CAPER / Consolidated Annual Performance and Evaluation Report

City of Lynchburg, Virginia
Grants Administration Office

Program Year 2014
July 1, 2014 - June 30, 2015

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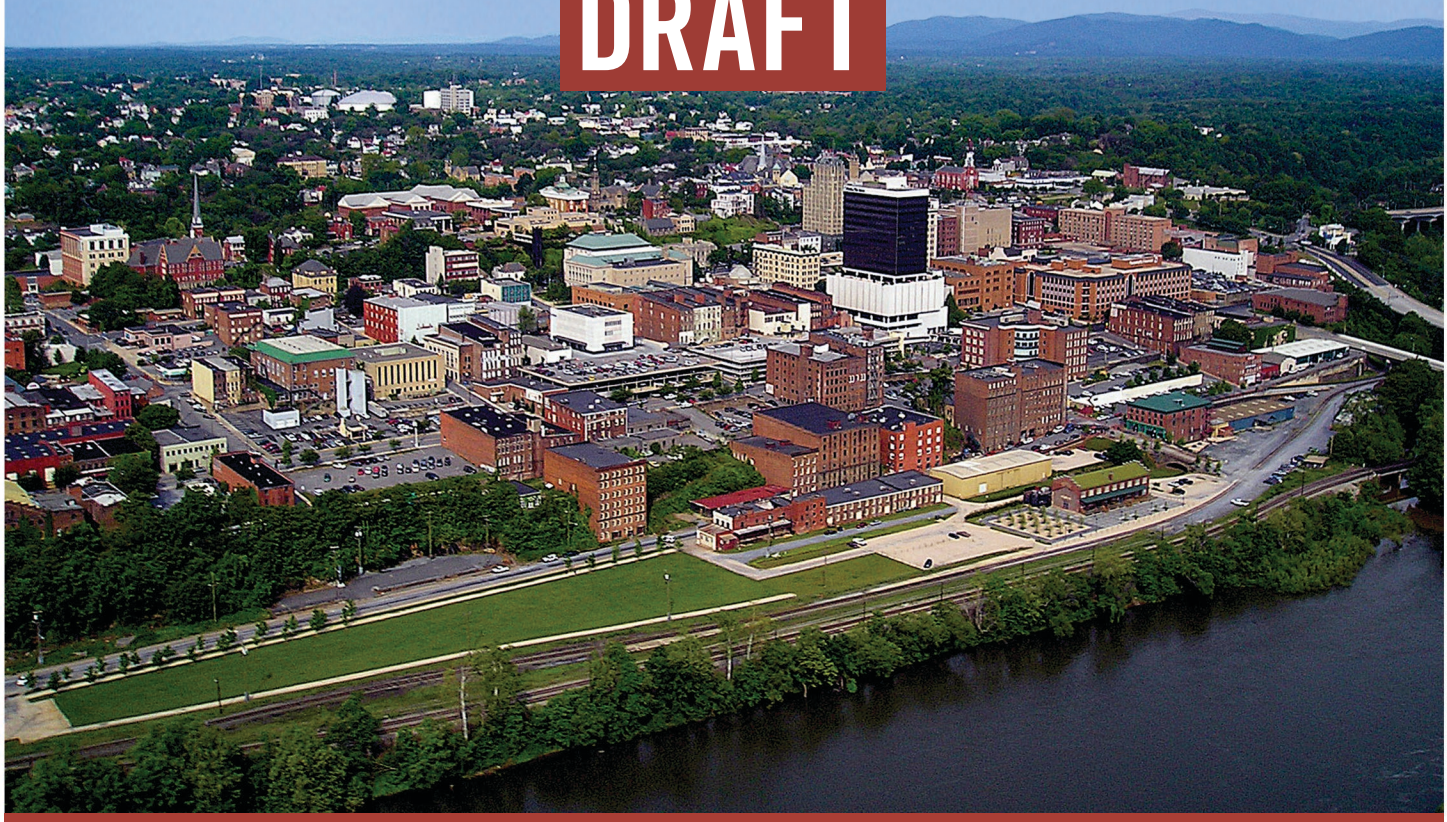

Fifth Program Year (2014) CAPER

The Consolidated Plan Management Process (CPMP) Tool Consolidated Annual Performance and Evaluation Report (CAPER) includes Narrative Responses to CAPER questions that Community Development Block Grant (CDBG), HOME, Housing Opportunities for Persons with Aids (HOPWA), and Emergency Shelter Grant (ESG) grantees must respond to each year in order to be compliant with the Consolidated Planning Regulations. The Executive Summary narratives are optional.

As a grantee, the City must also submit an updated Financial Summary Report (PR26) in the Department of Housing and Urban Development (HUD) Integrated Disbursement Information System (IDIS).

GENERAL

Executive Summary

Program Year 5 CAPER Executive Summary response:

The City of Lynchburg reports annually to the U.S. Department of Housing and Urban Development (HUD) on program and project accomplishments funded through the Community Development Block Grant (CDBG) and Home Investment Partnerships (HOME) entitlement grant programs through the Consolidated Annual Performance and Evaluation Report (CAPER). The questions reflected in the CAPER are drawn from the requirements of the 1995 Consolidated Plan regulations, which were subsequently interpreted in memorandum format and submitted to all Field Directors and Entitlement Grantees in 1998. The City has provided narrative responses, tables, charts, and other supporting data to assure compliance with HUD Consolidated Planning regulations and requirements.

Lynchburg's Program Year 2014 (PY14) / Fiscal Year 2015 (FY15) CAPER is the fifth and final report for the Five-Year 2010-2015 Consolidated Plan. The report describes the City's progress towards the housing and community development goals for the period of July 1, 2014 through June 30, 2015. During this period, the City received entitlement funds in the amount of $671,454 and $340,925 in the CDBG and HOME Program, respectively, for programs and activities to assist our community. This funding was utilized to facilitate the City's and HUD's mutual goals of providing decent housing, creating a suitable living environment, and expanding economic opportunity for persons and families earning at or below 80% of the Area Median Income (AMI).

The City's Grants Administration Office retains the primary responsibility for the program administration of the CDBG and HOME Program.

The CAPER is prepared each year to summarize expenditures made in the previous year for the CDBG and HOME Program. The CAPER is intended to present community development accomplishments from a broad perspective, in addition to

demonstrating what has been accomplished with the programs made possible with HUD funding.

On January 14, 2014 City Council approved the goals for housing and non-housing development, which constitute the priority needs stated in the Plan. The primary objective of the CDBG is to continue to develop viable urban communities through decent housing, suitable living environments, and expanded economic opportunities for low and moderate-income persons; the City of Lynchburg supports assisting individuals with disabilities, persons who suffer from substance abuse or addiction, persons with AIDS, persons the homeless, and the elderly. The goals are to:

1. Increase the number of owner-occupied units.

2. Rehabilitate substandard housing units. Emphasis is to be placed on programs that require an investment of funds and/or labor on the part of the owner commensurate with the owner's resources.

3. Support initiatives to increase permanent affordable rental and housing ownership opportunities.

4. Promote programs that assist eligible persons in retaining their homes.

5. Eliminate neighborhood deterioration, blight and blighting influences.

6. Support the organized efforts in neighborhoods to leverage their resources to improve and sustain community livability and services.

7. Support economic development efforts which will expand job opportunities and retention.

8. Promote activities which support the healthy development of the City's at-risk youth, adults, and families.

Within the City of Lynchburg's Five-Year Consolidated Plan, the City committed to the overarching goal of undertaking activities that would result in substantial public benefit through the revitalization of depressed areas and in assistance to low and moderate-income residents. These are the central City neighborhoods that surround the downtown business district and are the six contiguous census tracts that comprise the CDBG target area: Census Tracts 4, 5, 6, 7, 11, and 19. The Census Tract Map attached to this document (Appendix A - Map 1) depicts the boundaries of the CDBG target areas in the City.

Population, demographics, and surveys of the target areas show that these neighborhoods have the highest degree of housing need and are where many of the City's very low and low-to-moderate-income persons reside. CDBG and HOME funds were allocated City-wide providing persons and/or households with assistance who met the eligibility criteria of the applicable program. The Project Map attached to this document (Appendix A -Map 2) illustrates the location of all projects funded with Program Year 2014 CDBG and HOME grant funds, with the exception of project activities conducted on a City-wide basis.

The 2014 HUD income guidelines for area median family income (AMFI) for Lynchburg is $60,500 for a family of four. Income levels in these neighborhoods continually trend below income levels City-wide. In addition, a disproportionately greater number of non-whites live in the target market (62.8%) while the City-wide non-white population is 33.1% of the population. There is a high incidence of rental units in these tracts. Indications of housing cost-burdens, overcrowding, substandard conditions, and the presence of boarded/vacant units is predominate in these neighborhoods.

Within the City there are many public and private resources assisting residents of these neighborhoods in meeting their housing and community development needs. Current market conditions and available resources are documented in the Plan and the service and housing providers are identified. Many of these providers receive funds from the CDBG and HOME programs. The Consolidated Plan lays out specific objectives that are designed to reach the goals and that provide quantifiable benchmarks for review during the subsequent yearly process of the Action Plan.

An overriding objective stated in the Plan is to maximize existing partnerships between the private and public sector so that City funds will continue to be leveraged with outside resources. It is through such collaborative efforts that the citizens of Lynchburg can address housing and non-housing needs where they are felt the greatest. Other objectives include:

1) Setting an optimum balance in neighborhoods where 70% are owner-occupants;
2) Placing a priority on helping existing owners maintain their homes;
3) Coordinating services with housing, especially for persons with special needs and disabilities;
4) Preserving existing housing by identifying appropriate uses for existing structures and by applying available resources, such as tax credits, for low-income and for historic renovation;
5) Continuing the rental inspection program; and
6) Coordinating the City's downtown revitalization efforts with housing improvement efforts in the target area.

SUMMARY OF RESOURCES AND DISTRIBUTION OF FUNDS

In the Fifth Year of the Consolidated Plan, Program Year 2014 (FY15), the City received $671,454 in CDBG entitlement funds and $340,925 in HOME Program entitlement funds. Along with these entitlement funds, reprogrammed prior year funds of $94,182 and $163,727, respectively, in the CDBG and HOME Program were allocated to eligible projects. The City also estimated program income in the amount of $294,234 for the CDBG Program. Therefore, the total amount of CDBG and HOME funds the City allocated for projects and activities during the Program Year 2014 was $1,64,523. This represented a total of $1,059,871 in CDBG and $504,652 in HOME Program dollars.

The City allocated the majority of its CDBG and HOME funds for projects and activities classified as housing, fair housing education, public housing improvements, public facilities improvements, and public services. The details and specifics of the services, programs, and accomplishments, as well as an analysis of expenditures, are provided in this CAPER.

The following tables outline how the City allocated its CDBG and HOME funds during this reporting period.

CDBG PROGRAM PROJECTS (2014-2015)

City Administration	$ 90,000.00
Continuum of Care- Coordinated Assessment Intake Social Worker	24,585.00
Tinbridge Hill Neighborhood Infrastructure Improvements	409,849.56
Lynchburg Community Action Group (Lyn-CAG) Fair Housing Education Initiative	6,800.00
Lynchburg Redevelopment & Housing Authority (LRHA) Admin & Delivery Costs	123,636.00
LRHA Brookside 4 Unit ADA Compliant Renovation	180,000.00
LRHA Dearington Apartments Energy-Efficient Window Replacements	125,000.00
LRHA Dearington Apartments Community Room Rehabilitation	100,000.00
Total CDBG	$1,059,870.56

HOME PROGRAM PROJECTS (2014-2015)

City Administration	$ 18,000.00
Lyn-CAG Substantial Rehabilitation	75,000.00
Lyn-CAG Homeownership Down Payment & Closing Cost / Education	60,000.00
Lyn-CAG First-time Homebuyer Community Housing Development Organization (CHDO)	45,000.00
Greater Lynchburg Habitat for Humanity- Homeownership Program	90,000.00
Rush Homes (CHDO)- Armstrong Place Rehabilitation	10,500.00
Lynchburg Covenant Foundation (LCF) Frank Roane Apartments	60,000.00
LRHA Homeownership Development	146,152.18
Total HOME	$504,652.18

On September 26, 2015 a public notice was published in the *News and Advance* stating that a draft of the proposed Program Year 2014 Consolidated Annual Performance Report (CAPER) was available for public review for a 15-day public comment period. The advertisement stated that City Council would be conducting a public hearing on October 13, 2015 to receive public comments regarding the draft CAPER.

In addition to the 15-day public comment period and the public hearing held by City Council, copies of the draft CAPER were made available for public review at the following locations in and throughout the City:

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- Grants Administration Office, Second Floor, City Hall, 900 Church Street, Lynchburg, Virginia 24504
- Lynchburg Public Library, 2311 Memorial Avenue, Lynchburg, Virginia
- Downtown Branch Library, City Hall, Basement Floor, 900 Church Street, Lynchburg, Virginia 24504
- City website at: http://www.lynchburgva.gov/grants

Citizen Comments – Any comments that are received during the public comment period will be addressed and incorporated into the CAPER.

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General Questions

1. **Assessment of the five-year goals and objectives:**

    a. **Describe the accomplishments in attaining the goals and objectives for the reporting period.**
    b. **Provide a breakdown of the CPD formula grant funds spent on grant activities for each goal and objective.**
    c. **If applicable, explain why progress was not made towards meeting the goals and objectives.**

Program Year 4 CAPER General Questions Response:

ASSESSMENT OF HOUSING GOALS AND PRIORTIES

This section of the CAPER examines the similarities and differences in the proposed and actual accomplishments of the goals identified within the 2010-2015 Consolidated Plan. These goals helped to form the priorities identified in the City's 2014 Consolidated Annual Action Plan and the strategies to be used or implemented in order to achieve the stated goals. To provide this comparison, the City has narrated the actual achievements for each program/activity in which funds were expended during the Program Year 2014, which is the fifth reporting period of the 2010-2015 Consolidated Plan.

PRIORITY #1: CREATE NEW HOMEOWNERSHIP OPPORTUNITIES FOR LOW-TO-MODERATE-INCOME FAMILIES

Goal 1: Increase the number of owner-occupied units.

To the degree that predominance of rental units in a neighborhood is seen as destabilizing, the City wants to provide incentives for qualified persons and low- and moderate-income to consider the benefits of homeownership, especially if it is more cost-effective than renting and if it builds wealth for the individual household. Several programs are supported by the City that incorporates these elements.

PRIORITY #2: REHABILITATION OF SUBSTANDARD HOUSING UNITS
PRIORITY #3: SUPPORT PROGRAMS THAT ASSIST LOW-TO-MODERATE INCOME PERSONS IN RETAINING THEIR HOMES

Goal 2: Rehabilitate substandard housing units through support of public and private programs. Emphasis is to be placed on programs which require an investment of funds and/or labor on the part of the owner, which are commensurate with the owner's resources. In addition, maintenance of homes will be enforced through applicable ordinances and building code requirements, and through owner initiatives to rehabilitate existing rental properties.

To achieve the objective of making all housing units safe, decent, and affordable it is necessary to extend assistance to private property owners, particularly low and moderate-income homeowners. These goals also provide the opportunity for the homeowner to have their homes rehabilitated and retain ownership.

Goal 3: Support programs that assist persons in retaining their homes in challenging economic times.

Another important aspect of improving and sustaining community livability and services is to build on the existing assets within the various neighborhoods.

The City is accomplishing this goal by investing in existing housing stock through renovations and rehabilitation of properties in the target neighborhoods. As a direct result of these improvements, the neighborhoods retain and attract residents thereby positively affecting the stability of the neighborhood and increasing property values. Specific housing characteristics of the target area support the need for rehabilitation and revitalization. The aging homes in these beautiful older neighborhoods can be modernized and revitalized through the investment of funds and targeted community development activities.

As the majority of the City's vacant and deteriorated housing is located in the target area, the City's goal is to make its housing stock active and revive the neighborhoods, thereby increasing value and stability.

The City has made significant efforts in providing financial support for the rehabilitation of substandard housing units through partnerships with agencies and organizations such as Lynchburg Community Action Group (Lyn-CAG), Lynchburg Neighborhood Development Foundation (LNDF), Lynchburg Redevelopment and Housing Authority (LRHA), Greater Lynchburg Habitat for Humanity (GLHFH), Rebuilding Together Lynchburg (RTL), Lynchburg Covenant Fellowship (LCF), other agencies, and non-profit organizations. Some of the investments that have been made during this program year include the following:

COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG)

Lynchburg Community Action Group (Lyn-CAG)

Lyn-CAG through its Housing Rehabilitation Program in the Tinbridge Hill Neighborhood expended funds in the amount of $60,750 to provide housing rehabilitation assistance to one (1) owner-occupied household. This household was comprised of one (1) African-American, female head-of-household; and was within the very low (31-50%) of the Area Median Income (AMI) level.

In addition to the CDBG and HOME funds expended for housing rehabilitation, Lyn-CAG received a total of $290,000 from the Virginia Department of Housing and Community Development (VDHCD), for weatherization and emergency home repairs within the City and the adjoining counties. An additional 43 households were assisted with these funds.

The Lynchburg Redevelopment and Housing Authority (LRHA)

The Lynchburg Redevelopment and Housing Authority (LRHA) has approximately $90,000 remaining in its Spot Blight Program funds allocated from a prior year's CDBG allocation to address slum and blighted properties within targeted areas and neighborhoods. The funds were allocated for the acquisition, disposition, and direct costs associated with deteriorated housing structures and/or vacant lots that impose a detrimental impact on surrounding properties and neighborhoods.

