City of Virginia Beach

Department of Housing

And

Neighborhood Preservation

Housing Choice Voucher Program

Annual Agency Plan 2010

And

Five Year Agency Plan 2010-2014

CITY OF VIRGINIA BEACH
2010 ANNUAL AGENCY PLAN:
And
FIVE YEAR PLAN

COVER LETTER
And
HUD FORM 50075

City of Virginia Beach

VBgov.com

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NEIGHBORHOOD PRESERVATION
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BUILDING 18A
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VIRGINIA BEACH, VIRGINIA 23456-9083
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April 14, 2010

Mr. Robert Jennings
Director
Virginia Public Housing Program Center
600 E. Broad Street, 3rd Floor
Richmond, VA 23219

Dear Mr. Jennings,

I am pleased to submit the 2010 Agency Plan, 2010-2014 Five Year Plan and required updates for the Housing Choice Voucher Program of the Virginia Beach Department of Housing and Neighborhood Preservation. The Plans were formally approved by City Council on April 13, 2010.A copy of their certified resolution is included along with the required Certifications HUD 50077 and HUD 50077SL. At the same meeting, a Revised Administrative Plan was also approved and this revision is included as one of the attachments to the Agency Plan.

We have used the newly mandated HUD 50075 in preparing the plans. However, because many of the required elements were captured in the previous version of the 50075, we have chosen to use an updated version of that as one of our supporting documents. We realize that the new format merely requires that certain elements be maintained at the office rather than having to be submitted but, again, in trying to produce as complete plans as possible we have chosen to attach supporting files that fully describe our agency operations.

All public notification and review requirements have been met including a thorough review of the Plan with our Resident Advisory Board.

If you have any questions, please feel free to contact Mr. Dale Gravett, Rental Housing Administrator, at 757-385-5745.

Sincerely,

Mr. Andrew Friedman
Director

Cc: Dale Gravett, Rental Housing Administrator

Contents of Plan Submission Package

The Virginia Beach 2010 Annual Agency Plan and Five Year Plan consists of the following:

File 1 – Cover Letter and HUD template 50075

File 2 –Required Approvals and certifications from City Council. The originals from this file will be mailed to the Richmond Field Office.

File 3- This file's contents are supplements to the HUD 50075 and specifically provide narrative and statistical support to answer items 5, 6, 9 and 10 on HUD 50075.

File 4 – Contains the required report on progress in meeting goals and a statement regarding any substantial deviations

File 5 - Evidence of public advertisement, public comments and any input from the Residents Advisory Board (RAB)

File 6 – Housing Needs Assessment. This will be updated at a later date because we are currently working on the Virginia Beach Consolidated Plan but that plan will not be submitted until after this document.

File 7 – A draft copy of a Fair Housing Assessment is being included because it has some excellent statistical information on housing trends and patterns in the Virginia Beach area.

File 8 – A draft copy of the Comprehensive Housing Affordability Strategy (CHAS) data to be used for the Virginia Beach Consolidated Plan. This is the most up to date information on housing trends in Virginia Beach . It provides hard data on the affordability and rent burdening problems. This should be viewed in conjunction with Support File 7 regarding housing needs analysis.

File 9 – A copy of the Revised Administrative Plan which details the policies and procedures utilized in our Housing Choice Voucher program.

PHA 5-Year and Annual Plan	U.S. Department of Housing and Urban Development Office of Public and Indian Housing	OMB No. 2577-0226 Expires 4/30/2011

1.0 PHA Information
PHA Name: Virginia Beach Department of Housing and Neighborhood Preservation PHA Code: VA 039
PHA Type: ☐ Small X High Performing ☐ Standard X HCV (Section 8 Only)
PHA Fiscal Year Beginning: (MM/YYYY):07/2010

2.0 Inventory (based on ACC units at time of FY beginning in 1.0 above)
Number of PH units: _____ Number of HCV units: 1913

3.0 Submission Type
X 5-Year and Annual Plan ☐ Annual Plan Only ☐ 5-Year Plan Only

4.0 PHA Consortia ☐ PHA Consortia: (Check box if submitting a joint Plan and complete table below.)

Participating PHAs	PHA Code	Program(s) Included in the Consortia	Programs Not in the Consortia	No. of Units in Each Program	
				PH	HCV
PHA 1:					
PHA 2:					
PHA 3:					

5.0 5-Year Plan. Complete items 5.1 and 5.2 only at 5-Year Plan update.

5.1 Mission. State the PHA's Mission for serving the needs of low-income, very low-income, and extremely low income families in the PHA's jurisdiction for the next five years:

Attached with description in Support File 3

5.2 Goals and Objectives. Identify the PHA's quantifiable goals and objectives that will enable the PHA to serve the needs of low-income and very low-income, and extremely low-income families for the next five years. Include a report on the progress the PHA has made in meeting the goals and objectives described in the previous 5-Year Plan.

Attached with description in Support File 3

6.0 PHA Plan Update

(a) Identify all PHA Plan elements that have been revised by the PHA since its last Annual Plan submission:
(b) Identify the specific location(s) where the public may obtain copies of the 5-Year and Annual PHA Plan. For a complete list of PHA Plan elements, see Section 6.0 of the instructions.
Attached with description in Support File 3

7.0 Hope VI, Mixed Finance Modernization or Development, Demolition and/or Disposition, Conversion of Public Housing, Homeownership Programs, and Project-based Vouchers. *Include statements related to these programs as applicable.* ***Not Applicable***

8.0 Capital Improvements. Please complete Parts 8.1 through 8.3, as applicable.
Not Applicable

8.1 Capital Fund Program Annual Statement/Performance and Evaluation Report. As part of the PHA 5-Year and Annual Plan, annually complete and submit the *Capital Fund Program Annual Statement/Performance and Evaluation Report,* form HUD-50075.1, for each current and open CFP grant and CFFP financing.
Not Applicable

8.2 Capital Fund Program Five-Year Action Plan. As part of the submission of the Annual Plan, PHAs must complete and submit the *Capital Fund Program Five-Year Action Plan,* form HUD-50075.2, and subsequent annual updates (on a rolling basis, e.g., drop current year, and add latest year for a five year period). Large capital items must be included in the Five-Year Action Plan.
Not Applicable

8.3 Capital Fund Financing Program (CFFP).
☐ Check if the PHA proposes to use any portion of its Capital Fund Program (CFP)/Replacement Housing Factor (RHF) to repay debt incurred to finance capital improvements.
Not Applicable

9.0 Housing Needs. Based on information provided by the applicable Consolidated Plan, information provided by HUD, and other generally available data, make a reasonable effort to identify the housing needs of the low-income, very low-income, and extremely low-income families who reside in the jurisdiction served by the PHA, including elderly families, families with disabilities, and households of various races and ethnic groups, and other families who are on the public housing and Section 8 tenant-based assistance waiting lists. The identification of housing needs must address issues of affordability, supply, quality, accessibility, size of units, and location.
Please see attached Support Files

9.1	**Strategy for Addressing Housing Needs**. Provide a brief description of the PHA's strategy for addressing the housing needs of families in the jurisdiction and on the waiting list in the upcoming year. **Note: Small, Section 8 only, and High Performing PHAs complete only for Annual Plan submission with the 5-Year Plan.** **Please see Support File 3**
10.0	**Additional Information**. Describe the following, as well as any additional information HUD has requested. (a) Progress in Meeting Mission and Goals. Provide a brief statement of the PHA's progress in meeting the mission and goals described in the 5-Year Plan. (b) Significant Amendment and Substantial Deviation/Modification. Provide the PHA's definition of "significant amendment" and "substantial deviation/modification" **Please see attached files**

11.0	**Required Submission for HUD Field Office Review**. In addition to the PHA Plan template (HUD-50075), PHAs must submit the following documents. Items (a) through (g) may be submitted with signature by mail or electronically with scanned signatures, but electronic submission is encouraged. Items (h) through (i) must be attached electronically with the PHA Plan. **Note:** Faxed copies of these documents will not be accepted by the Field Office. **Attached as requested** (a) Form HUD-50077, *PHA Certifications of Compliance with the PHA Plans and Related Regulations* (which includes all certifications relating to Civil Rights) (b) Form HUD-50070, *Certification for a Drug-Free Workplace* (PHAs receiving CFP grants only) (c) Form HUD-50071, *Certification of Payments to Influence Federal Transactions* (PHAs receiving CFP grants only) (d) Form SF-LLL, *Disclosure of Lobbying Activities* (PHAs receiving CFP grants only) (e) Form SF-LLL-A, *Disclosure of Lobbying Activities Continuation Sheet* (PHAs receiving CFP grants only) (f) Resident Advisory Board (RAB) comments. Comments received from the RAB must be submitted by the PHA as an attachment to the PHA Plan. PHAs must also include a narrative describing their analysis of the recommendations and the decisions made on these recommendations. (g) Challenged Elements (h) Form HUD-50075.1, *Capital Fund Program Annual Statement/Performance and Evaluation Report* (PHAs receiving CFP grants only) (i) Form HUD-50075.2, *Capital Fund Program Five-Year Action Plan* (PHAs receiving CFP grants only)

This information collection is authorized by Section 511 of the Quality Housing and Work Responsibility Act, which added a new section 5A to the U.S. Housing Act of 1937, as amended, which introduced 5-Year and Annual PHA Plans. The 5-Year and Annual PHA plans provide a ready source for interested parties to locate basic PHA policies, rules, and requirements concerning the PHA's operations, programs, and services, and informs HUD, families served by the PHA, and members of the public of the PHA's mission and strategies for serving the needs of low-income and very low-income families. This form is to be used by all PHA types for submission of the 5-Year and Annual Plans to HUD. Public reporting burden for this information collection is estimated to average 12.68 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. HUD may not collect this information, and respondents are not required to complete this form, unless it displays a currently valid OMB Control Number.

Privacy Act Notice. The United States Department of Housing and Urban Development is authorized to solicit the information requested in this form by virtue of Title 12, U.S. Code, Section 1701 et seq., and regulations promulgated there under at Title 12, Code of Federal Regulations. Responses to the collection of information are required to obtain a benefit or to retain a benefit. The information requested does not lend itself to confidentiality

Instructions form HUD-50075

Applicability. This form is to be used by all Public Housing Agencies (PHAs) with Fiscal Year beginning April 1, 2008 for the submission of their 5-Year and Annual Plan in accordance with 24 CFR Part 903. The previous version may be used only through April 30, 2008.

1.0 PHA Information
Include the full PHA name, PHA code, PHA type, and PHA Fiscal Year Beginning (MM/YYYY).

2.0 Inventory
Under each program, enter the number of Annual Contributions Contract (ACC) Public Housing (PH) and Section 8 units (HCV).

3.0 Submission Type
Indicate whether this submission is for an Annual and Five Year Plan, Annual Plan only, or 5-Year Plan only.

4.0 PHA Consortia
Check box if submitting a Joint PHA Plan and complete the table.

5.0 Five-Year Plan
Identify the PHA's Mission, Goals and/or Objectives (24 CFR 903.6). Complete only at 5-Year update.

5.1 Mission. A statement of the mission of the public housing agency for serving the needs of low-income, very low-income, and extremely low-income families in the jurisdiction of the PHA during the years covered under the plan.

5.2 Goals and Objectives. Identify quantifiable goals and objectives that will enable the PHA to serve the needs of low income, very low-income, and extremely low-income families.

6.0 PHA Plan Update. In addition to the items captured in the Plan template, PHAs must have the elements listed below readily available to the public. Additionally, a PHA must:

(a) Identify specifically which plan elements have been revised since the PHA's prior plan submission.

(b) Identify where the 5-Year and Annual Plan may be obtained by the public. At a minimum, PHAs must post PHA Plans, including updates, at each Asset Management Project (AMP) and main office or central off ice of the PHA. PHAs are strongly encouraged to post complete PHA Plans on its official website. PHAs are also encouraged to provide each resident council a copy of its 5-Year and Annual Plan.

PHA Plan Elements. (24 CFR 903.7)

1. **Eligibility, Selection and Admissions Policies, including Deconcentration and Wait List Procedures.** Describe the PHA's policies that govern resident or tenant eligibility, selection and admission including admission preferences for both public housing and HCV and unit assignment policies for public housing; and procedures for maintaining waiting lists for admission to public housing and address any site-based waiting lists.

2. **Financial Resources.** A statement of financial resources, including a listing by general categories, of the PHA's anticipated resources, such as PHA Operating, Capital and other anticipated Federal resources available to the PHA, as well as tenant rents and other income available to support public housing or tenant-based assistance. The statement also should include the non-Federal sources of funds supporting each Federal program, and state the planned use for the resources.

3. **Rent Determination.** A statement of the policies of the PHA governing rents charged for public housing and HCV dwelling units.

4. **Operation and Management.** A statement of the rules, standards, and policies of the PHA governing maintenance management of housing owned, assisted, or operated by the public housing agency (which shall include measures necessary for the prevention or eradication of pest infestation, including cockroaches), and management of the PHA and programs of the PHA.

5. **Grievance Procedures.** A description of the grievance and informal hearing and review procedures that the PHA makes available to its residents and applicants.

6. **Designated Housing for Elderly and Disabled Families.** With respect to public housing projects owned, assisted, or operated by the PHA, describe any projects (or portions thereof), in the upcoming fiscal year, that the PHA has designated or will apply for designation for occupancy by elderly and disabled families. The description shall include the following information: **1**) development name and number; **2**) designation type; **3**) application status; **4**) date the designation was approved, submitted, or planned for submission, and; **5**) the number of units affected.

7. **Community Service and Self-Sufficiency.** A description of: **(1)** Any programs relating to services and amenities provided or offered to assisted families; **(2)** Any policies or programs of the PHA for the enhancement of the economic and social self-sufficiency of assisted families, including programs under Section 3 and FSS; **(3)** How the PHA will comply with the requirements of community service and treatment of income changes resulting from welfare program requirements. **(Note: applies to only public housing).**

8. **Safety and Crime Prevention.** For public housing only, describe the PHA's plan for safety and crime prevention to ensure the safety of the public housing residents. The statement must include: (i) A description of the need for measures to ensure the safety of public housing residents; (ii) A description of any crime prevention activities conducted or to be conducted by the PHA; and (iii) A description of the coordination between the PHA and the appropriate police precincts for carrying out crime prevention measures and activities.

9. **Pets.** A statement describing the PHAs policies and requirements pertaining to the ownership of pets in public housing.

10. **Civil Rights Certification.** A PHA will be considered in compliance with the Civil Rights and AFFH Certification if: it can document that it examines its programs and proposed programs to identify any impediments to fair housing choice within those programs; addresses those impediments in a reasonable fashion in view of the resources available; works with the local jurisdiction to implement any of the jurisdiction's initiatives to affirmatively further fair housing; and assures that the annual plan is consistent with any applicable Consolidated Plan for its jurisdiction.

11. **Fiscal Year Audit.** The results of the most recent fiscal year audit for the PHA.

12. **Asset Management.** A statement of how the agency will carry out its asset management functions with respect to the public housing inventory of the agency, including how the agency will plan for the long-term operating, capital investment, rehabilitation, modernization, disposition, and other needs for such inventory.

13. **Violence Against Women Act (VAWA).** A description of: **1)** Any activities, services, or programs provided or offered by an agency, either directly or in partnership with other service providers, to child or adult victims of domestic violence, dating violence, sexual assault, or stalking; **2)** Any activities, services, or programs provided or offered by a PHA that helps child and adult victims of domestic violence, dating violence, sexual assault, or stalking, to obtain or maintain housing; and **3)** Any activities, services, or programs provided or offered by a public housing agency to prevent domestic violence, dating violence, sexual assault, and stalking, or to enhance victim safety in assisted families.

7.0 Hope VI, Mixed Finance Modernization or Development, Demolition and/or Disposition, Conversion of Public Housing, Homeownership Programs, and Project-based Vouchers

(a) Hope VI or Mixed Finance Modernization or Development. **1)** A description of any housing (including project number (if known) and unit count) for which the PHA will apply for HOPE VI or Mixed Finance Modernization or Development; and **2)** A timetable for the submission of applications or proposals. The application and approval process for Hope VI, Mixed Finance Modernization or Development, is a separate process. See guidance on HUD's website at: http://www.hud.gov/offices/pih/programs/ph/hope6/index.cfm

(b) Demolition and/or Disposition. With respect to public housing projects owned by the PHA and subject to ACCs under the Act: **(1)** A description of any housing (including project number and unit numbers [or addresses]), and the number of affected units along with their sizes and accessibility features) for which the PHA will apply or is currently pending for demolition or disposition; and **(2)** A timetable for the demolition or disposition. The application and approval process for demolition and/or disposition is a separate process. See guidance on HUD's website at: http://www.hud.gov/offices/pih/centers/sac/demo_dispo/index.cfm
Note: This statement must be submitted to the extent **that approved and/or pending** demolition and/or disposition has changed.

