

2024-2025 Annual Action Plan Amendment

City Council Public Hearing
December 10, 2025





Annual Action Plan

- Annual Action Plan includes the Community Development Block Grant (CDBG) and Home Investment Partnership (HOME) funds
- Implements the priorities in the 5-Year Consolidated Plan for Housing & Community Development by allocating funding to specific activities that advance the City's housing and community development goals
- Approved by the Department of Housing & Urban Development (HUD)



Substantial Amendments

- Budget adjustments that exceed 25% of an activity's budget are considered a substantial amendment to the Annual Action Plan
- Hampton's CDBG & HOME Citizen Participation Plan
 - 30-day public comment period
 - City Council public hearing and approval

Community Development Block Grant (CDBG) Program



- Primary objective is to develop viable urban communities by providing:
 - Decent housing;
 - A suitable living environment; and
 - Expand economic opportunity.
- Activities must meet one of three national objectives:
 - Benefit low- and moderate-income persons;
 - Aid in the prevention of slums and blight; or
 - Meet an urgent need.



CDBG Proposed Amendment

Activity Name	Funding Year	Remaining Allocation	Reallocation
Disposition	2019-20	\$8,027.00	
<i>Funds the maintenance of CDBG acquired property and legal disposition costs.</i>			
Acquisition	2023-24	\$70,000.00	
<i>Acquisition of blighted property to support neighborhood revitalization efforts.</i>			
Housing Programs	2019-20 2023-24		\$78,027.00

Funds the Weatherization and Energy Efficiency Program (WEEP) and Accessibility Program which assist low- and moderate-income households with energy efficiency and accessibility improvements.



Amendment Rationale

- CDBG funds are no longer used for blighted property acquisition due to strict federal requirements related to property reuse and maintenance costs.
- Capital budget funds support blighted property acquisitions, so no negative impact is expected.
- Remaining CDBG balances from discontinued acquisition and disposition activities will be reallocated to Housing Programs, which directly assist low- and moderate-income households.

Home Investment Partnership Program (HOME)



- Primary objective is to:
 - Expand affordable housing,
 - Strengthen the ability of local governments to provide housing, and
 - Expand the capacity of non-profit community-based housing development organizations.
- Non-Profit Participation: 15% set-aside for certified Community Housing Development Organizations.



HOME Proposed Amendment

Activity Name	Funding Year	Remaining Allocation	Reallocation
New Housing Construction	2019-20	\$28,028.46	
New Housing Construction	2020-21	\$50,000.00	
<i>Provides funds to the Housing Authority to support the construction of new affordable housing.</i>			
Home Administration	2020-21	\$22,562.63	
Home Administration	2021-22	\$32,086.00	
Home Administration	2022-23	\$25,000.00	

HOME program administrative and project related soft costs.



HOME Proposed Amendment

Activity Name	Funding Year	Remaining Allocation	Reallocation
Acquisition & Rehabilitation	2021-22	\$108,424.73	
Acquisition & Rehabilitation	2022-23	\$277,888.12	
Acquisition/Acquisition & Rehabilitation	2023-24	\$223,285.00	
Acquisition/Acquisition & Rehabilitation	2024-25	\$110,341.00	

Provides funds to the Housing Authority to acquire and rehabilitate homes for resale to low- and moderate-income homebuyers.



HOME Proposed Amendment

Activity Name	Funding Year	Remaining Allocation	Reallocation
Homebuyer Assistance	2019-20		\$877,615.94
	2020-21		
	2021-22		
	2022-23		
	2023-24		
	2024-25		

Provides down payment and closing cost assistance to low- and moderate-income first-time homebuyers.



Amendment Rationale

- New housing construction and acquisition/rehabilitation activities have been paused due to market conditions and rising construction costs.
- High construction and land acquisition costs make it difficult to build homes that can be sold at prices affordable to income eligible homebuyers.
- Demand has increased for downpayment and closing cost assistance as a result of rising home prices.
- Program funding can be restored in future years if market condition improve and demand for these activities increases.



Amendment Schedule

November 10, 2025	Begin 30-Day Comment Period
December 10, 2025	City Council Meeting - Public Hearing End Public Comment Period
December 12, 2025	Submit Plan amendments to HUD for approval

Questions?