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During this reporting period, LRHA expended $62,828 of Program Year 2014 and prior years' allocations for dispositions and direct costs associated with the Spot Blight Program. Within this amount, LRHA expended $5,244 for the disposition of 611-613 Washington Street. In addition, LRHA expended $10,700 on the demolition of the housing structure on the property located at 70 Federal Street. LRHA is currently designing the plans for the construction of a new housing unit to be located on the property. The housing unit will be available for new homeownership to a low-to- moderate income person.

During this reporting period, LRHA continued to maintain its housing rehabilitation program in conjunction with the Spot Blight Program. The primary goal of this housing program is to encourage and increase the rehabilitation of vacant and deteriorating structures in the targeted neighborhoods. Participants, who submit an acceptable rehabilitation proposal to the Authority, must be willing to rehabilitate the properties under the program terms and conditions. The major conditions besides the normal timeframes and specifications for construction are as follows:

1) should the applicant who is doing the renovation desire to occupy the structure after renovations they must:
   a) verify that their income is at or below 80 % of the median income for the area; and
   b) agree to use the structure as their main place of residence for a period of not less than one year;
2) should the applicant desire to rent the structure after rehabilitation they must:
   a) show proof that the renters income is at or below 80% of the median income for the area; and
   b) rent the structure for a period of not less than one year; or
3) should the applicant desire to sell the property, the sale must benefit a family whose income is at or below 80 % of the median income for the area.

Currently, LRHA has four (4) properties under rehabilitation agreements.

Lynchburg Redevelopment and Housing Authority (LRHA) – Rental Rehabilitation Program

In an effort to encourage owners of substandard rental properties to make improvements to their properties, LHRA provides financial assistance through a Rental Rehabilitation Grant Program. A portion of CDBG funds that the City allocates to LRHA annually are used to support this program. In order to participate in the program the properties must be located in the designated areas or boundaries within the City of Lynchburg.

Fifty percent (50%) of the total amount of the improvements, or a maximum of $5,000 whichever is less, is provided to the rental property owners on a matching basis only. The improvements generally include updating, replacement or conversion of heating and air systems, window and roof replacement, and other internal or external repairs.

LRHA received $30,000 of Program Year 2014 CDBG funds and had $9,452 remaining in previous years' allocations for the Rental Rehabilitation Program. During this reporting period, LRHA expended $14,047 of these funds for the rehabilitation of three (3) housing units: 808 Dinwiddie Street, 1509 Monsview Place

and 1606 Monsview Place. At the completion of the rehabilitations the owners are renting these units to low-to-moderate income persons.

Note: In addition to the CDBG Program, the above goals and priorities are also related to the HOME Program. See HOME Program Narrative (Pages 40-44) for these accomplishments.

PRIORITY #4: SUPPORT AFFORDABLE PERMANENT HOUSING INITIATIVES:

Goal 4: Support initiatives to increase permanent affordable rental and housing ownership for low-income households. In addition, the City supports assisting persons with disabilities, substance abuse or addiction, persons with AIDS, persons that are homeless, and elderly persons.

This priority allocation recognizes the need to increase the availability of affordable housing for renters and for homeowners, especially housing that meets the varied needs of the City's lower-income population. With a priority for decent and affordable rental housing for the very low-income, this goal expands the City's previous position on mixed use in its older neighborhoods.

The City will continue to support and partner with housing and public service providers to meet the needs of low-to-moderate-income persons, homeless persons and families, and persons with disabilities or other special needs. The City approved CDBG and HOME funds (specifically for housing development and rehabilitation) that were used to address the need for permanent and/or long-term housing for the City's special needs population.

During this reporting period, the following permanent supportive housing programs have been administered to serve persons who were homeless and persons with disabilities:

City of Lynchburg, Lynchburg Redevelopment and Housing Authority (LRHA)

In addition to the CDBG funding, the City, as the recipient of a Permanent Supportive Housing (PSH), (formerly Shelter Plus Care) grant continues to work, in conjunction with LRHA, to achieve the overall goals and objective of the grant program. The PSH Program promotes the achievement of self-sufficiency for formerly homeless persons with disabilities by providing permanent supportive housing. LRHA continued, in Program Year 2014, as the supportive services provider and was responsible for provision of the permanent housing or the Tenant Rental Assistance (TRA) Program. The PSH Program grant reporting period was June 1, 2014 – May 31, 2015. During the reporting period, LRHA provided TRA to eleven (11) households for a total of $63,976 in rental assistance, which averaged approximately $5,331 per month. The total annual amount of the match was $40,000 that was provided by the City as cash and CDBG program funds. This was a 54.9% match of the total expenditures.

Outlined below is a demographic breakdown of the S+C participants that received tenant rental assistance during the reporting period.

# OF SINGLES NOT IN FAMILIES	# OF ADULTS IN FAMILIES	#OF CHILDREN IN FAMILIES	# OF FAMILIES
6	6	7	11

Rush Homes of Central Virginia – Permanent Supportive Housing

Rush Homes, Inc. provides housing along with supportive services to people with disabilities who are experiencing homelessness in Central Virginia. The agency provides or employs services necessary for eligible clients to achieve self-sufficiency. Such services include case management, education, employment assistance, child care, etc. Rush Homes has three (3) housing units in Lynchburg and two (2) in Madison Heights in which they provide case management to six (6) residents. Funds received to provide operational support for this program included $49,606 from HUD. The racial data for the persons served included five (5) White persons and one (1) African American person. All of the persons were extremely low-income persons.

As of May 1, 2015 this program was transferred to Housing First Lynchburg, a Permanent Supportive Housing program managed by Lynchburg Redevelopment and Housing Authority (LRHA). Rush Homes remains the landlord for the five (5) households but rental assistance and supportive services are provided by LRHA.

Lynchburg Neighborhood Development Foundation (LNDF) – Permanent Supportive Housing

LNDF provided through the Cornerstone project-based program, permanent housing for homeless persons with disabilities. Cornerstone has eleven (11) apartments. In addition to rental assistance the program provided supportive services through case management.

LNDF received $68,322 of Program Year 2013 Continuum of Care Permanent Supportive Housing (PSH) Program funds. There was $67,731 expended of the grants funds for leasing assistance and supportive services to 15 homeless persons.

As of March 1, 2015 this program was transferred to Housing First Lynchburg, a Permanent Supportive Housing program managed by Lynchburg Redevelopment and Housing Authority.

Note: This priority is also related to the HOME Program. See HOME Program Narrative (Pages 40-44) for the HOME Program accomplishments.

NON-HOUSING COMMUNITY DEVELOPMENT GOALS AND PRIORTIES

PRIORITY #5: ELIMINATE NEIGHBORHOOD BLIGHT AND BLIGHTING INFLUENCES

Goal 5: Eliminate neighborhood deterioration, blight, and blighting influences.

COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG)

Lynchburg Redevelopment and Housing Authority (LRHA)

LRHA continues to work with the City's designated redevelopment and conservation areas and neighborhoods to eliminate blighted and deteriorated properties and other influences to achieve the goal and objectives of a healthy neighborhood initiative.

LRHA promotes this initiative, and equally the goal of increased homeownership opportunities, by identifying and acquiring unimproved parcels and making gift conveyances to local non-profit housing agencies for the construction of first-time homebuyer units.

The City has had an ongoing funding commitment to LRHA for the support of such community development efforts and neighborhood revitalization activities as identified below. The support that the City provides to LRHA, and the other non-profit organizations previously narrated, positively contribute to:

- The rebuilding of predominately residential neighborhoods as well as areas that were historically active and flourishing commercial "hubs" of the community such as the Fifth Street Revitalization Corridor;
- Creating housing opportunities and supportive services and amenities for low and low-to-moderate-income persons; and
- The rehabilitation and improvement of deteriorating housing stock, for both owner and tenant occupied, in order to increase their functional and economic lives.

Listed below is a breakdown of the LRHA programs/activities that received and expended CDBG funds from the City during this reporting period.

Program/Activity	**Amount of Funds Allocated for PY 2014**	**Amount of Funds Expended PY 2014***
Spot Blight/Abatement/Demolition	$0	$ 5,274
LRHA-Rehab Direct Costs(DC)	46,552	18,781
LRHA-Disposition (DC)	17,037	25,793
LRHA – Acquisition (DC)	0	31,761
LRHA – Administration	60,047	17,213
LRHA – Rental Rehabilitation	0	25,023
LRHA – Property Repair & Maintenance (Disposition)	0	10,700
Brookside Public Housing Apartments – 4 Units Rehabilitation for ADA Compliance	180,000	82,594
Dearington Public Housing Apartments – Window Replacements	125,000	125,000
Dearington Public Housing Apartments- Community Room Renovations	100,000	99,081
HOME Program – Housing Development (3 units)	146,152	0
Total Allocated/Expended Amounts	$674,788	$441,220

***The total amount of expenditures this period was from Program Year 2014 allocations and previous years' grant allocations for rehabilitation, acquisition, and disposition delivery costs (DC). LRHA is proceeding with expending the remaining funds allocated from previous years and those allocated in Program Year 2014.

During this reporting period LRHA staff made a concerted effort to dispose of properties that remain on the City/LRHA Property Inventory. Two (2) properties were disposed of during this reporting period. The sale proceeds in the amount of $22,000 were received as CDBG program income and have been reprogrammed in Program Year 2015 for other CDBG eligible projects.

Listed below are the properties that were disposed of during this reporting period:

PROPERTIES DISPOSED BY LRHA DURING PROGRAM YEAR 2014

611-613 Washington Street

PROPERTIES ACQUIRED BY LRHA DURING PROGRAM YEAR 2014

There were no properties acquired during this reporting period.

The acquisition and/or disposition of vacant parcels and structures have assisted in the implementation of the strategies that are necessary to accomplish many of the goals and priorities cited and addressed in this report.

PRIORITY #6: NEIGHBORHOOD SUSTAINABILITY AND LIVABILITY

Goal 6: Support the organized efforts in neighborhoods to leverage their resources to improve and sustain community livability and services.

Neighborhoods are an important foundation for improving and sustaining community livability and services. Strong neighborhoods create more active and informed citizens which, in turn, result in a stronger community. Within neighborhoods, there are shared identities, issues, concerns, and interests. Each neighborhood has its own unique priorities and character. The neighborhoods within Lynchburg's Historic Districts may be working to preserve the historical aesthetics of the neighborhood. Some neighborhoods have traffic problems while others are dealing with beautification, crime, youth, socio-economic, and/or family concerns. There are a variety of neighborhood issues; each neighborhood needs an avenue to deal with their own needs so that the community continues to be strengthened and protected.

Supporting the work of neighborhoods in order to create opportunities for citizens to take a leading role in their future is important for improving and sustaining community livability and services. The process must include citizens, government, community organizations, and other stakeholders working together to develop a common goal, mission, and vision to address neighborhood concerns. The purpose of supporting organized neighborhood efforts to leverage their resources to improve and sustain community livability and services is ultimately to develop mutual responsibility and collaboration in community building and problem solving.

Another important aspect of improving and sustaining community livability and services is to build on the existing assets within the various neighborhoods by investing in existing housing stock through revitalization and rehabilitation efforts. Also, creating opportunities to make home ownership available to qualified persons and providing assistance to help homeowners keep their homes helps to strengthen neighborhoods.

City staff is continuing the development of a formalized effort regarding the sustainability of neighborhoods. Although still under development, operating principles that are proposed to guide the City's work in neighborhoods include:

-Sustaining neighborhoods through partnerships with non-profits, developers, businesses, neighborhood groups, and citizens.
-Recognizing and preserving neighborhood identity, character, history, and diversity.
-Providing public safety that is vibrant and sustainable in neighborhoods.
-Promoting well designed neighborhoods where residents are able to work, shop, and play close to home.
-Fostering connectivity within and among neighborhoods.

Proposed Goals that support the draft operating principles for neighborhoods include:
-Supporting mixed-use neighborhoods with accessible green space.
-Encouraging innovative, safe, and affordable housing choices.
-Recognizing the uniqueness of all neighborhoods and partnering in revitalization efforts.
-Promoting neighborhood partnerships to maximize community resources and facilitate self-sufficiency.
-Connecting neighborhoods through infrastructure and public services.

Objectives and specific benchmarks will be closely linked with the goals noted above. The following neighborhood activities are underway or have been completed for the accomplishments associated with this priority/goal.

In Program Year 2014 the City supported the various neighborhood associations by having staff attend some or all of the neighborhood meetings throughout the City, particularly in the targeted areas. Those targeted area neighborhood associations that met on a consistent basis included: Tinbridge Hill, College Hill, Seminary Hill, Federal Hill, Fairview Heights, Dearington, Birchwood, Garland Hill, Dearing Street, and Diamond Hill.

Below are specific accomplishments for neighborhood activities that were supported with CDBG funds.

Tinbridge Hill Neighborhood

Within the 2010-2015 Consolidated Plan, the City moved towards focusing funds and efforts in the Tinbridge Hill Neighborhood. Several non-profit groups, churches, and the Friends of Tinbridge Hill joined together to focus on improving the quality of housing and infrastructure in this neighborhood. Tinbridge Hill is anchored by the very active Yoder Community Center.

In 2013, the City launched an initiative to prepare a Sustainable Neighborhood Plan for the area of Tinbridge Hill, to engage neighborhood residents and community leaders in a dialogue about the future of this historic area. The goal of a sustainable community in Lynchburg means a community with social, cultural, economic, and environmental vitality, now and for future generations. The Plan has been completed and is titled: *Growing Tinbridge Hill: A Sustainable Neighborhood for Tinbridge Hill*.

To complete the Plan, the City hired a consultant team, led by Clarion Associates from Chapel Hill, North Carolina, to gather information, identify neighborhood assets and needs, and develop a set of recommendations and priorities for action to achieve

community goals for the Tinbridge Hill area. The overall context for this initiative is the Plan, which offers a framework for decision-making and action, including specific strategies for the Tinbridge Hill Neighborhood.

Tinbridge Hill includes the Old City Cemetery and the area surrounding it at Taylor and Fourth Streets. The neighborhood extends to Fifth Street, Federal Street, and Hollins Mill Road. The area is primarily residential and is also home to churches, parks, community gardens, the City Cemetery, the Yoder Center, the Legacy Museum, and commercial establishments.

The preparation of the Plan was a collaborative venture, drawing upon the resources and participation of City departments, a consultant team, area organizations, local college and university interests, and the work and energy of neighborhood residents. There is a rich history and culture in Tinbridge Hill. The community has been creative in seeking ways to address issues of substandard housing, crime, employment opportunities, recreation needs, and infrastructure needs. There has been active leadership bringing residents and interested parties together to work on solutions. The Plan represents an important milestone in this ongoing process.

A Neighborhood Assessment was prepared. Drawing on community interviews, review of available data and statistics, and a visual survey of all properties, the report examined the neighborhood on a number of different aspects: people and housing, employment, physical environment, land use and zoning, property values, rehabilitation, and violations. It also included an assessment of the condition of properties and structures in the neighborhood. The report highlighted key ideas to include in the Plan.

Partnerships with organizations and agencies are in place and expanding. Faith communities, nonprofit organizations, and college resources are participating in the work: helping to improve the housing stock, mentoring young people, identifying employment and job training opportunities, and contributing spirit and energy. The Friends of Tinbridge Hill, along with community partners, have worked with the City to renovate the community's Yoder Center and the City regularly sponsors programs for young people and adults. Neighborhood revitalization is firmly underway.

Financial resources in support of neighborhood initiatives are growing increasingly scarce. Key objectives of the Plan are to identify opportunities for community-based efforts and partnerships that can keep the progress going, encourage new and emerging leadership, and achieve the goals that have been expressed. The Plan provides important information about neighborhood conditions and possibilities, and includes specific recommended strategies as an action plan, focusing on housing, safety, infrastructure, family support, and leadership.

The Tinbridge Hill Plan was adopted by City Council in March 2014. In Program Years 2012 and 2013, CDBG funds in the amount of $55,500 were allocated and expended for the development of the Plan.

There was $409,850 of Program Year 2014 CDBG funds allocated to the neighborhood for priority sidewalk improvements. Sidewalks will be installed in areas that lack adequate pedestrian facilities. Since walking is often a frequent mode of transportation for low-income neighborhoods it was important to connect the residents to important uses around them: Fifth Street Commercial Corridor, Johnson Health Center, Yoder Recreational Center, Hollins Mill Park and Blackwater Creek

Trail. There will be other vital improvements that will be necessary to enhance the livability of the neighborhood in coming years.

The design plans for this activity has been completed. City staff is in the process of developing the scope of work for the bidding process. This activity will be completed in Program Year 2015.

During this reporting period Lynchburg Community Action Group (Lyn-CAG) expended $60,750 of CDBG funds for the rehabilitation of the housing unit located at 104 Federal Street.

To continue the efforts of this Plan, the housing partners of the City have been encouraged to focus their efforts in this neighborhood in order to improve the housing stock, whether it is through new construction or rehabilitation.

Fifth Street Master Plan - Infrastructure

The City of Lynchburg, in partnership with the Fifth Street Community Development Corporation (CDC), is continuing to redevelop/revitalize the Fifth Street Corridor within the scope of the Fifth Street Corridor Plan. The Plan was adopted by City Council on May 23, 2006. The purpose of the Plan is to provide a vision and a blueprint for the revitalization of the Fifth Street corridor between Main Street and the Martin Luther King, Jr. Memorial Bridge. Fifth Street serves as a gateway to the City's Downtown and the College Hill, Garland Hill and Tinbridge Hill neighborhoods which are located within CDBG targeted census tracts.

Construction of the first phase of the Fifth Street improvements was completed in September 2009 and included a two block area fronting Fifth Street between Harrison and Jackson Streets. Phase I was completed at a cost of $1.75 million which included $122,949 in CDBG funds.

Since completion of Phase I, benches, trash cans, bus shelters, and electrical service to the roundabout have been added to the Corridor. These additions were funded with $54,800 in American Recovery and Reinvestment Act (ARRA) Stimulus funding.

