

City of Chesapeake

**DRAFT HOME-ARP
Allocation Plan**



2023

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HOME-ARP ALLOCATION PLAN

HOME Investment Partnerships (HOME) Program

American Rescue Plan



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City of Chesapeake

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Executive Summary

The City of Chesapeake has been allocated \$2,004,685 of HOME-American Rescue Plan Act (HOME-ARP) funding from the US Department of Housing and Urban Development (HUD). In order to receive the HOME-ARP allocation, the City must develop a HOME-ARP Allocation Plan that will become part of the City's PY2021 HUD Annual Action Plan by substantial amendment. To ensure broad input into the HOME-ARP Allocation Plan from stakeholders and the public, the City engaged in consultations with stakeholders and the public, including virtual and in-person consultation sessions, a survey of stakeholders, a public input hearing, and a 15-day public comment period.

The needs assessment and gap analysis identified the following needs and gaps within the City:

- In January 2022, the annual Point in Time (PIT) count revealed that 93 people were residing in emergency housing, either in shelter or transitional housing. Another 40 people were unsheltered on the streets, in tents or makeshift shelters, or in cars, vans, RVs or campers.
- The 2015-2019 HUD Comprehensive Housing Affordability Strategy (CHAS) data indicates there are 3,245 renter households with an annual income at or below 30% Area Median Income with a cost burden that are at greatest risk of housing instability.
- The 2015-2019 HUD Comprehensive Housing Affordability Strategy (CHAS) data reports that there are 2,165 households with incomes more than 30%, and equal to or less than 50% Area Median Income that are at risk of homelessness in the City because of at least one of the housing problems as defined by HUD.
- In 2022, rents in Chesapeake rose by 38% putting more households at risk of homelessness.
- The greatest need for supportive services is in the areas of eviction protection, housing search/counseling services, and financial assistance.

To address these needs within the community, the City will utilize HOME-ARP funds as designated for acquisition, development and/or renovation of affordable rental housing, the provision of supportive services, and administration and planning for the HOME-ARP program.

The City solicited applications from developers, service providers, and nonprofits to administer eligible activities and/or develop shelter and housing. A Request for Proposal (RFP) will be issued. The RFP, at a minimum, specify eligible activities, eligible applicants, funding amount, application thresholds, and provided instructions on how to submit a proposal.

Introduction

The City of Chesapeake has been allocated \$2,004,685 of HOME-American Rescue Plan Act (HOME-ARP) funding from the US Department of Housing and Urban Development (HUD).

To receive the HOME-ARP allocation, the City of Chesapeake must develop a HOME-ARP Allocation Plan that will become a part of the City's PY2021 HUD Annual Action Plan by substantial amendment.

The HOME-ARP Allocation Plan must include the following:

- A summary of the consultation process and the results of consultation;
- A summary of comments received through the public participation process and a summary of any comments or recommendations not accepted and the reason why;
- A description of HOME-ARP qualifying populations within the jurisdiction;
- An assessment of unmet needs of each qualifying population;
- An assessment of gaps in housing and shelter inventory, homeless assistance and services, and homelessness prevention service delivery system;
- A summary of planned use of HOME-ARP funds for eligible activities based on the unmet needs of the qualifying populations;
- An estimate of the number of housing units for qualifying populations the City will produce or preserve with its HOME-ARP allocation;
- A description of any preferences for individuals and families in a particular qualifying population or a segment of a qualifying population; HOME-ARP Refinancing Guidelines; and Certifications and SF-424, SF-424B, and SF-424D Forms.

The following entities are responsible for preparing the Allocation Plan and those responsible for administration of the HOME-ARP grant.

Table 1 – Responsible Agencies

Agency Role	Name	Department/Agency
HOME Administrator	City of Chesapeake	Planning Department

HOME-ARP Eligible Qualifying Populations and Activities

HUD's CPD Notice 21-10 Requirements for the Use of Funds in the HOME-American Rescue Plan Program establishes the requirements for funds appropriated under section 3205 of the American Rescue Plan Act of 2021 for the HOME Investment Partnerships Program (HOME) to provide homelessness assistance and supportive services.

The American Rescue Plan Act (ARP) defines qualifying individuals or families, including Veterans, that are:

- Homeless, as defined in section 103(a) of the McKinney-Vento Homeless Assistance Act;
- At risk of homelessness, as defined in section 401 of the McKinney-Vento Homeless Assistance Act;
- Fleeing or attempting to flee domestic violence, dating violence, sexual assault, or stalking (as defined by HUD in 24 CFR 5.2003) or human trafficking (as outlined in the Trafficking Victims Protection Act of 2000 as amended [22 USC 7102]); and
- Part of other populations, where providing supportive services or assistance under section 212(a) of the National Affordable Housing Act 42 USC 12472(a) would:
 - Prevent a family's homelessness;
 - Serve those with the greatest risk of housing instability.