(c) Conversion of Public Housing. With respect to public housing owned by a PHA: **1)** A description of any building or buildings (including project number and unit count) that the PHA is required to convert to tenant-based assistance or that the public housing agency plans to voluntarily convert; **2)** An analysis of the projects or buildings required to be converted; and **3)** A statement of the amount of assistance received under this chapter to be used for rental assistance or other housing assistance in connection with such conversion. See guidance on HUD's website at: http://www.hud.gov/offices/pih/centers/sac/conversion.cfm

(d) Homeownership. A description of any homeownership (including project number and unit count) administered by the agency or for which the PHA has applied or will apply for approval.

(e) Project-based Vouchers. If the PHA wishes to use the project-based voucher program, a statement of the projected number of project-based units and general locations and how project basing would be consistent with its PHA Plan.

8.0 Capital Improvements. This section provides information on a PHA's Capital Fund Program. With respect to public housing projects owned, assisted, or operated by the public housing agency, a plan describing the capital improvements necessary to ensure long-term physical and social viability of the projects must be completed along with the required forms. Items identified in 8.1 through 8.3, must be signed where directed and transmitted electronically along with the PHA's Annual Plan submission.

8.1 Capital Fund Program Annual Statement/Performance and Evaluation Report. PHAs must complete the *Capital Fund Program Annual Statement/Performance and Evaluation Report* (form HUD-50075.1), for each Capital Fund Program (CFP) to be undertaken with the current year's CFP funds or with CFFP proceeds. Additionally, the form shall be used for the following purposes:

(a) To submit the initial budget for a new grant or CFFP;

(b) To report on the Performance and Evaluation Report progress on any open grants previously funded or CFFP; and

(c) To record a budget revision on a previously approved open grant or CFFP, e.g., additions or deletions of work items, modification of budgeted amounts that have been undertaken since the submission of the last Annual Plan. The Capital Fund Program Annual Statement/Performance and Evaluation Report must be submitted annually.

Additionally, PHAs shall complete the Performance and Evaluation Report section (see footnote 2) of the *Capital Fund Program Annual Statement/Performance and Evaluation* (form HUD-50075.1), at the following times:

1. At the end of the program year; until the program is completed or all funds are expended;

2. When revisions to the Annual Statement are made, which do not require prior HUD approval, (e.g., expenditures for emergency work, revisions resulting from the PHAs application of fungibility); and

3. Upon completion or termination of the activities funded in a specific capital fund program year.

8.2 Capital Fund Program Five-Year Action Plan

PHAs must submit the *Capital Fund Program Five-Year Action Plan* (form HUD-50075.2) for the entire PHA portfolio for the first year of participation in the CFP and annual update thereafter to eliminate the previous year and to add a new fifth year (rolling basis) so that the form always covers the present five-year period beginning with the current year.

8.3 Capital Fund Financing Program (CFFP). Separate, written HUD approval is required if the PHA proposes to pledge any

portion of its CFP/RHF funds to repay debt incurred to finance capital improvements. The PHA must identify in its Annual and 5-year capital plans the amount of the annual payments required to service the debt. The PHA must also submit an annual statement detailing the use of the CFFP proceeds. See guidance on HUD's website at: http://www.hud.gov/offices/pih/programs/ph/capfund/cffp.cfm

9.0 Housing Needs. Provide a statement of the housing needs of families residing in the jurisdiction served by the PHA and the means by which the PHA intends, to the maximum extent practicable, to address those needs. **(Note:** Standard and Troubled PHAs complete annually; Small and High Performers complete only for Annual Plan submitted with the 5-Year Plan).

9.1 Strategy for Addressing Housing Needs. Provide a description of the PHA's strategy for addressing the housing needs of families in the jurisdiction and on the waiting list in the upcoming year. **(Note:** Standard and Troubled PHAs complete annually; Small and High Performers complete only for Annual Plan submitted with the 5-Year Plan).

10.0 Additional Information. Describe the following, as well as any additional information requested by HUD:

(a) **Progress in Meeting Mission and Goals.** PHAs must include (i) a statement of the PHAs progress in meeting the mission and goals described in the 5-Year Plan; (ii) the basic criteria the PHA will use for determining a significant amendment from its 5-year Plan; and a significant amendment or modification to its 5-Year Plan and Annual Plan. **(Note: Standard and Troubled PHAs complete annually; Small and High Performers complete only for Annual Plan submitted with the 5-Year Plan).**

(b) **Significant Amendment and Substantial Deviation/Modification.** PHA must provide the definition of "significant amendment" and "substantial deviation/modification". **(Note: Standard and Troubled PHAs complete annually; Small and High Performers complete only for Annual Plan submitted with the 5-Year Plan.)**

(c) PHAs must include or reference any applicable memorandum of agreement with HUD or any plan to improve performance. **(Note: Standard and Troubled PHAs complete annually).**

11.0 Required Submission for HUD Field Office Review. In order to be a complete package, PHAs must submit items (a) through (g), with signature by mail or electronically with scanned signatures. Items (h) and (i) shall be submitted electronically as an attachment to the PHA Plan.

(a) Form HUD-50077, *PHA Certifications of Compliance with the PHA Plans and Related Regulations*

(b) Form HUD-50070, *Certification for a Drug-Free Workplace* **(PHAs receiving CFP grants only)**

(c) Form HUD-50071, *Certification of Payments to Influence Federal Transactions* **(PHAs receiving CFP grants only)**

(d) Form SF-LLL, *Disclosure of Lobbying Activities* **(PHAs receiving CFP grants only)**

(e) Form SF-LLL-A, *Disclosure of Lobbying Activities Continuation Sheet* **(PHAs receiving CFP grants only)**

(f) Resident Advisory Board (RAB) comments.

(g) Challenged Elements. Include any element(s) of the PHA Plan that is challenged.

(h) Form HUD-50075.1, ***Capital Fund Program Annual Statement/Performance and Evaluation Report*** **(Must be attached electronically for PHAs receiving CFP grants only).** See instructions in 8.1.

(i) Form HUD-50075.2, *Capital Fund Program Five-Year Action Plan* **(Must be attached electronically for PHAs receiving CFP grants only).** See instructions in 8.2.

SUPPORT FILE # 2
CITY OF VIRGINIA BEACH
2010 ANNUAL AGENCY PLAN and
FIVE YEAR AGENCY PLAN :

CITY ORDINANCE APPROVAL
HUD 50077
HUD 50077-SL

***To be Attached Upon Approval**

PHA Certifications of Compliance with the PHA Plans and Related Regulations: Board Resolution to Accompany the PHA 5-*Year and Annual* PHA Plan

Acting on behalf of the Board of Commissioners of the Public Housing Agency (PHA) listed below, as its Chairman or other authorized PHA official if there is no Board of Commissioners, I approve the submission of the _X_ 5-Year and/or _X_ Annual PHA Plan for the PHA fiscal year beginning 7/1/2010, hereinafter referred to as" the Plan", of which this document is a part and make the following certifications and agreements with the Department of Housing and Urban Development (HUD) in connection with the submission of the Plan and implementation thereof:

1. The Plan is consistent with the applicable comprehensive housing affordability strategy (or any plan incorporating such strategy) for the jurisdiction in which the PHA is located.
2. The Plan contains a certification by the appropriate State or local officials that the Plan is consistent with the applicable Consolidated Plan, which includes a certification that requires the preparation of an Analysis of Impediments to Fair Housing Choice, for the PHA's jurisdiction and a description of the manner in which the PHA Plan is consistent with the applicable Consolidated Plan.
3. The PHA certifies that there has been no change, significant or otherwise, to the Capital Fund Program (and Capital Fund Program/Replacement Housing Factor) Annual Statement(s), since submission of its last approved Annual Plan. The Capital Fund Program Annual Statement/Annual Statement/Performance and Evaluation Report must be submitted annually even if there is no change.
4. The PHA has established a Resident Advisory Board or Boards, the membership of which represents the residents assisted by the PHA, consulted with this Board or Boards in developing the Plan, and considered the recommendations of the Board or Boards (24 CFR 903.13). The PHA has included in the Plan submission a copy of the recommendations made by the Resident Advisory Board or Boards and a description of the manner in which the Plan addresses these recommendations.
5. The PHA made the proposed Plan and all information relevant to the public hearing available for public inspection at least 45 days before the hearing, published a notice that a hearing would be held and conducted a hearing to discuss the Plan and invited public comment.
6. The PHA certifies that it will carry out the Plan in conformity with Title VI of the Civil Rights Act of 1964, the Fair Housing Act, section 504 of the Rehabilitation Act of 1973, and title II of the Americans with Disabilities Act of 1990.
7. The PHA will affirmatively further fair housing by examining their programs or proposed programs, identify any impediments to fair housing choice within those programs, address those impediments in a reasonable fashion in view of the resources available and work with local jurisdictions to implement any of the jurisdiction's initiatives to affirmatively further fair housing that require the PHA's involvement and maintain records reflecting these analyses and actions.
8. For PHA Plan that includes a policy for site based waiting lists:
   - The PHA regularly submits required data to HUD's 50058 PIC/IMS Module in an accurate, complete and timely manner (as specified in PIH Notice 2006-24);
   - The system of site-based waiting lists provides for full disclosure to each applicant in the selection of the development in which to reside, including basic information about available sites; and an estimate of the period of time the applicant would likely have to wait to be admitted to units of different sizes and types at each site;
   - Adoption of site-based waiting list would not violate any court order or settlement agreement or be inconsistent with a pending complaint brought by HUD;
   - The PHA shall take reasonable measures to assure that such waiting list is consistent with affirmatively furthering fair housing;
   - The PHA provides for review of its site-based waiting list policy to determine if it is consistent with civil rights laws and certifications, as specified in 24 CFR part 903.7(c)(1).
9. The PHA will comply with the prohibitions against discrimination on the basis of age pursuant to the Age Discrimination Act of 1975.
10. The PHA will comply with the Architectural Barriers Act of 1968 and 24 CFR Part 41, Policies and Procedures for the Enforcement of Standards and Requirements for Accessibility by the Physically Handicapped.
11. The PHA will comply with the requirements of section 3 of the Housing and Urban Development Act of 1968, Employment Opportunities for Low-or Very-Low Income Persons, and with its implementing regulation at 24 CFR Part 135.

12. The PHA will comply with acquisition and relocation requirements of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 and implementing regulations at 49 CFR Part 24 as applicable.
13. The PHA will take appropriate affirmative action to award contracts to minority and women's business enterprises under 24 CFR 5.105(a).
14. The PHA will provide the responsible entity or HUD any documentation that the responsible entity or HUD needs to carry out its review under the National Environmental Policy Act and other related authorities in accordance with 24 CFR Part 58 or Part 50, respectively.
15. With respect to public housing the PHA will comply with Davis-Bacon or HUD determined wage rate requirements under Section 12 of the United States Housing Act of 1937 and the Contract Work Hours and Safety Standards Act.
16. The PHA will keep records in accordance with 24 CFR 85.20 and facilitate an effective audit to determine compliance with program requirements.
17. The PHA will comply with the Lead-Based Paint Poisoning Prevention Act, the Residential Lead-Based Paint Hazard Reduction Act of 1992, and 24 CFR Part 35.
18. The PHA will comply with the policies, guidelines, and requirements of OMB Circular No. A-87 (Cost Principles for State, Local and Indian Tribal Governments), 2 CFR Part 225, and 24 CFR Part 85 (Administrative Requirements for Grants and Cooperative Agreements to State, Local and Federally Recognized Indian Tribal Governments).
19. The PHA will undertake only activities and programs covered by the Plan in a manner consistent with its Plan and will utilize covered grant funds only for activities that are approvable under the regulations and included in its Plan.
20. All attachments to the Plan have been and will continue to be available at all times and all locations that the PHA Plan is available for public inspection. All required supporting documents have been made available for public inspection along with the Plan and additional requirements at the primary business office of the PHA and at all other times and locations identified by the PHA in its PHA Plan and will continue to be made available at least at the primary business office of the PHA.
21. The PHA provides assurance as part of this certification that:
    (i) The Resident Advisory Board had an opportunity to review and comment on the changes to the policies and programs before implementation by the PHA;
    (ii) The changes were duly approved by the PHA Board of Directors (or similar governing body); and
    (iii) The revised policies and programs are available for review and inspection, at the principal office of the PHA during normal business hours.
22. The PHA certifies that it is in compliance with all applicable Federal statutory and regulatory requirements.

City of Virginia Beach
PHA Name

VA 039
PHA Number/HA Code

__X__ 5-Year PHA Plan for Fiscal Years 2010 - 2014

__X__ Annual PHA Plan for Fiscal Years 2010 - 2011

City of Virginia Beach
Housing & Neighborhood Preservation
APPROVED AS TO CONTENTS

Andrew M. Friedman, Director

I hereby certify that all the information stated herein, as well as any information provided in the accompaniment herewith, is true and accurate. **Warning:** HUD will prosecute false claims and statements. Conviction may result in criminal and/or civil penalties. (18 U.S.C. 1001, 1010, 1012; 31 U.S.C. 3729, 3802)

Name of Authorized Official	Title
James K. Spore	City Manager
Signature James K. Spore	Date April 13, 2010

Certification by State or Local Official of PHA Plans Consistency with the Consolidated Plan

I, Andrew Friedman the Director of the VBDHNP certify that the Five Year and Annual PHA Plan of the VBDHNP is consistent with the Consolidated Plan of City of Virginia Beach prepared pursuant to 24 CFR Part 91.

4/13/10

Signed / Dated by Appropriate State or Local Official

Civil Rights Certification

U.S. Department of Housing and Urban Development
Office of Public and Indian Housing
Expires 4/30/2011

Civil Rights Certification

Annual Certification and Board Resolution

Acting on behalf of the Board of Commissioners of the Public Housing Agency (PHA) listed below, as its Chairman or other authorized PHA official if there is no Board of Commissioner, I approve the submission of the Plan for the PHA of which this document is a part and make the following certification and agreement with the Department of Housing and Urban Development (HUD) in connection with the submission of the Plan and implementation thereof:

The PHA certifies that it will carry out the public housing program of the agency in conformity with title VI of the Civil Rights Act of 1964, the Fair Housing Act, section 504 of the Rehabilitation Act of 1973, and title II of the Americans with Disabilities Act of 1990, and will affirmatively further fair housing.

City of Virginia Beach	VA 039
PHA Name	PHA Number/HA Code

I hereby certify that all the information stated herein, as well as any information provided in the accompaniment herewith, is true and accurate. Warning: HUD will prosecute false claims and statements. Conviction may result in criminal and/or civil penalties. (18 U.S.C. 1001, 1010, 1012; 31 U.S.C. 3729, 3802)

Name of Authorized Official	Andrew Friedman	Title	Director Virginia Beach Department of Housing and Neighborhood Preservation
Signature	Andrew Friedman	Date	4/13/10

CITY OF VIRGINIA BEACH
AGENDA ITEM

ITEM: An Ordinance to Adopt the 2010 Annual Housing Choice Voucher Five Year and Annual Agency Plans, a Revised Administrative Plan and to Authorize the City Manager to Execute and Submit the Plans to the U.S. Department of Housing and Urban Development

MEETING DATE: April 13, 2010

■ **Background:** The City's Department of Housing and Neighborhood Preservation ("DHNP") operates the federally-funded Housing Choice Voucher program ("HCV program"), formerly known as the Section 8 Program. The U.S. Department of Housing and Urban Development ("HUD") requires agencies that operate HCV programs to submit (1) a five-year plan; and (2) an annual plan for each fiscal year in which federal funding is received for its HCV program and (3) an administrative plan.

■ **Considerations:** The purpose of the Five Year Agency Plan is to inform HUD of DHNP's mission, long range goals and objectives for achieving its mission over the subsequent five years. The purpose of the Annual Agency Plan is to update HUD on DHNP's progress in achieving the goals in the Five Year Plan. The Annual Agency Plan describes the organization of the HCV program, and details the strategies employed in satisfying affordable rental housing needs in the City. The Annual Agency Plan consists of a mission statement, long term goals, and a series of strategies to accomplish those goals. The DHNP is also required by HUD to include certifications demonstrating DHNP's compliance with applicable laws, and HUD rules and regulations.

Most of the information contained in the Five Year Agency Plan and the Annual Agency Plan was previously reviewed and adopted by City Council on February 24, 2009, when City Council approved an ordinance authorizing the City Manager to submit an Administrative Plan for the HCV program. The Administrative Plan details the policies and procedures that govern the day to day operation of the HCV program. The previously approved Administrative Plan has undergone revision and is included for approval in this ordinance request. The Five Year Agency Plan and Annual Agency Plan incorporate the provisions of this revised Administrative Plan and also provide additional plan elements and certifications that are required by HUD annually. The approved plans must be electronically submitted to HUD no later than April 17, 2010.