Phase II of the Fifth Street improvement project included the blocks from Harrison to Main Street. Construction began in September 2011 and was completed in December 2013. The project included the same streetscape amenities as constructed in Phase I, but included more significant water and sewer line replacements funded by the City's utilities fund. During this reporting period, $175,491 of CDBG funds were allocated and expended on the Phase II project. An additional $17,000 in CDBG funding was allocated in Program Year 2011 for the purchase of street benches and identity banners upon completion of the Phase II construction. There was $7,748 expended during this reporting period to complete the purchase of the benches and banners.

Lynchburg Neighborhood Development Foundation (LNDF), through a partnership with the Fifth Street Community Development Corporation (CDC), completed the stabilization of the structures located at 702 and 708 Fifth Street. The properties had been slated for demolition. City staff and the Fifth Street Community Development Corporation assisted LNDF with the stabilization of these properties. Through this partnership, there was $60,000 of CDBG funds used to further stabilize the buildings for future renovation and return to use. The stabilization of these buildings was

crucial in the Fifth Street Area being placed on the State & National Register of Historic Places.

During this reporting period the Economic Development Authority (EDA) continued its contract negotiations with a national retailer to locate at 408 Federal Street and 717 Fifth Street. This would be the first significant new construction project in the corridor in over forty years.

Phase III of the Fifth Street Improvement project will include the blocks from Jackson to Taylor Street and will include the same streetscape improvements as in Phases I & II, but will have less substantial underground utility work. The availability of CDBG funds is crucial to the completion of Phase III.

The Fifth Street Corridor is one of the major gateways to Downtown Lynchburg. It encompasses at least three (3) of the seven (7) "Hills" (College Hill, Garland Hill, and Tinbridge Hill), all of which are within the CDBG-targeted census tracts.

PRIORITY #7: SUPPORT ECONOMIC DEVELOPMENT

Goal 7: Support economic development efforts, which will expand job opportunities and support job retention for low- and moderate-income persons.

The City's goal is to provide pathways to employment for all citizens by encouraging private sector business growth, supporting an entrepreneurial economy, and building an infrastructure that meets the needs of Lynchburg's business community. In the City of Lynchburg, we take a multi-faceted, comprehensive approach to economic development, believing that the best results come from investing in people and place. The City utilizes the following strategies: 1) Work in partnership with Lynchburg's educational institutions and employers to create a pipeline of talented workers; 2) Work with community partners to ensure economic prosperity is attainable for all citizens; 3) Market and promote Lynchburg to the world to attract new employers; 4) Support investments in commercial property through the Enterprise Zone, Local Redevelopment Program and other incentives; 5) Support the development of infrastructure required for people and businesses to be successful, including roads, buildings and broadband; and 6) Create an ecosystem that supports an entrepreneurial community, including educational opportunities, funding sources, networking and mentoring.

The City has continued implementation of the Downtown/Riverfront Master Plan adopted in March 2001. Sasaki & Associates and Economics Research Associates developed the twenty-year (20) plan encompassing a sixty-block (60) area. Implementation continues to focus on four (4) areas: infrastructure/public space improvements, culture and entertainment, commercial development, and government projects. City Council agreed to accelerate completion of the Lower Bluffwalk project.

Housing is a critical component of the Downtown/Riverfront Master Plan and increases demand for retail and entertainment. The City's commitment to downtown revitalization remains strong with thousands of square feet of newly renovated residential and commercial spaces coming online. More than 200 new residential units were added in 2014 and 2015, for a total of 762 residential lofts in Downtown.

New residents are driving demand downtown, spurring the establishment of new business. Since 2004, 353 businesses have opened and 706 jobs have been created. The number of downtown businesses has increased by more than 205% in ten years. State and Federal Historic Tax Credits continue to be a productive financing vehicle for downtown redevelopment.

Public downtown and Riverfront redevelopment/infrastructure projects over the past year have been totally focused on the Lower Bluffwalk Phases 2 and 3. This project consists of constructing a pedestrian walking area, pocket parks, and plazas between the buildings facing Jefferson and Commerce Streets spanning from Ninth Street to Washington Street. In January 2012 the City allocated $5,715,420 for this project. During this reporting period $2,468,384 was expended on this project. The expected completion date for this project is September 2015.

During Program Year 2014 the City's Office of Economic Development reported the following accomplishments within the realm of economic development for the City:

1) The Office of Economic Development expanded the City's two Enterprise Zones, providing development and job creation assistance to growing businesses in commercial areas throughout town. In the past few years, the City has made several thousand additional acres of commercial property eligible for investment grants. During calendar year 2014, Enterprise Zone grants of $203,585 assisted Lynchburg businesses in retaining 570 jobs and creating 205 jobs. Investments in commercial real estate were even more significant. Real Property Investment Grants of nearly $838,000 leveraged private commercial property investments of almost $23 million.

2) The Local Enterprise Zone Redevelopment Program provides an investment overlay district corresponding to existing Enterprise Zone boundaries. Designed to support small business real property investments and expand real estate tax receipts for the City, the grant has been effective in incentivizing public-private partnerships and private investments. In fiscal year 2015, $112,000 in grants incentivized $4.3 million in private commercial property investments and increased valuation of property in the City.

3) The James River Arts & Cultural District has served to define the character of Lynchburg. The Arts and Cultural District Project Grant Program provides support for events and activities in the arts and humanities. In fiscal year 2015, $33,000 in local funding combined with $5,000 from the National Endowment for the Arts and Virginia Commission for the Arts was provided to support fourteen events or projects. Not only did the grants help to bring a variety of arts and cultural activities to Arts & Cultural District in the City of Lynchburg, they also generated $227,011 in private investment and over $2.3 million in total economic activity. Arts-related businesses within the district are also eligible for certain incentives.

4) Several million dollars of business financing was available to Lynchburg companies in 2014 to support existing business expansion and entrepreneurial development. Combined across programs, more than $2.2 million of capital in the form of loans and grants was made available to industry and small business in Lynchburg. The $1 million LEDA Revolving Loan Fund, managed by the Lynchburg Business Development Centre, has approved $832,202 in small business loans, supporting small firms throughout the city. While these businesses have directed funds toward growth and employment, their success has generated reimbursements that can be re-loaned to other businesses. The loan fund offers up to $250,000 for

business and development financing at fixed rates with flexible terms for capital needed to support business creation, expansion and development.

5) New business attraction from outside the local economy accelerates economic activity and drives local wealth creation. Economic development marketing and deal flow work to attract this investment. In 2014, Porter's Fabrication completed their move to the Hill City and first Virginia operation. After purchasing the former Diebold plant, Porter's invested an additional $1.8 million to upgrade the facility to produce fabricated metal products such as safes, vaults and ATMs. Porter's retained 80 positions and created 40 new jobs.

6) New business Seven Hills Food purchased and renovated the 100-year-old former Dinner Bell Meat processing facility. Seven Hills food was awarded the largest Governor's Agriculture and Forestry Industries Development (AFID) Fund grant to date and will process 100% Virginia-grown product, investing $3 million into the facility and creating 43 new jobs.

7) Existing business expansion continues to be the primary driver of Lynchburg's economy. Economic development efforts focus first on the growth and expansion of local business and industry. In 2014, Azdel announced a major expansion of their existing advanced manufacturing facility, investing $21.3 million in improvements, retaining 169 jobs and creating 33 new jobs.

8) The Lynchburg Economic Development Authority launched the Housing Incentive for Professional Educators (HIPE) workforce initiative with Lynchburg City Schools to recruit and retain highly sought after math and science teachers in grades 6-12 to live and work in the City and enhance STEM education efforts.

9) Eleven businesses completed the INOV8 small business competition – a partnership with Virginia Main Street, Lynch's Landing and the Small Business Development Center - which included group training and seminars, one-on-one business consultations and the production of a business plan. Oxide Pottery, CAO Artisan Chocolates and Endstation Theatre Company were each awarded $10,000 to expand operations in Downtown Lynchburg.

10) Along with diverse industries, the workforce has afforded Lynchburg a comparatively stable labor market. As our economy transitions, workers and employers in Lynchburg will see hurdles and opportunities as new industries emerge. Unemployment in the Hill City averaged 5.9 percent in 2014, with a seasonal spike during the summer months of 6.6 percent, down from a high of 7.0 percent the year before. Beyond the trend of a seasonal improvement in end-of-year unemployment, the 12-month low of 5.1 percent in November 2014 also signals an improving employment picture.

11) The Office of Economic Development and Economic Development Authority continues to implement the 2013 strategic plan, Opportunity Lynchburg: Lynchburg's Strategy for Jobs and Competitiveness, increasing targeted marketing efforts to attract new companies to Lynchburg focused on engineering and specialized services, advanced materials, niche headquarters and association management, and aircraft modification and repair. In 2014, the Economic Development Authority was awarded a $20,000 grant from Appalachian Power to further marketing and business attraction efforts.

Bluffwalk Center – Economic Development Project

In the Consolidated Plan (2000-2005) the City guaranteed $3,200,000 in HUD Section 108 loan funds for the Bluffwalk Center project. In Program Year 2013 the developer refinanced this project and the City received $1,430,364 for repayment of the total CDBG Entitlement Funds used to make principal and interest payments for the Section 108 Loan for the Bluffwalk Center. City staff has reported these funds as program income to HUD. The City is utilizing these funds in lieu of the CDBG Entitlement Funds, in conjunction with the developer's continued payments to the City, to make the future principal and interest payments for the remaining debt obligation of the original Section 108 loan. In Program Year 2014 the City paid $319,872 of the Section 108 principal and interest payment loan obligation to HUD.

PRIORITY #8: SUPPORT OF PROGRAMS FOR THE HEALTHY DEVELOPMENT OF THE CITY'S AT-RISK YOUTH, ADULTS AND FAMILIES

Goal 8: Promote activities which support the healthy development of the City's at-risk youth, adults and families

The City supports and will continue to serve at-risk youth, adults and families to provide comprehensive, collaborative, and quality services that empower youth and families. Goals established include: identifying the needs of youth and families and working collaboratively to meet those needs, providing high quality service and programs needed by youth and community programs that impact youth and families, and development of prevention resources and programs.

As evidenced in identifying families with children, especially those of low-income having significant housing needs, the City also recognizes that support services to these families are needed in addition to housing resources. Therefore, significant resources are invested in the City's many neighborhood and community centers which are beginning to benefit from partnerships with private sector groups and organizations to maximize the public benefit.

In addition, the City continues to support public service providers in order to meet the needs of the low-to-moderate income persons, persons with disabilities, substance abuse or addiction, persons with AIDS, persons that are homeless, and elderly persons. In addition to the services provided by the City's Division of Social Services there are many nonprofit organizations that coordinate with the City to provide services. These organizations include: Young Women's Christian Association (YWCA)–Domestic Violence Prevention Center, United Way of Central Virginia, Miriam's House, The Gateway, Lyn-CAG, and Rush Homes.

Programs/activities that received and expended CDBG funds during this reporting period for this goal included the following:

Continuum of Care Coordinated Assessment Intake Social Worker

One of the requirements of The Homeless Emergency Assistance and Rapid Transition to Housing Act of 2009 (HEARTH Act), enacted into law on May 20, 2009, was that the Continuum of Care (CoC) Program homeless providers/agencies establish and operate a centralized or coordinated assessment system that provides an initial comprehensive assessment of the needs of individuals and families for housing and services. As a result of the HEARTH Act, in July 2012 HUD published the

CoC Interim Rule that included the requirements for the establishment of a centralized or coordinated assessment system.

With this requirement, the Central Virginia Continuum of Care (CVCoC) developed the Coordinated Homeless Intake and Assessment (CHIA) to achieve compliance with these requirements. A Homeless Intake Coordinator was hired to implement and administer the intake process and work to achieve the goals for CHIA. The CVCoC developed a uniform intake tool to quickly assess individual and family needs and assure that they are either diverted from the homeless response system or expeditiously placed in the most appropriate housing program. The CHIA goals are:

- ✓ to divert households from homelessness when safe options are available
- ✓ to understand the client's need and eligibility for existing programs;
- ✓ to document the client's homelessness, housing history and barriers;
- ✓ to identify needs through consistent use of a uniform assessment tool; and
- ✓ to capture data about area homelessness to better assess and provide for community needs.

Gathering such data enables the Homeless Intake Coordinator to:

- ✓ develop a housing plan for clients;
- ✓ check availability of beds in multiple shelters;
- ✓ match the client need with existing bed space, resulting in the right program for each individual client.

Use of the HMIS (Homeless Management Information System) tracks data and documentation and provides:

- ✓ real-time knowledge of available beds;
- ✓ allows transfer of client information to the receiving program;
- ✓ provides enrollment status to the Homeless Intake Coordinator; and
- ✓ allows the Homeless Intake Coordinator to monitor the situation to ensure the client is successfully enrolled into the selected program.

As recipients of the CDBG entitlement funds, the City is highly encouraged to provide support to the CVCoC Coalition agencies and to further HUD's objective of ending homelessness. City staff coordinated with the various member organizations regarding the benefits of a centralized intake location for homeless persons and the staffing required for this service. City Council approved the funding of a part-time position that would provide the staff person to conduct the assessment/intake of homeless persons and coordinate the referrals to the appropriate homeless providers/agencies.

In Program Years 2013 and 2014 the City allocated $30,000 and $24,585, respectively, of CDBG funds to this activity to implement and continue the funding needed for the Homeless Intake Coordinator position. In Program Year 2014 there was $23,444 expended for direct costs associated with the funding of the position.

During this reporting period, the CVCoC served 220 families consisting of 616 persons. Of these 616 persons, 423 were referred to emergency shelters. The CHIA Coordinator has assisted 237 clients/households in completing a Housing Barrier Assessment. This tool allows the CHIA Coordinator to assess barriers for the particular client(s) that are in emergency shelters and have not developed a housing

plan. Based upon the results the client is then referred to a CVCoC provider who can place them in a stable housing condition. Finally, there have been 98 clients referred to Lyn-CAG's Virginia Homeless Solution Prevention Program (VHSPP). This program provides clients that are housed but, are in imminent danger of losing their housing, with a possible means of mediation and financial resources to retain their housing.

2. Describe the manner in which the recipient would change its program as a result of its experiences.

The City acknowledges the challenges of producing affordable housing options and providing programs and services to low-income communities and people. The City continues to review its approach to how we administer, evaluate, make decisions, and implement the CDBG and HOME programs. We intend to address this by redefining desired outcomes for all of our programs and strategically planning a path by which to achieve these outcomes.

The City annually reviews its subrecipient agreements to update any necessary regulation changes, revisits policies and procedures, provides additional oversight and monitoring of agencies utilizing federal funds, and is available to provide training for non-profits and entities applying for and receiving CDBG and HOME Program funds. In addition to the training, recipients of federal funds are provided one-on-one technical assistance based upon their individual needs. City staff continues to take advantage of training opportunities to build internal capacity.

With these strategic and deliberate steps the City strives to continue to improve the quality of service delivery and housing in our community. However, as the housing market continues to recover from the recent global recession and increases in the cost of doing housing rehabilitation, the City will be challenged to come up with strategies to address these issues.

3. Affirmatively Furthering Fair Housing:

a. Provide a summary of impediments to fair housing choice.

In Program Year 2012 the City allocated $30,000 to conduct an Analysis of Impediments to Fair Housing (AI). During Program Year 2013 the firm of Mullin & Lonergan Associates, Inc. (M&L) was retained as consultants to conduct the Analysis of Impediments to Fair Housing Choice.

M&L utilized a comprehensive approach to complete the AI utilizing many different data sources, City documents, and specifically conducted interviews and focus group sessions with agencies and organizations that provide housing and housing related services to members of the protected classes.

The AI included an analysis of public and private sector policies, programs and statutes which impact the development, financing, regulation and siting of housing in the City. The City has identified within the AI: (a) impediments to fair housing choice; and (b) recommended strategies/action steps that would eliminate the impediments to housing choice.

b. Identify actions taken to overcome effects of impediments identified.

For Program Year 2014, see Attachment A for accomplishments achieved towards the impediments identified in the AI.

4. Describe Other Actions in Strategic Plan or Action Plan taken to address obstacles to meeting underserved needs.

To assist in addressing the housing and community development needs of underserved citizens, the City of Lynchburg focused a significant amount of federal resources on rehabilitation, homebuyer activities, and public infrastructure in the CDBG targeted areas. Several non-profit agencies were funded with CDBG and HOME Program funds to undertake rehabilitation and homeownership activities.

Financing availability continues to be one of the main obstacles in addressing underserved needs of the City's residents. With declining government program support, the private sector will have to play a key role in making up for this loss.

The City, particularly through its partnership with local non-profits, has continued to promote the involvement of private citizens, banks, corporations, and others in community development activities. As more people become involved the proper and effective coordination of this involvement will become even more challenging.

The City of Lynchburg continues to support cooperative ventures, and initiate cooperation where it is lacking. City Council exercised a coordinating role in its allocation of CDBG and HOME Program funds to subrecipient organizations, and through the establishment of the Consolidated Plan. Other examples of coordination include the Community Code Compliance Team, where citizens and City staff meet in neighborhoods to discuss code violation issues and plan corrective actions to be taken to address the issues.

Shared responsibility also implies the open exchange of information and the combination of scarce resources. The City maintains a leadership role in this regard, while opening the process to all interested parties, including low- and moderate-income citizens.

The City continues to seek reduction in the number of households with incomes below the poverty line by 10% each year through long-term solutions such as education (including adult education and job skill training), economic development, coordinated supportive services, and Bridges Out of Poverty support program. These areas are traditionally within the local government's sphere of influence and the Lynchburg City Council has placed significant emphasis and funding in these areas through the allocation of CDBG and HOME Program funds.