HOME-ARP funds may be used to benefit qualifying populations through:

- Tenant-based Rental Assistance (TBRA);
- Development and support of affordable housing;
- Provision of supportive services;
- Acquisition and development of non-congregate shelter;
- Nonprofit capacity building and operating assistance; and
- Program planning and administration

Stakeholder Consultation and Public Participation

HUD requires each HOME-ARP Participating Jurisdiction to consult with agencies and service providers whose clientele include the HOME-ARP qualifying populations. Agencies that must, at a minimum, be consulted include the Continuum of Care serving the jurisdiction's geographic area, homeless and domestic violence service providers, veterans' groups, public housing agencies (PHAs), public agencies that address fair housing, civil rights, and the needs of persons with disabilities.

HUD also requires that each Participating Jurisdiction provide opportunities for the public to comment on the proposed Allocation Plan, including the amount of HOME-ARP funds that will be received and the range of activities that the City may undertake.

To ensure broad input into the HOME-ARP Allocation Plan from stakeholders and the public, the City engaged in consultations with stakeholders and the public, including a virtual consultation session, a survey of stakeholders, a public input hearing, and a 15-day public comment period.

Stakeholder Consultation

The City of Chesapeake consulted with representatives from multiple agencies, groups, and organizations involved in the development of affordable housing, addressing homelessness, and the provision of services to qualifying populations in preparing this HOME-ARP Allocation Plan.

The virtual and in-person consultation sessions included an overview of the HOME-ARP notice to inform attendees of the qualifying populations and eligible activities, an opportunity to ask clarifying questions, a request for input into needs and gaps, and priority populations and activities, and an overview of the Allocation Plan timeline and process.

A virtual and in-person public input hearing was held December 8, 2022. Representatives from multiple agencies, groups, organizations, and citizens were invited via email, website, social media platforms and flyer to attend. Those unable to attend were invited to submit written comments via email or schedule a phone call to share their thoughts.

A survey instrument was designed and available online and given to citizens, representatives from multiple agencies, groups, and organizations to rank the qualifying populations, eligible activities and services in order of perceived need, and the best approach for carrying out those activities for the community.

The City's in-person and virtual consultation sessions were attended by 17 representatives of 10 agencies. The survey was completed by 9 agencies. All HUD-required agency types were represented in either the in-person meetings, virtual sessions, survey and/or by email.

Organizations Consulted by Type and Method

Table 2 – Organizations Consulted by Type and Method

Agency/Org Consulted	Type of Organization	Method of Consultation
The Planning Council Board	Continuum of Care	Virtual, Survey & Email
ForKids	Homeless Shelter	Virtual & Survey
Agape	Homeless Service Provider	Virtual & Survey
HER Shelter	Domestic Violence Shelter	Virtual & Survey
VBCDC Cypress Landing	Veteran Group and Veteran Shelter	Virtual Session Survey
Chesapeake Redevelopment Housing Authority	Public Housing Authority and Fair Housing	In-person & Survey
Senior Services of Southeastern Virginia (SSSEVA)	Agency representing persons with Disabilities, Civil Rights, Veterans and Other Populations	Virtual & Survey
Chesapeake Integrated Behavioral Health	Agency representing persons with Disabilities and Fair Housing Services	Virtual & Survey
Chesapeake Department of Human Services	Qualifying populations including Disabilities, Civil Rights and Homeless	Virtual & Survey
Chesapeake Police Department	Qualifying populations including Domestic Violence	Email
NAACP	Civil Rights Agency	Virtual & Survey *No feedback provided*
STOP Inc.	Fair Housing Agency	Virtual & Survey *No feedback provided*
ACLU	Civil Rights, Fair Housing, and persons with Disabilities	Virtual & Survey *No feedback provided*

Summary of Feedback Received from Consulted Organizations

Consultations revealed strong support for the following:

Development and support of affordable housing. Participants in the virtual sessions were united in the need for additional affordable housing, specifically permanent supportive housing. Those replying to the survey also all agreed there was “high need” for this housing. There was discussion of various populations, represented by the agencies assembled, in need of both stable housing and services including case management.

Provision of supportive services. Many examples of supportive services were mentioned in the virtual and in-person sessions including financial assistance, housing counseling, eviction defense, and mental health services. Survey respondents were asked to rank what they believed is the current need for various services eligible under HOME-ARP.

