

Housing Preservation Grant Program Application – per RD Instruction 1944-N

Prepared by the Thomas Jefferson Planning District Commission for public comment ending July 25, 2024.

Housing Preservation Grant (HPG) – TJPDC Application

Statement of Activities

(1) Standard Form (SF) 424 – original and 2 copies attached.

(2) Statement of Activities: Application Information

- (i) A complete discussion of the type of and conditions for financial assistance for housing preservation, including whether the request for assistance is for a homeowner assistance program, a rental property assistance program, or a cooperative assistance program.

TJPDC’s Housing Preservation Grant Program Description:

The Thomas Jefferson Planning District Commission (TJPDC) was created in 1972 and is one of 21 PDCs and Regional Commissions in Virginia. The General Assembly established Planning District Commissions in 1969 to encourage and facilitate regional solutions to problems of area-wide significance. TJPDC has a long history of leadership in the area of affordable housing. TJPDC serves as the administrative and planning agent for the Charlottesville HOME Consortium, established through TJPDC efforts in 1992 as the first HOME Consortium in Virginia. From 2018-2024, the HOME Consortium has received \$4,551,174 in HOME funds. HOME funds have been used to assist homebuyers, rehabilitate owner-occupied homes, and develop new housing units for home ownership or rental. Housing Preservation Grant funds have been an important adjunct to the HOME program, providing additional funds for rehabilitation projects.

TJPDC created and incorporated the Thomas Jefferson Housing Improvement Corporation (TJHIC) in 1983 to assist in the development and provision of new residential housing and the improvement, repair, and rehabilitation of substandard residential housing and community development in the Virginia Counties of Albemarle, Fluvanna, Greene, Louisa, and Nelson. The IRS approved tax-exempt status in 1985. TJHIC also became a Community Development Housing Organization (CHDO).

In 1996, TJHIC became the Piedmont Housing Alliance (PHA), which assumed its non-profit status and all housing projects. In 1998, PHA initiated a regional Elderly and Disabled Home Safety Revolving Loan Fund to provide low-interest loans and deferred loans for emergency repairs and home safety modifications for elderly and disabled persons in the five counties of the planning district. In 2005, the program became a grant fund (Repair & Rehabilitation Fund) focusing on home repairs and rehabilitation for low-income households regardless of age or whether persons with disabilities were involved.

TJPDC has been administering Housing Preservation Grant programs since 2015, nine years. PHA received Housing Preservation Grants in 2001, 2002, 2005, 2006, 2008, 2009, 2010, 2011, 2012, and 2013. PHA requested that the TJPDC apply for HPG funds in July 2015. TJPDC was awarded \$32,495.11 for the period beginning October 1, 2015 and ending September 30, 2017. Sixteen projects were completed by September 2016, serving 34 people, with an average HPG assistance level of \$1,692.88 per project. Our second HPG grant totaled \$41,683. Sixteen projects were

completed, serving 33 people, with average assistance of \$2,605.20. The FFY17 HPG grant totaled \$54,338, with 20 projects completed serving 32 people. The FFY18 HPG grant totaled \$119,745.24, with 29 projects completed, serving 49 people, with an average assistance of \$3,039.46. The FFY19 HPG grant totaled \$117,821.46, completed 36 projects, and served 66 people, with an average assistance of \$2,781.90. The FFY20 grant totaled \$107,656.80 and served 53 people, with an average assistance of \$3,160.77. The FFY21 grant of \$156,595 served 72 people, with an average assistance of \$3,517.31. The FFY22 grant of \$215,000 included 52 projects, serving 91 people, with an average assistance of \$3,442.13. The FFY23 grant of \$212,435 is still being administered by the TJPDC and has served 63 people to date across 34 projects, with an average assistance of \$3,709.81 to date.

Client demand for these resources is very high in this region. The capacity to effectively deliver services is also high, with established housing non-profits consisting of the Albemarle Housing Improvement Program (AHIP), the Fluvanna/Louisa Housing Foundation (F/LHF), Skyline CAP (serving Greene County), and the Nelson County Community Development Foundation (NCCDF). The localities have designated these housing organizations as sub-recipients for the HOME program and have close working relationships with TJPDC.