City staff reviews the quarterly reports for each CDBG and HOME project that is funded to ensure that the City is meeting the goals and objectives stated in the Consolidated Plan. For projects that are not meeting the goals established in the Consolidated Plan and Annual Action Plan, City staff contacts the agency to discuss the project and the necessary action that will be needed to bring the project to a current status.

City staff reviews each CDBG and HOME project to ensure that funds are being expended in accordance with the program regulations and that the project funds are

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being expended in a timely manner. If a project has not expended funds during the quarterly review, City staff contacts the agency to discuss the project status and the importance of expending the project funds in a timely manner.

For ongoing HOME Program rental projects City staff requires the agency responsible for the project to submit to the City an annual Project Compliance Report for Rental Housing, and Project Compliance Checklist. This information is reviewed for HOME Program compliance.

The City's CDBG and HOME Program funds are audited in conjunction with the City's annual audit.

5. Leveraging Resources:

a. Identify progress in obtaining "other" public and private resources to address needs.

The utilization of CDBG, HOME Program, and other federal grant funds has had a substantial impact on the City's ability to leverage other resources to redevelop economically distressed neighborhoods and provide renewed opportunities for our residents. The City of Lynchburg, particularly through the Lynchburg Economic Development Authority (LEDA), offers various incentives at the local level, and a vast array of other public and private resources are available to address the needs of our community. The section below provides details of this leverage.

b. How Federal resources from HUD leveraged other public and private resources.

Public Resources:

The City of Lynchburg operates several programs and services which contribute to community revitalization. These include the following:

- The Water Resources Department operates the Combined Sewer Overflow ("CSO") Program, the largest of all the City's capital improvement programs. This program reduces the volume and frequency of overflows from the City's combined sewer system. Thus far, the Program has spent $33 million of local funding (provided by sewer fees); $139 million in State funding (VCWRLF loans); $45 million in federal and state funding (grants); and $19 million in Federal Stimulus (ARRA) funding. The original Long Term Control Plan (LTCP) for this program was to take more than thirty (30) years and an additional $267 million to complete. However, the Virginia Department of Environmental Quality (DEQ) approved the City's new LTCP along with a new Special Order in 2015. This new plan will allow the program to be completed in an estimated 10-15 years costing approximately $63 million to complete assuming no new regulatory obligations. The State has provided a $30 million grant towards the remaining $63 million dollars.

- The Inspections Division of the Community Development Department administers a complaint-based Property Maintenance (land and structure) or Code Compliance Program. Under this Program properties are cited for various violations of the City's Property Maintenance Code where owners are

given certain deadlines for compliance. If compliance is not attained, the City takes the owner to Court for judgment and resolution of the violation(s).

- The Code Compliance Division of the Community Development Department enforces ordinances regarding abandoned vehicles, illegal dumping, and weeds.

- The City's Division of Social Services (DSS) manages twelve (12) programs that coincide with other public service activities provided by nonprofits. Many of the non-profit agencies utilize the services provided by the City for their clients. They are listed as follows:

  - Child Care Services: Provided to enable low-income families (regardless of Temporary Assistance to Needy Families (TANF) status) to be employed or to prepare for employment.
  - Prevention Services: Works with families to prevent foster care.
  - Employment Services: Provided to TANF recipients to help secure employment, education, or training. Several services are offered.
  - Services to Adults: Services to the elderly and disabled, including emergency assistance with prescription medications, food, clothing, and shelter.
  - Energy Assistance Program: Programs to offset rising costs of heating (and, if available, cooling). Also provides assistance with heating equipment and fuel.
  - Supplemental Nutrition Assistance Program (SNAP): Supplements the food purchasing power for low-income households.
  - Medicaid Assistance Program (MEDICAID): Pays for medical, dental, pharmaceutical, and optometry care for recipients of public assistance and medically needy persons.
  - Temporary Assistance to Needy Families (TANF): Monthly assistance to needy families with children ages birth to 18 years.
  - Temporary Assistance to Needy Families - Unemployed Parent (TANF-UP): Monthly assistance to needy two-parent families with children ages birth to 18 years when the primary wage-earner is unemployed.
  - Virginia Initiative for Employment not Welfare (VIEW): Clients are given up to two years of supportive services and an additional year of transitional services to obtain gainful employment. This program is required for all TANF recipients.
  - Protective Services To Children (CPS): Includes the receiving of reports of abuse/neglect, determining the validity of these reports, conducting an investigation or family assessment to determine if there is evidence to substantiate a report, identifying service needs for families who are the subject of these reports, and providing services to enhance child safety and prevent further abuse/neglect of children.
  - Foster Care/Adoption: Foster care is a temporary living arrangement providing care and parenting for children who can no longer live in their homes because of abuse, neglect or other severe family problems. Family Service Specialists help families resolve problems so that their children can return home without further incidence of abuse or neglect. When children are unable to return home safely, the agency works to identify appropriate adoptive families so that children are able to have a permanent, safe, and nurturing family.

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Other HUD grants used in the community are funded through the McKinney-Vento Homeless Assistance funds and the HUD Continuum of Care Program. Recipients of these funds are: Miriam's House, Lyn-CAG, Rush Homes, and the Young Women's Christian Association (YWCA).

***Quasi-Public Resources**:*

The non-profit subrecipients did an excellent job of gathering and utilizing other public and private financial resources to complement the investments from the entitlement allocations. Our community partners used a variety of resources from other localities, the State, United Way and private foundations to meet their matching requirements and to financially support their programs and client services.

***Private Resources**:*

The Salvation Army and Lynchburg Daily Bread are two places in the City where people from the Greater Lynchburg area receive a hot meal every day, with no questions asked. The Salvation Army offers breakfast and supper, whereas Lynchburg Daily Bread offers lunch. The Salvation Army has been serving Lynchburg and the surrounding counties of Campbell, Bedford, Amherst, Appomattox, and Nelson for over 100 years.

In addition, at The Salvation Army there is the Center of Hope facility which offers transitional shelter, emergency shelter services, and the community meals program. There are family suites available in the transitional shelter section.

The Salvation Army also houses a day care program on its campus. Salvation Army staff offer life skills and lay-counseling to needy persons and helps them to find employment and establish credit.

Lynchburg Daily Bread receives food from businesses, churches, persons, and the USDA. Any excess is shared with other non-profit organizations. When lunch is over, the facility is used as a day shelter for persons and families.

The Gateway House, Inc. is a program for homeless men recovering from substance abuse. The Gateway receives in-kind contributions, and donations from churches, community organizations, businesses, and persons. Volunteers live at the Gateway four nights per week to assist residents.

In Program Year 2014 the United Way of Central Virginia funded forty-one (41) programs for twenty-eight (28) agencies in Central Virginia, including agencies who also received HUD grant funds. Local foundations that fund area non-profits include: Greater Lynchburg Community Trust, CENTRA Foundation, Retail Merchants Foundation, Easley Foundation, Plymale Foundation, and Food Lion Charitable Foundation.

The Free Clinic of Central Virginia envisions a community where everyone has access to quality healthcare services. The Clinic provides high-quality medical, dental, pharmacy and health education services to those in Central Virginia who do not have the resources to obtain these basic healthcare services. Since opening in 1987, the Free Clinic has served over 26,000 Central Virginians. During the period July 1, 2014 through June 30, 2015, there were over 3,100 patients served and the Clinic filled

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over 15,000 prescriptions. Ninety-five percent (95%) of the patients have incomes below 100% of the Federal Poverty Level (FPL) and all of the patients have incomes below 200% FPL. The work of the Free Clinic is made possible by the generous donations of time, talent, and services provided at no charge. Over 650 medical, dental, and pharmacy professionals regularly volunteer at the Free Clinic. Last year, the Clinic received over $3 million in donated services and supplies. The Clinic is also funded with cash donations from individuals, businesses, churches, foundations, and civic organizations. Finally, 69% of the annual operating budget comes from individuals and civic groups. Approximately 11% of the funding is from the State and 17% comes from foundation and other grants.

Lynchburg Covenant Fellowship (LCF) began as an ecumenical ministry launched by The Church of the Covenant. It has grown over the past sixty-three (63) years to become its own organization. Over the years LCF has been involved in many programs, some of which have spun off into separate 501(c) (3) organizations such as Interfaith Outreach Association, Camp Kum-Bah-Yah, Rush Homes and The Gateway. In 1970, LCF saw a need for housing for low-income individuals and families and focused its efforts on providing safe, decent and affordable housing for these individuals, disabled, elderly and families. LCF owns and/or manages several project-based Section 8 Housing communities. LCF partners with Horizon Behavioral Health Services (formerly Central Virginia Community Services) providing a group home for mentally challenged individuals in Appomattox and two group homes in Amherst. Another small project-based Section 8 apartment community in Lynchburg provides housing for mentally ill individuals who are referred by Horizon Behavioral Health Services. Other Department of Housing and Urban Development (HUD) subsidized housing communities include Lynchburg High Apartments, Shalom Apartments and Frank Roane Apartments. Lynchburg High provides affordable housing for elderly, disabled and multi-families and Shalom provides affordable housing for individuals and families. Frank Roane is an elderly community for individuals 62 years of age and older. LCF owns 26 "market rate" apartments in the City. Although these are labeled market rate, the rents are much lower than typical market rate apartments. LCF also owns the Hospice House that is rented and staffed by CENTRA.

LCF has had and continues to have housing contracts with HUD for the HUD subsidized properties. LCF also has relationships with the Virginia Housing Development Authority (VHDA), the City of Lynchburg, the Lynchburg Housing and Development Authority, Horizon Behavioral Health Services, Rush Homes, Lynchburg Neighborhood Development Foundation, Interfaith Outreach Association, CENTRA, Department of Social Services, Central Virginia Area Agency on Aging, Lynchburg Health Department, Lynchburg Presbyterian Home and Alliance for Families, Department of Housing and Community Development, Virginia Community Capital, Boston Capital and other private, local businesses along with businesses and companies located in other areas within the state and outside of Virginia.

Lyn-CAG "serves to effectively assist low-income families and persons in the Central Virginia Region 2000 community to move from economic and social dependency to self-sufficiency." Region 2000 encompasses the Cities of Lynchburg and Bedford and the counties of Amherst, Appomattox, Bedford, and Campbell. Lyn-CAG is a United Way agency. Lyn-CAG offers crisis intervention, shelters, housing, transportation, housing improvement, financial and educational training, and community reentry (for released inmates) services. The Housing Rehabilitation Program is funded by the CDBG Program. The Substantial Rehabilitation Program is funded by the HOME

Program. Lyn-CAG is one of the City's two Community Housing Development Organizations (CHDOs) and rehabilitates and/or constructs homes for first-time home buyers.

c. How matching requirements were satisfied.

The HOME program requires that participating jurisdictions (PJs) provide match funds in amounts equal to no less than 25 % of the total HOME funds drawn down from the jurisdictions HOME program account for project costs. Allowable reductions are made for PJs that experience fiscal distress or major disasters in accordance with the Stafford Act.

Fiscal distress can be categorized by the following criteria: 1) the family poverty rate is 125% or more of the national poverty rate; and 2) the per-capita income is less than 75% of the national average. When a PJ meets one of these distress criteria, it is determined to be in fiscal distress and thereby receives a 50% reduction of its match requirement. If a local jurisdiction satisfies both of the distress criteria, it is determined to be in severe fiscal distress and receives a 100% reduction of its match requirement. The City does not meet the criteria to be classified as severely distressed but has been determined to be in fiscal distress and received the 50% reduction of its match requirement for Program Year 2014.

With respect to HOME Program funds, the City began the Program Year 2014 period with $2,161,348 in excess match carried over from the prior years. During Program Year 2014, the City accrued $195,836 in additional match credit from Greater Lynchburg Habitat for Humanity (GLHFH) HOME-assisted units. Based on the HOME Matching Liability Report (PR33) from the HUD Integrated Disbursement and Information System (IDIS), a total of $520,583 in HOME funds were disbursed requiring a match liability from July 1, 2014 to June 30, 2015, of which $65,073 was subject to the 12.5% match requirement applied to the City. A balance of $2,292,111 in excess match to carry over to Program Year 2015 remains available for future years.

Managing the Process

1. Describe actions taken during the last year to ensure compliance with program and comprehensive planning requirements.

Program Year 5 CAPER Managing the Process response:

The City of Lynchburg has a Grants Management Team within the Grants Administration Office and Department of Financial Services that is dedicated to properly administering the approved projects and monitoring expenditures of the City's HUD-dispensed federal entitlement grants. Each year the Team, at the direction of the Community Development Advisory Committee (CDAC) and City Council, oversees and ensures the completion of the approved projects for the CDBG and HOME Program. These projects are what make up our Consolidated Annual Action Plan.

City staff ensures compliance with program and local requirements by incorporating approved accounting procedures, providing internal and external audits, monitoring and following HUD regulations and requirements.

Citizens provide an additional layer of compliance monitoring through community input and the Citizen Participation Plan. Additionally, comprehensive planning with other governmental entities ensures continual adjustments to long-term statistics relative to housing, homeless and other special needs populations.

Citizen Participation

Program Year 5 CAPER Citizen Participation response:

1. Provide a summary of citizen comments.

On September 26, 2015 a public notice was published in the *News and Advance* stating that a draft of the proposed Program Year 2014 Consolidated Annual Performance Report (CAPER) was available for public review for a 15-day public comment period. The advertisement stated that City Council would be conducting a public hearing on October 13, 2015 to receive public comments regarding the draft CAPER.

In addition to the 15-day public comment period and the public hearing held by City Council, copies of the draft CAPER were made available for public review at the following locations in and throughout the City:

- Grants Administration Office, Second Floor, City Hall, 900 Church Street, Lynchburg, Virginia 24504
- Lynchburg Public Library, 2311 Memorial Avenue, Lynchburg, Virginia
- Downtown Branch Library, City Hall, Basement Floor, 900 Church Street, Lynchburg, Virginia 24504
- City website at http://www.lynchburgva.gov/grants

The draft report provided citizens with details concerning the federal funds made available to the City for furthering the objectives of the Consolidated Plan. The report also identified the total amount of funds available (including program income), the total amount of funds expended during the reporting period, and the geographic distribution of expenditure of funds within the various census tracts.

Citizen Comments – Any comments that are received during the public comment period will be addressed and incorporated into the CAPER.

2. In addition, the performance report provided to citizens must identify the Federal funds made available for furthering the objectives of the Consolidated Plan. For each formula grant program, the grantee shall identify the total amount of funds available (including estimated program income), the total amount of funds committed during the reporting period, the total amount expended during the reporting period, and the geographic distribution and location of expenditures. Jurisdictions are encouraged to include maps in describing the geographic distribution and location of investment (including areas of minority concentration). The geographic distribution and expenditure requirement may also be satisfied by specifying the census tracts where expenditures were concentrated.

The goal of this report is to compare the anticipated benefits projected in the City's Annual and Five-Year Plans with the actual accomplishments achieved. This report also allows local citizens and elected officials, and representatives of HUD to evaluate the City's performance and assess its status in meeting the five-year goals established in the 2010-2015 Five-Year Consolidated Plan.

The CAPER reviews how the City of Lynchburg used federal funding provided by HUD to successfully implement programs and projects that address its community development objectives during Program Year 2014 (July 1, 2014 through June 30, 2015).

Within the City of Lynchburg's Five-Year Consolidated Plan, the City committed to the overarching goal of undertaking activities that would result in substantial public benefit through the revitalization of depressed areas, and in assistance to low- and moderate-income residents. These are the central City neighborhoods that surround the downtown business district and are the seven contiguous census tracts that comprise the CDBG target area: Census Tracts 4, 5, 6, 7, 11, and 19. The Census Tract Map attached to this document (Appendix A - Map 1) depicts the boundaries of the CDBG target areas in the City. In addition, within the HOME Program, homebuyer, rental development, and homeowner rehabilitation assistance was provided to low-to-moderate income persons based on individual needs for affordable housing.

The majority of the CDBG and HOME Program funding this reporting period was allocated for activities classified as housing, public housing, parks and recreation, public improvements, and removal of blighted properties. Details of the programs, accomplishments, and an analysis of expenditures are provided throughout the CAPER and within the IDIS reports included with this CAPER. The Project Location Map (Appendix A - Map 2) depicts the locations of the funded projects.

Institutional Structure

1. **Describe actions taken during the last year to overcome gaps in institutional structures and enhance coordination.**

Program Year 5 CAPER Institutional Structure response:

To minimize gaps and to ensure coordination of the Federal CDBG and HOME Program funds, as well as the City's General Fund, these funds are overseen by several City committees, commissions, and City departments. The City Council, as the governing body of the City of Lynchburg, is responsible for all policy decisions and approves all City funding recommendations. Ultimately funding for housing and non-profit providers is coordinated through City Council.

Information of funding proposals and awards are advertised and distributed to non-profit entities and other interested organizations and City departments so that they are aware of available funding and funding awards. Applicants provide information on other funding sources for the project and for their organization.

The City's Community Development Advisory Committee (CDAC) reviews all funding requests and makes recommendations to the City Council on all activities proposed to be funded through the CDBG and HOME programs. City Council makes the final funding decisions. The Grants Administration Office oversees the administration of

the CDBG and HOME Program and reviews the progress of subrecipient grantees toward meeting their programmatic goals.

City of Lynchburg residents and other interested persons had several opportunities during the program year to comment and offer suggestions on funding through regular meetings and public hearings.

The Grants Administration Office is responsible for the preparation of the City's Consolidated Plan, Annual Action Plan and Consolidated Annual Performance and Evaluation Report (CAPER). The Grants Administration Office also coordinates interdepartmental discussion regarding priorities and programs which arise from or affect the City's planning process and ensures that federally funded programs are addressing the City's priority needs in compliance with its Consolidated Plan.