Acquisition and development of non-congregate shelter. Many participants mention the need for shelter in general and for specific populations including families, those fleeing domestic violence and other situations, the elderly and single people. Currently there are no emergency shelter beds in the City for single persons. Given the expense of acquiring and developing shelter space, most thought that was not a possibility given the amount of available funds.

Tenant-based rental assistance (TBRA). In conjunction with affordable housing, many attendees mentioned the need to increase availability of the TBRA program as a companion to the development of affordable housing.

Nonprofit capacity building and operating assistance. In the survey, respondents were asked if they believed there was a need for nonprofit capacity building and operating assistance. Of the responses received, all responded affirmatively that there was a need in the nonprofit sector for operating assistance and a need for capacity building given the taxed nonprofit sector due to COVID.

The Southeastern Virginia Homeless Coalition (SVHC) includes more than 40 member agencies and individuals working to address homelessness across 1,700 square miles and six jurisdictions: the cities of Norfolk, Chesapeake, Suffolk, and Franklin, as well as Isle of Wight and Southampton counties.

SVHC works to engage individuals, groups, and organizations throughout the community, including faith partners and members of the private sector that provide services to persons experiencing homelessness or have an interest in the process. Persons who have experienced homelessness are also encouraged to attend meetings and join committees.

SVHC serves as a regional Continuum of Care (CoC) organization, responsible for coordination and management of local, federal and state funding for homeless services. Facilitation and coordination are provided by the designated Lead Agency - The Planning Council.

The Planning Council, the lead agency for the Chesapeake’s Continuum of Care (CoC), attended a virtual session and provided their recommendations to jurisdictions being allocated funds.

The Planning Council for the use of HOME-ARP funds within City of Chesapeake provided their recommendations ranked in order as follows:

1. Permanent Supportive Housing for single adults
2. Permanent Supportive Housing for families
3. Rapid Rehousing programs for both families and single adults
4. Emergency Shelter for single adults
5. Emergency Shelter for families
6. Medical respite programs for single adults

Public Participation

To provide opportunities for public participation, the City of Chesapeake provided a combined notice of a public hearing and a 15-day public comment period that was published in The Clipper of The Virginian Pilot, and on February 26, 2023, in The New Journal and Guide on March 1, 2023, and on the City's website. The publication of the public comment period and the Draft HOME-ARP Allocation Plan was made available on the City's website from February 27 to March 13, 2023. An in-person public hearing was held for public comments and consideration by City Council of the Draft HOME-ARP Allocation Plan on March 14, 2023. Those unable to attend, or who had further comments after the public hearing were invited to email them directly to City staff.

Efforts to Broaden Public Participation

To broaden public participation, members of the public who are on the City's Community Development contact list were invited via email to attend the virtual and in-person public input meetings on December 8, 2022. Additionally, an outreach effort of a week-long dissemination of flyers throughout the community also invited citizens to attend, as well as a Community Needs Assessment in the formulation of the Draft HOME-ARP Allocation Plan. Additionally, a flyer was created with a QR code linking to a HOME-ARP Public Input Survey. The survey instrument period ended on November 25, 2022, and there were 280 surveys submitted. Those unable to attend the public input meeting, or who had further comments after the virtual and/or sessions were invited to email them directly to City staff.

Public Comments and Recommendations Received

A summary of comments and recommendation received during the public comment period and at the public hearing will be included with the submission of this Allocation Plan to HUD.

Public Comments and Recommendations Not Accepted and Reasons Why

None received.

Needs Assessment and Gap Analysis

The needs assessment and gap analysis must evaluate the size and demographic composition of HOME-ARP qualifying populations, and unmet needs of HOME-ARP qualifying populations. In addition, the needs assessment and gap analysis must identify any gaps within its current shelter and housing inventory, and service delivery system. This needs assessment and gap analysis focuses on the following:

- Sheltered and unsheltered homeless populations;
- Currently housed populations at risk of homelessness;
- Other families requiring services or housing to prevent homelessness; and
- Those at the greatest risk of housing instability or unstable housing situations.

Housing Inventory Count

The annual Housing Inventory Count (HIC) provides useful context regarding the number and type of beds and units that are available for individuals and families experiencing homelessness on any given night. The following tables summarize beds, by bed type, and units available as of January 2022 in the City. Emergency housing beds include emergency shelter and transitional housing; emergency shelter generally allows for short-term or nightly stays, while transitional housing generally allows for a stay up to 24 months. Both types of emergency housing may include supportive services designed to facilitate movement to independent living.