■ **Attachments:** Ordinance, Executive Summary

Recommended Action: Adopt Ordinance
Submitting Department/Agency: Housing & Neighborhood Preservation
City Manager:

AN ORDINANCE TO ADOPT THE
2010 HOUSING CHOICE VOUCHER FIVE YEAR AGENCY PLAN, ANNUAL AGENCY PLAN AND REVISEDADMINISTRATIVE PLAN
AND TO AUTHORIZE THE CITY MANAGER TO
SUBMIT THE PLANS TO THE U.S. DEPARTMENT OF
HOUSING AND URBAN DEVELOPMENT

WHEREAS, the Department of Housing and Neighborhood Preservation ("DHNP") has operated the federally-funded Housing Choice Voucher program ("HCV program"), formerly known as the Section 8 program; and

WHEREAS, the city is required by the U.S. Department of Housing and Urban Development ("HUD") to submit a 2010 Five Year Agency Plan, an Annual Agency Plan and an Administrative Plan which describe the operations and procedures governing the HCV Program and which detail the strategies to be employed in satisfying affordable rental housing needs in Virginia Beach; and

WHEREAS, the city is required to certify its compliance with various laws and authorities in order to continue to operate the HCV program;

NOW, THEREFORE BE IT ORDAINED BY THE COUNCIL THAT

DHNP's 2010 Five Year Agency Plan, Annual Agency Plan and Administrative Plan for the Housing Choice Voucher Program and the required Certifications are hereby ratified and adopted, and the City Manager is hereby authorized and directed to submit the Plan and to execute and submit the required Certifications to the U.S. Department of Housing and Urban Development.

AN ORDINANCE TO ADOPT THE 2010 HOUSING CHOICE VOUCHER FIVE YEAR AND ANNUAL AGENCY PLAN (INCLUDING A REVISED ADMINISTRATIVE PLAN) AND TO AUTHORIZE THE CITY MANAGER TO EXECUTE AND SUBMIT THE PLANS TO THE U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

WHEREAS, the City's Department of Housing and Neighborhood Preservation ("DHNP") operates the federally-funded Housing Choice Voucher program ("HCV program"), formerly known as the Section 8 Program; and

WHEREAS, the U.S. Department of Housing and Urban Development ("HUD") requires agencies that operate HCV programs to submit (1) a Five Year Plan; (2) an Annual Plan for each fiscal year in which DHNP receives federal funding for its HCV program; and (3) a revised Administrative Plan as applicable; and

WHEREAS, a five-year plan is submitted by DHNP to HUD every five years; and

WHEREAS, the purpose of the Five Year Agency Plan is to inform HUD of DHNP's mission, and DHNP's long range goals and objectives for achieving its mission over the subsequent five years; and

WHEREAS, the purpose of the Annual Agency Plan is to update HUD on the DHNP's progress in achieving the goals stated in the Five Year Plan; and

WHEREAS, the purpose of the Administrative Plan is to describe in detail the operational procedures of the HCV program at DHNP; and

WHEREAS, as required by HUD, DHNP has prepared the Annual Agency Plan, Five Year Agency Plan and an Administrative Plan; and

WHEREAS, the DHNP is also required by HUD to include a certification in the Five Year Agency Plan and Annual Agency Plan demonstrating DHNP's compliance with applicable laws, and HUD rules and regulations, in order to continue to operate the HCV program; and

WHEREAS, executive summaries of the Five Year Agency Plan, Annual Agency Plan and Administrative Plans are attached hereto, and a copy of all plans are on file with the City Clerk.

NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF VIRGINIA BEACH, VIRGINIA:

DHNP's Five Year Agency Plan, Annual Agency Plan and Administrative Plan for the Housing Choice Voucher Program are hereby ratified and adopted, and the City Manager is hereby authorized and directed to execute and submit the Five Year Agency

Plan, Annual Agency Plan and Administrative Plan to the U.S. Department of Housing and Urban Development.

Adopted by the Council of the City of Virginia Beach, Virginia on the _____ day of _____, 2010.

APPROVED AS TO CONTENT:

_____
Department of Housing &
Neighborhood Preservation

APPROVED AS TO LEGAL SUFFICIENCY:

_____
City Attorney

Executive Summary

Housing Choice Voucher 2010 Administrative Plan

City of Virginia Beach

HCV PROGRAM AND ADMINISTRATIVE PLAN

The City of Virginia Beach Department of Housing & Neighborhood Preservation (VBDHNP) operates the Housing Choice Voucher Program (HCV) within the Rental Housing Division. The VBDHNP receives its funding for the HCV program from the Department of Housing and Urban Development. The VBDHNP enters into an Annual Contributions Contract with HUD to administer the program requirements on behalf of HUD. The VBDHNP must ensure compliance with federal laws, regulations and notices and must establish policy and procedures to clarify federal requirements and to ensure consistency in program operation.

Pursuant to 24 CFR 982.54 the VBDHNP must adopt a written administrative plan that establishes local policies for administration of the (HCV) program in accordance with HUD requirements. The administrative plan and any revisions of the plan must be formally adopted by the City Council. This is required because Virginia Beach does not have a housing authority and, therefore no board of commissioners. The administrative plan states VBDHNP policy on matters for which the VBDHNP has discretion to establish local policies. The plan must be in accordance with HUD regulations and requirements. The current administrative plan was approved by the Virginia Beach City Council on February 24, 2009 and subsequently submitted to the Department of Housing and Urban Development. **The administrative plan is the key attachment to the HCV Five Year and Annual Agency Plans which are also submitted by the VBDHNP.**

CONTENTS OF THE PLAN

Federal regulations at 24CFR 982.54 further stipulate the VBDHNP administrative plan must cover VBDHNP policies on the following subjects:

- Selection and admission of applicants from the DHNP waiting list, including any DHNP admission preferences, procedures for removing applicant names from the waiting list, and procedures for closing and reopening the DHNP waiting list (Chapter 4)
- Issuing or denying vouchers, including DHNP policy governing the voucher term and any extensions or suspensions of the voucher term. 'Suspension' means stopping the clock on the term of a family's voucher after the family submits a request for approval of the tenancy. If the DHNP decides to allow extensions or suspensions of the voucher term, the DHNP administrative plan must describe how the DHNP determines whether to grant extensions or suspensions, and how the DHNP determines the length of any extension or suspension (Chapter 8);

- Any special rules for use of available funds when HUD provides funding to the DHNP for a special purpose (e.g., desegregation), including funding for specified families or a specified category of families (Chapter Chapter 4
- Occupancy policies, including definition of what group of persons may qualify as a 'family', definition of when a family is considered to be 'continuously assisted'; standards for denying admission or terminating assistance based on criminal activity or alcohol abuse in accordance with 982.553 (Chapters 5 and 15);
- Encouraging participation by owners of suitable units located outside areas of low income or minority concentration (Chapter 1);
- Assisting a family that claims that illegal discrimination has prevented the family from leasing a suitable unit (Chapter 2);
- Providing information about a family to prospective owners (Chapters 3 and 9);
- Disapproval of owners (Chapter 13);
- Subsidy standards (Chapter 5);
- Family absence from the dwelling unit (Chapter 12);
- How to determine who remains in the program if a family breaks up (Chapter 12);
- Informal review procedures for applicants (Chapter 18);
- Informal hearing procedures for participants (Chapter 18);
- The process for establishing and revising voucher payment standards (Chapter 8);
- The method of determining that rent to owner is a reasonable rent (initially and during the term of a HAP contract) (Chapter 11);
- Special policies concerning special housing types in the program (e.g., use of shared housing) (Chapter 4);
- Policies concerning payment by a family to the DHNP of amounts the family owes the DHNP (Chapter 17);
- Interim re-determinations of family income and composition (Chapter 12);
- Restrictions, if any, on the number of moves by a participant family (Chapter 13);
- Approval by the board of commissioners or other authorized officials to charge the administrative fee reserve (Chapter 1);
- Procedural guidelines and performance standards for conducting required housing quality standards inspections (Chapter 10); and
- DHNP screening of applicants for family behavior or suitability for tenancy (Chapter 2)

The 2010 revision of the plan has been prepared and is attached for one's use. Primary differences between the 2009 approved plan and the revision are as follows:

- Numerous format, grammatical and organizational corrections.
- Change of policy to allow for a single, consolidated waiting list
- Revisions to ensure the plan reflects actual day to day operations of VBDHNP's Rental Housing Division
- Insertion of required policy descriptions for new programs including the Veterans Administration Supportive Housing (VASH) and the Family Unification Program (FUP)
- Changes in our occupancy standards to allow for necessary exceptions due to family size, sex, ages of children and disabilities
- Clarification of termination procedures
- More detailed explanation of how portability issues are handled by VBDHNP
- More details on verification procedures

Because of the extent of these revisions, Council approval is required. Once approved, the revised plan will be advertised and made available to the public and, in particular, to current Section 8 voucher holders.

Executive Summary
Department of Housing And Neighborhood Preservation
Housing Choice Voucher Program
2010 Annual Agency Plan and 2010-2014 Five Year Agency Plan

Beginning in 2000, the U.S. Department of Housing and Urban Development initiated a requirement of all public housing agencies in the country submit a Five Year Plan and an Annual Plan that updated progress on achieving the stated goals in the multi-year document. Municipalities that operated housing programs had to meet this same requirement even they did not have public housing but did have a Section 8 Housing Choice Voucher program. Therefore, Virginia Beach is required to submit these documents.

In order to facilitate development and submittal of these plans, HUD created templates that were available online for the use of housing agencies. In addition they allowed many of the required plan documents to be maintained for public inspection at their central offices rather than having to include them with their submittals. Thus, the actual template is only two pages in length and is considerably more significant for public housing authorities because their capital funding needs are outlined in the plan. For a Section 8 only agency the principal purpose of the document is to state that our objectives under the Section 8 program are in agreement with the municipality's Consolidated Plan. They obviously are since both plans originate within the same department.

All submittals are done electronically with no requirement for the transmittal of any paper copies. Once approved, the plans are available for retrieval and review on HUD's website. Our approved 2009 Agency Plan is currently on that website as are the plans for all other housing agencies in Virginia.

The Five Year Plan consists of a mission statement, long-term goals and a series of strategies to accomplish those goals. On a yearly basis an agency is allowed to adjust the goals and/or strategies. For example, DHNP modified the Plan last year to allow for the temporary transfer of families from the Housing Choice Voucher program to a newly created Tenant Based Rental Assistance program. In addition to goals and strategies the Plan must contain a description of:

- Eligibility, selection and admissions policies, including deconcentration and wait list procedures
- Financial resources
- Rent determination procedures
- Operations and management
- Grievance procedures
- Self-sufficiency programs (FSS)
- Civil rights certifications
- Fiscal year audit
- Housing needs for the area
- Strategy for meeting housing needs

- Progress in meeting mission and goals
- Any significant amendment and substantial deviations or modifications
- Any plan elements that have been revised since the last Annual Plan certification
- A listing of the locations where key elements of the Plan can be found

As mentioned, many of the above requirements are contained in documents (some extremely lengthy) that are maintained in the offices of DHNP. Those documents and their location can merely be cited rather than being included in the Plan. **In fact, most of the requirements are found in the DHNP Housing Choice Voucher Administrative Plan approved on February 24, 2009 by the City Council. Concurrent with this year's Five Year and Annual Agency Plan submission the Department of Housing and Neighborhood Preservation has produced a significant revision of the Administrative Plan. The Administrative Plan is being submitted for approval at the same time as the Agency Plan. The key component of the Five Year and Annual Agency plans is the Administrative Plan document.**

In addition to City Council adoption of the 2010 Five Year and Agency Plan there must also be approval of two HUD required certifications. A copy of those certifications are attached to this executive summary. The first certification is HUD Form 50077 which speaks to our compliance with various program and statutory requirements including Fair Housing, Title VI of the Civil Rights Act of 1964, Section 504 of the Rehabilitation Act, ADA regulations and various other federal laws. The second certification is HUD Form50077-sl which states that the Housing Choice Voucher Agency Plan is consistent with the City's Consolidated Plan. And as previously cited, this is certainly no issue because we as the municipality develop both the Consolidated Plan and the Agency Plan.

On March 23, 2010 the Five Year and Annual Agency Plans will be reviewed with our Resident Advisory Board. That board is composed of representatives from our Virginia Beach Housing Choice Voucher holders. Their comments will be attached to the final HUD submittal along with any that are received from the general public.

The approved Five Year and Annual Agency Plan along with the two required certifications must be electronically submitted to HUD no later than April 17, 2010 which is the required 75 days before the beginning of our Federal Fiscal Year of July 1, 2010.

OMB Approval No: 2577-0226
Expires: 08/31/2009

SUPPORT FILE # 3
CITY OF VIRGINIA BEACH
2010 UPDATED ANNUAL AGENCY PLAN
AND
FIVE YEAR PLAN 2010-2014
INCLUDING REQUIRED ELEMENTS

Narrative on File # 3 Contents

To offer a complete document to HUD, Section 8 voucher holders and the general public, the Virginia Beach Department of Housing and Neighborhood Preservation (VBDHNP) has included an updated copy of its Five Year Plan with our submission. For clarity's sake we have utilized the format from the previous template to update the necessary sections for both this year's Annual Plan and the Five Year Plan update . The format continues to be a useful tool in supporting the HUD Form 50075. In its outline form all of the required sections are included.

Finally we have attached a complete copy of our Administrative Plan which was approved on February 24, 2009 by the Virginia Beach City Council and revised and approved by the Council on April 13, 2010. The Revised Administrative Plan contains the detailed operational policies and procedures of the HCV program in Virginia Beach.

Specifically in response to the requirements of the new HUD 50075 template:

Section 5.0 – Five Year plan with Mission Statement and an outline of Goals and Objectives

Section 6.0 – PHA Plan Update –

1. The Annual Plan and Five Year Plan are available at our administrative office located at 2424 Courthouse Drive in Virginia Beach. It is available for viewing between 8:00 a.m. and 5:00 p.m. , Monday through Friday.
2. Contained in the attachment are all policies and procedures including but not limited to Eligibility, Selection and Admission Policies, Wait List and De-concentration Policies, Financial Resources, Rent Determination, Operation and Management, and a Review of Housing Needs. We have also included a comprehensive view of housing needs that was developed as part of Virginia Beach's Comprehensive Plan.
3. Fiscal Audits are on file in the Virginia Beach City Offices. In addition to audits, the agency underwent a SEMAP Confirmatory Review during the year and received an "Outstanding" rating and was subsequently removed from the troubled list.

U.S. Department of Housing and Urban Development
Office of Public and Indian Housing

PHA Plans

5 Year Plan for Fiscal Years 2010 – 2014

Annual Plan Update and Support Documents for Fiscal Year 2010

NOTE: THIS PHA PLANS TEMPLATE (HUD 50075) IS TO BE COMPLETED IN ACCORDANCE WITH INSTRUCTIONS LOCATED IN APPLICABLE PIH NOTICES

PHA Plan
Agency Identification

PHA Name: City of Virginia Beach Dept. of Housing & Neighborhood Preservation (DHNP) **PHA Number:** VA 039

PHA Fiscal Year Beginning: (mm/yyyy) 07/2010

PHA Programs Administered:

☐**Public Housing and Section 8** ☒**Section 8 Only** ☐**Public Housing Only**

Number of public housing units: Number of S8 units: 1901 Number of public housing units:
Number of S8 units:

☐PHA Consortia: (check box if submitting a joint PHA Plan and complete table)

Participating PHAs	PHA Code	Program(s) Included in the Consortium	Programs Not in the Consortium	# of Units Each Program
Participating PHA 1:				
Participating PHA 2:				
Participating PHA 3:				

Public Access to Information

Information regarding any activities outlined in this plan can be obtained by contacting: (select all that apply)

☒ Main administrative office of the PHA
☐ PHA development management offices
☐ PHA local offices

Display Locations For PHA Plans and Supporting Documents

The PHA Plans (including attachments) are available for public inspection at: (select all that apply)

☒ Main administrative office of the PHA
☐ PHA development management offices
☐ PHA local offices
☐ Main administrative office of the local government
☐ Main administrative office of the County government
☐ Main administrative office of the State government
☐ Public library
☐ PHA website
☐ Other (list below)

PHA Plan Supporting Documents are available for inspection at: (select all that apply)

- ☒ Main business office of the PHA
- ☐ PHA development management offices
- ☐ Other (list below)

5-YEAR PLAN
PHA FISCAL YEARS 2010 - 2014
[24 CFR Part 903.5]

A. Mission
State the PHA's mission for serving the needs of low-income, very low income, and extremely low-income families in the PHA's jurisdiction. (select one of the choices below)

☐ The mission of the PHA is the same as that of the Department of Housing and Urban Development: To promote adequate and affordable housing, economic opportunity and a suitable living environment free from discrimination.