TJPDC continues to manage the program as PHA established it in the past. TJPDC has agreements in place with local housing non-profit organizations to carry out individual modification projects in their respective counties. Our local housing non-profits are familiar with the program and its eligibility criteria, program requirements, and documentation. These housing organizations have robust referral systems with regional agencies to identify rural homeowners who need repairs and rehabilitation modifications. They have well-established procedures to prescreen and assess the needs of eligible homeowners, develop the scopes of work, and carry out or oversee the rehabilitation work. Due to the lack of funding, these organizations have lengthy waiting lists.

- (ii) The process for selecting recipients for HPG assistance, determining housing preservation needs of the dwelling, performing the necessary work, and monitoring/inspecting work performed.

Process:

The process includes: 1) Outreach Workers for the local housing non-profits and other referral agencies prescreen applicants, verify income, and assess need. 2) Outreach Workers assist applicants in filling out the grant application. 3) The completed application is then sent to TJPDC for final approval by the Project Officer, who will also prepare the environmental review documents, including obtaining a ruling from the Department of Historic Resources, before project commencement. 4) TJPDC's Project Officer then assigns approved projects to the appropriate subcontracting agency. 5) The subcontracting agency oversees the project, recruits volunteers and donated materials when possible, hires contractors and subcontractors as needed, and arranges the final inspection by the local building inspector, when required, or another qualified inspector. 6) The Project Officer verifies the work, monitors billing, and prepares and files grant and expense reports.

- (iii) The process for identifying potential environmental impacts, see § 1944.672 and historical places please see RD Instruction 2000-FF, available in any Rural Development Office.

Environmental Impacts:

The subcontracting agency will do a visual assessment before any work is initiated. Any identified concerns will be further assessed so that each project is designed to minimize any environmental impact. TJPDC's staff will prepare maps showing the floodplain, wetlands, endangered species, habitats, proximity to railroads and airports, and use EPA's NEPAAssist tool to identify proximity to hazardous sites and environmental justice concerns. TJPDC creates a map showing the project's location on the most recently available USGS quadrangle maps and accesses and prints out a map and relevant information from DHR's V-CRIS online database. Either TJPDC or the sub-recipient compiles the package for submission to the Virginia Department of Historic Resources (DHR), providing a clear description of the project, the location shown on USGS map, photographs, and the results of the DHR Archive Search. TJPDC and its subrecipients will only undertake activities for which DHR has determined that no historic properties will be affected by the proposed work and properties not located in a floodplain.

- (iv) The development standard(s) the applicant will use for the housing preservation work; and, if not the Rural Development standards for existing dwellings, the evidence of its acceptance by the jurisdiction where the grant will be implemented.

Development Standards:

USDA Rural Development standards for existing dwellings will be used. If required, a local building permit will be acquired for each site, and modifications will meet all local standards.

- (v) The time schedule for completing the program.

Time Period:

All funds will be utilized as quickly as possible since the need is great. All funds will be used by the end of the 2-year grant period or sooner.

- (vi) The staffing required to complete the program.

Staffing:

With this grant, the Project Officer will approve applications, verify work, monitor billing, prepare and file grant and expense reports, and distribute funds. One of the TJPDC planners will prepare the maps for the environmental review process, with the Project Officer preparing the balance of the Environmental Review Record. The Finance Director will process check requests, obtain necessary signatures for checks, and prepare financial statements to support reimbursement requests. The Finance Director will not charge time directly to the project; financial work is included in TJPDC's indirect cost rate.

- (vii) The estimated number of very low- and low-income minority and nonminority persons the grantee will assist with HPG funds; and, if a rental property or cooperative assistance program,

the number of units and the term of restrictive covenants on their use for very low- and low-income.

Number of Persons to Be Served:

If our region is approved for the full amount of application, \$135,796, this would allow for 33 households to benefit from HPG funds in the TJPDC region. The number of households estimated to be served with this grant is based on average assistance of \$4,000 per unit, or 33 very low-income households (estimate of 60 people). Minority applicants are anticipated to total approximately 50% of total applicants.

- (viii) The geographical area(s) to be served by the HPG program.