Table 3 – Homeless Needs Inventory and Gap Analysis Table

Homeless													
	Current Inventory					Homeless Population				Gap Analysis			
	Family		Adults Only		Vets	Family HH (at least 1 child)	Adult HH (w/o child)	Vets	Victims of DV	Family		Adults Only	
	# of Beds	# of Units	# of Beds	# of Units	# of Beds					# of Beds	# of Units	# of Beds	# of Units
Emergency Shelter	34	10	59	59	0								
Transitional Housing	0	0	0	0	0								
Permanent Supportive Housing	32	10	0	0	0								
Other Permanent Housing	0	0	40	40	0								
Sheltered Homeless						19	65	7	2				
Unsheltered Homeless						0	40	0	0				
Current Gap										40	13	72	69

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

Size and Demographic Composition of Qualifying Populations

Homeless as defined in 24 CFR 91.5

Each year, homeless coalitions across the country conduct a Point in Time Count (PIT) during the same 24-hour period in January to estimate the number of persons experiencing homelessness living in their respective regions. The PIT Count includes those living in emergency shelters, transitional housing programs, and those living unsheltered on the street. However, the PIT count does not include the many homeless families and youth who are doubled up with family or friends, or those at imminent risk of becoming homeless, so the numbers are more of a “snapshot” on a single day than a definitive count. Despite these limitations, the count helps communities plan for programs and services, identifies gaps in the homeless system, and provides some demographic information about populations who experience homelessness.

The 2022 Point in Time Count was conducted across the 6 jurisdictions: the cities of Norfolk, Chesapeake, Suffolk, and Franklin, as well as Isle of Wight and Southampton counties that comprise the Southeastern Virginia Homeless Coalition. Overall, 738 persons were counted in the 2022 Count. This is a 30% increase over the 2021 count of 564, it is similar to pre-COVID-19 counts of over 700 persons.

Of the overall 2022 Point in Time count, 171 persons were identified in the City of Chesapeake. The 2022 sheltered point-in-time count identified 93 people experiencing sheltered homelessness in the City of Chesapeake in January 2022. People are considered sheltered when they are residing in emergency shelter or transitional housing, but not when they are receiving rapid rehousing assistance or residing in permanent supportive housing. Among individuals experiencing sheltered homelessness 0% were in transitional housing. The 2022 unsheltered point-in-time count for the City of Chesapeake identified 40 people experiencing unsheltered homelessness in January 2022.

Based on Annual Progress Reports for Chesapeake (from HMIS), between 2012 and 2022, the number of people receiving homeless assistance in Chesapeake grew from 217 in 2012 to 765 in 2019, which is an increase of 253%. Part of this increase may be due to improved outreach and identification of persons experiencing homelessness. However, national estimates report that homelessness steadily decreased overall by 7% from 2012 to 2020 (latest data available). In 2020, the number of people assisted in Chesapeake’s shelters and congregate settings decreased due to the COVID-19 pandemic. By 2021, as shelters reopened, the number of people receiving assistance slowly began rising to pre-pandemic levels. Further, in 2022, rents in Chesapeake rose by 38% putting more households at risk of homelessness.

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

The number of households without children (single adults) increased significantly over the past ten years, while families with children have only moderately increased. By comparison, nationally, the number of homeless single adults increased by 7% and households with children decreased by 28%.

Over the past ten years, the majority of persons experiencing homelessness in Chesapeake have been Black/African American, followed by White, Multiracial and Other (which includes Asian, American Indian/Native Alaskan, and Native Hawaiian/Pacific Islander). Nationally and locally, Black/African American persons experience homelessness at a proportionally higher rate than other races. The percent of Hispanic persons (of any race) has ranged between 1% and 7% of the total.

At-risk of Homelessness as defined in 24 CFR 91.5

Households at risk of homelessness are those with incomes at or below 30% Area Median Income that lack sufficient resources or support networks to prevent homelessness, and

- Have moved more than two times due to economic reasons in the past 60 days, or
- Are doubled up with another household due to economic hardship, or
- Will be evicted within 21 days, or live in a hotel or motel without financial assistance from a nonprofit or government entity, or
- Live in an efficiency apartment and are overcrowded, or
- Are exiting a publicly funded institution or system of care

The HUD Comprehensive Housing Affordability Strategy (CHAS) 2015-2019 data provides information on overcrowding among households that include more than one family, by household income level. This CHAS data indicates that there are approximately 5,410 households with incomes at or below 50% Area Median Income that are at risk of homelessness in the City of Chesapeake.

According to data from the Housing Crisis Hotline, the number of callers who claimed to be at imminent risk of homelessness increased from 593 callers in 2017 to 784 callers in 2022, which is an increase of 32%.

