Describe any efforts to broaden public participation:**

Virtual presentation participants were encouraged to share the presentation with other non-profit organizations either unaware or unable to attend. Draft plan documents were placed at the libraries and in City Hall for public review and comment.

*A PJ must consider any comments or views of residents received in writing, or orally at a public hearing, when preparing the HOME-ARP allocation plan.*

**Summarize the comments and recommendations received through the public participation process:**

**TBD**

**Summarize any comments or recommendations not accepted and state the reasons why:**

All comments were accepted.

## Needs Assessment and Gaps Analysis

*PJs must evaluate the size and demographic composition of qualifying populations within its boundaries and assess the unmet needs of those populations. In addition, a PJ must identify any gaps within its current shelter and housing inventory as well as the service delivery system. A PJ should use current data, including point in time count, housing inventory count, or other data available through CoCs, and consultations with service providers to quantify the individuals and families in the qualifying populations and their need for additional housing, shelter, or services. The PJ may use the optional tables provided below and/or attach additional data tables to this template.*

### OPTIONAL Homeless Needs Inventory and Gap Analysis Table

Homeless													
	Current Inventory					Homeless Population				Gap Analysis			
	Family		Adults Only		Vets	Family HH (at least 1 child)	Adult HH (w/o child)	Vets	Victims of DV	Family		Adults Only	
	# of Beds	# of Units	# of Beds	# of Units	# of Beds					# of Beds	# of Units	# of Beds	# of Units
Emergency Shelter	39	11	20	20	0								
Transitional Housing	22	6	2	2	0								
Permanent Supportive Housing	7	3	127	127	586								
Other Permanent Housing	36	9	15	15	1								
Sheltered Homeless						51	83	10	17				
Unsheltered Homeless						0	8	0	0				
<b>Current Gap</b>										250	75	#	#

**Suggested Data Sources:** 1. Point in Time Count (PIT); 2. Continuum of Care Housing Inventory Count (HIC); 3. Consultation

While Hampton hosts 104 beds for families, a total of 281 persons in 89 families went through the Coordinated Entry system, indicating a much bigger need for both family beds and units. Rapid Rehousing programs, followed by Permanent Supportive Housing, are the critical needs to stabilize these family households.

For single adults, 733 were served in homeless programs in 2021-22. 185 went through the Coordinated Entry System and many are still on waiting lists for Rapid Rehousing and Permanent Supportive Housing. The total bed count of 164 severely falls short of the real need for single adults experiencing homelessness.

*Describe the size and demographic composition of qualifying populations within the PJ's boundaries:*

*Homeless as defined in 24 CFR 91.5*

Based on annual data from the Homeless Management for Hampton, between 2012 and 2022, the number of people receiving homeless assistance in Hampton grew from 645 in 2012 to 1,158 in 2021-22, which is an increase of 44%. Part of this increase may be due to improved outreach and identification of persons experiencing homelessness. However, national estimates report that homelessness steadily decreased overall by 7% from 2012 to 2020 (latest data available). Further, in 2022, the average rent for a 1-Bedroom unit in Hampton rose by 9% from the previous year, putting more households at risk of homelessness.

The number of households without children (single adults) increased significantly over the past ten years, from 58% in 2012 to 88% in 2021-22, while families with children reduced by 26% over the same period. By comparison, nationally, the number of homeless single adults increased by 7% and households with children decreased by 28%.

Hampton, as part of the Greater Virginia Peninsula Homelessness Consortium, is required to work within a Coordinated Entry System with all other homeless service providers, utilizing a standard assessment tool to prioritize the most vulnerable households to match to appropriate housing and service options. In 2022, 185 single adults and 83 families were assessed through CES and either matched to housing or are on a waiting list currently. 43% are female and 57% are male. 42 single adults and 9 families are veterans. While the total of single adults held steady from the previous year, families more than doubled from the 40 in 2021 to 83 in 2022.

Homeless children under age 18 and adults between 35-54 have been the largest age groups experiencing homelessness over the past ten years. However, the number of homeless persons over age 55 continues to make up a larger share of the homeless population nationwide as well as in Hampton. A recent report from the National Alliance to End Homelessness notes that fixed incomes, rising housing costs and job loss due to the Great Recession and the COVID-19 pandemic puts older adults at greater risk than other age groups for becoming homeless.