X The PHA's mission is: " Creating quality solutions that expand housing opportunities and promote vibrant, well-maintained neighborhoods"

B. Goals
The goals and objectives listed below are derived from HUD's strategic Goals and Objectives and those emphasized in recent legislation. PHAs may select any of these goals and objectives as their own, or identify other goals and/or objectives. Whether selecting the HUD-suggested objectives or their own, **PHAS ARE STRONGLY ENCOURAGED TO IDENTIFY QUANTIFIABLE MEASURES OF SUCCESS IN REACHING THEIR OBJECTIVES OVER THE COURSE OF THE 5 YEARS.** (Quantifiable measures would include targets such as: numbers of families served or PHAS scores achieved.) PHAs should identify these measures in the spaces to the right of or below the stated objectives.

HUD Strategic Goal: Increase the availability of decent, safe, and affordable housing.

X PHA Goal: Expand the supply of assisted housing
Objectives:
- X Apply for additional rental vouchers:
- ☐ Reduce public housing vacancies:
- X Leverage private or other public funds to create additional housing opportunities:
- ☐ Acquire or build units or developments
- X Other (list below)

Assist other Housing organizations to obtain resources for Housing Development

X PHA Goal: Improve the quality of assisted housing
Objectives:
- ☐ Improve public housing management: (PHAS score)
- X Improve voucher management: (SEMAP score)
- X Increase customer satisfaction:
- ☐ Concentrate on efforts to improve specific management functions: (list; e.g., public housing finance; voucher unit inspections)
- ☐ Renovate or modernize public housing units:
- ☐ Demolish or dispose of obsolete public housing:

- ☐ Provide replacement public housing:
- X Provide replacement vouchers: To continue pro-active coordination with owners of HUD mortgaged properties within the City and the VA State HUD office to transfer the subsidy assistance to the HCV program, through the various conversion processes.
- ☐ Other: (list below)

X PHA Goal: Increase assisted housing choices

Objectives:

- X Provide voucher mobility counseling:
- X Conduct outreach efforts to potential voucher landlords
- ☐ Increase voucher payment standards
- ☐ Implement voucher homeownership program:
- ☐ Implement public housing or other homeownership programs:
- ☐ Implement public housing site-based waiting lists:
- ☐ Convert public housing to vouchers:
- ☐ Other: (list below)

HUD Strategic Goal: Improve community quality of life and economic vitality

X PHA Goal: Provide an improved living environment

Objectives:

- ☐ Implement measures to de-concentrate poverty by bringing higher income public housing households into lower income developments:
- ☐ Implement measures to promote income mixing in public housing by assuring access for lower income families into higher income developments:
- ☐ Implement public housing security improvements:
- ☐ Designate developments or buildings for particular resident groups (elderly, persons with disabilities)
- X Other: (list below)

  Continually work with Code enforcement Division staff in the DHNP to maintain and improve the livability conditions of all neighborhoods within the City.

HUD Strategic Goal: Promote self-sufficiency and asset development of families and individuals

X PHA Goal: Promote self-sufficiency and asset development of assisted households

Objectives:

X Increase the number and percentage of employed persons in assisted families:

X Provide or attract supportive services to improve assistance recipients' employability:

X Provide or attract supportive services to increase independence for the elderly or families with disabilities.

X Other: (list below)
Provide S8 HCV participants with homeownership education and opportunities through the DHNP Homebuyer's Club and FSS.

HUD Strategic Goal: Ensure Equal Opportunity in Housing for all Americans

X PHA Goal: Ensure equal opportunity and affirmatively further fair housing
Objectives:

X Undertake affirmative measures to ensure access to assisted housing regardless of race, color, religion national origin, sex, familial status, and disability:

X Undertake affirmative measures to provide a suitable living environment for families living in assisted housing, regardless of race, color, religion national origin, sex, familial status, and disability:

X Undertake affirmative measures to ensure accessible housing to persons with all varieties of disabilities regardless of unit size required:

X Other: (list below)
To ensure S8 HCV division staff receive training on Fair Housing and Affirmative Action.
To post Equal Opportunity Housing posters in the reception area of the DHNP
Include equal housing opportunity language "on the Section 8 voucher Program application, and the Section 8 Preliminary application, and to offer special accommodations to populations who so request one be made.
To continue to enforce and educate owners/landlords Fair Housing policies
To expand affordable housing opportunities by examining and modifying policies on subsidy standards as necessary.

Other PHA Goals and Objectives: (list below)

To continue to enhance program operations and efficiencies through improving and expanding software and other automation

Annual PHA Plan
PHA Fiscal Year 2010
[24 CFR Part 903.7]

i. Annual Plan Type:
Select which type of Annual Plan the PHA will submit.

X **Standard Plan**

☐ **Troubled Agency Plan**

ii. Executive Summary of the Annual PHA Plan
[24 CFR Part 903.7 9 (r)]

Provide a brief overview of the information in the Annual Plan, including highlights of major initiatives and discretionary policies the PHA has included in the Annual Plan.
Key Initiatives:

1) We have created a comprehensive revised Administrative Plan which has detailed all of our policies and procedures with clarity for the use of the public and for improved processing from our housing specialists. This was revised in 2010.
2) We are continuing to utilize project-basing of vouchers to expand housing opportunities in two projects which have come online and a new SRO called South Bay. It is another innovative project involving regional cooperation. It will have sixty efficiency units. The projects now underway are:
   a. Cloverleaf Apartments, in which we have provided 44 units of subsidized SRO housing to homeless individuals, in partnership with three other regional cities who provided the other 16 units. It is at full occupancy.
   b. VBCDC has implemented a scattered-site project-based program that will eventually provide subsidized housing for 40 very low income and/or homeless families.
3) We are expanding training for program staff to insure program knowledge and therefore compliance with requirements is optimized.
4) We are implementing landlord and staff training in Fair Housing as required in order to insure compliance with these requirements.
5) We are developing programs to enhance access for households with Limited English Proficiency.
6) We are now implementing the Veterans Affairs Supportive Housing Program (VASH) in the City. To date 35 vouchers have been issued.
7) Application has been made for the Family Unification Program for fifty vouchers.
8) We have initiated major new initiatives to assist the homeless. These are funded through HOME, HPRP (stimulus) and private foundations. These along with our traditional HCV Programs provide a comprehensive approach to the provision of affordable subsidized housing.
9) We now utilize computerized software to perform Rent Reasonableness and Utility Analysis.
10) We are upgrading our program software to Housing PRO.
11) A comprehensive quality control process has been established to ensure compliance with SEMAP standards.

iii. Annual Plan Table of Contents

[24 CFR Part 903.7 9 (r)]

Provide a table of contents for the Annual Plan, including attachments, and a list of supporting documents available for public inspection.

Table of Contents

	Page #
Annual Plan	
i. Executive Summary	1
ii. Table of Contents	2
1. Housing Needs	5
2. Financial Resources	10
3. Policies on Eligibility, Selection and Admissions	12
4. Rent Determination Policies	21
5. Operations and Management Policies	25
6. Grievance Procedures	26
7. Capital Improvement Needs	27
8. Demolition and Disposition	29
9. Designation of Housing	30
10. Conversions of Public Housing	31
11. Homeownership	32
12. Community Service Programs	34
13. Crime and Safety	37
14. Pets (Inactive for January 1 PHAs)	39
15. Civil Rights Certifications (included with PHA Plan Certifications)	39
16. Audit	39
17. Asset Management	39
18. Other Information	40

Attachments

Indicate which attachments are provided by selecting all that apply. Provide the attachment's name (A, B, etc.) in the space to the left of the name of the attachment. Note: If the attachment is provided as a **SEPARATE** file submission from the PHA Plans file, provide the file name in parentheses in the space to the right of the title.

Required Attachments:

- ☐ Admissions Policy for De-concentration
- ☐ FY 2010 Capital Fund Program Annual Statement
- ☐ Most recent board-approved operating budget (Required Attachment for PHAs that are troubled or at risk of being designated troubled ONLY)
- X List of Resident Advisory Board Members

☐ List of Resident Board Member
☐ Community Service Description of Implementation
☐ Information on Pet Policy
☐ Section 8 Homeownership Capacity Statement, if applicable
☐ Description of Homeownership Programs, if applicable

Optional Attachments:
PHA Management Organizational Chart
☐ FY 2010 Capital Fund Program 5 Year Action Plan
☐ Public Housing Drug Elimination Program (PHDEP) Plan
X Comments of Resident Advisory Board or Boards (must be attached if not included in PHA Plan text)
X Other (List below, providing each attachment name) :

Administrative Plan
Housing Needs Analysis

Supporting Documents Available for Review
Indicate which documents are available for public review by placing a mark in the "Applicable & On Display" column in the appropriate rows. All listed documents must be on display if applicable to the program activities conducted by the PHA.

List of Supporting Documents Available for Review		
Applicable & On Display	**Supporting Document**	**Applicable Plan Component**
X	PHA Plan Certifications of Compliance with the PHA Plans and Related Regulations	5 Year and Annual Plans
X	State/Local Government Certification of Consistency with the Consolidated Plan	5 Year and Annual Plans
X	Fair Housing Documentation: Records reflecting that the PHA has examined its programs or proposed programs, identified any impediments to fair housing choice in those programs, addressed or is addressing those impediments in a reasonable fashion in view of the resources available, and worked or is working with local jurisdictions to implement any of the jurisdictions' initiatives to affirmatively further fair housing that require the PHA's involvement.	5 Year and Annual Plans
X	Consolidated Plan for the jurisdiction/s in which the PHA is located (which includes the Analysis of Impediments to Fair Housing Choice (AI))) and any additional backup data to support statement of housing needs in the jurisdiction	Annual Plan: Housing Needs
	Most recent board-approved operating budget for the public housing program	Annual Plan: Financial Resources;
	Public Housing Admissions and (Continued) Occupancy Policy (A&O), which includes the Tenant Selection and Assignment Plan [TSAP]	Annual Plan: Eligibility, Selection, and Admissions Policies

List of Supporting Documents Available for Review		
Applicable & On Display	**Supporting Document**	**Applicable Plan Component**
X	Section 8 Administrative Plan	Annual Plan: Eligibility, Selection, and Admissions Policies
	Public Housing De-concentration and Income Mixing Documentation: 1. PHA board certifications of compliance with de-concentration requirements (section 16(a) of the US Housing Act of 1937, as implemented in the 2/18/99 *Quality Housing and Work Responsibility Act Initial Guidance; Notice* and any further HUD guidance) and 2. Documentation of the required de-concentration and income mixing analysis	Annual Plan: Eligibility, Selection, and Admissions Policies
	Public housing rent determination policies, including the methodology for setting public housing flat rents ☐ check here if included in the public housing A & O Policy	Annual Plan: Rent Determination
	Schedule of flat rents offered at each public housing development ☐ check here if included in the public housing A & O Policy	Annual Plan: Rent Determination
X	Section 8 rent determination (payment standard) policies ☒ check here if included in Section 8 Administrative Plan	Annual Plan: Rent Determination
	Public housing management and maintenance policy documents, including policies for the prevention or eradication of pest infestation (including cockroach infestation)	Annual Plan: Operations and Maintenance
	Public housing grievance procedures ☐ check here if included in the public housing A & O Policy	Annual Plan: Grievance Procedures
X	Section 8 informal review and hearing procedures ☒ check here if included in Section 8 Administrative Plan	Annual Plan: Grievance Procedures
	The HUD-approved Capital Fund/Comprehensive Grant Program Annual Statement (HUD 52837) for the active grant year	Annual Plan: Capital Needs
	Most recent CIAP Budget/Progress Report (HUD 52825) for any active CIAP grant	Annual Plan: Capital Needs
	Most recent, approved 5 Year Action Plan for the Capital Fund/Comprehensive Grant Program, if not included as an attachment (provided at PHA option)	Annual Plan: Capital Needs
	Approved HOPE VI applications or, if more recent, approved or submitted HOPE VI Revitalization Plans or any other approved proposal for development of public housing	Annual Plan: Capital Needs
	Approved or submitted applications for demolition and/or disposition of public housing	Annual Plan: Demolition and Disposition
	Approved or submitted applications for designation of public housing (Designated Housing Plans)	Annual Plan: Designation of Public Housing

List of Supporting Documents Available for Review		
Applicable & On Display	**Supporting Document**	**Applicable Plan Component**
	Approved or submitted assessments of reasonable revitalization of public housing and approved or submitted conversion plans prepared pursuant to section 202 of the 1996 HUD Appropriations Act	Annual Plan: Conversion of Public Housing
	Approved or submitted public housing homeownership programs/plans	Annual Plan: Homeownership
	Policies governing any Section 8 Homeownership program ☐ check here if included in the Section 8 Administrative Plan	Annual Plan: Homeownership
	Any cooperative agreement between the PHA and the TANF agency	Annual Plan: Community Service & Self-Sufficiency
X	FSS Action Plan/s for public housing and/or Section 8	Annual Plan: Community Service & Self-Sufficiency
	Most recent self-sufficiency (ED/SS, TOP or ROSS or other resident services grant) grant program reports	Annual Plan: Community Service & Self-Sufficiency
	The most recent Public Housing Drug Elimination Program (PHEDEP) semi-annual performance report for any open grant and most recently submitted PHDEP application (PHDEP Plan)	Annual Plan: Safety and Crime Prevention
X	The most recent fiscal year audit of the PHA conducted under section 5(h)(2) of the U.S. Housing Act of 1937 (42 U. S.C. 1437c(h)), the results of that audit and the PHA's response to any findings	Annual Plan: Annual Audit
	Troubled PHAs: MOA/Recovery Plan	Troubled PHAs
	Other supporting documents (optional) (list individually; use as many lines as necessary)	(specify as needed)

1. Statement of Housing Needs

[24 CFR Part 903.7 9 (a)]

A. Housing Needs of Families in the Jurisdiction/s Served by the PHA

Based upon the information contained in the Consolidated Plan/s applicable to the jurisdiction, and/or other data available to the PHA, provide a statement of the housing needs in the jurisdiction by completing the following table. In the "Overall" Needs column, provide the estimated number of renter families that have housing needs. For the remaining characteristics, rate the impact of that factor on the housing needs for each family type, from 1 to 5, with 1 being "no impact" and 5 being "severe impact." Use N/A to indicate that no information is available upon which the PHA can make this assessment.

Housing Needs of Families in the Jurisdiction by Family Type							
Family Type	Overall	Afford-ability	Supply	Quality	Access-ibility	Size	Loca-tion
Income <= 30% of AMI	9,190	5	5	4	3	2	3
Income >30% but <=50% of AMI	10,670	5	5	4	3	3	3

Housing Needs of Families in the Jurisdiction by Family Type							
Family Type	Overall	Afford-ability	Supply	Quality	Access-ibility	Size	Loca-tion
Income >50% but <80% of AMI	24,100	4	3	4	4	2	
Elderly	N/A	4	4	4	3	2	3
Families with Disabilities	N/A	4	4	4	3	3	3
Race/Ethnicity	N/A						
Race/Ethnicity							
Race/Ethnicity							
Race/Ethnicity							

What sources of information did the PHA use to conduct this analysis? (Check all that apply; all materials must be made available for public inspection.)

X Consolidated Plan of the Jurisdiction/s
Indicate year: 2008 **This will be updated in 2010.**

☐ U.S. Census data: the Comprehensive Housing Affordability Strategy ("CHAS") dataset

☐ American Housing Survey data
Indicate year:

☐ Other housing market study
Indicate year:

X Other sources: (list and indicate year of information)
American Community Survey – 2005

X Also included (as a support file) is a Fair Housing Analysis which is being utilized to identify barriers to affordable housing in Hampton Roads.

Also please note we have included a detailed Housing Needs Analysis from our City's Consolidated Plan. This data will be updated with submission of the new Consolidated Plan in May 2010.

B. Housing Needs of Families on the Public Housing and Section 8 Tenant- Based Assistance Waiting Lists

State the housing needs of the families on the PHA's waiting list/s. **Complete one table for each type of PHA-wide waiting list administered by the PHA.** PHAs may provide separate tables for site-based or sub-jurisdictional public housing waiting lists at their option.

Housing Needs of Families on the Waiting List			
Waiting list type: (select one) X Section 8 tenant-based assistance ☐ Public Housing ☐ Combined Section 8 and Public Housing ☐ Public Housing Site-Based or sub-jurisdictional waiting list (optional) If used, identify which development/sub-jurisdiction:			
	# of families	% of total families	Annual Turnover
Waiting list total	639		Varies due to purging frequency
Extremely low income <=30% AMI	460	71.98%	
Very low income (>30% but <=50% AMI)	165	25.82%	
Low income (>50% but <80% AMI)	14	2.20%	
Families with children	543	85%	
Elderly families	10	1.6%	
Families with Disabilities	37	5.8%	
Race/ethnicity Blk	518	81.06%	
Race/ethnicity Wht	109	17.06%	
Race/ethnicity Asian	5	.78%	
Race/ethnicity Indian	5	.78%	
Race/ethnicity Hawaiian/Pac. Isl	2	.32%	

Housing Needs of Families on the Waiting List			
Characteristics by Bedroom Size (Public Housing Only)			
1BR			
2 BR			
3 BR			
4 BR			
5 BR			
5+ BR			

Is the waiting list closed (select one)? ☐ No ☒ Yes

If yes:

How long has it been closed (# of months)? 36

Does the PHA expect to reopen the list in the PHA Plan year? No X Yes

Does the PHA permit specific categories of families onto the waiting list, even if generally closed? ☐ No ☒ Yes (Only on a limited basis)

C. Strategy for Addressing Needs

Provide a brief description of the PHA's strategy for addressing the housing needs of families in the jurisdiction and on the waiting list **IN THE UPCOMING YEAR**, and the Agency's reasons for choosing this strategy.