Monitoring

Program Year 5 CAPER Monitoring Response:

1. **Describe how and the frequency with which you monitored your activities.**

The Grants Administration Office is responsible for monitoring programs that receive CDBG and HOME Program funds. A subrecipient agreement is prepared for all agencies outside of the local government. This agreement contains the required HUD applicable statutory and regulatory requirements.

Monitoring of projects is done in several ways. First, subrecipients are typically reimbursed for expenses, rather than provided funds in advance. The City requires receipts, time sheets, and other relevant documentation with the reimbursement request. Also, subrecipients are required to submit quarterly performance reports, which are reviewed for consistency with the City's programs and financial records.

During this reporting period, the City's Monitoring Policy was to conduct at least four annual subrecipient on-site monitoring visits. These monitoring visits were conducted by the Grants Administration and Finance Department staff. At the on-site monitoring visits for the housing and acquisition projects, a random selection of address files were reviewed for program compliance. For all other projects a visual inspection was made of the various accomplishments completed with program funds and a narrative submitted on the benefits for low and low-to-moderate-income persons. There is a monitoring checklist that is completed at the time of the review and then summarized. The financial reviews include a selection of reimbursements from the City. The reimbursements are traced through receipt and disbursement of funds. When all staff has completed their reviews the monitoring comments are compiled and a letter written to the agencies advising them of the results of the monitoring reviews and if any corrective action is needed. Technical assistance is provided as needed, or requested.

In addition, the various CDBG and HOME Program activities are monitored remotely through quarterly performance reports and information provided with reimbursement requests.

2. **Describe the results of your monitoring including any improvements.**

The City has conducted on-site monitoring visits at the following agencies for the Program Year 2014 CDBG and HOME funded projects:

1) Greater Lynchburg Habitat for Humanity;
2) Lynchburg Redevelopment and Housing Authority;
3) Lynchburg Community Action Group;
4) Rush Homes; and
5) Lynchburg Covenant Fellowship.

City staff reviewed written agreements, agency procedures and client records with each monitoring source. The written monitoring reports will be provided to the agencies upon completion by City staff. Overall, each agency was in compliance with the CDBG and HOME program regulations and guidelines for the various programs/activities completed.

3. Self-Evaluation

a. Describe the effect programs have in solving neighborhood and community problems.

Using HUD funds, the City of Lynchburg continues to play a critical role in ensuring the sustainability and operation of activities and programs of significant benefit to our residents. The City has used CDBG funds to provide services to Lynchburg's most vulnerable populations, with programs that include facilities and services for the homeless, programs for at-risk youth, programs for persons experiencing domestic violence, and seniors. CDBG funds have also been used to improve parks, public facilities, and provide business and technical assistance for businesses located in low-income areas. HOME Program and CDBG funds have been used to improve substandard housing, provide assistance to purchase homes, and create new affordable housing. These activities directly enhanced the overall quality of life in the target areas.

b. Describe progress in meeting priority needs and specific objectives and help make community's vision of the future a reality.

The City of Lynchburg's Consolidated Plan contains goals to address community needs and improve the quality of life for its residents, especially low- and moderate-income residents. City staff annually reviews the five-year goals and priority needs as defined in the City's 2010-2015 Consolidated Plan and recommends any modifications to programs based on those reviews. Any amendments to the Consolidated Plan are presented to the Community Development Advisory Committee (CDAC) for review. If approved by CDAC, amendments are submitted to City Council for approval before submission to the HUD Richmond Office.

The City believes that it has effectively used its HUD funding to address as broad a range of community development objectives as possible. It plans to continue to support a wide range of programs and activities that will provide services, affordable housing and economic development opportunities for low-and moderate-income persons.

c. Describe how you provided decent housing and a suitable living environment and expanded economic opportunity principally for low- and moderate-income persons.

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The City obligated all of its CDBG and HOME funds to specific programs, projects, and activities. Using the federal entitlements and program income Lynchburg funded: nine (9) housing projects this program year with CDBG and HOME Program funds. Specifically, within the HOME funds, two (2) CHDO projects were allocated funds to acquire and rehabilitate one housing unit for a low-to-moderate income person and to complete a rental housing development project. There was one (1) project funded in the CDBG Program for public improvements that was located in a CDBG targeted neighborhood. LRHA received CDBG funds to complete the rehabilitation of a community room at once of its public housing complexes.

The City maintained its effort in promoting the priority needs, goals, and objectives stated in its Annual Action Plan. The City did not make any changes to the program year objectives. It focused on addressing housing needs in the CDBG-targeted areas and City-wide. The City continued to evaluate ways to increase available resources, improve the strategic use of resources to leverage more non-profit and private sector activity, and increase activity that would eliminate major blighting influences that might impede the conservation and redevelopment of neighborhoods.

d. Indicate any activities falling behind schedule.

There are two (2) CDBG activities behind schedule: (1) In Program Year 2012 the City allocated funds for improvements to be made within Riverside Park. The Parks and Recreation Department has issued a contract and construction is underway. This activity will be completed in November 2015; and (2) In Program Year 2014 the City allocated funds for the Tinbridge Hill Infrastructure project. Due to unforeseen weather conditions during the winter of 2014 and the difficult terrain that was encountered for the design work, this project was delayed by several months. The design and scope of work has been completed. City staff is currently developing the bid for construction. The project is planned to be completed by December 2015.

City Grant Administration staff is closely monitoring these project for completion and draw down of funds.

e. Describe how activities and strategies made an impact on identified needs.

During the reporting period, CDBG and HOME Program funds made possible a number of activities to address the housing, economic, human and neighborhood development, and homeless services needs of the community. Under the General Questions Section (Pages 6-21) a partial list of the results achieved is provided in reaching over 8,063 persons, families and/or households. The impact on their needs was achieved through activities and strategies focused on:
-- developing homeownership opportunities
-- eliminating blighting structures and conditions
-- repairing and rehabilitating owner-occupied housing
-- maintaining and operating shelters and services for the homeless
-- developing decent, affordable multi-unit rental housing
-- elderly and other special needs housing assistance
-- neighborhood parks and infrastructure improvements
-- developing project experience for neighborhood organizations

f. Identify indicators that would best describe the results.

At the present time, the output indicator of over 8,050 people with access to improved facilities, services, and homeless shelters; and thirteen (13) units of housing assistance (homeownership, homeowner rehabilitation, and rental rehabilitation) provide reasonable indicators of the results achieved during the reporting period. For additional output indicators, see item 1.a. under the General Questions Section (Pages 6-21).

g. Identify barriers that had a negative impact on fulfilling the strategies and overall vision.

The overall economic climate and reduced funding allocations in the City's federal programs have provided barriers to the City's progress in fulfilling strategies and vision. The consistent reduction in federal funding directly impacts the ability of the City and non-profit agencies to meet low-income, underserved populations in our community.

h. Identify whether major goals are on target and discuss reasons for those that are not on target.

Major housing and non-housing goals were on target during this program year.

i. Identify any adjustments or improvements to strategies and activities that might meet your needs more effectively.

Areas to expand and improve in Program Year 2015 include:

- City staff will monitor expenditures and actively work to ensure that programs and projects are completed within a timely manner;
- Review policies, procedures, guidelines and other documents for the CDBG and HOME programs;
- Provide training opportunities for staff and subrecipients, as needed;
- Attend HUD-sponsored training offered for changes related to the HOME Program Final Rule 2013; and
- Continue to work with the Continuum of Care homeless service providers to assist homeless persons in finding shelter and/or permanent housing opportunities.

Lead-based Paint

1. Describe actions taken during the last year to evaluate and reduce lead-based paint hazards.

In Lynchburg, approximately 85% of the homes built prior to 1978 contain some lead. Children, particularly those under the age of six, are at risk of lead poisoning if living or repeatedly being in a housing unit containing lead-based paint. Research suggests that lead poisoning has societal costs that include, medical care, special education, behavioral problems, reduced long-term educational attainment, reduced long-term income attainment, increased criminal behavior, and increased hypertension in adolescents and adults.

In accordance with applicable requirements, lead-paint assessments, treatments and/or clearances are conducted on each structure built prior to 1978 in which CDBG

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and HOME Program funds are expended. City staff provides each subrecipient, through the written agreements, a copy of the lead-based paint regulations and forms that are to be completed according to the scope of work for the various activities.

To protect against this risk, on April 22, 2008, EPA issued a rule requiring the use of lead-safe practices and other actions aimed at preventing lead poisoning. Under the rule, beginning April 22, 2010, contractors performing renovation, repair and painting projects that disturb lead-based paint in homes, child care facilities, and schools built before 1978 must be certified and must follow specific work practices to prevent lead contamination. Contractors are certified through the U. S. Environmental Protection Agency (EPA). This agency provides training programs across the State of Virginia and allows for contractors to submit their application for certification online. A list of the training programs offered and the application are found on the EPA website: EPA Lead Training Programs

Subrecipients are required to ensure that all contractors obtain the proper certification prior to completing a renovation or repair project utilizing CDBG and HOME Program funds. During this reporting period Lyn-CAG utilized four (4) contractors and all had current certifications to conduct lead-based paint renovation, repair, and painting activities pursuant to 40 CFR Part 745.89 for the homeowner rehabilitation projects.

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HOUSING

Housing Needs

Program Year 5 CAPER Housing Needs response:

1. **Describe Actions taken during the last year to foster and maintain affordable housing.**

Preserving existing housing and promoting the production of new affordable housing is a primary mission of the City of Lynchburg. To that end, the City funded a number of programs aimed at addressing this issue. Agencies funded included Lynchburg Redevelopment and Housing Authority (LRHA), Lynchburg Community Action Group (Lyn-CAG), Lynchburg Covenant Fellowship (LCF), Rush Homes, and Greater Lynchburg Habitat for Humanity (GLHFH).

A strong emphasis remains on citizen participation through public hearings, technical assistance, and public notices in the newspaper. City staff also works continuously with persons and agencies to assess housing needs, identify plans of action, and ensure projects that are funded with federal funds meet those needs.

Specific Housing Objectives

1. **Evaluate progress in meeting specific objective of providing affordable housing, including the number of extremely low-income, low-income, and moderate-income renter and owner households comparing actual accomplishments with proposed goals during the reporting period.**

It is extremely difficult to commit to serving a specific number of households at given income levels, because these numbers tend to change due to the financial structure of a development or situation. Housing development is generally a multi-year process that is dependent on many funding sources and is often vulnerable to delays and cost increases. A housing development or project proposed to serve extremely low-income families is often not awarded the amount of subsidy needed to reach the targeted income scale. Also, this type of project may need to be restructured to serve higher income families because there is insufficient subsidy to make the rents or payments low enough to pay operating costs, mortgages, and other expenses.

There are a variety of housing types starting to become available to low-moderate income families. An enhanced importance of handicap accessibility (Section 504 compliance) has been placed on low-income projects. For example, the Lynchburg Redevelopment & Housing Authority has undertaken converting several low income units into accessible units.

The City has formed a Housing Collaborative which consists of various non-profit housing partners of the City, as well as larger institutions and stakeholders from around the City. The Collaborative has reviewed and commented on various housing initiatives including but not limited to, Analysis of Impediments to Fair Housing Choice, Tinbridge Hill Neighborhood Plan, the City's update of the Comprehensive Plan, and the State & National Historic District designation of the Pierce Street Historic District.

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The City worked to provide affordable housing assistance to owners and renters at various income levels throughout the program year. The City allocated $429,585 in CDBG funding and $486,652 in HOME Program funds for housing projects and activities that will ultimately benefit primarily extremely low-income, low-income, and moderate-income renter and owner households.

2. Evaluate progress in providing affordable housing that meets the Section 215 definition of affordable housing for rental and owner households comparing actual accomplishments with proposed goals during the reporting period.

The Section 215 definition of affordable housing relates to units assisted with HOME funds. Please see 1.a. under "HOME / American Dream Downpayment Initiative (ADDI)" for detailed discussions of the projects involved and the income levels of beneficiaries (Pages 40-44).

3. Describe efforts to address "worst-case" housing needs and housing needs of persons with disabilities.

"Worst case" housing needs involved persons, often (but not exclusively) renters, with very low-incomes who spend more than half of their gross income on housing costs or who live in severely inadequate housing. The City's efforts to address this circumstance is through assistance for rehabilitation of owner-occupied housing, assistance to homebuyers, and assistance for the development of low-income rental housing. During the reporting period, owner-occupied rehabilitation activities were conducted by Lyn-CAG, and Lynchburg Redevelopment and Housing Authority (LRHA) through its Rental Rehabilitation Program. These activities assist with substantial and minor repairs that often resolve substandard conditions. Homeownership assistance during the reporting period was conducted by Habitat for Humanity.

Suggesting to owners of substandard rental units to rehabilitate their property is never an easy matter. The City has a Rental Inspection Program which encourages owners to make improvements to meet Code. However, because of the federal rules involved with the use of CDBG and HOME Program funds, owners of substandard rental property often choose not to avail themselves of assistance that may be available. Most progress that is made, therefore, is as a result of Code compliance due to rental inspections. LRHA awarded Rental Rehabilitation funds to five (5) property owners who were able to complete rehabilitation improvements to their properties. These rehabilitations in return, provided housing for five (5) low income persons, mostly former public housing residents, who moved from public housing to a private rental housing unit by converting to a housing choice voucher.

With respect to addressing the housing needs of the disabled, Rush Homes has completed the rehabilitation of the former Armstrong School building located at 1721 Monsview Place. When fully leased and occupied, the development will provide 28 one-and two-bedroom apartment units known as Armstrong Place. All of the apartments will be accessible to people with physical disabilities and 50% of the units will conform to HUD's interpretation of the accessible design requirements of Section 504 of the Rehabilitation Act of 1973. The City contributed $185,500 in HOME Program Community Housing Development Organization (CHDO) funds to this project during Program Years 2012 and 2014. The project should be completed in Program Year 2015 and all units occupied by October 2015.

During this reporting period, LRHA completed rehabilitations meeting the Americans with Disabilities Act (ADA) requirements of two (2) public housing units for persons with disabilities. In Program Year 2015 LRHA plans to complete the rehabilitation of one additional ADA accessible unit.

The City has enhanced its ability to address the housing needs of the disabled through policy and educational initiatives. These involve establishing a focus on the requirements of Section 504 of the Rehabilitation Act, the Americans with Disabilities Act and the Fair Housing Act as they pertain to the use of the City's CDBG and HOME Program funds by housing providers.

In some cases, homeownership may be a feasible alternative to substandard rental housing, even for very-low-income families. In worst case situations, such families may be spending more for rent than may be arranged for homeownership. In such instances, a combination of downpayment and closing cost assistance from the City, a reduced purchase price (made possible by HOME development subsidies) and low-interest financing from such sources as Virginia Housing Development Authority (VHDA) and private lending instutuions, may be packaged and offer an appropriate path out of inadequate housing.

Public Housing Strategy

1. **Describe actions taken during the last year to improve public housing and resident initiatives.**

Program Year 5 CAPER Public Housing Strategy response:

During the past year the Lynchburg Redevelopment & Housing Authority (LRHA) has completed several capital fund projects. Two (2) more public housing units were renovated to meet Section 504/Americans with Disabilities Act (ADA) accessible compliance. The Dearington Community Room and Birchwood Community Room were renovated to meet Section 504/ADA compliance requirements. We have started Phase I of the replacement of doors and windows at Dearington Apartments. The Public Housing Flat Rents were reviewed and updated to be set at 80% of Fair Market Rent as required by the 2014 Appropriations Act. Flat Rents will be updated annually with the publication of Fair Market Rents to assure continued compliance.

Public Housing Tenant Maintenance Charges were reviewed and updated to adopt a "time & materials" charge structure for any tenant caused damages outside of normal wear and tear.

LRHA has implemented an Annual Inspection/Housekeeping Inspection process that looks at each unit from:

- an "asset" perspective – generating work orders for unit repair needs;
- the "lease" perspective – generating counseling discussions and subsequent action for lease violations;
- the "tenant" perspective – positively impacting tenant living conditions and attitudes;
- the "HUD" perspective – increasing our REAC Physical Inspection Score

The Utility Allowances were updated for Public Housing and Section 8 and were adopted by the Board of Commissioners in December, 2014 with an effective date of January 1, 2015.

In addition, LRHA assumed administration responsibilities for the Permanent Supportive Housing grants for the Central Virginia Continuum of Care. There are currently 3 grants which were being administered by 3 separate entities. Initially, the Shelter Plus Care grant was transferred to LRHA in August 2014. Subsequently, the Cornerstone grant, administered by Lynchburg Neighborhood Development Foundation (LNDF), and the Rush Homes grant, administered by Rush Homes, was transferred to LRHA in March 2015 and May 2015 respectively. Bringing these grants to one administrator will provide more effective and efficient administration of the grants and further enhance the coordination of housing and services for the homeless and low income residents. In the next grant cycle, LRHA will apply as one grant to provide Rental Assistance under the program for assisting in Ending Homelessness in the City of Lynchburg.

Barriers to Affordable Housing

1. **Describe actions taken during the last year to eliminate barriers to affordable housing.**

Program Year 5 CAPER Barriers to Affordable Housing response:

A primary barrier to affordable housing in the target area is the very low property values in the targeted census tracts. This is a large disincentive to development through renovation because the cost of repair typically exceeds the value of the renovated property. Therefore, only non-profit organizations that can access soft costs funds (i.e. finance and construction related costs) and grant funds are able to conduct rehabilitation projects in these areas. The for-profit developers are unable to conduct the extensive renovations necessary to make the houses in the target market amenable to modern housing demands. However, the City did allocate CDBG and HOME Program funds to non-profit entities to address the needs of extremely low and low-income families and persons. Agencies funded included the Lynchburg Redevelopment and Housing Authority, Greater Lynchburg Habitat for Humanity, Rush Homes, Lynchburg Community Action Group, and Lynchburg Covenant Fellowship.