Area Served:

Within Virginia's Thomas Jefferson Planning District, all four rural counties (Fluvanna, Greene, Louisa, and Nelson) plus the eligible rural areas of Albemarle County will be served.

- (ix) The annual estimated budget for the program period based on the financial needs to accomplish the objectives outlined in the proposal. The budget should include proposed direct and indirect administrative costs; such as personnel, fringe benefits, travel, equipment, supplies, contracts, and other cost categories, detailing those costs for which the grantee proposes to use the HPG grant separately from non-HPG resources, if any. The applicant budget should also include a schedule (with amounts) of how the applicant proposes to draw HPG grant funds, i.e., monthly, quarterly, lump sum for program activities, etc.

Grant Budget:

The anticipated HPG allocation for Virginia for Fiscal Year 2024 is \$271,593. Applications are limited to requesting one-half of that amount, or \$135,796.50. TJPDC is applying for \$135,796, and that figure is used throughout this application. See Form 424A Section A-Budget Summary.

The budget includes \$135,796.50 in HPG funds and \$111,353.13 in funding match provided by sub-recipients carrying out the projects, for a total project budget of \$247,149.63. HPG funds in the amount of \$20,369.47 are budgeted for TJPDC's administrative costs, and \$4,073.90 are budgeted for subrecipients' administrative costs, directly related to the project. This represents 18% of HPG funds and 9.9% of the total project budget. 15% of HPG funds will be set aside for grant administration through TJPDC, and the remaining 3% of funds for administration will go to subrecipients for project administration. The remaining \$111,353.13 in HPG grant funds, along with \$111,353.13 of match funding, will be used for grants for the actual emergency repairs and home safety modifications. Draws against grant funds will be made monthly or quarterly, with financial and program reports submitted quarterly.

- (x) A copy of an indirect cost proposal when the applicant has another source of Federal funding in addition to the Rural Development HPG program.

Indirect Cost Proposal:

TJPDC receives other federal funds. TJPDC's indirect cost rate proposal is submitted to the Virginia Department of Transportation (VDOT) to apply for federal funding for the Metropolitan Planning Organization (MPO). VDOT serves as the cognizant agency, acting on behalf of the Federal Highways Administration (FHWA). TJPDC's indirect cost rate is based on the actual rate for the most recently completed audit. The rate calculated by the FY23 audit is 56%, subject to approval by our cognizant agent, VDOT. The FY23 rate calculation is scheduled to be used for FY25 (July 1, 2024 – June 30, 2025). Materials submitted to VDOT, including pages extracted from the FY22 audit, are included in this application package.

- (xi) A brief description of the accounting system to be used.

Accounting System:

All invoices will be submitted to TJPDC's Program Officer for approval before payment. Revenues and expenses are reviewed every month. Quarterly financial summaries will be submitted to Rural Development. In-kind donations and volunteer hours will also be documented in the quarterly reports. TJPDC utilizes QuickBooks for its financial management system. TJPDC uses a chart of accounts to classify transactions. Governmental financial statements are produced at the end of the fiscal year. An independent firm conducts the annual audit. TJPDC's fiscal year runs from July 1 to June 30. The audit serves as the basis for the indirect cost rate proposal for the fiscal year following its preparation.

- (xii) The method of evaluation to be used by the applicant to determine the effectiveness of its program which encompasses the requirements for quarterly reports to Rural Development in accordance with 7 CFR 1944.683(b) and the monitoring plan for rental properties and cooperatives (when applicable) according to 7 CFR 1944.689;

Evaluation Method:

Quarterly reports are provided to Rural Development, and oversight is provided by the Program Manager and the Outreach Workers. Suggestions and input from TJPDC staff and the Housing Directors Council will be used to improve the program. TJPDC will continue the practice of surveying collaborating agencies at the end of the year.

- (xiii) The source and estimated amount of other financial resources to be obtained and used by the applicant for both HPG activities and housing development and/or supporting activities.

Other Funding:

Subrecipients have committed to providing local match equal to awarded HPG funds. When possible, volunteer labor and donated materials will be utilized by the subcontracting agencies. All funds will be leveraged utilizing federal, state, and local assistance where available, cash donations, special event proceeds, private foundation grants, and support from local financial institutions and corporate donors. Only non-federal funds will be reported as a match.