In addition, between 2020 and 2022, over \$34 million was provided in 6,017 rental assistance payments to Chesapeake residents through the Rent Relief Program managed by the Virginia Department of Housing and Community Development. Of the 6,017 rental assistance payments, 62% went to households at or below 30% Area Median Income, 20% went to households between 31%-50% Area Median Income, and 18% went to households between 51%-80% Area Median Income. Of the 6,017 payments, 30% went to single individuals, 12% went to adult only households, and 58% went to households with children under age 18. The racial composition of these at-risk callers was 73% Black/African American, 14% White, and 12% Other Race/Race Unknown. Two hundred thirty-five of callers identified as veterans. Further, in 2022, rents in Chesapeake rose by 38%, putting more households at risk of homelessness.

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

The number of persons experiencing homelessness in Chesapeake who reported a history of domestic violence has increased from 4% of the city's adult homeless population in 2020 to 11% of the City's adult homeless population in 2022.

The City of Chesapeake's Criminal Investigation Section of the Police Department maintains statistics on domestic violence in the jurisdiction. In 2021, the local law enforcement agencies responded to a total of 1,394 cases related to domestic violence. Of these:

- 1,660 total weapon type offenses 28 of these domestic incidents did not involve a weapon
- 47 domestic assault cases involved a firearm
- 47 domestic assault cases involved a knife or cutting instruments
- 144 domestic assault cases involved other dangerous weapons (blunt object, fire/incendiary device, motor vehicle, and other)
- 1,422 domestic assault cases involved personal weapons (i.e. feet, hands, and asphyxiation etc.)

Help and Emergency Response, Inc. (HER) provides leadership, advocacy, and resources to survivors and communities affected by Domestic Violence, Sexual Violence, Stalking, and Human Trafficking. The HER shelter prepares a safe and welcoming spaces for women and children fleeing situations of domestic or sexual violence, homelessness, or human trafficking. The HER Chesapeake Domestic Violence Shelter is called the Beazley Center for Hope. The Chesapeake HER Shelter reports that the need for shelter and housing outweighs the resources available. With increasing rent and cost of living it is becoming harder to find affordable housing options for individuals exiting their program. Because of this, the length of stay is significantly increasing which mean not as many shelter beds are available as people are occupying them for longer than normal.

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

Other populations, as defined by HOME-ARP, include those who:

- Are currently housed and at risk of repeat homelessness;
- Have incomes at or below 30% Area Median Income and are experiencing severe housing cost burden; and
- Otherwise meet the definition of at risk of homelessness and have incomes of more than 30% and at or below 50% Area Median Income.

The number of homeless veterans in Chesapeake has increased moderately over the past ten years, from 2% of the city's adult homeless population to 5%. The percent of those reporting chronic homelessness has increased from 6% of the city's adult homeless population to 10%. Chronic homelessness refers to those who have been homeless for at least a year, or for four episodes within the past three years, while also struggling with a serious mental illness, substance use disorder, or physical disability.

Further, over the past decade, nearly 20% of homeless persons in Chesapeake have reported one or more serious health condition. These include mental health issues, which are the most frequently reported concerns, physical disabilities, and chronic health conditions. Fewer people report drug or alcohol abuse, just 2% of the city's adult homeless population, and this issue may be under-reported.

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Unmet Housing and Service Needs of Qualifying Populations, including but not limited to: Sheltered and unsheltered homeless populations; At risk of homelessness; Other families requiring services or housing assistance or to prevent homelessness; and those at greatest risk of housing instability or in unstable housing situations.

Table 4 – Housing Needs Inventory and Gap Analysis

	Current Inventory	Needs Served		Unserviced Needs
	A # of Households	B # of Households Receiving Rental Assistance (Tenant and Project Based) from CRHA	C # of Households in Properties with Below Market Rents or Receiving Non-CRHA Forms of Rental Assistance	D # of Households with Cost Burdens greater than 50% of Income
Total Households Renting	24,310			5,860
Households Renting with Incomes less than 30% AMI	4,555			3,245
Households Renting with Incomes between 30% and 50% AMI	4,365			2,165
Households Renting with Incomes less than 50% AMI	8,920	2,082	1,428	5,410

Data Sources; 1. Current Inventory and Unserviced Needs (Columns A and D) 2015-2019 ACS CHAS Data, 2. Needs Served by CRHA (Column B) based on number of public housing units and clients participating in various tenant-based rental assistance programs, 3. Needs Served – Below Market Rent and Non-CRHA Rental Assistance (Column C) was calculated by taking the difference between Column A and the sum of Columns B and D.

Sheltered and Unsheltered Homeless as defined in 24 CFR 91.5

In 2022, 264 individuals in both family and single households were identified as homeless in Chesapeake by calling the Housing Crisis Hotline for help and declaring they are homeless, or through outreach workers and other service provider agencies. 90% of them were living in places not meant for human habitation (mostly vehicles or on the street/sidewalk) while the other 10% were in emergency shelter settings.