Lynchburg is a City of relatively low housing costs. Therefore, average income and cost-of-living reflect these somewhat lower housing costs. Recently, there has been a resurgence of housing development, primarily in the outlying areas of the City closest to a local university. Development in the CDBG target areas remain limited to non-profit and subsidized activity. This is due in part to the very low property values in these census tracts and a greater value being placed on improvements to property than to the land itself. In the target areas, this high value on improvements, or buildings, had the effect of costing more than clearing land outside of the target areas, and thereby, negating the opportunities of redevelopment. This is also a large disincentive to development through renovation because the cost of repair typically exceeds the value of the renovated property.

The usual barriers, zoning, building code, and density issues for the targeted census tracts have been interpreted to encourage appropriate development in these areas. This is especially true in the development by non-profit housing providers where the

City has waived or offset utility and other fees for making the project more affordable for the very low and low-income residents.

The City has also undertaken rewriting its Zoning Ordinance which is over 35 years old and promotes suburban style development. One of the main goals of the rewrite is to allow for a variety of housing types and densities. Such criteria related to affordable housing that is being reviewed as part of the rewrite is a reduction in building setbacks to allow for denser development and housing unit density bonuses for locating near transit, pedestrian facilities, or dedicating a portion of the development as affordable units. The ordinance is planned to be finalized in late 2015.

Despite the cost-to-value disparity, there are several incentives that the City offers to private and corporate entities interested in development in the targeted census tracts. Businesses located in the Enterprise Zone benefit from tax exemptions on improvements and other tax incentives. Developers may be given incentives if access to public transportation is located at the development site.

In order to assist in addressing barriers to affordable housing, City Council has taken the appropriate role of supporting cooperative ventures and initiate cooperation where it is needed. City Council has also exercised this coordinating role in its allocation of CDBG and HOME Program funds to nonprofit organizations for housing related projects. All of the homeownership programs funded with federal dollars include an educational component for potential homebuyers about mortgage financing, credit and budgeting issues, and the responsibilities of homeownership.

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HOME/ American Dream Down Payment Initiative (ADDI)

Program Year 5 CAPER HOME/ADDI response:

1. Assessment of Relationship of HOME Funds to Goals and Objectives

a. Evaluate progress made toward meeting goals for providing affordable housing using HOME funds, including the number and types of households served.

On January 14, 2014, City Council approved the goals for housing and non-housing development, which constitute the priority needs stated in the Plan for the reporting period of July 1, 2014 through June 30, 2015. These goals reflect the needs that historically have been the needs of the very low-, low-, and moderate-income persons living within the target census tracts and the City. Four (4) of those goals apply to the HOME Program.

PRIORITY #1: CREATE NEW HOMEOWNERSHIP OPPORTUNITIES FOR LOW-TO-MODERATE-INCOME FAMILIES
PRIORITY #2: REHABILITATION OF SUBSTANDARD HOUSING UNITS
PRIORITY #3: SUPPORT PROGRAMS THAT ASSIST LOW-TO-MODERATE INCOME PERSONS IN RETAINING THEIR HOMES

Goal 1: Increase the number of owner-occupied units.

To the degree that predominance of rental units in a neighborhood is seen as destabilizing, the City wants to provide incentives for qualified persons and low- and moderate-income to consider the benefits of homeownership, especially if it is more cost-effective than renting and if it builds wealth for the individual household. Several programs are supported by the City that incorporates these elements.

Greater Lynchburg Habitat for Humanity (GLHFH)

The Greater Lynchburg Habitat for Humanity (GLHFH) used HOME Program funds to provide assistance for down payment and closing costs to its program participants, and to finance some of the pre-construction costs associated with site development.

In Program Year 2014, GLHFH was allocated $90,000 of HOME Program funds to provide assistance to eligible first-time homebuyers. During this reporting period GLHFH expended $30,000 of HOME funds from Program Year 2013 and provided assistance to two (2) homebuyers with down payment and closing costs. Additionally, there was $110,916 in private funding used for the rehabilitation and construction of these two (2) housing units. Because of these new homeownership opportunities, the homeownership rate in the targeted neighborhoods was increased. These projects were located in Census Tract 11. The beneficiaries included seven (7) persons, of which all were African-American. One household was within the 30-50% area median income level and the other household was within the 50-60% area median income level.

Lynchburg Community Action Group (Lyn-CAG) – Homeownership Program

Lyn-CAG has been a long-time advocate of providing affordable homeownership in the City of Lynchburg. In Program Year 2014, Lyn-CAG was allocated $60,000 in

HOME funds to help financially by providing down payment assistance to low-income home buyers. In addition each client receives homeownership education through Lyn-CAG's Housing Counseling Department. Pre-and Post-purchase education is a part of the criteria to qualify for receipt of the HOME Program funds.

During Program Year 2014 Lyn-CAG expended $10,000 and provided down payment assistance to one homebuyer. There was one (1) White person in the household who was within the 50-60% area median income level. Lyn-CAG staff continues to work with the area financial institutions to qualify other eligible persons for this program.

Goal 2: Rehabilitate substandard housing units through support of public and private programs. Emphasis is to be placed on programs which require an investment of funds and/or labor on the part of the owner, which are commensurate with the owner's resources. In addition, maintenance of homes will be enforced through applicable ordinances and building code requirements, and through owner initiatives to rehabilitate existing rental properties.

Goal 3: Rehabilitate substandard housing units through support of public and private programs. Emphasis is to be placed on programs which require an investment of funds and/or labor on the part of the owner and which are commensurate with the owner's resources.

Note: These two goals are directly related, therefore, the accomplishments for them are combined.

Lynchburg Community Action Group (Lyn-CAG) - Substantial Rehabilitation Program

Lyn-CAG received $75,000 in HOME funds for Program Year 2014 to finance its "Substantial Homeowner Rehabilitation Program". The Substantial Rehabilitation Program targets low-to-moderate-income homeowners who are in need of assistance to make extensive repairs and/or address significant building code related problems.

Through this Program, Lyn-CAG expended HOME Program funds in the amount of $259,041 from Program Year 2014 and prior program years for substantial rehabilitation assistance for five (5) households. These properties were located at: 1701 Monroe Street; 412 Floyd Street; 615 Madison Street; 1100 Pierce Street; and 1712 Union Street. These assisted households consisted of ten (10) African-American persons and the incomes were within the 50-60% of the Area Median Income (AMI) level.

Lynchburg Community Action Group (Lyn-CAG) - CHDO Homeownership Project

In Program Year 2014 Lynchburg Community Action Group (Lyn-CAG), as a certified Community Housing Development Organization (CHDO), was allocated $45,000 of HOME Program CHDO funds for the acquisition and rehabilitation of a housing unit for resale to a first-time homebuyer. Lyn-CAG has acquired the property located at 5916 Quaker Parkway and is currently rehabilitating the housing unit. Once the rehabilitation is completed, the housing unit will be sold to an eligible homebuyer. There was $69,505 of HOME Program funds expended for the acquisition and rehabilitation construction costs during Program Year 2014. This activity will be completed in Program Year 2015.

Lyn-CAG expended $38,032 of CHDO proceeds and assisted three (3) homeowners with housing rehabilitations and HOME Program training for Lyn-CAG staff.

PRIORITY #4: SUPPORT AFFORDABLE PERMANENT HOUSING INITIATIVES:

Goal 4: Support initiatives to increase permanent affordable rental and housing ownership for low-income households. In addition, the City supports assisting persons with disabilities, substance abuse or addiction, persons with AIDS, persons that are homeless, and elderly persons.

Rush Homes of Central Virginia (Rush Homes) – HOME CHDO

Rush Homes, as a designated HOME Program Community Housing Development Organization (CHDO), is a nonprofit organization that provides affordable and accessible housing opportunities to people with disabilities and low incomes in the greater Lynchburg region.

As a CHDO project, Rush Homes has completed the rehabilitation of the former Armstrong School building located at 1721 Monsview Place and is in the process of leasing the units to eligible clients. This development is an adaptive reuse of the Armstrong Elementary School and new construction. The housing units within the project are fully accessible units designed for individuals with disabilities whose rents will be affordable at the Low Income Housing Tax Credit (LIHTC) and HOME Program limits, whichever is the least amount. Construction consisted of historic rehabilitation for the adaptive reuse of a vacant elementary school (Armstrong Elementary School) into 16 apartments. An additional 12 new construction units were developed on the site. In addition, Rush Homes renovated the gymnasium and it is available to the City of Lynchburg and the Monsview/Bedford Avenue area community for community activities.

The City allocated $175,000 and $10,500 of Program Year 2012 and Program Year 2014, respectively, of Home Program funds for this project and all funds have been drawn down. The occupancy data will be available in Program Year 2015 as the units are leased.

2. HOME Match Report

a. Use HOME Match Report HUD-40107-A to report on match contributions for the period covered by the Consolidated Plan program year.

The HOME Match Report (HUD Form 40107-A) is included in the CAPER as Appendix E.

3. HOME MBE and WBE Report

a. Use Part III of HUD Form 40107 to report contracts and subcontracts with Minority Business Enterprises (MBEs) and Women's Business Enterprises (WBEs).

The HOME MBE and WBE Report (HUD Form 40107) is included in the CAPER as Appendix E.

4. Assessments

a. Detail results of on-site inspections of rental housing.

In Program Year 2014 there were eighty-seven (87) annual inspections completed by the Management Agency, Community Housing Partners (CHP), for the Hilltop Homes, Central City and College Hill rental units. In addition to these annual inspections, periodic monthly inspections are completed.

City Rental Inspections Program staff conducted thirty-nine (39) inspections of the above rental housing units in Program Year 2013. The next scheduled inspections are to be completed in Program Year 2015.

There were nine (9) annual inspections completed by CHP for the Cornerstone rental units.

b. Describe the HOME jurisdiction's affirmative marketing actions.

The City of Lynchburg requires HOME Program recipients, who develop more than five housing units, to submit affirmative marketing plans. The City monitors HOME rental housing projects annually to ensure that projects are in compliance with affirmative marketing policies and meet minimum housing quality standards.

c. Describe outreach to minority and women owned businesses.

Programs and projects conducted or assisted by the City are expected to make a good faith effort to engage minority- and women-owned business enterprises when procuring construction-related and other services. To enhance the capacity to do so, the City has made efforts to update its listings of such vendors.

Where federal grants or monies are involved, it is the policy of the City through its agents and employees to comply with the requirements set forth - Standards Governing State and Local Grantee Procurement - of the U.S. Office of Management and Budget Circular N. A-102, Uniform Administrative Requirements for Grants-in-Aid to State and Local Governments, as they pertain to small and minority business utilization.

During this reporting period, Lyn-CAG successfully provided three (3) minority business enterprises (MBE) owned contracts for HOME projects. These contracts totaled approximately $113,360.

5. Recapture Provisions

In accordance with HOME program regulations at 24 CFR Part 92, properties assisted must remain affordable during the affordability period. Under recapture provisions, this period is based on the direct HOME subsidy to the homebuyer and includes down payment assistance, "gap" financing, and interest rate buy-downs, as available.

The HOME affordability periods are as follows:

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HOME Investment Per Unit	Length of the Affordability Period
Less than $15, 000 subsidy	5 years
$15, 000 - $40,000 subsidy	10 years
More than $40,000 subsidy	15 years
New construction of rental housing	20 years

HOME-assisted units are subject to affordability for the entirety of the affordability period. These HOME-assisted units are subject to a recapture provision in order to assure that the units either remain affordable (i.e. housing eligible clients) or that the City recovers its investment based on the terms of the agreement. Funds are recaptured only from the net proceeds of the sale or foreclosure. Please see specific HOME Program details for recapture provision specifics.

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HOMELESS

Homeless Needs

Program Year 5 CAPER Homeless Needs response:

1. Identify actions taken to address the needs of homeless persons.

During Program Year 2014 the Central Virginia Continuum of Care (CVCoC) continued its efforts in addressing the homeless persons' needs in the areas of: homeless prevention and diversion, coordinated homeless intake and assessment, emergency shelters, domestic violence shelters, rapid re-housing programs, transitional housing and permanent supportive housing.

In addition to the above, the following programs/activities were conducted to meet the needs of the homeless persons.

The Homeless and Housing Services (HHS) Committee comprised of representatives from homeless service providers, mental health clinicians, healthcare social workers, local city and county DSS providers, substance abuse treatment providers, faith-based organizations and housing providers worked to gather from homeless providers their admission criteria for homeless response services. The HHS Committee is tasked with identifying ways to streamline and improve the homeless response system. Once all admission criteria were received from the providers, the Committee worked to identify barriers that exist within the homeless response system. There were a number of access issues identified within the system that made it difficult and sometimes impossible for the most vulnerable of the homeless population to receive the assistance that is needed. In light of these barriers to access homeless services, the Committee provided recommendations to homeless services providers on ways to improve the admission criteria.

A Community Case Review (CCR) Planning Team was created. The CCR is a planning team staffed by anchor agencies within the Central Virginia CoC. The CCR process develops and reviews plans for individuals and families experiencing homelessness or at risk of homelessness to identify and secure services and support that will lead to stable housing. CCR team members help problem solve difficult cases and determine prioritization for permanent supportive housing.

For the past two years, the CVCoC in partnership with the City of Lynchburg has staffed and operated the Coordinated Homeless Intake and Assessment (CHIA) tool in order to quickly assess homeless and potentially homeless individuals and families to insure that they are expeditiously placed in the most appropriate housing for their unique situation. The staff position has been located at the City's Department of Human Services. Beginning in Program Year 2015, the CVCoC in partnership with Lynchburg Redevelopment and Housing Authority (LRHA) relocated the CHIA staff person and function of this assessment process to LRHA. After several discussions with the homeless response partners as well as the Housing Collaborative and City of Lynchburg staff, it was agreed that this position would provide greater access to housing services and it would be more appropriately housed at LRHA than at its present location with the City's Department of Human Services. HUD's Continuum of Care Program regulations require a coordinated intake process in order for a community to be eligible for federal grants to assist with homeless response. The

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CVCoC developed CHIA to achieve compliance with these requirements. The CVCoC has worked to develop a uniform intake tool to quickly assess individual and family needs and assure that they are either diverted from the homeless response system or expeditiously placed in the most appropriate housing program.

In Program Years 2013 and 2014 the City allocated $30,000 and $24,585, respectively, of CDBG funds to this activity to implement and continue the funding needed for the Homeless Intake Coordinator position. In Program Year 2014 there was $23,444 expended for direct costs associated with the funding of the position.

In addition to the CDBG funds, the City of Lynchburg utilized $72,806 of its Program Year 2013 (June 1, 2014 - May 31, 2015) annual allocation for the Permanent Supportive Housing (formerly known as Shelter Plus Care) Program to provide rental assistance to eleven (11) households with a total of nineteen (19) homeless persons for permanent housing. The City has received its renewal grant in the amount of $98,618 for Program Year 2014.

In addition, the following agencies received $284,669 of Homeless Emergency Assistance and Rapid Transition to Housing Act of 2009 (HEARTH Act) funds through the HUD Continuum of Care Program for Program Year 2014.

Applicant	**Project**	**Amount**
Lynchburg Community Action Group	The Family Living Center	$ 44,665
Lynchburg Neighborhood Development Foundation (LNDF)	The Cornerstone	$ 73,373
Miriam's House	Homeless Management Information System(HMIS)	$ 21,357
Miriam's House	Supportive Housing	$ 87,252
Rush Homes, Inc.	Rush Homes	$ 58,022
	Total:	**$ 284,669**

2. Identify actions taken to help homeless persons make the transition to permanent housing and independent living.

During this reporting period, the CVCoC continued the coordinated intake process into the homeless response system. All CVCoC funded programs participate in this process to ensure that households are experiencing decreased lengths of time homelessness through receiving appropriate resources. Persons experiencing homelessness in this community contact the Coordinated Homeless Intake and Access (CHIA) in order to be assessed for whether or not they can be prevented from becoming homeless or diverted from the homeless response system. If neither of these options are possible, homeless persons are referred to one of two local emergency shelters. Once in shelter, the household works with a case manager to establish a housing plan. This process occurs within the first two weeks of entering shelter. If the housing case manager and homeless household are unable to identify a housing plan, the household is referred back to CHIA for a more thorough assessment. This second step assessment identifies which next step resources (rapid re-housing, transitional housing, permanent supportive housing) are necessary in order for the household to transition to independent living. The CHIA coordinator makes the appropriate referral based upon the household's barriers to housing.

Households with low to moderate barriers are referred to rapid re-housing, ones with moderate to high barriers are referred to transitional housing and ones with highest barriers are referred to permanent supportive housing. By matching households with the appropriate services, it is expected that there will be less recidivism and more success in households gaining permanent housing.

A Veterans Affairs Outpatient Clinic is able to meet the needs of homeless veterans in the area.

3. Identify new Federal resources obtained from Homeless SuperNOFA.

The Continuum of Care (CoC) is in a Hold Harmless Renewal status.

Specific Homeless Prevention Elements

1. Identify actions taken to prevent homelessness.

Program Year 5 CAPER Specific Housing Prevention Elements response:

Lyn-CAG's Homeless Solutions Prevention Program targets low-income individuals and families who are eligible for services. The primary objective of the Program is to prevent displacement of households who are potentially homeless; to assist homeless persons in securing permanent housing; and to assist high risk homeless persons with rental arrears. Clients who are in danger of high risk arrears must provide verification of potential arrearage. This will be done through written documentation from reliable sources not limited to employment, medical and benefit services (namely unlawful detainer). Clients must submit documentation that verifies that the household lacks the financial resources and support networks needed to obtain immediate housing or remain in its existing housing. The Virginia Department of Housing and Community Development (DHCD) awarded a grant in the amount of $82,969 to Lyn-CAG. During this reporting period, 60 households were served and a total of 120 individuals were within those households.