Over the past ten years, the majority of persons experiencing homelessness in Hampton have been Black/African American, and the increase was from 65% to 71% most recently. This was followed by White, which decreased from 23% to 18%. Persons who are Multiracial increased from 3% to 7%, and Other (which includes Asian, American Indian/Native Alaskan, and Native Hawaiian/Pacific Islander) decreased from 9% to just 4% of the total served. Nationally and locally, Black/African American persons experience homelessness at a proportionally higher rate than other races. The percent of Hispanic persons (of any race) has ranged between 3% and 4% of the total.

### ***At Risk of Homelessness as defined in 24 CFR 91.5***

According to data from the Housing Crisis Hotline, the number of callers who claimed to be at imminent risk of homelessness (within 2 weeks) ranged between 12% – 18% of total calls placed in the past two years. This indicates a need for Prevention funding to address the high eviction rates in Hampton.

In addition, between 2020 and 2022, just under \$43 million of rental assistance was provided to 8,196 households through the Rent Relief Program managed by the Virginia Department of Housing and Community Development. Of the 8,196 rental assistance payments, 67% went to households at or below 30% AMI, 17% went to households between 31%-50% AMI, and 15% went to households between 51%-80% AMI. Of the total assistance, 36% went to single individuals, 19% went to adult only households, and 45% went to households with children under age 18. The racial composition of these at-risk callers was 73% Black/African American, 14% White, and 13% Other Race/Race Unknown.

### ***Fleeing, or Attempting to Flee, Domestic Violence, Dating Violence, Sexual Assault, Stalking, or Human Trafficking, as defined by HUD in the Notice***

The number of persons experiencing homelessness in Hampton who reported a history of domestic violence has increased from 6% of the city's adult homeless population in 2012 to 10% of the adult homeless population in 2021-22.

### ***Other populations requiring services or housing assistance to prevent homelessness and other populations at greatest risk of housing instability, as defined by HUD in the Notice***

For other populations, the biggest increase was among those defined as chronic homeless. They increased from only 3% to 21% over the past ten years. Chronic homelessness refers to those who have been homeless for at least a year, or for four episodes within the past three years, while also struggling with a serious mental illness, substance use disorder, or physical disability. Further, over the past decade, nearly 40% of homeless persons in Hampton have reported one or more serious health condition. These include mental health issues, which are the most frequently reported concerns, physical disabilities, and chronic health conditions. Fewer people report drug or alcohol abuse, just 7% of the city's adult homeless population, and these issues may be under-reported.

Additionally, the number of veterans served increased from 13% to 18%. Persons reporting a mental health disorder only increased slightly, from 2% to 3.5%.

### ***Describe the unmet housing and service needs of qualifying populations:***

#### ***Homeless as defined in 24 CFR 91.5***

In 2022, just over 1,400 persons were identified as experiencing homelessness in Hampton, with 46% being persons in families and the other 54% in single adult households. 19% were in emergency shelter

while the other 81% were living in places not meant for human habitation (streets/sidewalks, vehicles, abandoned buildings, etc.) 15% identified as veterans and had the most options for housing placement due to the large VASH program managed by the Hampton Veterans Affairs Medical Center. 587 VASH beds were available to qualifying homeless veterans in 2022.

***At Risk of Homelessness as defined in 24 CFR 91.5***

10,780 different persons called the Housing Crisis Hotline over the past year from the Virginia Peninsula inquiring about housing assistance. They were categorized as at risk of homelessness or housed but requesting services. Research shows that around 80% of households seeking homeless prevention resources can resolve the situation, either by moving in with family/friends, moving to a more affordable housing unit, or mediation with the landlord that often involves a payment plan. However, the severe lack of affordable housing units, coupled with the economic situation related to the pandemic is demonstrating a much bigger need for prevention and earlier intervention.

***Fleeing, or Attempting to Flee, Domestic Violence, Dating Violence, Sexual Assault, Stalking, or Human Trafficking, as defined by HUD in the Notice***

Hampton hosts one domestic violence provider – Transitions Family Violence Services. They have emergency shelter available for families (19 beds) and singles (8 beds). Other service provider agencies can serve Hampton residents fleeing DV when there are beds available. The unmet housing need for families experiencing domestic violence varies greatly on a week-by-week basis, but over the past 12-month period, 113 persons reported fleeing domestic violence as their reason for being homeless. This affects both single and family households; therefore, the appropriate number of units and types of services should be tailored for the household type within this special population.