- (xiv) The use of program income; if any, and the tracking system used for monitoring same.

Program Income:

HPG funds are proposed to be used as grants. If a client can repay some or all of the funds, repayments will be treated as program income and utilized in the same way as the original HPG funding. All program income and designated donations are considered restricted funds and are identified in separate line items in the general ledger.

- (xv) The applicant's plan for disposition of any security instruments held by them as a result of its HPG activities in the event of its loss of legal status.

Security Instruments:

Any security instruments required will be held by the housing non-profit completing the work. If any of the housing non-profits should cease operations, all security instruments will be assigned to another non-profit in the region.

- (xvi) Any other information necessary to explain the proposed HPG program.

Other Information:

TJPDC initially applied for 2015 HPG funds in response to a request from Piedmont Housing Alliance (PHA). PHA provided guidance and sample forms to assist TJPDC in setting up its forms and procedures, and these continue to work well.

- (xvii) The outreach efforts outlined in 7 CFR 1944.671(b).

Outreach Efforts:

All housing non-profits conduct their own outreach efforts and have strong referral networks. These efforts have resulted in long waiting lists. FLHF, one of the subrecipients, reports 50 households currently on their waiting list. Eligible clients will be drawn from current waiting lists, new outreach efforts, and referrals from local agencies. Outreach has resulted in applicants who are proportionately similar to the population of the service areas. RD 1944-N Exhibit E-1 will be used to report on the demographic characteristics of clients served.

(3) Organizational Experience and Capacity:

TJPDC has a long history of providing affordable housing services in the region. TJPDC serves as the administrative and planning agent for the Charlottesville HOME Consortium, established through TJPDC efforts in 1992 as the first HOME Consortium in Virginia. From its inception in 1993 through 2020, total HOME funds to our region through the Consortium have totaled \$21.66 million, with an additional \$2.43 million applied in Program Income. From 2018-2024, the HOME Consortium has received \$4,551,174 in HOME funds. HOME funds have been used to assist homebuyers, rehabilitate owner-occupied homes, and develop new housing units for home ownership or rental.

Housing Preservation Grant funds have been an important adjunct to the HOME program, providing additional funds for rehabilitation projects.

TJPDC created and incorporated the Thomas Jefferson Housing Improvement Corporation (TJHIC) in 1983 to assist in the development and provision of new residential housing and the improvement, repair, and rehabilitation of substandard residential housing and community development in the Virginia Counties of Albemarle, Fluvanna, Greene, Louisa, and Nelson. The IRS approved tax-exempt status in 1985. TJHIC also became a Community Development Housing Organization (CHDO). In 1996, TJHIC became the Piedmont Housing Alliance (PHA), which assumed its non-profit status and all housing projects.

On behalf of the Charlottesville HOME Consortium, TJPDC served as the grantee and project manager for the Heat Pump Revolving Loan Fund Energy Efficiency Conservation Block Grant (EECBG) program funded through the Department of Mines Mineral and Energy (DMME). From June 2010 through July 2012, thirty-nine (39) projects were carried out to replace and upgrade existing failed or inefficient systems for households at 80% Area Median Income (AMI) in the Counties of Fluvanna, Greene, Louisa, and Nelson. ARRA Funds disbursed totaled \$178,500 in construction funds and \$19,500 in project management (soft) costs for a total of \$198,000. Other federal funds applied totaled \$58,465.00 and \$19,500 in non-Federal funds, for a total of \$275,465. Through September 30, 2018, 35 additional projects were completed using revolving loan funds totaling \$87,267.15. TJPDC submitted annual reports to DMME.

In June 2020, the TJPDC managed the Rent Mortgage and Relief Program for Virginia Housing. From June 2020 until November 2020, \$1.373 million in emergency rent and mortgage assistance was deployed to 493 households. Since 2020, TJPDC staff have administered a Virginia Eviction Reduction Pilot grant (VERP) to address and prevent evictions via \$250,000 from the Virginia Department of Housing and Community Development (DHCD) in partnership with PHA.

TJPDC staff members involved in HPG administration include: the Project Officer, the Planning Program Manager to create maps for the Environmental Review Records (ERRs), and the Finance Director, overseen by the Director of Housing and the Executive Director.