(1) Strategies

Need: Shortage of affordable housing for all eligible populations

Strategy 1. Maximize the number of affordable units available to the PHA within its current resources by:

Select all that apply

- ☐ Employ effective maintenance and management policies to minimize the number of public housing units off-line
- ☐ Reduce turnover time for vacated public housing units
- ☐ Reduce time to renovate public housing units
- ☐ Seek replacement of public housing units lost to the inventory through mixed finance development
- ☐ Seek replacement of public housing units lost to the inventory through section 8 replacement housing resources

X Maintain or increase section 8 lease-up rates by establishing payment standards that will enable families to rent throughout the jurisdiction

☐ Undertake measures to ensure access to affordable housing among families assisted by the PHA, regardless of unit size required

X Maintain or increase section 8 lease-up rates by marketing the program to owners, particularly those outside of areas of minority and poverty concentration

X Maintain or increase section 8 lease-up rates by effectively screening Section 8 applicants to increase owner acceptance of program

X Participate in the Consolidated Plan development process to ensure coordination with broader community strategies

X Other (list below)

Change subsidy standards
Utilize services of a Housing Broker

Strategy 2: Increase the number of affordable housing units by:
Select all that apply

X Apply for additional section 8 units should they become available

X Leverage affordable housing resources in the community through the creation of mixed - finance housing

X Pursue housing resources other than public housing or Section 8 tenant-based assistance. Local grant finding and creative use of TBRA Program and the HPRP Stimulus Funding

X Other: (list below)
Continue ongoing interactions with local builders, developers, finance providers, non profit organizations and City council members to promote awareness of the needs for an increase of affordable housing units.

Need: Specific Family Types: Families at or below 30% of median

Strategy 1: Target available assistance to families at or below 30 % of AMI
Select all that apply

☐ Exceed HUD federal targeting requirements for families at or below 30% of AMI in public housing

☐ Exceed HUD federal targeting requirements for families at or below 30% of AMI in tenant-based section 8 assistance

☐ Employ admissions preferences aimed at families with economic hardships

X Adopt rent policies to support and encourage work

☐ Other: (list below)

Need: Specific Family Types: Families at or below 50% of median

Strategy 1: Target available assistance to families at or below 50% of AMI
Select all that apply

X Employ admissions preferences aimed at families who are working
X Adopt rent policies to support and encourage work
☐ Other: (list below)

Need: Specific Family Types: The Elderly

Strategy 1: Target available assistance to the elderly:
Select all that apply

☐ Seek designation of public housing for the elderly
X Apply for special-purpose vouchers targeted to the elderly, should they become available
☐ Other: (list below)

Need: Specific Family Types: Families with Disabilities

Strategy 1: Target available assistance to Families with Disabilities:
Select all that apply

☐ Seek designation of public housing for families with disabilities
☐ Carry out the modifications needed in public housing based on the section 504 Needs Assessment for Public Housing
X Apply for special-purpose vouchers targeted to families with disabilities, should they become available
X Affirmatively market to local non-profit agencies that assist families with disabilities
☐ Other: (list below)

Need: Specific Family Types: Races or ethnicities with disproportionate housing needs

Strategy 1: Increase awareness of PHA resources among families of races and ethnicities with disproportionate needs:
Select if applicable

X Affirmatively market to races/ethnicities shown to have disproportionate housing needs
☐ Other: (list below)

Strategy 2: Conduct activities to affirmatively further fair housing
Select all that apply

X Counsel section 8 tenants as to location of units outside of areas of poverty or minority concentration and assist them to locate those units
X Market the section 8 program to owners outside of areas of poverty /minority concentrations
X Other: (list below) Provide required training in fair Housing to all new and existing landlords.

Other Housing Needs & Strategies: (list needs and strategies below)

(2) Reasons for Selecting Strategies
Of the factors listed below, select all that influenced the PHA's selection of the strategies it will pursue:

X Funding constraints
X Staffing constraints
☐ Limited availability of sites for assisted housing
X Extent to which particular housing needs are met by other organizations in the community
X Evidence of housing needs as demonstrated in the Consolidated Plan and other information available to the PHA
X Influence of the housing market on PHA programs
X Community priorities regarding housing assistance
X Results of consultation with local or state government
X Results of consultation with residents and the Resident Advisory Board
X Results of consultation with advocacy groups
☐ Other: (list below)

2. Statement of Financial Resources

[24 CFR Part 903.7 9 (b)]
List the financial resources that are anticipated to be available to the PHA for the support of Federal public housing and tenant-based Section 8 assistance programs administered by the PHA during the Plan year. Note: the table assumes that Federal public housing or tenant based Section 8 assistance grant funds are expended on eligible purposes; therefore, uses of these funds need not be stated. For other funds, indicate the use for those funds as one of the following categories: public housing operations, public housing capital improvements, public housing safety/security, public housing supportive services, Section 8 tenant-based assistance, Section 8 supportive services or other.

Financial Resources: Planned Sources and Uses		
Sources	**Planned $**	**Planned Uses**
1. **Federal Grants (FY 2008 grants)**		
a) Public Housing Operating Fund		
b) Public Housing Capital Fund		
c) HOPE VI Revitalization		
d) HOPE VI Demolition		
e) Annual Contributions for Section 8 Tenant-Based Assistance	13,797,572*	Assistance to tenants
f) Public Housing Drug Elimination Program (including any Technical Assistance funds)		
g) Resident Opportunity and Self-Sufficiency Grants		
h) Community Development Block Grant		
i) HOME	250,000	TBRA Program to help homeless families
Other Federal Grants (list below)		
Section 8 Operating Funds	1,250,000 *	Administration
Mod Rehab Program ACC		
Portability Program funds	75,000*	Portability Program Billed vouchers
2. Prior Year Federal Grants (unobligated funds only) (list below)		
3. Public Housing Dwelling Rental Income		
4. HPRP funds	1,000,000	Special subsidies to homeless families
5. Other income (list below)		
FSS	47,000 *	FSS Program Operations
Fraud Recovery Funds	18,000 (est)	9,000 to Section 8 Housing Operations; 9,000 to Voucher Program
6. Non-federal sources (list below)		
Dragas foundation grant	290,000	To provide housing assistance to homeless families

Financial Resources: Planned Sources and Uses		
Sources	**Planned $**	**Planned Uses**
Total resources	16,727,572	

* Projections due to unknown nature of precise amount of funds in 2010 and possible additional funds from HCV set aside.

3. PHA Policies Governing Eligibility, Selection, and Admissions

[24 CFR Part 903.7 9 (c)]

A. Public Housing

Exemptions: PHAs that do not administer public housing are not required to complete subcomponent 3A.

(1) Eligibility

a. When does the PHA verify eligibility for admission to public housing? (select all that apply)

☐ When families are within a certain number of being offered a unit: (state number)
☐ When families are within a certain time of being offered a unit: (state time)
☐ Other: (describe)

b. Which non-income (screening) factors does the PHA use to establish eligibility for admission to public housing (select all that apply)?

☐ Criminal or Drug-related activity
☐ Rental history
☐ Housekeeping
☐ Other (describe)

c. ☐ Yes ☐ No: Does the PHA request criminal records from local law enforcement agencies for screening purposes?

d. ☐ Yes ☐ No: Does the PHA request criminal records from State law enforcement agencies for screening purposes?

e. ☐ Yes ☐ No: Does the PHA access FBI criminal records from the FBI for screening purposes? (either directly or through an NCIC-authorized source)

(2)Waiting List Organization

a. Which methods does the PHA plan to use to organize its public housing waiting list (select all that apply)

☐ Community-wide list

☐ Sub-jurisdictional lists
☐ Site-based waiting lists
☐ Other (describe)

b. Where may interested persons apply for admission to public housing?
☐ PHA main administrative office
☐ PHA development site management office
☐ Other (list below)

c. If the PHA plans to operate one or more site-based waiting lists in the coming year, answer each of the following questions; if not, skip to subsection **(3) Assignment**

1. How many site-based waiting lists will the PHA operate in the coming year?

2. ☐ Yes ☐ No: Are any or all of the PHA's site-based waiting lists new for the upcoming year (that is, they are not part of a previously-HUD-approved site based waiting list plan)?
If yes, how many lists?

3. ☐ Yes ☐ No: May families be on more than one list simultaneously
If yes, how many lists?

4. Where can interested persons obtain more information about and sign up to be on the site-based waiting lists (select all that apply)?
☐ PHA main administrative office
☐ All PHA development management offices
☐ Management offices at developments with site-based waiting lists
☐ At the development to which they would like to apply
☐ Other (list below)

(3) Assignment

a. How many vacant unit choices are applicants ordinarily given before they fall to the bottom of or are removed from the waiting list? (select one)
☐ One
☐ Two
☐ Three or More

b. ☐ Yes ☐ No: Is this policy consistent across all waiting list types?

c. If answer to b is no, list variations for any other than the primary public housing waiting list/s for the PHA:

(4) Admissions Preferences

a. Income targeting:

☐ Yes ☐ No: Does the PHA plan to exceed the federal targeting requirements by targeting more than 40% of all new admissions to public housing to families at or below 30% of median area income?

b. Transfer policies:

In what circumstances will transfers take precedence over new admissions? (list below)

- ☐ Emergencies
- ☐ Overhoused
- ☐ Underhoused
- ☐ Medical justification
- ☐ Administrative reasons determined by the PHA (e.g., to permit modernization work)
- ☐ Resident choice: (state circumstances below)
- ☐ Other: (list below)

c. Preferences

1. ☐ Yes ☐ No: Has the PHA established preferences for admission to public housing (other than date and time of application)? (If "no" is selected, skip to subsection **(5) Occupancy**)

2. Which of the following admission preferences does the PHA plan to employ in the coming year? (select all that apply from either former Federal preferences or other preferences)

Former Federal preferences:

- ☐ Involuntary Displacement (Disaster, Government Action, Action of Housing Owner, Inaccessibility, Property Disposition)
- ☐ Victims of domestic violence
- ☐ Substandard housing
- ☐ Homelessness
- ☐ High rent burden (rent is > 50 percent of income)

Other preferences: (select below)

- ☐ Working families and those unable to work because of age or disability
- ☐ Veterans and veterans' families
- ☐ Residents who live and/or work in the jurisdiction
- ☐ Those enrolled currently in educational, training, or upward mobility programs
- ☐ Households that contribute to meeting income goals (broad range of incomes)
- ☐ Households that contribute to meeting income requirements (targeting)
- ☐ Those previously enrolled in educational, training, or upward mobility programs

☐ Victims of reprisals or hate crimes
☐ Other preference(s) (list below)

3. If the PHA will employ admissions preferences, please prioritize by placing a "1" in the space that represents your first priority, a "2" in the box representing your second priority, and so on. If you give equal weight to one or more of these choices (either through an absolute hierarchy or through a point system), place the same number next to each. That means you can use "1" more than once, "2" more than once, etc.

Date and Time

Former Federal preferences:

Involuntary Displacement (Disaster, Government Action, Action of Housing Owner, Inaccessibility, Property Disposition)
Victims of domestic violence
Substandard housing
Homelessness
High rent burden

Other preferences (select all that apply)

☐ Working families and those unable to work because of age or disability
☐ Veterans and veterans' families
☐ Residents who live and/or work in the jurisdiction
☐ Those enrolled currently in educational, training, or upward mobility programs
☐ Households that contribute to meeting income goals (broad range of incomes)
☐ Households that contribute to meeting income requirements (targeting)
☐ Those previously enrolled in educational, training, or upward mobility programs
☐ Victims of reprisals or hate crimes
☐ Other preference(s) (list below)

4. Relationship of preferences to income targeting requirements:

☐ The PHA applies preferences within income tiers
☐ Not applicable: the pool of applicant families ensures that the PHA will meet income targeting requirements

(5) Occupancy

a. What reference materials can applicants and residents use to obtain information about the rules of occupancy of public housing (select all that apply)

☐ The PHA-resident lease
☐ The PHA's Admissions and (Continued) Occupancy policy
☐ PHA briefing seminars or written materials
☐ Other source (list)

b. How often must residents notify the PHA of changes in family composition? (select all that apply)

☐ At an annual reexamination and lease renewal
☐ Any time family composition changes
☐ At family request for revision
☐ Other (list)

(6) Deconcentration and Income Mixing

a. ☐ Yes ☐ No: Did the PHA's analysis of its family (general occupancy) developments to determine concentrations of poverty indicate the need for measures to promote deconcentration of poverty or income mixing?

b. ☐ Yes ☐ No: Did the PHA adopt any changes to its **admissions policies** based on the results of the required analysis of the need to promote deconcentration of poverty or to assure income mixing?

c. If the answer to b was yes, what changes were adopted? (select all that apply)

☐ Adoption of site-based waiting lists
If selected, list targeted developments below:

☐ Employing waiting list "skipping" to achieve deconcentration of poverty or income mixing goals at targeted developments
If selected, list targeted developments below:

☐ Employing new admission preferences at targeted developments
If selected, list targeted developments below:

☐ Other (list policies and developments targeted below)

d. ☐ Yes ☐ No: Did the PHA adopt any changes to **other** policies based on the results of the required analysis of the need for deconcentration of poverty and income mixing?

e. If the answer to d was yes, how would you describe these changes? (select all that apply)

☐ Additional affirmative marketing
☐ Actions to improve the marketability of certain developments
☐ Adoption or adjustment of ceiling rents for certain developments

☐ Adoption of rent incentives to encourage deconcentration of poverty and income-mixing
☐ Other (list below)

f. Based on the results of the required analysis, in which developments will the PHA make special efforts to attract or retain higher-income families? (select all that apply)
☐ Not applicable: results of analysis did not indicate a need for such efforts
☐ List (any applicable) developments below:

g. Based on the results of the required analysis, in which developments will the PHA make special efforts to assure access for lower-income families? (select all that apply)
☐ Not applicable: results of analysis did not indicate a need for such efforts
☐ List (any applicable) developments below:

B. Section 8

Exemptions: PHAs that do not administer section 8 are not required to complete sub-component 3B.
Unless otherwise specified, all questions in this section apply only to the tenant-based section 8 assistance program (vouchers, and until completely merged into the voucher program, certificates).

(1) Eligibility

a. What is the extent of screening conducted by the PHA? (select all that apply)
☐ Criminal or drug-related activity only to the extent required by law or regulation
X Criminal and drug-related activity, more extensively than required by law or regulation
X More general screening than criminal and drug-related activity (list factors below)
Utility screenings are conducted on all new applicants prior to voucher issuances to confirm that the family is able to have tenant provided utilities connected prior to any HAP commitments.
X Other (list below)
Check to see if applicant received Section 8 assistance in the past.

b. X Yes ☐ No: Does the PHA request criminal records from local law enforcement agencies for screening purposes?

c. X Yes ☐ No: Does the PHA request criminal records from State law enforcement agencies for screening purposes?

d. X Yes ☐ No: Does the PHA access FBI criminal records from the FBI for screening purposes? (either directly or through an NCIC-authorized source)

e. Indicate what kinds of information you share with prospective landlords? (select all that apply)

X Criminal or drug-related activity: Such information is provided only when it affects prohibition from program participation. Detailed information is not provided.

☐ Other (describe below)

(2) Waiting List Organization

a. With which of the following program waiting lists is the section 8 tenant-based assistance waiting list merged? (select all that apply)

None

☐ Federal public housing

☐ Federal moderate rehabilitation

☐ Federal project-based certificate program

X Other federal or local program (list below)

Various project based lists (merger scheduled summer 2010)

b. Where may interested persons apply for admission to section 8 tenant-based assistance? (select all that apply)

X PHA main administrative office

X Other (list below)

When the Waiting List is open, interested parties may also obtain application forms from the local Department of Human Services, local libraries, and through the Internet at the City's website. It is also anticipated that the new Housing PRO software will permit online applications.

(3) Search Time

a. X Yes ☐ No: Does the PHA give extensions on standard 60-day period to search for a unit?

If yes, state circumstances below:
Any extensions are considered on a case by case basis. Both applicants and participants are advised that they must make requests for the extension of their vouchers in writing, and are further advised that for extension requests to be considered they must be submitted prior to the stated ending date on initial voucher. VASH vouchers are automatically granted 120 search period.