***Other populations requiring services or housing assistance to prevent homelessness and other populations at greatest risk of housing instability as defined by HUD in the Notice***

Both homeless veterans and chronic homeless individuals have increased in the city over the past ten years. Outreach services have also increased and therefore the service providers have more contact with these individuals. Permanent Supportive Housing is often the most appropriate housing option for individuals and families experiencing chronic homelessness as they need longer-term supportive services.

There are PSH units available for individuals experiencing homelessness, but none for families unless someone in the households has HIV/AIDS. Establishing at least one SRO with the wrap-around services on-site would address the need for many homeless, including chronic homeless and veterans. Likewise, increasing rapid rehousing units for those not requiring intensive case management would also go far in reducing the need for a large emergency shelter for individuals.

Identify and consider the current resources available to assist qualifying populations, including congregate and non-congregate shelter units, supportive services, TBRA, and affordable and permanent supportive rental housing:

The Greater Virginia Peninsula Homelessness Consortium (GVPHC) is the local Consortium of Care which focuses on addressing the area's homelessness needs by offering Permanent Supportive Housing Renewals, Rapid Re-housing, Emergency Shelter, and Prevention programs. The GVPHC also coordinates with local non-profits and churches to ensure there are thermal shelters for those who may need it in Hampton. The Service Coordination and Assessment Network (SCAAN) is a subcommittee of GVPHC. This subcommittee is composed of social/human service departments, housing providers, and other agencies within the Continuum of Care (CoC) who are available to assist persons in need with access to support services that include but are not limited to wrap-around support services, shelter exits, and prioritize veterans and those chronically homeless.

Although there is not currently an emergency shelter in Hampton, there are many non-profits in the Hampton area that focus on the needs of homeless persons. The GVPHC specifically provides transitional housing needs for those who are homeless. The City of Hampton will continue to support the Continuum of Care's efforts to provide emergency shelter, transitional housing, permanent supportive housing, and other permanent housing opportunities. The City of Hampton's Department of Human Services which manages the Greater Virginia Peninsula Homelessness Consortium (GVPHC) focuses on Permanent Supportive Housing Renewals, Rapid Re-housing, Emergency Shelter, and Prevention programs. An additional source of resources specific to homelessness in Hampton, the Hampton Roads Ecumenical Lodgings and Provisions, Inc. (HELP) is a non-profit whose mission is to ensure people have access to shelter, healthcare, and support. HELP works to ensure the people who need help the most in the Hampton area are provided for.

***Identify any gaps within the current shelter and housing inventory as well as the service delivery system:***

As described above, the greatest housing needs within the city of Hampton are for single adults facing homelessness (91 identified in the 2022 Point in Time Count) followed by families (51 persons in families in 2022). Prioritizing permanent supportive housing and rapid rehousing provides permanent housing options for long-term stabilization and reduces recidivism.

Emergency shelter for families is not adequate to meet the demand with only three available beds. Establishing non-congregate shelter options for at least 10 more families is needed.

To decrease the long length of stay in shelters, more permanent supportive housing and rapid rehousing options are needed. This will also stabilize many households and severely reduce the recidivism rate of homelessness.

Affordable housing units for 30 – 50% Area Median Income households is very much lacking and must be addressed for those working and living in Hampton. The wait list for public housing is over 3,000 at HRHA and demonstrates the need for low-income households who choose to live and raise their families in Hampton. Developing workforce housing for Hampton public school teachers and other public servants is one way to address this gap.

Hampton and Newport News lacks a permanent emergency shelter with sufficient beds for individuals and families experiencing shelter outside of the HELP, Hampton-Newport News Community Services Board, and LINK that offer beds and motel stays whenever possible. Rapid Rehousing and Permanent Supportive Housing units is an ongoing gap considering the annual demand for services. The RRH and PSH programs currently funded by federal and state agencies have remains fairly consistent as needs have continued to increase.

While rental assistance and housing voucher programs have increased, there continues to be significant disparities in the range where housing is located. Within the region, older cities carry more of the share of affordable housing due to their older and smaller housing stock. The lack of housing in localities with higher income mobility and nearest to neighborhood services and employment centers continues to be a challenge. There is also a consistent gap in housing navigation and landlord outreach within the homeless continuum of care to secure properties and landlords willing to rent to vulnerable populations and households with barriers and negative credit histories.