2. Identify actions taken to help homeless persons make the transition to permanent housing and independent living

The ultimate objective of the homeless response system is to prevent homelessness, decrease the length of time households experience homelessness, increase exits from homelessness into permanent housing and decrease recidivism. All homeless response programs continue to work closely with community agencies to rapidly move homeless persons and families into permanent housing. This is accomplished through building relationships with local subsidized housing agencies and private landlords. Participants in homeless assistance programs receive regular case management to identify housing attainment plans. Attaining housing is possible through partnerships with service providers in the community. These linkages are to agencies in the areas of mental health, healthcare, financial assistance, education, employment, substance abuse, and children's services. The CVCoC agencies continue to work with local governments and other policy making entities to advocate for increases in assistance for rental subsidies and the availability of support services to increase the number of persons who can successfully transition to permanent housing.

Emergency Shelter Grants (ESG)

Program Year 5 CAPER ESG response:

Not applicable to the City of Lynchburg.

1. **Identify actions to address emergency shelter and transitional housing needs of homeless persons and families (including significant subpopulations such as those living on the streets).**

2. **Assessment of Relationship of ESG Funds to Goals and Objectives**
   a. **Evaluate progress made in using ESG funds to address homeless and homeless prevention needs, goals, and specific objectives established in the Consolidated Plan.**
   b. **Detail how ESG projects are related to implementation of comprehensive homeless planning strategy, including the number and types of persons and persons in households served with ESG funds.**

3. **Matching Resources**
   a. **Provide specific sources and amounts of new funding used to meet match as required by 42 USC 11375(a)(1), including cash resources, grants, and staff salaries, as well as in-kind contributions such as the value of a building or lease, donated materials, or volunteer time.**

4. **State Method of Distribution**
   a. **States must describe their method of distribution and how it rated and selected its local government agencies and private non-profit organizations acting as sub-recipients.**

5. **Activity and Beneficiary Data**
   a. **Completion of attached Emergency Shelter Grant Program Performance Chart or other reports showing ESGP expenditures by type of activity. Also describe any problems in collecting, reporting, and evaluating the reliability of this information.**
   b. **Homeless Discharge Coordination**
      i. **As part of the government developing and implementing a homeless discharge coordination policy, ESG homeless prevention funds may be used to assist very-low-income persons and families at risk of becoming homeless after being released from publicly funded institutions such as health care facilities, foster care or other youth facilities, or corrections institutions or programs.**
   c. **Explain how your government is instituting a homeless discharge coordination policy, and how ESG homeless prevention funds are being used in this effort.**

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COMMUNITY DEVELOPMENT

Community Development

Program Year 4 CAPER Community Development response:

1. **Assessment of Relationship of CDBG Funds to Goals and Objectives**
   a. **Assess use of CDBG funds in relation to the priorities, needs, goals, and specific objectives in the Consolidated Plan, particularly the highest priority activities.**
   b. **Evaluate progress made toward meeting goals for providing affordable housing using CDBG funds, including the number and types of households served.**
   c. **Indicate the extent to which CDBG funds were used for activities that benefited extremely low-income, low-income, and moderate-income persons.**

COMMUNITY DEVELOPMENT

1. a, b, & c. ASSESSMENT OF CDBG FUNDS TO PRIORITIES, GOALS AND OBJECTIVES IDENTIFIED IN THE 2010-2015 CONSOLIDATED PLAN

The summary below depicts the City's progress in meeting its stated annual goals in relation to the five-year Consolidated Pan.

Housing Ownership, Rehabilitation and Rental

PROGRAM	FIVE-YEAR GOALS					ANNUAL ACTUAL ACCOMPLISHMENTS				
	2010 (FY11)	2011 (FY12)	2012 (FY13)	2013 (FY14)	2014 (FY15	2010 (FY11)	2011 (FY12)	2012 (FY13)	2013 (FY14)	2014 (FY15)
Homeownership-Owner-occupied (CHDO)	1	2	1	1	1	1	2	1	1	1
Homeownership-Homebuyer	10	10	10	10	10	15	10	3	5	3
Homeownership-Retention/ Housing Rehabilitation	5	5	5	5	30	48	20	34	13	10
Rental Units	0	24	24	28	0	0	49	1*	**	29***

*FY 13 goal was achieved ahead of schedule in FY 12
**FY 14 goal has not been achieved. Rush Homes is currently developing Armstrong Place which will provide the 28 rental units for this goal.
***Rush Homes has completed the Armstrong Place Apartments project; however, all leases have not been executed and units fully occupied; Lynchburg Covenant Fellowship has completed the renovation of the Frank Roane Apartments and occupancy of the HOME-designated unit will be completed in September 2015.

The City's goal in the Consolidated Plan is to make every housing unit safe, decent, and affordable. Assistance programs also extend to eligible rental activities. Another goal and important aspect of improving and sustaining community livability and services is to build on the existing assets within the various neighborhoods through

revitalization and rehabilitation efforts. The City's plans also include creating opportunities to make home ownership available to qualified persons and providing assistance to help homeowners keep their homes. This in turn will help strengthen neighborhoods.

Lynchburg Community Action Group (Lyn-CAG) completed the occupancy requirements for 714 Pierce Street. This property was acquired and rehabilitated with the use of CHDO funds previously allocated from HOME Program funds. The housing unit was sold and is occupied by a low-to-moderate income family.

A total of $40,000 in HOME funds was expended for Homeownership Homebuyer projects this program year by providing down payment assistance to three (3) households. These funds were expended by Greater Lynchburg Habitat for Humanity (GLHFH) and Lyn-CAG. Additionally, GLHFH utilized $110,916 in private funding for the construction and rehabilitation of two (2) housing units where down payment assistance was provided to the homebuyers.

Of the ten (10) housing units that were rehabilitated, there was $394,701 in CDBG and HOME Program funds expended for these properties. These funds were expended by Lyn-CAG and Lynchburg Redevelopment and Housing Authority (LRHA). Lyn-CAG completed five (5) homeowner rehabilitations and LRHA completed three (3) rental rehabilitations through landlords and two (2) rehabilitations for accessibility of two public housing units. These rehabilitation efforts in our CDBG-targeted neighborhoods helped to increase the property values as well as improve the overall aesthetics of the neighborhoods.

Support of Neighborhoods

PROGRAM	FIVE-YEAR GOALS					ANNUAL ACTUAL ACCOMPLISHMENTS				
	2010 (FY11)	2011 (FY12)	2012 (FY13)	2013 (FY14)	2014 (FY15)	2010 (FY11)	2011 (FY12)	2012 (FY13)	2013 (FY14)	2014 (FY15)
Neighborhood/ Community Meetings	5	5	5	5	5	96	88	97	59	58*
Infrastructure Improvements	1	1	1	1	1	1	1	1	1	*

*Includes neighborhood meetings in Tinbridge Hill, Federal Hill, Fairview Heights, Dearington, Birchwood, Garland Hill, Dearing Street, Diamond Hill, College Hill, Seminary Hill, White Rock Hill, Richland Hills, Three Fountains, Georgetown Forest, Fort Hill, Walden Pond, Lakeview, Willow Lawn, McGurk House, Dearing Street, Gates Street, and Edley Addition.

*The Tinbridge Hill Infrastructure project funded in Program Year 2014 is underway. The design plan for this activity has been completed. City staff is in the process of developing the scope of work for the bidding process. This activity will be completed in Program Year 2015.

Neighborhoods are an important foundation for improving and sustaining community livability and services. Strong neighborhoods help to create more active and informed citizens which in turn result in a stronger community. Within neighborhoods there are shared identities, issues, concerns, and interests. Each neighborhood has its own unique priorities and character. The neighborhoods within Lynchburg's Historic Districts may be working to preserve the historical aesthetics of the neighborhood. Some neighborhoods have traffic problems while others are dealing with beautification, crime, youth, socioeconomic, and/or family concerns. Each

neighborhood needs an avenue to deal with its individual needs so that the community continues to be strengthened and protected.

During this reporting period, the City's Code Compliance Team and other neighborhood groups met and conducted four (4) "walk-throughs" in CDBG targeted areas to review housing and Code related issues. These "walk-throughs" occurred on Diamond Hill South, Diamond Hill Historic District, Dearington Neighborhood, and Easton Avenue Neighborhood.

During this reporting period, the neighborhood associations met monthly and discussed their accomplishments and concerns related to issues within the neighborhood (i.e. crime, safety, aesthetics). City representatives from different departments attended these meetings and assisted the residents in resolving their concerns. A total of fifty-eight (58) neighborhood meetings were held in Tinbridge Hill, Federal Hill, Fairview Heights, Dearington, Birchwood, Garland Hill, Dearing Street, Diamond Hill, College Hill, Seminary Hill, White Rock Hill, Richland Hills, Three Fountains, Georgetown Forest, Fort Hill, Walden Pond, Lakeview, Willow Lawn, McGurk House, Dearing Street, Gates Street, and Edley Addition.

The City's Public Works Department utilized $591,909 in City funds during the reporting period of July 1, 2014 through June 30, 2015 on various maintenance projects located in the low/mod areas. These projects included repairs to sidewalk, paving, and guardrails.

Economic Development Efforts

PROGRAM	FIVE-YEAR GOALS					ANNUAL ACTUAL ACCOMPLISHMENTS				
	2010 (FY11)	2011 (FY12	2012 (FY13	2013 (FY14	2014 (FY15	2010 (FY11	2011 (FY12	2012 (FY13	2013 (FY14)	2014 (FY15)
Enterprise Zone	2	2	2	2	2	2	2	2	2	2
Downtown Redevelopment Improvements	1	1	1	1	1	1	2	1	1	1

The City's goal is to encourage more commercial and industrial development in order to provide more employment opportunities in the inner city.

The City has two Enterprise Zones: Enterprise Zone Number 2 - Downtown and Enterprise Zone Number 46 – Lynchpin. Downtown redevelopment and commercial development increases the number of jobs and wages available for low-to-moderate-income persons, decreases vacant and/or dilapidated non-revenue producing properties, increases business sales volume in the revitalized neighborhoods, and increases small business loans in targeted neighborhoods.

During this reporting period, the Office of Economic Development expanded the City's two Enterprise Zones, providing development and job creation assistance to growing businesses in commercial areas throughout town. In the past few years, the City has made several thousand additional acres of commercial property eligible for investment grants. During calendar year 2014, Enterprise Zone grants of $203,585 assisted Lynchburg businesses in retaining 570 jobs and creating 205 jobs.

Investments in commercial real estate were even more significant. Real Property Investment Grants of nearly $838,000 leveraged private commercial property investments of almost $23 million.

Public downtown and Riverfront redevelopment/infrastructure projects have been totally focused on the Lower Bluffwalk Phases 2 and 3. This project consists of constructing a pedestrian walking area, pocket parks, and plazas between the buildings facing Jefferson and Commerce Streets spanning from Ninth Street to Washington Street. In January 2012 the City allocated $5,715,420 for this project. During this reporting period $2,468,384 was expended on this project. The expected completion date for this project is September 2015.

Public Service Providers for At-risk Youth, Adults and Families

PROGRAM	FIVE-YEAR GOALS					ANNUAL ACTUAL ACCOMPLISHMENTS				
	2010 (FY11)	2011 (FY12)	2012 (FY13)	2013 (FY14)	2014 (FY15)	2010 (FY11)	2011 (FY12)	2012 (FY13)	2013 (FY14)	2014 (FY15)
Housing for Homeless Agencies	2	2	2	2	2	2	2	1	1	1
Public Service Providers (Youth Activities-Recreation and Education, Senior Program, Domestic Violence)	2	2	2	2	2	2	2	**	1**	1**

**In Program Year 2010 City Council updated its Citizen Participation Plan (CPP) and restructured programs and activities that would be funded with CDBG funds. This restructuring provided for public service activities to be conducted in partnership with City department projects. During Program Years 2013 and 2014 there was one public service activity funded with CDBG funds. This activity was provided $30,000 and $25,585, respectively of CDBG funds to provide staff support within the Division of Social Services to implement the Coordinated Homeless Intake and Access (CHIA), homeless response system. CHIA allows for an assessment to be completed determining whether or not the client can be prevented from becoming homeless or diverted from the homeless response system. If neither of these options is possible, homeless persons are referred to one of two local emergency shelters. There was $23,444 expended for the operation of this activity.

The City continues to support public service providers in order to meet the needs of the low-to-moderate income persons, persons with disabilities, substance abuse or addiction, persons with AIDS, persons that are homeless, and elderly persons. In addition to the services provided by the City's Division of Social Services, there are many nonprofit organizations that coordinate with the City to provide the services needed.

The City was awarded the Continuum of Care Permanent Supportive Housing Program funds (formerly known as Shelter Plus Care Grant) during Program Year 2014. This grant provided assistance to eleven (11) households consisting of nineteen (19) persons that were homeless and was in need of permanent housing.

During this reporting period, the City allocated $24,585 for the Continuum of Care Coordinated Assessment Intake Social Worker public service activity. There was $23,444 expended and 616 potentially homeless and/or homeless persons served at the central intake office.

Residential Rental Property Inspections Program and Property Maintenance Inspections

PROGRAM		FIVE-YEAR GOALS				ANNUAL ACTUAL ACCOMPLISHMENTS				
	2010 (FY11)	2011 (FY12)	2012 (FY13)	2013 (FY14)	2014 (FY15)	2010 (FY11)	2011 (FY12)	2012 (FY13)	2013 (FY14)	2014 (FY15)
Rental Property Inspections	462	450	450	450	450	760	394	436	305	324
Property Maintenance Inspections	2400	2300	2200	2100	2000	5078	5033	2465	3506	3895

The City continues to provide support for the Rental Inspection Program by reducing the number of rental properties that have Code violations and are health, safety, and public welfare concerns. While there were no HUD funds specifically expended on the Residential Rental Inspection Program, the City utilized General Operating funds to continue the enforcement of Property Maintenance Code violations in the rental housing stock in the CDBG-targeted neighborhoods. There were 324 rental inspections completed during this reporting period.

The Property Maintenance Code inspections that were completed during this reporting period include: pre-court inspections, court ordered inspections, initial inspections, and follow-up inspections. This Code enforcement effort provides a reduction in blighted properties and makes rental properties safer, more decent, and affordable for low-to-moderate-income persons. There were 3,895 Property Maintenance Inspections completed during this reporting period.

Demolition and Code Enforcement

PROGRAM	FIVE-YEAR GOALS					ANNUAL ACTUAL ACCOMPLISHMENTS				
	2010 (FY11)	2011 (FY12)	2012 (FY13)	2013 (FY14)	2014 (FY15)	2010 (FY11)	2011 (FY12)	2012 (FY13	2013 (FY14)	2014 (FY15)
Demolitions	2	2	2	2	2	3	2	3	2	0
Weed Ordinance-Property Clearance	200	250	250	250	250	905***	896***	1529 ***	1512 ***	1779 ***
Removal of Abandoned Vehicles	60	85	100	125	135	***	***	***	***	***

***The TrakIt Data System categorizes the data for weed ordinance/property clearance and abandoned vehicles in one database; therefore, this data is reported as a combined accomplishment.

The City's goal is to continue to eliminate neighborhood deterioration, blight, and blighting influences through staged redevelopment of public infrastructure, rehabilitation activities, code enforcement, or clearance where needed. The Code Compliance Team completed 1,779 inspections during this reporting period.

While the City did not expend any local funds for the demolition of structures in the CDBG-targeted neighborhoods, the demolition and Code enforcement efforts continued to address derelict properties and further enhance the living environment within the targeted neighborhoods.

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2. Changes in Program Objectives

a. Identify the nature of and the reasons for any changes in program objectives and how the jurisdiction would change its program as a result of its experiences.

There were no changes in the City's program goals and objectives during the program year. Activities were consistent with the goals specified in the 2010-2015 Consolidated Plan.

3. Assessment of Efforts in Carrying Out Planned Actions

a. Indicate how grantee pursued all resources indicated in the Consolidated Plan.

The City pursued all resources available to the grantee. Funds received from a variety of federal, state, and local sources significantly leveraged Consolidated Plan grants. The CAPER section on leveraging provides an overview of the additional funds and in-kind contributions received by the City during the program year.

b. Indicate how grantee provided certifications of consistency in a fair and impartial manner.

The City of Lynchburg provided Certifications of Consistency with the Consolidated Plan to all agencies that met the test of consistency. Grant Administration staff reviews each project application and certify that the proposed activity is consistent with the City's Consolidated Plan. Certification requests are reviewed to determine that the project location is within the City's jurisdiction; that the project's scope of services is consistent with the City's Consolidated Plan priorities; and that the project's services are received primarily by City residents.

During the Program Year 2014, the City processed certifications in the areas of public housing, competitive homeless grant programs, and transitional housing providers.

c. Indicate how grantee did not hinder Consolidated Plan implementation by action or willful inaction.

The City did not knowingly hinder Consolidated Plan implementation by action or willful inaction, and affirmatively pursued the goals, priorities, and strategies outlined in the Consolidated Plan. The City adhered to all requirements and certifications contained within the grant agreement executed with HUD for the CDBG and HOME Program.

4. For Funds Not Used for National Objectives

a. Indicate how use of CDBG funds did not meet national objectives.
b. Indicate how did not comply with overall benefit certification.

CDBG and all federal funds were used only in connection with the three National Objectives set forth in the regulations governing the CDBG grant, and the City fully complied with the requirement to expend at least 70% of federal funds received to benefit low-to-moderate-income persons over a three-year period. The City, as in years past, exceeded this requirement during this program year as detailed in the PR

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26 (Financial Summary) report. The City fully complied with the overall benefit certification during the reporting period.