Housing programs within Chesapeake that serve the homeless include one Single Room Occupancy, some Permanent Supportive Housing, Rapid Rehousing (scattered site units) and family shelter. Chesapeake is lacking any emergency shelter for single adults who make up the largest portion of the homeless population. Individuals seeking shelter either do without or leave the city where vacancies may exist at other shelters.

The homeless population of Chesapeake has aged and continues to do so, with adults over 50 averaging four chronic medical conditions that include disease and physical conditions such as limited mobility, hearing, or vision. Chesapeake Regional Healthcare conducted a comprehensive Community Health Needs Assessment in 2021 that outlined housing and healthcare needs of its residents, including the most vulnerable populations, such as homeless and older adults.

The Emergency Department of Chesapeake Regional Hospital demonstrates a need for medical respite care for homeless individuals, currently they discharge them even when they do not have a permanent housing option. Medical respite can range from simply having a place to rest for a while after a procedure to also needing nursing or physical therapy for follow up care. Chesapeake does not currently have a program to address this need.

At Risk of Homelessness as defined in 24 CFR 91.5

Chesapeake lacks an adequate supply of affordable housing units for both families (2 bedroom or larger) and for single adults (1 bedroom or efficiency). While the population of Chesapeake has grown, so has the per capita income and businesses located within the city, resulting in the development of multifamily housing without policies in place to require affordable units as part of all new housing development.

As described above, over 6,000 payments were made for rental assistance since 2020, with 60% of those households living within 30% Area Median Income guidelines. This equates to over 3,600 households at extremely low-income levels who need very affordable housing options. Chesapeake Redevelopment and Housing Authority reports that CRHA's current waitlists include 5,454 households seeking Low Income Public Housing, 9,127 households seeking Housing Choice Vouchers and 807 households seeking privately owned rental units with Project-Based Vouchers administered by CRHA. However, locating a landlord or property that accepts these voucher payments is still a significant need across the entire region and state.

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

Chesapeake hosts 10 dedicated beds for victims fleeing domestic violence in a shelter operated by Help and Emergency Response. Other regional service provider agencies, such as the YWCA, also serve Chesapeake residents when necessary. The unmet housing need for families experiencing domestic violence varies greatly on a week-by-week basis, but over the past 12-month period, 60 persons reported fleeing domestic violence as their reason for being homeless. This affects both single and family households; therefore, the appropriate number of units and types of services should be tailored for the household type within this special population.

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

Both veterans and chronic homeless individuals have increased in the city over the past ten years. Outreach services have increased, to include the City's Resource Center that provides basic necessities

and case management, and therefore the service providers have more contact with these individuals. Permanent Supportive Housing is often the most appropriate housing option for individuals and families experiencing chronic homelessness as they need longer-term supportive services.

ForKids manages Permanent Supportive Housing units for families but there are none currently available for Chesapeake's single adults. Virginia Supportive Housing manages a Single Room Occupancy housing development for homeless individuals that houses 42 from Chesapeake. Establishing at least one more Single Room Occupancy (SRO) with the wrap-around services on-site would address the need for many homeless, including chronic homeless and veterans. Likewise, increasing rapid rehousing units for those not requiring intensive case management would also go far in reducing the need for a large emergency shelter for individuals.

Current Resources Available to Assist Qualifying Populations

Current available resources considered include:

Supportive services; Tenant-base rental assistance; and permanent supportive housing

Current Resources: Congregate Beds and Non-congregate Shelter Units

In January 2020, there were 11 congregate beds and no beds in non-congregate shelter units. Congregate beds include emergency, Chesapeake Area Shelter Team (CAST), and transitional housing beds and units. Non-congregate shelter includes permanent supportive housing and rapid re-housing.

Current Resources: Supportive Services

The City is served by many local and regional organizations offering supportive services to the residents. The 2022-23 CDBG allocation will fund public service activities.

Current Resources: Tenant-based Rental Assistance

Currently the City does fund Tenant-based Rental Assistance in the City. There are housing vouchers available through the Housing Choice Voucher Program and other programs offered in the region.

Current Resources: Affordable and Permanent Supportive Rental Housing

The public housing units in the City are owned and managed by the Chesapeake Redevelopment and Housing Authority. Currently there is no permanent supportive housing in the City available.

Shelter, Housing and Service Delivery System Gaps Shelter Gap

There is an estimated need for 40 additional shelter beds for families and 72 additional beds for adults only, based on the 2022 PIT count. The PIT count found that there were 93 persons in emergency shelter in the City but 40 unsheltered persons in a variety of situations, including on the street, in makeshift shelters, or in cars.