***Under Section IV.4.2.ii.G of the HOME-ARP Notice, a PJ may provide additional characteristics associated with instability and increased risk of homelessness in their HOME- ARP allocation plan. These characteristics will further refine the definition of “other populations” that are “At Greatest Risk of Housing Instability,” as established in the HOME- ARP Notice. If including these characteristics, identify them here:***

No additional characteristics

***Identify priority needs for qualifying populations:***

1. Permanent Supportive Housing for both families and single adults
2. Rapid Rehousing programs for both families and single adults
3. Emergency Shelter for both families and single adults
4. Medical respite programs for single adults
5. Housing navigation support and landlord outreach
6. Supportive and Prevention Services

***Explain how the PJ determined the level of need and gaps in the PJ's shelter and housing inventory and service delivery systems based on the data presented in the plan:***

The data analyzed to determine housing needs was gathered from:

- 1) The Homeless Management Information System (CoC APR reports)
- 2) 2022 Point in Time Count
- 3) 2022 Housing Inventory Count
- 4) 2022 Coordinated Entry Prioritization List
- 5) Prioritization and goals discussion conducted by the Leadership Team
- 6) Input from stakeholder agencies during the consultation process

## **HOME-ARP Activities**

Describe the method for soliciting applications for funding and/or selecting developers, service providers, subrecipients and/or contractors and whether the PJ will administer eligible activities directly:

Upon approval of the Allocation Plan, the City of Hampton will conduct a Request for Proposal (RFP) process to solicit applications for HOME-ARP funding. Non-profit organizations whose mission/purpose is in alignment with the Allocation Plan approved HOME-ARP eligible activities will be invited to submit their request for funding. The City of Hampton will utilize their existing database to reach these non-profit organizations. Interested parties will have four (4) weeks to submit their funding requests. Program guidelines will be established prior to the commencement of the application process.

If any portion of the PJ's HOME-ARP administrative funds were provided to a subrecipient or contractor prior to HUD's acceptance of the HOME-ARP allocation plan because the subrecipient or contractor is responsible for the administration of the PJ's entire HOME-ARP grant, identify the subrecipient or contractor and describe its role and responsibilities in administering all of the PJ's HOME-ARP program:

There were no HOME-ARP administrative funds provided to a subrecipient or a contractor prior to HUD's acceptance of the Allocation Plan.

PJs must indicate the amount of HOME-ARP funding that is planned for each eligible HOME-ARP activity type and demonstrate that any planned funding for nonprofit organization operating assistance, nonprofit capacity building, and administrative costs is within HOME-ARP limits. The following table may be used to meet this requirement.

## Use of HOME-ARP Funding

	Funding Amount	Percent of the Grant	Statutory Limit
Supportive Services	\$ 1,050,000		
Acquisition and Development of Non-Congregate Shelters	\$ 0		
Tenant Based Rental Assistance (TBRA)	\$ 0		
Development or Support of Affordable Rental Housing	\$ 800,000		
Non-Profit Operating	\$ 104,965	5%	5%
Non-Profit Capacity Building	\$ 0	0%	5%
Administration and Planning	\$ 0	0%	15%
<b>Total HOME ARP Allocation</b>	<b>\$ 1,954,965</b>		

### Additional narrative, if applicable:

During the public comment period, respondents expressed support for the creation of non-congregate shelter as an eligible activity funded with HOME-ARP funds. While HOME-ARP funds are available to initially support this activity, there is not enough funding on an ongoing basis to support operations. Additionally, the City has supported the work of partner agencies to provide day shelter access and continues to evaluate the establishment of an overnight shelter.

Respondents also expressed the priority to address the need for additional supportive services for households that qualify under McKinney Vento guidelines including landlord tenant liaisons.

Describe how the characteristics of the shelter and housing inventory, service delivery system, and the needs identified in the gap analysis provided a rationale for the plan to fund eligible activities:

#### Eligible Activity to be Funded with HOME-ARP:

Development or support of affordable rental housing

1. The six (6) jurisdictions that comprise the Greater VA Peninsula Homelessness Consortium (GVPHC) experienced a 30% increase in the Point in Time (PIT) count in January 2022 vs. January 2021.
2. Rising home values have made the purchasing process more competitive and more expensive for affordable housing providers.
3. Rising rental rates have priced out some renters from obtaining affordable housing.