(4) Admissions Preferences

a. Income targeting

☐ Yes X No: Does the PHA plan to exceed the federal targeting requirements by targeting more than 75% of all new admissions to the section 8 program to families at or below 30% of median area income?

b. Preferences

1.X Yes ☐ No: Has the PHA established preferences for admission to section 8 tenant-based assistance? (other than date and time of application) (if no, skip to subcomponent **(5) Special purpose section 8 assistance programs**)

2. Which of the following admission preferences does the PHA plan to employ in the coming year? (select all that apply from either former Federal preferences or other preferences)

Former Federal preferences

☐ Involuntary Displacement (Disaster, Government Action, Action of Housing Owner, Inaccessibility, Property Disposition)
X Victims of domestic violence
☐ Substandard housing
X Homelessness
☐ High rent burden (rent is > 50 percent of income)

Other preferences (select all that apply)

X Working families and those unable to work because of age or disability
X Veterans and veterans' families
X Residents who live and/or work in your jurisdiction
☐ Those enrolled currently in educational, training, or upward mobility programs
☐ Households that contribute to meeting income goals (broad range of incomes)
☐ Households that contribute to meeting income requirements (targeting)
☐ Those previously enrolled in educational, training, or upward mobility programs
☐ Victims of reprisals or hate crimes
☐ Other preference(s) (list below)

X Veterans
X Applicants who have lost other federal housing subsidy

3. If the PHA will employ admissions preferences, please prioritize by placing a "1" in the space that represents your first priority, a "2" in the box representing your second priority, and so on. If you give equal weight to one or more of these choices (either through an absolute hierarchy or through a point system), place the same number next to each. That means you can use "1" more than once, "2" more than once, etc.

Date and Time

Former Federal preferences

Involuntary Displacement (Disaster, Government Action, Action of Housing Owner, Inaccessibility, Property Disposition)

2 Victims of domestic violence
Substandard housing
1 Homelessness
High rent burden

Other preferences (select all that apply)
3 Working families and those unable to work because of age or disability
4 Veterans and veterans' families
5 Residents who live and/or work in your jurisdiction
☐ Those enrolled currently in educational, training, or upward mobility programs
☐ Households that contribute to meeting income goals (broad range of incomes)
☐ Households that contribute to meeting income requirements (targeting)
☐ Those previously enrolled in educational, training, or upward mobility programs
☐ Victims of reprisals or hate crimes
☐ Other preference(s) (list below)
6 Veterans
1 Those losing subsidy

4. Among applicants on the waiting list with equal preference status, how are applicants selected? (select one)
X Date and time of application
Drawing (lottery) or other random choice technique

5. If the PHA plans to employ preferences for "residents who live and/or work in the jurisdiction" (select one)
X This preference has previously been reviewed and approved by HUD
☐ The PHA requests approval for this preference through this PHA Plan

6. Relationship of preferences to income targeting requirements: (select one)
X The PHA applies preferences within income tiers
☐ Not applicable: the pool of applicant families ensures that the PHA will meet income targeting requirements

(5) Special Purpose Section 8 Assistance Programs

a. In which documents or other reference materials are the policies governing eligibility, selection, and admissions to any special-purpose section 8 program administered by the PHA contained? (select all that apply)
X The Section 8 Administrative Plan
X Briefing sessions and written materials
☐ Other (list below)

b. How does the PHA announce the availability of any special-purpose section 8 programs to the public?

X Through published notices

X Other (list below)

Written notification to identified stakeholders

4. PHA Rent Determination Policies

[24 CFR Part 903.7 9 (d)]

A. Public Housing

Exemptions: PHAs that do not administer public housing are not required to complete sub-component 4A.

(1) Income Based Rent Policies

Describe the PHA's income based rent setting policies for public housing using, including discretionary (that is, not required by statute or regulation) income disregards and exclusions, in the appropriate spaces below.

a. Use of discretionary policies: (select one)

☐ The PHA will not employ any discretionary rent-setting policies for income based rent in public housing. Income-based rents are set at the higher of 30% of adjusted monthly income, 10% of unadjusted monthly income, the welfare rent, or minimum rent (less HUD mandatory deductions and exclusions). (If selected, skip to sub-component (2))

---or---

☐ The PHA employs discretionary policies for determining income based rent (If selected, continue to question b.)

b. Minimum Rent

1. What amount best reflects the PHA's minimum rent? (select one)

☐ $0

☐ $1-$25

☐ $26-$50

2. ☐ Yes ☐ No: Has the PHA adopted any discretionary minimum rent hardship exemption policies?

3. If yes to question 2, list these policies below:

c. Rents set at less than 30% than adjusted income

1. ☐ Yes ☐ No: Does the PHA plan to charge rents at a fixed amount or percentage less than 30% of adjusted income?

2. If yes to above, list the amounts or percentages charged and the circumstances under which these will be used below:

d. Which of the discretionary (optional) deductions and/or exclusions policies does the PHA plan to employ (select all that apply)

☐ For the earned income of a previously unemployed household member
☐ For increases in earned income
☐ Fixed amount (other than general rent-setting policy)
If yes, state amount/s and circumstances below:

☐ Fixed percentage (other than general rent-setting policy)
If yes, state percentage/s and circumstances below:

☐ For household heads
☐ For other family members
☐ For transportation expenses
☐ For the non-reimbursed medical expenses of non-disabled or non-elderly families
☐ Other (describe below)

e. Ceiling rents

1. Do you have ceiling rents? (rents set at a level lower than 30% of adjusted income) (select one)

☐ Yes for all developments
☐ Yes but only for some developments
☐ No

2. For which kinds of developments are ceiling rents in place? (select all that apply)

☐ For all developments
☐ For all general occupancy developments (not elderly or disabled or elderly only)
☐ For specified general occupancy developments
☐ For certain parts of developments; e.g., the high-rise portion
☐ For certain size units; e.g., larger bedroom sizes
☐ Other (list below)

3. Select the space or spaces that best describe how you arrive at ceiling rents (select all that apply)

- ☐ Market comparability study
- ☐ Fair market rents (FMR)
- ☐ 95th percentile rents
- ☐ 75 percent of operating costs
- ☐ 100 percent of operating costs for general occupancy (family) developments
- ☐ Operating costs plus debt service
- ☐ The "rental value" of the unit
- ☐ Other (list below)

f. Rent re-determinations:

1. Between income reexaminations, how often must tenants report changes in income or family composition to the PHA such that the changes result in an adjustment to rent? (select all that apply)

- ☐ Never
- ☐ At family option
- ☐ Any time the family experiences an income increase
- ☐ Any time a family experiences an income increase above a threshold amount or percentage: (if selected, specify threshold)_____
- ☐ Other (list below)

g. ☐ Yes ☐ No: Does the PHA plan to implement individual savings accounts for residents (ISAs) as an alternative to the required 12 month disallowance of earned income and phasing in of rent increases in the next year?

(2) Flat Rents

1. In setting the market-based flat rents, what sources of information did the PHA use to establish comparability? (select all that apply.)

- ☐ The section 8 rent reasonableness study of comparable housing
- ☐ Survey of rents listed in local newspaper
- ☐ Survey of similar unassisted units in the neighborhood
- ☐ Other (list/describe below)

B. Section 8 Tenant-Based Assistance

Exemptions: PHAs that do not administer Section 8 tenant-based assistance are not required to complete sub-component 4B. **Unless otherwise specified, all questions in this section apply only to the tenant-based section 8 assistance program (vouchers, and until completely merged into the voucher program, certificates).**

(1) Payment Standards

Describe the voucher payment standards and policies.

a. What is the PHA's payment standard? (select the category that best describes your standard)

- ☐ At or above 90% but below100% of FMR
- ☐ 100% of FMR
- X Above 100% but at or below 110% of FMR
- ☐ Above 110% of FMR (if HUD approved; describe circumstances below)

b. If the payment standard is lower than FMR, why has the PHA selected this standard? (select all that apply)

- ☐ FMRs are adequate to ensure success among assisted families in the PHA's segment of the FMR area
- ☐ The PHA has chosen to serve additional families by lowering the payment standard
- ☐ Reflects market or submarket
- ☐ Other (list below)

c. If the payment standard is higher than FMR, why has the PHA chosen this level? (select all that apply)

- X FMRs are not adequate to ensure success among assisted families in the PHA's segment of the FMR area
- X Reflects market or submarket
- X To increase housing options for families
- ☐ Other (list below)

d. How often are payment standards reevaluated for adequacy? (select one)

- ☐ Annually
- X Other (list below)

  Re-evaluation is also considered and implemented on an "as needed" basis during any time of the year.

e. What factors will the PHA consider in its assessment of the adequacy of its payment standard? (select all that apply)

- X Success rates of assisted families
- X Rent burdens of assisted families
- ☐ Other (list below)

(2) Minimum Rent

a. What amount best reflects the PHA's minimum rent? (select one)

☐ $0
☐ $1-$25
X $26-$50

b. X Yes No: Has the PHA adopted any discretionary minimum rent hardship exemption policies? (if yes, list below) – included in Admin Plan

5. Operations and Management

[24 CFR Part 903.7 9 (e)]

Exemptions from Component 5: High performing and small PHAs are not required to complete this section. Section 8 only PHAs must complete parts A, B, and C(2)

A. PHA Management Structure

Describe the PHA's management structure and organization.
(select one)

☐ An organization chart showing the PHA's management structure and organization is attached.

X A brief description of the management structure and organization of the PHA follows:
The DHNP is comprised of approximately seventy (70) staff with four (4) distinct Divisions as follows: Administration, Housing Development, Code Enforcement, and Rental Housing. The Department Director is Andrew Friedman. The Rental Housing Division is managed by a Housing Program Administrator. There are Seventeen (15) full time staff in the Rental Housing Division (this includes clerical employees and contractual employees)

B. HUD Programs Under PHA Management

List Federal programs administered by the PHA, number of families served at the beginning of the upcoming fiscal year, and expected turnover in each. (Use "NA" to indicate that the PHA does not operate any of the programs listed below.)

Program Name	Units or Families Served at Year Beginning	Expected Turnover
Public Housing		
Section 8 Vouchers	1,928 (per VMS)	70 (net increase needed to ensure proper budget authority utilization)
Section 8 Certificates		
Section 8 Mod Rehab		

Special Purpose Section 8 Certificates/Vouchers (list individually)		
Public Housing Drug Elimination Program (PHDEP)		
Other Federal Programs(list individually)		
HOME funds – TBRA Program for homeless families	0	25
* Service to homeless families through the HPRP	0	100-150

C. Management and Maintenance Policies

List the PHA's public housing management and maintenance policy documents, manuals and handbooks that contain the Agency's rules, standards, and policies that govern maintenance and management of public housing, including a description of any measures necessary for the prevention or eradication of pest infestation (which includes cockroach infestation) and the policies governing Section 8 management.

(1) Public Housing Maintenance and Management: (list below)

(2) Section 8 Management: (list below)

Housing Choice Voucher Administrative Plan

6. PHA Grievance Procedures

[24 CFR Part 903.7 9 (f)]

Exemptions from component 6: High performing PHAs are not required to complete component 6. Section 8-Only PHAs are exempt from sub-component 6A.

A. Public Housing

1. ☐ Yes ☐ No: Has the PHA established any written grievance procedures in addition to federal requirements found at 24 CFR Part 966, Subpart B, for residents of public housing?

If yes, list additions to federal requirements below:

2. Which PHA office should residents or applicants to public housing contact to initiate the PHA grievance process? (select all that apply)

☐ PHA main administrative office
☐ PHA development management offices
☐ Other (list below)

B. Section 8 Tenant-Based Assistance

1. X Yes ☐ No: Has the PHA established informal review procedures for applicants to the Section 8 tenant-based assistance program and informal hearing procedures for families assisted by the Section 8 tenant-based assistance program in addition to federal requirements found at 24 CFR 982?

If yes, list additions to federal requirements below:
In Informal hearings, DHNP Division Manager's or (their Supervisory designees) or trained Supervisors from the Virginia Beach Department of Human Services serve as hearing Officers. A representative from the Section Management staff also participates at all Informal Hearings.

2. Which PHA office should applicants or assisted families contact to initiate the informal review and informal hearing processes? (select all that apply)

X PHA main administrative office
☐ Other (list below)

7. Capital Improvement Needs - Not Applicable

[24 CFR Part 903.7 9 (g)]
Exemptions from Component 7: Section 8 only PHAs are not required to complete this component and may skip to Component 8.

A. Capital Fund Activities

Exemptions from sub-component 7A: PHAs that will not participate in the Capital Fund Program may skip to component 7B. All other PHAs must complete 7A as instructed.

(1) Capital Fund Program Annual Statement

Using parts I, II, and III of the Annual Statement for the Capital Fund Program (CFP), identify capital activities the PHA is proposing for the upcoming year to ensure long-term physical and social viability of its public housing developments. This statement can be completed by using the CFP Annual Statement tables provided in the table library at the end of the PHA Plan template **OR**, at the PHA's option, by completing and attaching a properly updated HUD-52837.

Select one:

☐ The Capital Fund Program Annual Statement is provided as an attachment to the PHA Plan at Attachment (state name)

-or-

☐ The Capital Fund Program Annual Statement is provided below: (if selected, copy the CFP Annual Statement from the Table Library and insert here)

(2) Optional 5-Year Action Plan

Agencies are encouraged to include a 5-Year Action Plan covering capital work items. This statement can be completed by using the 5 Year Action Plan table provided in the table library at the end of the PHA Plan template **OR** by completing and attaching a properly updated HUD-52834.

a. ☐ Yes ☐ No: Is the PHA providing an optional 5-Year Action Plan for the Capital Fund? (if no, skip to sub-component 7B)

b. If yes to question a, select one:

☐ The Capital Fund Program 5-Year Action Plan is provided as an attachment to the PHA Plan at Attachment (state name

-or-

☐ The Capital Fund Program 5-Year Action Plan is provided below: (if selected, copy the CFP optional 5 Year Action Plan from the Table Library and insert here)

B. HOPE VI and Public Housing Development and Replacement Activities (Non-Capital Fund)

Applicability of sub-component 7B: All PHAs administering public housing. Identify any approved HOPE VI and/or public housing development or replacement activities not described in the Capital Fund Program Annual Statement.

☐ Yes ☐ No: a) Has the PHA received a HOPE VI revitalization grant? (if no, skip to question c; if yes, provide responses to question b for each grant, copying and completing as many times as necessary)

b) Status of HOPE VI revitalization grant (complete one set of questions for each grant)

1. Development name:
2. Development (project) number:
3. Status of grant: (select the statement that best describes the current status)
   - ☐ Revitalization Plan under development
   - ☐ Revitalization Plan submitted, pending approval
   - ☐ Revitalization Plan approved
   - ☐ Activities pursuant to an approved Revitalization Plan underway

☐ Yes ☐ No: c) Does the PHA plan to apply for a HOPE VI Revitalization grant in the Plan year?
If yes, list development name/s below:

☐ Yes ☐ No: d) Will the PHA be engaging in any mixed-finance development activities for public housing in the Plan year?
If yes, list developments or activities below:

☐ Yes ☐ No: e) Will the PHA be conducting any other public housing development or replacement activities not discussed in the Capital Fund Program Annual Statement?
If yes, list developments or activities below:

8. Demolition and Disposition

[24 CFR Part 903.7 9 (h)]
Applicability of component 8: Section 8 only PHAs are not required to complete this section.

1. ☐ Yes ☐ No: Does the PHA plan to conduct any demolition or disposition activities (pursuant to section 18 of the U.S. Housing Act of 1937 (42 U.S.C. 1437p)) in the plan Fiscal Year? (If "No", skip to component 9; if "yes", complete one activity description for each development.)

2. Activity Description

☐ Yes ☐ No: Has the PHA provided the activities description information in the **optional** Public Housing Asset Management Table? (If "yes", skip to component 9. If "No", complete the Activity Description table below.)

Demolition/Disposition Activity Description
1a. Development name: 1b. Development (project) number:
2. Activity type: Demolition ☐ Disposition ☐
3. Application status (select one) Approved ☐ Submitted, pending approval ☐ Planned application ☐
4. Date application approved, submitted, or planned for submission: (DD/MM/YY)
5. Number of units affected: 6. Coverage of action (select one) ☐ Part of the development

☐ Total development
7. Timeline for activity: a. Actual or projected start date of activity: b. Projected end date of activity:

9. Designation of Public Housing for Occupancy by Elderly Families or Families with Disabilities or Elderly Families and Families with Disabilities

[24 CFR Part 903.7 9 (i)]
Exemptions from Component 9; Section 8 only PHAs are not required to complete this section.

1. ☐ Yes ☐ No: Has the PHA designated or applied for approval to designate or does the PHA plan to apply to designate any public housing for occupancy only by the elderly families or only by families with disabilities, or by elderly families and families with disabilities or will apply for designation for occupancy by only elderly families or only families with disabilities, or by elderly families and families with disabilities as provided by section 7 of the U.S. Housing Act of 1937 (42 U.S.C. 1437e) in the upcoming fiscal year? (If "No", skip to component 10. If "yes", complete one activity description for each development, unless the PHA is eligible to complete a streamlined submission; PHAs completing streamlined submissions may skip to component 10.)