Tenant-based Rental Assistance Gap

There is an estimated gap of 5,410 tenant-based rental assistance vouchers for households with income at or below 50% Area Median Income and paying more than 50% of household income for rent, including utilities.

The number of tenant-based rental assistance vouchers was calculated using HUD CHAS data and is equal to the number of renter households with income at or below 50% Area Median Income and paying more than 50% of household (HH) income for rent, including utilities. The Chesapeake Redevelopment and Housing Authority is facing a housing shortage for recipients of the tenant-based rental assistance program.

Table 5 – Tenant-Based Rental Assistance Gap

Tenant-based Rental Assistance Gap	
Renter Households with Income at or below 50% AMI paying more than 50% of income for rent, including utilities	8,920
TBRA vouchers available	2,082
HH in properties below market rent or receiving non-CRHA assistance	1,428
<i>TBRA gap</i>	<i>5,410</i>

Affordable and Permanent Supportive Rental Housing Gap

There is an estimated gap of 3,245 rental units affordable to renter households with income at or below 30% Area Median Income with a cost burden greater than 50%. Additionally, there is an estimated gap of 2,165 rental units affordable to renter households with income more than 30% and at or below 50% Area Median Income with a cost burden greater than 50%.

The number of Affordable Rental Units was calculated using HUD CHAS Data Table ACS 2015-2019 and is equal to the number of renter households paying more than 50% of household income for rent, including utilities. The household median income of renters in Chesapeake according to the ACS Table ACST1Y2021.S2503 is \$45,651. The Chesapeake Redevelopment and Housing Authority is facing a housing shortage for recipients of their housing choice vouchers.

Service Delivery System Gaps

To identify gaps in the service delivery system, the City relied on its consultations with stakeholders and experience collaborating with the organizations working in the City. The stakeholders believe that the most critical service gaps are in the areas of eviction protection services, housing search/counseling services, financial assistance, and mental health services. The stakeholders also believed there was some need for assistance with general administrative costs and capacity building among the service providers serving the City's qualifying populations.

Characteristics of Housing Associated with Increased Risk of Homelessness for Other Populations

For other populations, severe housing cost burden, or paying more than 50% of household income for rent and utilities is the primary characteristic of housing associated with the risk of homelessness in the

City. The HUD CHAS Data Table 2015-2019 indicates there are 5,410 households at or below 50% Area Median Income who are spending more than 50% of their household income on rent and utilities.

Priority Needs for Qualifying Populations

Priority needs for qualifying populations are:

- Affordable rental housing
- Non-congregate shelter
- Supportive services including:
 - eviction protection assistance
 - financial assistance services
 - housing search and housing counseling services
 - landlord/tenant liaison services
 - mental health services
 - childcare assistance
 - transportation services
- Tenant-based rental assistance

HOME-ARP Activities

The City of Chesapeake solicited applications from developers, service providers, and nonprofits to administer eligible activities and/or develop shelter and housing. A Request for Proposal (RFP) was issued. The RFP provided, at a minimum, eligible activities, funding available, application thresholds, and provided instructions on how to submit a proposal.

Table 6 - Uses of HOME-ARP Funding

Activity	Funding Amount	Percent of Allocation	Statutory Limit
Non-congregate Shelter			
Affordable Rental Housing	\$900,000	45%	
Tenant-based Rental Assistance			
Supportive Services	\$1,003,000	50%	
Nonprofit Operating Assistance			5%
Nonprofit Capacity Building			5%
Administration and Planning	\$101,685	5%	15%
Total HOME-ARP Allocation	\$2,004,685		

Rationale for Uses of HOME-ARP Funding

HOME-ARP funds will be used to acquire, construct and/or renovate affordable rental housing primarily for occupancy by households of individuals and families that meet the definition of one or more of the qualifying populations described in Section IV.A of the Notice (“**qualifying households**”). HOME-ARP rental housing will include “housing” as defined at 24 CFR 92.2, including but not limited to manufactured housing, single room occupancy (SRO) units, and permanent supportive housing.

HOME-ARP funds will be used for supportive services and will benefit individuals and families in qualifying populations. Individuals and families in qualifying populations can be assisted by one or more of the HOME-ARP eligible activities, consistent with the requirements within the HOME-ARP Notice.

At least 70% of the affordable rental housing units acquired, construct and/or renovate with HOME-ARP funds will be occupied by households in the qualifying populations. Units that are not restricted to occupancy by qualifying populations are subject to income targeting and rent requirements established under the HOME-ARP Rental Program rules and are only permitted in projects with rental units restricted for occupancy by qualifying populations.