#### Eligible Activity to be Funded with HOME-ARP:

Supportive Services

1. Increase in the number of individuals and families needing homeless related services.
2. Increase in rental rates
3. Provide follow-up services for those in need of services

## HOME-ARP Production Housing Goals

Estimate the number of affordable rental housing units for qualifying populations that the PJ will produce or support with its HOME-ARP allocation:

It is estimated the number of affordable rental housing units developed or supported using HOME-ARP funding will be five (5). This assumes \$800,000 is allocated to the eligible activity supporting the “development or support of affordable rental housing” with an estimated cost of \$160,000.00 per property for acquisition, rehabilitation, and/or new construction.

Describe the specific affordable rental housing production goal that the PJ hopes to achieve and describe how it will address the PJ’s priority needs:

The City of Hampton has an initial goal to develop or support at least five (5) affordable rental housing units. The development or support of the affordable rental housing units would be based on partnering with a local non-profit or authority as providers of quality, affordable rental housing. Five units will not fully address the housing needs of the qualified populations. The five units will provide opportunities for five households to have stable and affordable housing that would like by limited in accessing services otherwise.

## Preferred Eligible Activities and Qualifying Populations

Identify whether the PJ intends to give preference to one or more qualifying populations or a subpopulation within one or more qualifying populations for any eligible activity or project:

Preferences cannot violate any applicable fair housing, civil rights, and nondiscrimination requirements, including but not limited to those requirements listed in 24 CFR 5.105(a).

PJs are not required to describe specific projects to which the preferences will apply.

The City of Hampton will not give preference to a qualifying population or subpopulation for an eligible activity using HOME-ARP funds.

If a preference was identified, explain how the use of a preference or method of prioritization will address the unmet need or gap in benefits and services received by individuals and families in the qualifying population or category of qualifying population, consistent with the PJ’s needs assessment and gap analysis:

N/A

If a preference was identified, describe how the PJ will use HOME-ARP funds to address the unmet needs or gaps in benefits and services of the other qualifying populations that are not included in the preference:

N/A

## HOME-ARP Refinancing Guidelines

*If the PJ intends to use HOME-ARP funds to refinance existing debt secured by multifamily rental housing that is being rehabilitated with HOME-ARP funds, the PJ must state its HOME-ARP refinancing guidelines in accordance with 24 CFR 92.206(b). The guidelines must describe the conditions under which the PJ will refinance existing debt for a HOME-ARP rental project, including:*

- Establish a minimum level of rehabilitation per unit or a required ratio between rehabilitation and refinancing to demonstrate that rehabilitation of HOME-ARP rental housing is the primary eligible activity
  - o The City of Hampton will not use HOME-ARP funds to refinance existing debt secured by multifamily rental housing.
- Require a review of management practices to demonstrate that disinvestment in the property has not occurred; that the long-term needs of the project can be met; and that the feasibility of serving qualified populations for the minimum compliance period can be demonstrated.
  - o N/A
- State whether the new investment is being made to maintain current affordable units, create additional affordable units, or both.
  - o N/A
- Specify the required compliance period, whether it is the minimum 15 years or longer.
  - o N/A
- State that HOME-ARP funds cannot be used to refinance multifamily loans made or insured by any federal program, including CDBG.
  - o N/A
- Other requirements in the PJ's guidelines, if applicable:
  - o N/A

<b>Version</b>	<b>Summary of Steps to be Taken</b>	
<b>1</b>	Published DRAFT - Allocation Plan for Public Comment	02-3-2023 (Ad in Daily Press 2-6-23)
	Conducted Public Hearing for DRAFT - Allocation Plan	03-08-2023
	Public Comment Period Ends	03-08-2023
	Send to HUD for Review and Approval	03-24-2023
	Obtain HUD Approval	TBD

## Contact Information

Jonathan McBride  
Division Manager  
Community Development  
Department  
City of Hampton  
5<sup>th</sup> Floor, 22 Lincoln Street  
Hampton, VA 23669  
[jmcbride@hampton.gov](mailto:jmcbride@hampton.gov)  
757-727-6140

Dan McCormick  
Chief Development Specialist  
Community Development  
Department  
City of Hampton  
5<sup>th</sup> Floor, 22 Lincoln Street  
Hampton, VA 23669  
[dmccormick@hampton.gov](mailto:dmccormick@hampton.gov)  
757-727-6140