2. Activity Description
☐ Yes ☐ No: Has the PHA provided all required activity description information for this component in the **optional** Public Housing Asset Management Table? If "yes", skip to component 10. If "No", complete the Activity Description table below.

Designation of Public Housing Activity Description
1a. Development name: 1b. Development (project) number:
2. Designation type: Occupancy by only the elderly ☐ Occupancy by families with disabilities ☐ Occupancy by only elderly families and families with disabilities ☐
3. Application status (select one) Approved; included in the PHA's Designation Plan ☐ Submitted, pending approval ☐ Planned application ☐
4. Date this designation approved, submitted, or planned for submission: (DD/MM/YY)
5. If approved, will this designation constitute a (select one)

☐ New Designation Plan ☐ Revision of a previously-approved Designation Plan?
6. Number of units affected: 7. Coverage of action (select one) ☐ Part of the development ☐ Total development

10. Conversion of Public Housing to Tenant-Based Assistance

[24 CFR Part 903.7 9 (j)]
Exemptions from Component 10; Section 8 only PHAs are not required to complete this section.

A. Assessments of Reasonable Revitalization Pursuant to section 202 of the HUD FY 1996 HUD Appropriations Act

1. ☐ Yes ☐ No: Have any of the PHA's developments or portions of developments been identified by HUD or the PHA as covered under section 202 of the HUD FY 1996 HUD Appropriations Act? (If "No", skip to component 11; if "yes", complete one activity description for each identified development, unless eligible to complete a streamlined submission. PHAs completing streamlined submissions may skip to component 11.)

2. Activity Description
☐ Yes ☐ No: Has the PHA provided all required activity description information for this component in the **optional** Public Housing Asset Management Table? If "yes", skip to component 11. If "No", complete the Activity Description table below.

Conversion of Public Housing Activity Description
1a. Development name: 1b. Development (project) number:
2. What is the status of the required assessment? ☐ Assessment underway ☐ Assessment results submitted to HUD ☐ Assessment results approved by HUD (if marked, proceed to next question) ☐ Other (explain below)
3. ☐ Yes ☐ No: Is a Conversion Plan required? (If yes, go to block 4; if no, go to block 5.)
4. Status of Conversion Plan (select the statement that best describes the current status) ☐ Conversion Plan in development ☐ Conversion Plan submitted to HUD on: (DD/MM/YYYY)

☐ Conversion Plan approved by HUD on: (DD/MM/YYYY) ☐ Activities pursuant to HUD-approved Conversion Plan underway
5. Description of how requirements of Section 202 are being satisfied by means other than conversion (select one) ☐ Units addressed in a pending or approved demolition application (date submitted or approved: ☐ Units addressed in a pending or approved HOPE VI demolition application (date submitted or approved:) ☐ Units addressed in a pending or approved HOPE VI Revitalization Plan (date submitted or approved:) ☐ Requirements no longer applicable: vacancy rates are less than 10 percent ☐ Requirements no longer applicable: site now has less than 300 units ☐ Other: (describe below)

B. Reserved for Conversions pursuant to Section 22 of the U.S. Housing Act of 1937

C. Reserved for Conversions pursuant to Section 33 of the U.S. Housing Act of 1937

11. Homeownership Programs Administered by the PHA

[24 CFR Part 903.7 9 (k)]

A. Public Housing

Exemptions from Component 11A: Section 8 only PHAs are not required to complete 11A.

1. ☐ Yes ☐ No: Does the PHA administer any homeownership programs administered by the PHA under an approved section 5(h) homeownership program (42 U.S.C. 1437c(h)), or an approved HOPE I program (42 U.S.C. 1437aaa) or has the PHA applied or plan to apply to administer any homeownership programs under section 5(h), the HOPE I program, or section 32 of the U.S. Housing Act of 1937 (42 U.S.C. 1437z-4). (If "No", skip to component 11B; if "yes", complete one activity description for each applicable program/plan, unless eligible to complete a streamlined submission due to **small PHA** or **high performing PHA** status. PHAs completing streamlined submissions may skip to component 11B.)

2. Activity Description

☐ Yes ☐ No: Has the PHA provided all required activity description information for this component in the **optional** Public Housing Asset Management Table? (If "yes", skip to component 12. If "No", complete the Activity Description table below.)

Public Housing Homeownership Activity Description (Complete one for each development affected)
1a. Development name: 1b. Development (project) number:
2. Federal Program authority: ☐ HOPE I ☐ 5(h) ☐ Turnkey III ☐ Section 32 of the USHA of 1937 (effective 10/1/99)
3. Application status: (select one) ☐ Approved; included in the PHA's Homeownership Plan/Program ☐ Submitted, pending approval ☐ Planned application
4. Date Homeownership Plan/Program approved, submitted, or planned for submission: (DD/MM/YYYY)
5. Number of units affected: 6. Coverage of action: (select one) ☐ Part of the development ☐ Total development

B. Section 8 Tenant Based Assistance

1. ☐ Yes X No: Does the PHA plan to administer a Section 8 Homeownership program pursuant to Section 8(y) of the U.S.H.A. of 1937, as implemented by 24 CFR part 982 ? (If "No", skip to component 12; if "yes", describe each program using the table below (copy and complete questions for each program identified), unless the PHA is eligible to complete a streamlined submission due to high performer status. **High performing PHAs** may skip to component 12.)

2. Program Description:

a. Size of Program
☐ Yes ☐ No: Will the PHA limit the number of families participating in the section 8 homeownership option?

If the answer to the question above was yes, which statement best describes the number of participants? (select one)

☐ 25 or fewer participants
☐ 26 - 50 participants
☐ 51 to 100 participants
☐ more than 100 participants

b. PHA-established eligibility criteria
☐ Yes ☐ No: Will the PHA's program have eligibility criteria for participation in its Section 8 Homeownership Option program in addition to HUD criteria?
If yes, list criteria below:

12. PHA Community Service and Self-sufficiency Programs

[24 CFR Part 903.7 9 (l)]
Exemptions from Component 12: High performing and small PHAs are not required to complete this component. Section 8-Only PHAs are not required to complete sub-component C.

A. PHA Coordination with the Welfare (TANF) Agency

1. Cooperative agreements:
X Yes ☐ No: Has the PHA has entered into a cooperative agreement with the TANF Agency, to share information and/or target supportive services (as contemplated by section 12(d)(7) of the Housing Act of 1937)?

If yes, what was the date that agreement was signed? 07/08/2002

2. Other coordination efforts between the PHA and TANF agency (select all that apply)
X Client referrals
X Information sharing regarding mutual clients (for rent determinations and otherwise)
X Coordinate the provision of specific social and self-sufficiency services and programs to eligible families
☐ Jointly administer programs
☐ Partner to administer a HUD Welfare-to-Work voucher program
☐ Joint administration of other demonstration program
☐ Other (describe)

B. Services and programs offered to residents and participants

(1) General

a. Self-Sufficiency Policies
Which, if any of the following discretionary policies will the PHA employ to enhance the economic and social self-sufficiency of assisted families in the following areas? (select all that apply)
☐ Public housing rent determination policies

☐ Public housing admissions policies
X Section 8 admissions policies
☐ Preference in admission to section 8 for certain public housing families
☐ Preferences for families working or engaging in training or education programs for non-housing programs operated or coordinated by the PHA
☐ Preference/eligibility for public housing homeownership option participation
☐ Preference/eligibility for section 8 homeownership option participation
☐ Other policies (list below)

b. Economic and Social self-sufficiency programs

X Yes ☐ No: Does the PHA coordinate, promote or provide any programs to enhance the economic and social self-sufficiency of residents? (If "yes", complete the following table; if "no" skip to sub-component 2, Family Self Sufficiency Programs. The position of the table may be altered to facilitate its use.)

Services and Programs				
Program Name & Description (including location, if appropriate)	Estimated Size	Allocation Method (waiting list/random selection/specific criteria/other)	Access (development office / PHA main office / other provider name)	Eligibility (public housing or section 8 participants or both)
HOME OWNERSHIP PROGRAM	*35*	*Based on households capability to purchase a home*	*DHNP Main Office*	*Section 8 and other low moderate income households in the City*
HOMEBUYER'S CLUB	10	Household Interest	DHNP Main Office	Section 8 and other low moderate income households in the City

(2) Family Self Sufficiency program/s

a. Participation Description

Family Self Sufficiency (FSS) Participation		
Program	Required Number of Participants (start of FY 2005 Estimate)	Actual Number of Participants (As of: 04/01/2008)
Public Housing		
Section 8	6	29

b. ☐ Yes ☐ No: If the PHA is not maintaining the minimum program size required by HUD, does the most recent FSS Action Plan address the steps the PHA plans to take to achieve at least the minimum program size?
If no, list steps the PHA will take below:

C. Welfare Benefit Reductions

1. The PHA is complying with the statutory requirements of section 12(d) of the U.S. Housing Act of 1937 (relating to the treatment of income changes resulting from welfare program requirements) by: (select all that apply)

☐ Adopting appropriate changes to the PHA's public housing rent determination policies and train staff to carry out those policies
☐ Informing residents of new policy on admission and reexamination
☐ Actively notifying residents of new policy at times in addition to admission and reexamination.
☐ Establishing or pursuing a cooperative agreement with all appropriate TANF agencies regarding the exchange of information and coordination of services
☐ Establishing a protocol for exchange of information with all appropriate TANF agencies
☐ Other: (list below)

D. Reserved for Community Service Requirement pursuant to section 12(c) of the U.S. Housing Act of 1937

13. PHA Safety and Crime Prevention Measures

[24 CFR Part 903.7 9 (m)]
Exemptions from Component 13: High performing and small PHAs not participating in PHDEP and Section 8 Only PHAs may skip to component 15. High Performing and small PHAs that are participating in PHDEP and are submitting a PHDEP Plan with this PHA Plan may skip to sub-component D.

A. Need for measures to ensure the safety of public housing residents

1. Describe the need for measures to ensure the safety of public housing residents (select all that apply)

- ☐ High incidence of violent and/or drug-related crime in some or all of the PHA's developments
- ☐ High incidence of violent and/or drug-related crime in the areas surrounding or adjacent to the PHA's developments
- ☐ Residents fearful for their safety and/or the safety of their children
- ☐ Observed lower-level crime, vandalism and/or graffiti
- ☐ People on waiting list unwilling to move into one or more developments due to perceived and/or actual levels of violent and/or drug-related crime
- ☐ Other (describe below)

2. What information or data did the PHA used to determine the need for PHA actions to improve safety of residents (select all that apply).

- ☐ Safety and security survey of residents
- ☐ Analysis of crime statistics over time for crimes committed "in and around" public housing authority
- ☐ Analysis of cost trends over time for repair of vandalism and removal of graffiti
- ☐ Resident reports
- ☐ PHA employee reports
- ☐ Police reports
- ☐ Demonstrable, quantifiable success with previous or ongoing anticrime/anti drug programs
- ☐ Other (describe below)

3. Which developments are most affected? (list below)

B. Crime and Drug Prevention activities the PHA has undertaken or plans to undertake in the next PHA fiscal year

1. List the crime prevention activities the PHA has undertaken or plans to undertake: (select all that apply)

- ☐ Contracting with outside and/or resident organizations for the provision of crime- and/or drug-prevention activities
- ☐ Crime Prevention Through Environmental Design
- ☐ Activities targeted to at-risk youth, adults, or seniors
- ☐ Volunteer Resident Patrol/Block Watchers Program
- ☐ Other (describe below)

2. Which developments are most affected? (list below)

C. Coordination between PHA and the police

1. Describe the coordination between the PHA and the appropriate police precincts for carrying out crime prevention measures and activities: (select all that apply)

- ☐ Police involvement in development, implementation, and/or ongoing evaluation of drug-elimination plan
- ☐ Police provide crime data to housing authority staff for analysis and action
- ☐ Police have established a physical presence on housing authority property (e.g., community policing office, officer in residence)
- ☐ Police regularly testify in and otherwise support eviction cases
- ☐ Police regularly meet with the PHA management and residents
- ☐ Agreement between PHA and local law enforcement agency for provision of above-baseline law enforcement services
- ☐ Other activities (list below)

2. Which developments are most affected? (list below)

D. Additional information as required by PHDEP/PHDEP Plan

PHAs eligible for FY 2005 PHDEP funds must provide a PHDEP Plan meeting specified requirements prior to receipt of PHDEP funds.

☐ Yes ☐ No: Is the PHA eligible to participate in the PHDEP in the fiscal year covered by this PHA Plan?

☐ Yes ☐ No: Has the PHA included the PHDEP Plan for FY 2005 in this PHA Plan?

☐ Yes ☐ No: This PHDEP Plan is an Attachment. (Attachment Filename: ___)

14. RESERVED FOR PET POLICY

[24 CFR Part 903.7 9 (n)]

15. Civil Rights Certifications

[24 CFR Part 903.7 9 (o)]

Civil rights certifications are included in the PHA Plan Certifications of Compliance with the PHA Plans and Related Regulations.

16. Fiscal Audit

[24 CFR Part 903.7 9 (p)]

1. X Yes ☐ No: Is the PHA required to have an audit conducted under section 5(h)(2) of the U.S. Housing Act of 1937 (42 U S.C. 1437c(h))? (If no, skip to component 17.)
2. X Yes ☐ No: Was the most recent fiscal audit submitted to HUD?

3. ☐ Yes X No: Were there any findings as the result of that audit?
4. ☐ Yes X No: If there were any findings, do any remain unresolved?
If yes, how many unresolved findings remain?____
5. ☐ Yes X No: Have responses to any unresolved findings been submitted to HUD?
If not, when are they due (state below)?

17. PHA Asset Management

[24 CFR Part 903.7 9 (q)]

Exemptions from component 17: Section 8 Only PHAs are not required to complete this component. High performing and small PHAs are not required to complete this component.

1. ☐ Yes ☐ No: Is the PHA engaging in any activities that will contribute to the long-term asset management of its public housing stock , including how the Agency will plan for long-term operating, capital investment, rehabilitation, modernization, disposition, and other needs that have **not** been addressed elsewhere in this PHA Plan?

2. What types of asset management activities will the PHA undertake? (select all that apply)

☐ Not applicable
☐ Private management
☐ Development-based accounting
☐ Comprehensive stock assessment
☐ Other: (list below)

3. ☐ Yes ☐ No: Has the PHA included descriptions of asset management activities in the **optional** Public Housing Asset Management Table?

18. Other Information

[24 CFR Part 903.7 9 (r)]

A. Resident Advisory Board Recommendations

1. X Yes ☐ No: Did the PHA receive any comments on the PHA Plan from the Resident Advisory Board/s?

2. If yes, the comments are: (if comments were received, the PHA **MUST** select one)
X Attached at Attachment (File name) **Support File #4**
Provided below:

3. In what manner did the PHA address those comments? (select all that apply)
Considered comments, but determined that no changes to the PHA Plan were necessary.

CITY OF VIRGINIA BEACH
HOUSING CHOICE VOUCHER/SECTION 8 PROGRAM
RESIDENT ADVISORY BOARD

NAME & ADDRESS	TITLE
SECTION 8 STAFF	
Dale Gravett Dept of Housing	Section 8 Administrator
Candace Bowser Dept of Housing	Section 8 Coordinator
Rokel Tabb Dept of Housing	Administrative Assistant
BOARD MEMBERS	
Harold Barksdale 964 S. Military Highway, Unit 119 Virginia Beach, VA 23464	Board Member
Debra Grant 5636 Dodington Court Virginia Beach, VA 23462	Board Member
Esther Anderson 1025 College Park Blvd, #117 Virginia Beach, VA 23464	Board Member
Mark Renwick 201 Shortleaf Court, #102 Virginia Beach, VA 23452	Board Member
Patricia Mock 4837 Old Wick Court Virginia Beach, VA 23462	Board Member
Sylvia Andrews 1033 College Park Blvd, #373 Virginia Beach, VA 23464	Board Member
Traci Brower 3229 Lakecrest Dr. Virginia Beach, VA 23452	Board Member
Ebony Parsons 5505 Old Guard Crescent Virginia Beach, VA 23462	Board Member

B. Description of Election process for Residents on the PHA Board

1. X Yes No: Does the PHA meet the exemption criteria provided section 2(b)(2) of the U.S. Housing Act of 1937? (If no, continue to question 2; if yes, skip to sub-component C.) Our agency is Section 8 only and is a department in the municipal government. There is an elected Council.

2. Yes No: Was the resident who serves on the PHA Board elected by the residents? (If yes, continue to question 3; if no, skip to sub-component C.)