Acquisition, development and/or renovation of affordable rental units. The need for available affordable rental units is growing throughout the Chesapeake area. With the City lacking an adequate supply of affordable housing units, and the highest rent increase ever seen in a year, makes the availability of rental units for the qualifying population within Chesapeake area further exacerbated.

This plan allocates \$900,000 towards the acquisition, development, and/or renovation of affordable rental housing units to make housing attainable for the qualifying population. A source for acquisition, development and/or renovation of additional rental housing units, operation of the rental housing units and operating funds have been identified through a request for proposals process.

Acquisition and development of non-congregate shelter. Many participants during consultation mention the need for shelter in general and for specific populations including families, those fleeing domestic violence and other situations, the elderly and single people. However, given the expense of acquiring and developing shelter space, most thought that was not a possibility given the amount of available funds.

Provision of supportive services. Many examples of supportive services were called out in the consultation process, both in the in-person sessions, virtual sessions and in the survey where a prepared list was considered. This plan allocates \$1,003,000 towards supportive services. Providers have been identified through a request for proposals process.

Administration and Planning. This plan allocates \$101,685 towards the administration and planning functions of the HOME-ARP funds under the statutory limit.

HOME-ARP Housing Production Goals

The City estimates the development of 10 new affordable rental units for Chesapeake residence of the qualifying population with the funds allocated by this plan. There is a development plan for this project.

Preferences

The City of Chesapeake will not provide preferences to any population or subpopulation. The City of Chesapeake will ensure that all applicants use HOME-ARP funds to benefit qualifying populations.

Limitations

The City of Chesapeake will not use any limitations in the use of the HOME-ARP funds.

HOME-ARP Refinancing Guidelines

The City of Chesapeake does not plan to use HOME-ARP funds to refinance existing debt secured by multifamily housing that is rehabilitated with HOME funds. Therefore, refinancing guidelines pursuant to 24 CFR 92.206(b) are not applicable to this HOME-ARP Allocation Plan.

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PUBLIC COMMENT NOTICE CITY OF CHESAPEAKE SUBSTANTIAL AMENDMENT TO THE Program Year (PY) 47 ANNUAL ACTION PLAN

The City of Chesapeake is seeking public comments for the following proposed substantial amendment to the PY 47 Annual Action Plan for the HOME-ARP Allocation Plan:

- **Program \$2,004,685 of HOME-American Rescue Plan (HOME-ARP) funds as follows:**
 - **\$900,000 for Rental Housing**
 - **\$1,003,000 for Supportive Services**
 - **\$101,685 for Administration and Planning**

This notice is intended to meet HUD's and the City's Participation Plan requirements for the Five Year Consolidated and Annual Action Plans. The 15-day comment period for this amendment will begin on February 27 through March 13, 2023. The 15-day public comment period is permitted by the HOME-ARP Notice waiver and an alternative requirement to waive Section 105 and 107 of the Cranston-Gonzales National Affordable Housing Act (42 USC 12705 and 12707) and the citizen participation plan requirements at 24 CFR 91.105, 91.115, and 91.401

On March 14, 2023, Planning Department will request City Council's consideration of an amendment to the City's Program Year (PY) 47 Annual Action Plan as required by HUD to receive and appropriate these funds for the following proposed activities to provide housing, services, and shelter to individuals experiencing homeless and other vulnerable populations:

\$900,000 to provide rental housing for individuals of the qualifying population.

Lead Agency: Virginia Supportive Housing

\$800,000 to provide supportive services for eviction protection and financial assistance to individuals of the qualifying population.

Lead Agency: ForKids, Inc.

\$115,000 to provide the supportive services of housing counseling and financial assistance for individuals of the qualifying population.

Lead Agency: We Care Homeless Resource Center – Chesapeake Human Services

\$88,000 to provide the supportive services of housing counseling and financial assistance for individuals of the qualifying population.

Lead Agency: Catholic Charities

\$101,685 to provide administration and planning of the HOME-ARP program.

Lead Agency: Planning Department

Written comments on the proposed amendment and Draft HOME-ARP Allocation Plan will be accepted through 5:00 pm on March 13, 2023 and can be emailed to Crystal P. Bynum via email at planning@cityofchesapeake.net. Please contact Ms. Bynum at 757-382-6176 with any questions or required clarifications. Public comments will be taken during the March 14, 2023 public hearing by City Council of the Draft HOME-ARP Allocation Plan.

To the extent possible, the City of Chesapeake will provide reasonable accommodations and services necessary for sensory-impaired and disabled persons during the public comment period by contacting Mr. Tim Winslow, Facilities Manager, Public Works Department at 757-382-6273 and language assistance to individuals with limited English proficiency by contacting the Planning Department at 757-382-6176.

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