Logan Ende, Regional Planner II, serves as both the Project Officer and the Planning Program Manager, creating the maps for the Environmental Review Record for both the HPG program and the HOME Consortium. Logan joined the TJPDC in January of 2024 and holds Masters degrees in both Urban Environmental Planning and Leadership and Public Policy from the University of Virginia.

Laura Greene, Director of Finance is responsible for TJPDC's fiscal management and benefits administration. Laura joined the TJPDC in April of 2023. She holds a Bachelor of Science in Justice Studies from James Madison University and is working toward a Master of Public Administration.

Ruth Emerick joined the TJPDC as Chief Operating Officer in March of 2022. She oversees all the TJPDC's housing programs, including the HOME Consortium, the Housing Preservation Grant, the Regional Housing Partnership, and the Regional Housing Plan. Ruth has worked in various leadership roles in local government since 2010. She holds a Master of Professional Studies in Geospatial Information Science from the University of Maryland at College Park and a Graduate Certificate in Local Government Management from Virginia Tech.

Christine Jacobs has been the Executive Director since September 2021. Previously she had served as Interim Director, and prior to that, she was the TJPDC's Chief Operating Officer and Director of Housing. She directs all activities of the Commission, including preparing a work program and budget that supports the mission of the TJPDC. Christine maintains relationships with the Commission's member localities and with organizations in the region aligned with the work the TJPDC does. Christine joined the TJPDC in 2018. She holds a Master of Leadership and Public Policy and a Master of Teaching from the University of Virginia.

(4) Evidence of Applicant's Legal Existence:

The Thomas Jefferson Planning District Commission (TJPDC) was created in 1972 and is one of 21 PDCs and Regional Commissions in Virginia. The General Assembly established Planning District Commissions in 1969 to encourage and facilitate regional solutions to problems of area-wide significance. See attached:

- TJPDC Charter
- TJPDC Bylaws
- List of TJPDC Commissioners

(5) Audited and Financial Statements

The most recent audit, for the Fiscal Year Ended June 30, 2023, is included in the attachments. FY23 Audit prepared by Robinson, Farmer, Cox Associations, as well as Financial Statements through June 2024 are attached.

See attached:

- Final Audit
- Financial Reports
- Indirect Costs Report

(6) Narrative Statement of Need

The area to be served includes the counties of Louisa, Fluvanna, Nelson, and Greene, as well as portions of Albemarle County which have low enough population density to be eligible for HPG funds.

There is a great need among very low-income persons for financial assistance with home safety repair and rehabilitation. Households needing home modifications are estimated to be about 6% of all households in the rural counties. The Thomas Jefferson HOME Consortium 2023-27 Consolidated Plan was approved by the City Council on May 1, 2023, and by the TJPDC on May 4, 2023. This plan specifically includes goals to preserve housing by assisting residents with the rehabilitation of substandard owner-occupied houses.

For the most recent ACS data from 2022, median household incomes from three of the four rural counties are under the state median income, with Louisa at \$76,594, Nelson at \$64,028, and Greene at \$81,338, with Fluvanna at \$90,766, just over the state median income of \$87,249. The incidence of poverty in the rural counties ranges from 7.7% to over 13%. However, in several

counties, actual poverty is masked by an influx of wealthy residents, while the number of households in poverty has not decreased. 6% of the region's elderly are below the poverty line.

Although some limited funding is available for home modifications, this does not meet the need, particularly in the rural counties. The TJPDC Housing Preservation Grant Program will help meet the needs of very low-income persons who need assistance to make their homes safe and livable.

In the region's four rural counties, 6,860 households have incomes below 80% of AMI and experience at least one housing problem, according to 2016-2020 ACS. Of these, 1,570 make 30-50% of AMI, and 3,190 make 0-30% of AMI. In the entire MSA, 72% of Black or African American households under 30% of AMI experience at least one housing problem; 53% of Asian households under 30% of AMI, and 75% of Hispanic households under 30% of AMI also experience at least one housing problem.

If the TJPDC is able to serve 52 households as we did with the FFY22 funds, that would approximate 1.5% of the total number of very-low income households needing home rehabilitation in the region.