5. Anti-displacement and Relocation – for activities that involve acquisition, rehabilitation or demolition of occupied real property

a. Describe steps actually taken to minimize the amount of displacement resulting from the CDBG-assisted activities.
b. Describe steps taken to identify households, businesses, farms or non-profit organizations who occupied properties subject to the Uniform Relocation Act or Section 104(d) of the Housing and Community Development Act of 1974, as amended, and whether or not they were displaced, and the nature of their needs and preferences.
c. Describe steps taken to ensure the timely issuance of information notices to displaced households, businesses, farms, or non-profit organizations.

The City has adopted and follows an Anti-Displacement and Relocation Policy as part of the Citizen Participation Plan. It is the policy of the City of Lynchburg to minimize the displacement of families and persons from their homes and neighborhoods as a result of activities assisted with funds provided under the HOME and CDBG programs.

There were no temporary or permanent displacements that occurred during the reporting period.

6. Low/Mod Job Activities – for economic development activities undertaken where jobs were made available but not taken by low or moderate-income persons.

a. Describe actions taken by grantee and businesses to ensure first consideration was or will be given to low/mod persons.
b. List by job title of all the permanent jobs created/retained and those that were made available to low/mod persons.
c. If any of jobs claimed as being available to low/mod persons require special skill, work experience, or education, provide a description of steps being taken or that will be taken to provide such skills, experience, or education.

There were no economic development projects funded in this program period.

7. Low/Mod Limited Clientele Activities – for activities not falling within one of the categories of presumed limited clientele low- and moderate-income benefit
a. Describe how the nature, location, or other information demonstrates the activities benefit a limited clientele at least 51% of whom are low- and moderate-income.

The one CDBG funded activity that had a Broad National Objective (BNO) as low-to-moderate income area was located within the CDBG-targeted Census Tracts 5 and 6. Both of these Tracts have more than 51% of the residents who are low to-moderate income.

8. **Program income received.**

   a. **Detail the amount of program income reported that was returned to each individual revolving fund, e.g., housing rehabilitation, economic development, or other type of revolving fund.**

   N/A

   b. **Detail the amount repaid on each float-funded activity.**

   N/A

   c. **Detail all other loan repayments broken down by the categories of housing rehabilitation, economic development, or other.**

   N/A

   d. **Detail the amount of income received from the sale of property by parcel.**

   Lynchburg Redevelopment and Housing Authority disposed of the following properties during this reporting period:

Real Estate Disposed of Between July 1, 2014 - June 30, 2015			
			Amount Program Income Received
Property	**Deed Date**	**Sold/Conveyed to:**	
611-613 Washington Street	**9/22/2014**	**Blue Paradise LLC**	**$22,000**

9. **Prior period adjustments – where reimbursement was made this reporting period for expenditures (made in previous reporting periods) that have been disallowed, provide the following information:**

   a. **The activity name and number as shown in IDIS;**

   N/A

   b. **The program year(s) in which the expenditure(s) for the disallowed activity(ies) was reported;**
   c. **The amount returned to line-of-credit or program account; and**
   d. **Total amount to be reimbursed and the time period over which the reimbursement is to be made, if the reimbursement is made with multi-year payments.**

10. **Loans and other receivables**
   a. **List the principal balance for each float-funded activity outstanding as of the end of the reporting period and the date(s) by which the funds are expected to be received.**

   N/A

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b. **List the total number of other loans outstanding and the principal balance owed as of the end of the reporting period.**

Bluffwalk - One loan with outstanding principal of $1,245,053 – Appendix G

c. **List separately the total number of outstanding loans that are deferred or forgivable, the principal balance owed as of the end of the reporting period, and the terms of the deferral or forgiveness.**

N/A

d. **Detail the total number and amount of loans made with CDBG funds that have gone into default and for which the balance was forgiven or written off during the reporting period.**

N/A

e. **Provide a List of the parcels of property owned by the grantee or its sub-recipients that have been acquired or improved using CDBG funds and that are available for sale as of the end of the reporting period.**

The Real Property Inventory is included as Appendix F in the CAPER report.

Lump sum agreements

f. **Provide the name of the financial institution.**
g. **Provide the date the funds were deposited.**
h. **Provide the date the use of funds commenced.**
i. **Provide the %age of funds disbursed within 180 days of deposit in the institution.**

N/A

11. **Housing Rehabilitation – for each type of rehabilitation program for which projects/units were reported as completed during the program year.**

a. **Identify the type of program and number of projects/units completed for each program.**
b. **Provide the total CDBG funds involved in the program.**
c. **Detail other public and private funds involved in the project.**

This information is included in Section 1 of this CAPER.

12. **Neighborhood Revitalization Strategies – for grantees that have HUD-approved neighborhood revitalization strategies describe progress against benchmarks for the program year. For grantees with Federally-designated EZs or ECs that received HUD approval for a neighborhood revitalization strategy, reports that are required as part of the EZ/EC process shall suffice for purposes of reporting progress.**

The City does not have an approved Neighborhood Revitalization Strategy.

13. **Returned Funds**

N/A

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Antipoverty Strategy

1. Describe actions taken during the last year to reduce the number of persons living below the poverty level.

Program Year 5 CAPER Anti-poverty Strategy response:

During this program year, the City Manager presented City Council with a report that identified the myriad of organizations that are serving persons living in poverty. In addition, Council was advised that City staff had more questions than answers on how to lower the poverty rate in Lynchburg. Council directed that staff first analyze the data behind the City's poverty rate. As such, the City has contracted with the University of Virginia Demographics Group to provide an analysis of data based on many relevant factors of what is behind the City's poverty rate.

With this data analysis underway, the City, with its many partners, offers the following accomplishments on how Lynchburg is working together to reduce the number of persons living below the poverty level.

● In December 2014, Lynchburg hosted Jodi Pfarr, national presenter with aha! Processes, Inc. for a day-long seminar addressing the issues of Understanding Poverty and strategies for working with citizens in poverty. There was over 450 attendees, including City Council members, City Government employees, members of the faith community, and workers from many community agencies whose missions are to alleviate poverty. Lynchburg Department of Social Services (DSS) continues to incorporate education and activities from the series "Getting Ahead in a Just Gettin' By World" into the job readiness classes which prepare DSS clients for success in employment.

● The Lynchburg Community Market began two initiatives. These initiatives centered on outreach, accessibility, and education opportunities for Supplemental Nutrition Assistance Program (SNAP) beneficiaries at the Market. The first involved outreach work as supported by the Market's United States Department of Agriculture (USDA) Farmer's Market Promotion Program (FMPP) Grant to promote and increase the usage of SNAP benefits at the Market. These efforts included an intensive communication plan of 20,000 water bill inserts, 11,000 dedicated mailers, updated website with dedicated SNAP information and recipes, social media promotions, how to video, bus wraps, interior bus signage, and usage rack cards widely distributed throughout the City. Market staff held meetings with stakeholders to determine outreach efforts. Staff attended meetings and functions to further the outreach program including engagements for Neighborhood Centers, food justice committees, faith based organizations, National Night out, and Miler Center welcome back to school. The Market also partnered with Virginia Cooperative Extension to offer weekly Green Market Wednesdays Summer workshops dedicated to SNAP education. Each week, an extension agent offered an hour demonstration that utilized local goods available for purchase through SNAP benefits. Programming was built to include a variety of demonstrations that would accommodate the underserved youth and senior populations with recipes that were fun, easy, affordable, and able to repeat for one person. Efforts were coordinated to allow for neighborhood centers summer camps, who each reside in our Food Desert, to attend these workshops. On the first Wednesday of July and August, an all-day event was held dedicated to this SNAP education to include five (5) workshop stations that included samples and recipes, demonstrations, building gardens on the go, and how to assemble your

plate. At each workshop as well as on the Lynchburg Community Market website, recipes are available for beneficiaries. To date, the Market has now increased the number of local market vendors that accept SNAP to 41. They have dispensed approximately $42,000 in SNAP tokens since July of 2013.

● United Way of Central Virginia - In September 2014, the United Way of Central Virginia (UWCV) Board of Directors voted to designate a minimum of $500,000 over three years to Education Readiness, which refers to a set of skills children need by the time they begin kindergarten as a foundation to future learning. In addition, an "Education Readiness Initiative" brochure and "Education Readiness in Central Virginia" checklist were created and 40,000 and 45,000, respectively, were printed and distributed in all 2014 UWCV Campaign presentation packets and have begun to be distributed to libraries, pediatricians, child care agencies, churches, etc. The Education Readiness Initiative Campaign was launched and was branded "Meet Jamie." A "Meet Jamie" 5-minute video was put on the front page of the United Way of Central Virginia website, and was presented as part of all campaign presentations. Similar marketing materials with "Meet Jamie" were also launched, including billboards, roadside signs, and commercials and a "Meet Jamie" social media campaign was created. UWCV submitted a Letter of Intent to join the national Campaign for Grade-Level Reading Network, a powerful convener of like-minded organizations in the issue of Education Readiness and Early Childhood Education. UWCV was accepted as an official Prospective Community and United Way staff participated in the regional Campaign for Grade-Level Reading Conference in Roanoke, Virginia. A 32-page "United Way of Central Virginia – Education Readiness Initiative" informational presentation booklet and a 10-page "United Way of Central Virginia's Education Readiness Initiative – An Investment in Our Future" presentation booklet for potential donors was created to help convey the message of Education Readiness and the role UWCV is taking towards Community Impact. UWCV attended several Lynchburg City Schools Summits and United Way staff has been invited to be a part of a breakout Lynchburg City Schools 'Mental Health Summit.' At the Mental Health Summit, talks have begun on how UWCV's Request For Proposals (RFP), as well as Smart Beginnings of Central Virginia's (SBCV's) literacy buses can assist in helping tackle many of the mental health and behavioral issues of our area's young children. In October 2014, United Way staff met with the staff of the Altavista Dolly Parton Imagination Library to begin the planning stages of incorporating a Dolly Parton Imagination Library in all of Central Virginia. United Way staff met with Leadership Lynchburg participants to help create the EZ-Partner Portal for Lynchburg City Schools. The EZ-Partner is a virtual community building tool which pairs needs of LCS with those of its Business Partners in Education. R.S. Payne Elementary was one of the first to use this tool, when food for its backpack program was running so low; it was going to be forced to suspend the program. Through the EZ-Partner Portal, R.S. Payne was able to quickly and confidentially solicit donations of food and continue to feed needy children of the school. Finally, as a result of the designation of the Education Readiness funds, there was $166,666 awarded to three (3) Education Readiness Initiative Programs funded for FY 2015-2016. The goals of two of these programs in the Counties of Appomattox and Campbell are to: strengthen kindergarten readiness by creating parent education programs, enhance literacy play at home, and encouraging early childhood education programs to be a part of the Virginia Star Quality Initiative (VSQI). The third program, in collaboration with Lynchburg City Schools (LCS), HumanKind will offer a multigenerational program entitled *Bridging the Achievement Gap: Connecting Families to Schools through Home Visiting.* This program will reach area pre-K students and their families in which parents will be armed with the resources, practical tools, and knowledge to

become stable and self-sufficient, thereby enabling their children to become successful across all school performance measures.

● The Lynchburg Public Library began two initiatives: (1) a partnership was established with Central Virginia Community College (CVCC) by providing the College space for a regular presence in the Library for contact with potential students; and (2) a partnership was established with Region 2000 Workforce Development to use the Library as a site for their classes and programs. Along with these initiatives, there are 81,000 public computer sessions that are available and are utilized for persons conducting job searches, resume preparations, and continuing education classes.

● Lynchburg City Schools - With more than 60% of our community's public school students living in poverty, Lynchburg City Schools strives to reach not just the student but the family as well. By supporting students' families, we can collectively reach their mission of Every Child, By Name and by Need to Graduation. Recent LCS initiatives that support LCS families in poverty include the addition of three school social workers, three behavioral specialists, more frequent home visits to pre-K families through a partnership with HumanKind and the establishment of the Community Eligibility Program to provide free breakfast and lunch to every child at 10 elementary schools and sites with high poverty rates.

● Greater Lynchburg Transit Company (GLTC) has continued to foster job access to those in need, specifically with the opening of a new Transfer Station which is located in a disadvantaged area of the City. GLTC provided more prompt and efficient access to all routes in the bus system, while providing a badly needed facility in the heart of the City's most needy populations.

● The City has worked with community organizations to identify food deserts and community gardens in order to improve access to fresh foods and healthier eating among low income persons.

●The City continued the funding of the Coordinated Homeless Intake and Access (CHIA) centralized system for intake assessment of the homeless population.

●The City funded, through the FY 2016 CDBG allocation, the establishment of a "one stop" Housing Resource Center.

NON-HOMELESS SPECIAL NEEDS

Non-homeless Special Needs

Program Year 5 5 CAPER Non-homeless Special Needs response:

1. **Identify actions taken to address special needs of persons that are not homeless but require supportive housing, (including persons with HIV/AIDS and their families).**

The facilities currently available for persons with supportive housing needs are limited to those offered by the ARC of Central Virginia, Horizon Behavioral Health, Central Virginia Training Center, Rush Homes, L'ARCHE Blue Ridge Mountains, Heart Haven, DePaul Family Services, Humankind, Lynchburg Covenant Fellowship (LCF), and selected housing facilities with units restricted for use by elderly or persons who are disabled. There are other for-profit companies that provide group homes, support services, and foster care for adults with intellectual disability Some of these include Laury Homes Residential Services, Lamano Agency, and Creative Family Solutions.

LCF owns and/or manages over 200 housing units for low-income, disabled, and elderly households. LCF has helped Horizon Behavioral Health develop 60 units for persons who have developmental disabilities in Lynchburg. Rush Homes (RLH) currently owns twelve (12) homes that provide permanent housing for adults with significant mental and physical disabilities that prevent them from owning and maintaining their own home.

Specific HOPWA Objectives

Program Year 5 CAPER Specific HOPWA Objectives response:

The City of Lynchburg does not receive HOPWA funds.

1. **Overall Assessment of Relationship of HOPWA Funds to Goals and Objectives**
   Grantees should demonstrate through the CAPER and related IDIS reports the progress they are making at accomplishing identified goals and objectives with HOPWA funding. Grantees should demonstrate:
   a. **That progress is being made toward meeting the HOPWA goal for providing affordable housing using HOPWA funds and other resources for persons with HIV/AIDS and their families through a comprehensive community plan;**
   b. **That community-wide HIV/AIDS housing strategies are meeting HUD's national goal of increasing the availability of decent, safe, and affordable housing for low-income persons living with HIV/AIDS;**
   c. **That community partnerships between State and local governments and community-based non-profits are creating models and innovative strategies to serve the housing and related supportive service needs of persons living with HIV/AIDS and their families;**
   d. **That through community-wide strategies Federal, State, local, and other resources are matched with HOPWA funding to create comprehensive housing strategies;**
   e. **That community strategies produce and support actual units of housing for persons living with HIV/AIDS; and finally,**
   f. **That community strategies identify and supply related supportive services in conjunction with housing to ensure the needs of persons living with HIV/AIDS and their families are met.**

2. **This should be accomplished by providing an executive summary (1-5 pages) that includes:**
   a. **Grantee Narrative**
      i. **Grantee and Community Overview**
         (1) **A brief description of your organization, the area of service, the name of each project sponsor and a broad overview of the range/type of housing activities and related services**
         (2) **How grant management oversight of project sponsor activities is conducted and how project sponsors are selected**
         (3) **A description of the local jurisdiction, its need, and the estimated number of persons living with HIV/AIDS**

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(4) A brief description of the planning and public consultations involved in the use of HOPWA funds including reference to any appropriate planning document or advisory body
(5) What other resources were used in conjunction with HOPWA funded activities, including cash resources and in-kind contributions, such as the value of services or materials provided by volunteers or by other persons or organizations
(6) Collaborative efforts with related programs including coordination and planning with clients, advocates, Ryan White CARE Act planning bodies, AIDS Drug Assistance Programs, homeless assistance programs, or other efforts that assist persons living with HIV/AIDS and their families.

ii. Project Accomplishment Overview
(1) A brief summary of all housing activities broken down by three types: emergency or short-term rent, mortgage or utility payments to prevent homelessness; rental assistance; facility based housing, including development cost, operating cost for those facilities and community residences
(2) The number of units of housing which have been created through acquisition, rehabilitation, or new construction since 1993 with any HOPWA funds
(3) A brief description of any unique supportive service or other service delivery models or efforts
(4) Any other accomplishments recognized in your community due to the use of HOPWA funds, including any projects in developmental stages that are not operational.

iii. Barriers or Trends Overview
(1) Describe any barriers encountered, actions in response to barriers, and recommendations for program improvement
(2) Trends you expect your community to face in meeting the needs of persons with HIV/AIDS, and
(3) Any other information you feel may be important as you look at providing services to persons with HIV/AIDS in the next 5-10 years

b. Accomplishment Data
i. Completion of CAPER Performance Chart 1 of Actual Performance in the provision of housing (Table II-1 to be submitted with CAPER).
ii. Completion of CAPER Performance Chart 2 of Comparison to Planned Housing Actions (Table II-2 to be submitted with CAPER).

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OTHER NARRATIVE

Include any CAPER information that was not covered by narratives in any other section.

Program Year 5 CAPER Other Narrative response:

INTEGRATED DISBURSEMENT AND INFORMATION SYSTEM (IDIS) REPORTS

The Integrated Disbursement Information System (IDIS) is sponsored by the Office of Community Planning and Development (CPD) within the U. S. Department of Housing and Urban Development (HUD). The reporting system allows grantees who receive formula grant programs, Community Development Block Grant (CDBG) and HOME Program, to provide HUD with performance results related to their Consolidated Plan and Annual Action Plans. The required IDIS Reports are being submitted along with the CAPER narrative to HUD in the final document.

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