(7) Overcrowding Policy

If there is an applicant in an overcrowded situation and that applicant wishes to alleviate this condition, we will consider providing assistance to the applicant to achieve the range outlined in 1944-N, 1944.656.

(8) List of Other Activities of Applicant

The TJPDC is a political subdivision of the Commonwealth. In addition to its housing programs, TJPDC staffs the Charlottesville-Albemarle Metropolitan Planning Organization (MPO), the Rural Transportation Program, and RideShare. TJPDC provides various services to its member localities (the City of Charlottesville and the Counties of Albemarle, Fluvanna, Greene, Louisa, and Nelson), including transportation and community planning, mapping, project management, and data compilation and analysis. TJPDC provides staff support for the Rivanna River Basin Commission. TJPDC's budget for FY24 primarily reflects funding that has already been secured and projects a balanced budget for the year. TJPDC has sufficient funding to assure the continued operation of other activities for the period of the HPG agreement.

(9) Other Information Addressing Selection Criteria

Financial Feasibility: TJPDC and partner agencies have provided HPG funds to beneficiaries since 2015, and efforts have resulted in repaired homes affordable to and inhabited by very low- and low-income persons.

Public Comment: Public comment for this pre-application was received from July 9-July 25, 2024.

Energy Efficiency: TJPDC and partner agencies are interested in improving the energy efficiency of rehabilitated units. The Albemarle Housing Improvement Program (AHIP) is an Earthcraft certified builder. In all of AHIP's HVAC repairs, they try to achieve maximum efficiency, and all windows they

use are low e and efficient. The Nelson County Community Development Foundation also prioritizes energy efficiency in its projects.

HPG funds used as a percentage of the total cost of unit preservation: TJPDC and partner agencies commit to matching all program funds. However, all projects begun for FFY23 have resulted in a much higher match than required. Among current projects, HPG funds account for only 26% of total project cost.

Administrative Capacity: TJPDC and partner agencies each have more than a year of experience successfully managing and operating housing programs assisting very low- and low-income persons. There are no outstanding or unresolved audit or investigative findings which might impair carrying out this proposal.

Historic Preservation: The subcontracting agency will assess all structures regardless of age for eligibility for historic designation before modification. Applicable historic preservation requirements will be followed when designing the modification project. Please see attached correspondence with the Virginia Department of Historic Resources.

(2) Floodplains/Wetlands: Although it is not anticipated that these repairs or modifications would impact floodplains or wetlands, the subcontracting agency will assess each project and consult with the Thomas Jefferson Soil and Water Conservation District office or Army Corps of Engineers as necessary.

(3) Coastal Barriers Resources System - Our region is not part of this system.

(4) Coordination with other agencies: Subrecipients work with local agencies to receive referrals of applicants with housing repair needs. The subcontracting agency will seek the assistance of other public and private organizations and programs that assist in rehabilitating historic properties. A list of these agencies has been acquired from the State Historic Preservation Office.

(e) SHPO concurrence: The State Historic Preservation Office was informed of our proposal for HPG funding on June 25, 2024.

(10) Form RD 1940-20 "Request for Environmental Information", Exhibits F-1 and F-2, and RD Instruction 2000-FF – See attached.

(11) Consultation with local government

(i) Intergovernmental Review

TJPDC is the agency tasked with A-95 reviews on applications requesting federal funding. The purpose of the A-95 process is to review applications for regional consistency to utilize public resources best. Information on this application has been provided for inclusion in the meeting packet for the July 25, 2024 meeting as an Intergovernmental Review (IGR). An extract from the minutes showing the action taken by the Commission at the meeting is included in this application package.

(ii) Public Comment

A Legal Notice was submitted to The Daily Progress, the region's major local daily newspaper, for publication on Tuesday, July 9th, 2024, regarding the availability of the statement of activities for public comment, accepted through July 25th. A Thomas Jefferson Planning District

Commission special newsletter will be circulated by email in July 2024, informing residents of the public comment period. Copies of the newspaper ad and special newsletter are included with this application package.

(12) Form RD 400-1, "Equal Opportunity Agreement" and Form RD 400-4, "Assurance Agreement" – see attached.

(13) RD 2000-FF "Historic Preservation" – see attached.