3. Description of Resident Election Process

a. Nomination of candidates for place on the ballot: (select all that apply)

- ☐ Candidates were nominated by resident and assisted family organizations
- ☐ Candidates could be nominated by any adult recipient of PHA assistance
- ☐ Self-nomination: Candidates registered with the PHA and requested a place on ballot
- ☐ Other: (describe)

b. Eligible candidates: (select one)

- ☐ Any recipient of PHA assistance
- ☐ Any head of household receiving PHA assistance
- ☐ Any adult recipient of PHA assistance
- ☐ Any adult member of a resident or assisted family organization
- ☐ Other (list)

c. Eligible voters: (select all that apply)

- ☐ All adult recipients of PHA assistance (public housing and section 8 tenant-based assistance)
- ☐ Representatives of all PHA resident and assisted family organizations
- ☐ Other (list)

C. Statement of Consistency with the Consolidated Plan

For each applicable Consolidated Plan, make the following statement (copy questions as many times as necessary).

1. Consolidated Plan jurisdiction:
   City of Virginia Beach

2. The PHA has taken the following steps to ensure consistency of this PHA Plan with the Consolidated Plan for the jurisdiction: (select all that apply)

- X The PHA has based its statement of needs of families in the jurisdiction on the needs expressed in the Consolidated Plan/s.
- X The PHA has participated in any consultation process organized and offered by the Consolidated Plan agency in the development of the Consolidated Plan.
- X The PHA has consulted with the Consolidated Plan agency during the development of this PHA Plan.
- ☐ Activities to be undertaken by the PHA in the coming year are consistent with the initiatives contained in the Consolidated Plan. (list below)

☐ Other: (list below) – The Plan is developed in our Housing Department as we are part of the municipal structure.

4. The Consolidated Plan of the jurisdiction supports the PHA Plan with the following actions and commitments: (describe below)

D. Other Information Required by HUD

Use this section to provide any additional information requested by HUD.

Any other information is included in attached files

SUPPORT FILE # 4
CITY OF VIRGINIA BEACH
2010 ANNUAL AGENCY PLAN
AND
FIVE YEAR PLAN:

REPORT ON PROGRESS MEETING MISSION AND GOALS
AND
STATEMENT ON SIGNIFICANT AMENDMENTS
AND/OR
SUBSTANTIAL MODIFICATIONS OR DEVIATIONS

Summary of Progress in Meeting Strategic Goals:

The Virginia Beach Department of Housing and Neighborhood Preservation (VBDHNP) has made substantial progress in achieving the strategic goals outlined in our Five Year Plan.

Goal – Expand the supply of assisted housing

During the past year VBDHNP has partnered with it's regional sister cities to fully occupy an SRO for homeless individuals. The Cloverleaf Apartments consists of sixty units primarily funded through project based vouchers from VBDHNP. A new SRO has also broken ground and is scheduled for completion in late 2010. This is being accomplished in cooperation with the City of Portsmouth. We have also begun a project based program for homeless families. That project is being accomplished with our partner, the Virginia Beach Community Development Corporation.

We are now participating in the VASH Program and have issued 35 vouchers to date to homeless veterans.

Goal – Improve the quality of assisted housing

We have worked diligently with our HUD representatives to improve our SEMAP ranking and, based on our confirmatory review from them, the VBDHNP has been removed from the troubled list and has received a ranking of "outstanding". We have instituted several quality control procedures to ensure delivery of a good housing product to our clients. Our new quality control HQS inspections has resulted in a marked improvement in unit conditions.

Goal – Increase assisted housing choices

We have employed a housing broker to assist clients in finding quality affordable housing. VBDHNP has also created a proactive housing counseling service to help broaden housing choices for clients. We are also providing direct housing assistance to homeless individuals and families through HPRP, HOME funds and a grant from a foundation.

Goal – Improve community quality of life and economic vitality

The Rental Housing Division of VBDHNP continued to work closely with the municipality's Code Enforcement Division to improve the conditions in the various neighborhoods within which our clients live.

Goal – Promote self-sufficiency and asset development of assisted households

We have an active Family Self Sufficiency Program and encourage our clients to participate in our Homebuyer's Club. Our FSS Program has now expanded to include 29 families. We expect this program to continue to grow in 2010.

Goal – Ensure equal opportunity in housing for all Americans

VBDHNP has instituted an aggressive fair housing program. All staff and all landlords are required to attend annual certification training.

Goal – Improve efficiency through continued improvement in software and automation

VBDHNP has recently installed software to perform our rent reasonableness studies and to do our utility allowance analysis. This has resulted in cost savings and greater accuracy in computing payments for our clients. We are also in the process of upgrading the software we utilize for the HCV operations. We will be using Housing PRO from the HAPPY company. The software should be operational by late summer.

Other accomplishments during the year:

- **Improved utilization monitoring and achieved target of 95% use of budget authority and in excess of 95% leasing**
- **Authored a completely revised Administrative Plan**
- **Reorganize the Rental Housing Division to include personnel involved with the delivery of assistance to the homeless**
- **Began implementing initiatives to reduce homelessness in Virginia Beach including case management**
- **Adopted a new housing preference system to target disadvantaged families and to help ensure they receive assistance**
- **Began issuing vouchers for the first time in two years**
- **Initiated several actions to improve affordability for HCV clients**

There were no Significant Amendments and/or Substantial Deviations or Modifications During the Program Year

SUPPORT FILE # 5
CITY OF VIRGINIA BEACH
2010 ANNUAL AGENCY PLAN
AND
FIVE YEAR PLAN:

EVIDENCE OF PUBLIC ADVERTISEMENT AND ANY PUBLIC COMMENTS AND/OR COMMENTS BY THE RESIDENT ADVISORY BOARD

THE VIRGINIAN-PILOT
NORFOLK, VIRGINIA
AFFIDAVIT OF PUBLICATION

The Beacon

JASMIN DIZON
City VB/Neighborhood Services
2424 Courthouse Dr., #18A
Virginia Beach VA 23456

REFERENCE: 10145048
21031923 Neighborhood Service

State of Virginia
City of Norfolk

This day, Jacqueline Whitfield, personally appeared before me and, after being duly sworn, made oath that: 1) She is affidavit clerk of The Virginian-Pilot, a newspaper published by The Virginian-Pilot Media Companies, LLC, in the cities of Norfolk, Portsmouth, Chesapeake, Suffolk, and Virginia Beach, Commonwealth of Virginia and in the state of North Carolina 2.) That the advertisement hereto annexed has been published in said newspaper on the dates stated

PUBLISHED ON: 02/11

TOTAL COST: 190.00 AD SPACE: 5.000 INCH
FILED ON: 02/28/10

Legal Affiant _____

Subscribed and sworn to before me in my city and state on the day and year aforesaid ~~this~~ 1 of March in the year of 2010.(NRN:7145124)

Notary: _____ My comission expires October 31, 2011.

City of Virginia Beach
Department of Housing and Neighborhood Preservation
Housing Choice Voucher (Section 8) Program

NOTICE OF PUBLIC HEARING

2010 Annual Agency Plan and Report
2010-2014 Five Year Housing Choice Voucher Plan

The City of Virginia Beach Department of Housing and Neighborhood Preservation (DHNP) will hold a public hearing on **March 23, 2010, at 6 p.m.** for the purpose of allowing the general public to provide comments on the Agency Plan and Report and the Five Year Plan. The Agency and Five Year Plans describe the Housing Choice Voucher (Section 8) Program operations in Virginia Beach. The hearing will be held at DHNP's main office, located at 2424 Courthouse Drive, Building 18-A, Municipal Center, Virginia Beach, VA 23456.

The Agency Plan will be made available for review at DHNP beginning March 1, 2010, during the hours of 8:30 a.m. – 5 p.m., Mon. through Fri. If you cannot attend the public hearing you may submit written comments to DHNP at the address listed above, email dgravett@vbgov.com or fax your response to (757) 385-5766. For more information, call Dale Gravett, Rental Housing Administrator, at (757) 385-5745 or (757) 385-5794 (TDD for the hearing impaired).

DHNP DOES BUSINESS IN ACCORDANCE WITH THE FEDERAL FAIR HOUSING LAW AND SECTION 504 PROGRAM ACCESSIBILITY REQUIREMENTS. DHNP COMPLIES WITH THE FAIR HOUSING ACT AND PROVIDES REASONABLE ACCOMMODATIONS AND MODIFICATIONS TO PERSONS WITH DISABILITIES. DHNP DOES NOT DISCRIMINATE ON THE BASIS OF RACE, COLOR, RELIGION, SEX, DISABILITY, FAMILIAL STATUS, OR NATIONAL ORIGIN IN ADMISSION OR ACCESS TO ITS PROGRAMS.

DEPARTMENT OF HOUSING AND NEIGHBORHOOD PRESERVATION
MUNICIPAL CENTER, BUILDING 18A
2424 COURTHOUSE DRIVE
VIRGINIA BEACH, VA 23456-9083

Input Needed on Five Year Housing Choice Voucher Agency Plan

Each year DHNP submits an annual plan to the U.S. Department of Housing and Urban Development (HUD) about the past year's accomplishments in the Housing Choice Voucher Program and what is planned for the next 12 months. Once every five years, DHNP must also develop a new overall master plan for the program.

At the next RAB meeting on **March 23**, we will be seeking board member ideas about the goals, objectives and strategies that should be included in the plan. All Section 8 voucher holders are also invited to submit written comments. Once the Five Year Plan is drafted, it will be made available for public review and comment and then modified as necessary before it is forwarded to HUD.

Please submit written comments or suggestions to Dale Gravett, Rental Housing Administrator, Dept. of Housing and Neighborhood Preservation, 2424 Courthouse Drive, Building 18A, Virginia Beach, VA 23456 or email dgravett@vbgov.com.

Online Resource for Parents Available

Want to know what questions to ask when selecting a child care provider? Looking for rainy day activities to do with your kids? Better yet, want to make sure your child has the necessary skills when they enter school? You can find all of the above and more at VBparents.com.

VBparents.com is targeted to parents of children from birth through age 12. It includes information about early learning, school readiness, health and nutrition and local resources. Many pages include printable documents, links to Web resources and videos. On the home page, you'll find an array of rotating articles focused on parenting your child in Virginia Beach. The site also features an event calendar with fun things that you and your family can do together. Visit often because the information will change frequently.

DHNP Rental Housing Specialists

Name	Title	Phone Number	E-mail Address
Candace Bowser	Housing Programs Coordinator	385-5740	cbowser@VBgov.com
Chrislyn Mounsey	Housing Specialist	385-5787	cmounsey@VBgov.com
Dorothy O'Neill	Housing Specialist	385-5749	doneill@VBgov.com
Janice Gardner	Housing Specialist	385-5781	jgardner@VBgov.com
Jefferey Ripley	Housing Specialist	385-5746	jeripley@VBgov.com
Jonjulie Ponder	Housing Specialist	385-5815	jcponder@VBgov.com
Joyce Goffigan	Housing Specialist	385-4708	jegoffig@VBgov.com
Julie Ponder	Housing Specialist	385-5758	jponder@VBgov.com
Laura Hackett	Housing Specialist	385-1664	lahacket@VBgov.com
Kimberly Jernigan	Housing Specialist	385-5769	kjerniga@VBgov.com
Patricia Crawford	Housing Specialist	385-5767	pcrawford@VBgov.com
Warnette Cason	Housing Specialist	385-5756	wcason@VBgov.com

City of Virginia Beach Department of Housing & Neighborhood Preservation
Housing Choice Voucher Program – Residents' Advisory Board (R.A.B)

AGENDA

Tuesday, March 23, 2010
5:30 p.m. – 7:00 p.m.

Location: **Dept. of Housing (Bldg #18-A) Conference Room**

Topics for Discussion:

- **Review of Minutes**
- **Section 8 Division Update**
- **(2010) Administrative Plan Review**
- **(2010) Agency Plan Submission to HUD**
- **Agency Plan Public Hearing**
- **Comments/Concerns**
- **Adjournment**

Note: Next RAB Meeting will be on Tuesday, June 22, 2010.

RAB ATTENDANCE LOG*

Meeting Date: March 23, 2010

Name

LINDA RITTER

MARK RENWICK

Rev. Tommy Billups

Candace Bowser (Staff)

Laura Hackett (staff)

Christyn L Younsey - Staff

Jon Julie Tonder - Staff

[illegible] RAB Board

[illegible] - tenAt

Bruce Braccy

Rokel Tabb (staff)

Dale Gravitt - administrator

* HELD CONCURRENTLY with public hearing for AGENCY AND FIVE YEAR PLAN REVIEW.

Public and RAB Input

Meeting – March 23, 2010

6:00 p.m.

On March 23, 2010 a public hearing was held to seek input and comment on the Five Year and Annual Agency Plan. The hearing was held in conjunction with the quarterly Resident Advisory Board meeting to ensure a thorough and complete review of the document and all attachments.

Rental Housing Administrator, Dale Gravett, reviewed each section of the document with particular attention placed on the stated goals and the department's progress in meeting the objectives under each of them. The revised Administrative Plan was also reviewed in much detail. After the presentation comments were requested from the attendees.

Most of the comments were procedural and dealt with the contents of the Revised Administrative Plan (which is a key attachment to the Agency Plan). One attendee was especially concerned with the difficulty in finding affordable housing because of strict credit requirements and the size of security deposits. In responding, information was provided on our Resident Security Deposit Program and the services (including credit issues) provided by our Housing Broker.

Comments were received in regards to attrition and how we issue new vouchers. Much discussion occurred in reference to our preference system and the selection of clients to be processed for voucher issuance. One attendee asked that we consider establishing an objective to seek more funding for the disabled. This has already been done and is included in the goals section.

The meeting adjourned at 7:15 p.m. Based on the comments and discussion no alterations are necessary to the draft plan. Once adopted by City Council and approved by the Department of Housing and Urban Development, copies of the document will be furnished to the Resident Advisory Board.

Prepared March 24, 2010

By Dale Gravett

Endependence Center
Incorporated
Stephen L. Johnson, Executive Director

April 13, 2010

Mr. Andrew Friedman
Director
City of Virginia Beach
Department of Housing and Neighborhood Preservation
2401 Courthouse Drive, Bldg. 1
Virginia Beach, VA 23456

We appreciate the opportunity to review the Virginia Beach Department of Housing and Neighborhood Preservation (VBDHNP) 5-year Agency Plan for FY 2010-2014 and Annual Plan FY 2010 and would like to submit the following comments:

We appreciate that VBDHNP has included goals to apply for new vouchers as well as for vouchers targeting persons with disabilities; and assisting developers with creating affordable housing.

We realize that the data reported in the housing needs table of the Annual Plan is taken from the Consolidated Plan. From what we understand the Consolidated Plan will include data from HUD's CHAS on persons with mobility and self-care limitations and from Centers for Medicare and Medicaid Services to show the number of people who expressed a preference to return to the community. We hope that the agency can include this data in the Annual Plan's needs table addressing families with disabilities.

As you outreach to potential voucher landlords in less poverty concentrated areas, we recommend reaching out to landlords with accessible or readily accessible properties.

In regards to home ownership opportunities through Virginia Beach Department of Housing and Neighborhood Preservation programs, we recommend to implement the Section 8 homeownership program which would enable low-income persons with disabilities to become homeowners.

We appreciate that the Plan includes a goal to ensure equal opportunity in housing including assisted housing. Through phone calls, we have found that 2 of the 4 privately owned, assisted family developments in Virginia Beach do not have any accessible apartments. Though they are existing developments, we are concerned that they may have been obligated to ensure accessibility if they have undergone substantial rehabilitation or made alterations to any of their units.

The Center for Independent Living serving South Hampton Roads
6300 East Virginia Beach Blvd.
Norfolk, VA 23502-2827
(757) 461-8007/V (757) 461-7527/TDD (757) 455-8223/Fax (757) 461-5375/Fax
www.endependence.org ecinorf@endependence.org

As your agency collaborates with developers to expand affordable housing opportunities, we would like to recommend that developers incorporate universal design features within their housing developments.

We appreciate the VBDHNP's efforts in meeting the affordable, accessible housing needs of persons with disabilities. If you have any questions regarding our comments, please contact me at 351-1595.

Sincerely,

Vantoria Clay
Housing and Transportation Coordinator

SUPPORT FILE # 6
CITY OF VIRGINIA BEACH
2010 ANNUAL AGENCY PLAN
AND
FIVE YEAR PLAN:

HOUSING NEEDS ASSESSMENT

Virginia Beach Housing Needs Assessment and Market Analysis 2000-2020

Prepared for

The City of Virginia Beach

Prepared by

Center for Housing Research
Virginia Tech
Blacksburg, Virginia

C. Theodore Koebel, PhD
Ragaei Abdelfattah
Marilyn S. Cavell
Amy E. Crum
Joanna M. Paulson

April 2005

VIRGINIA TECH CENTER FOR HOUSING RESEARCH

Table of Contents

Summary 1
Housing Market Characteristics 4
Vacancy Rates 4
Housing Prices 5
Rental Housing 10
First-time Homebuyers 11
The Affordable Housing Gap in 2000 15
Military Housing 17
Workforce Housing 19
Commuting Patterns 29
Household Demographics 31
Household Composition 31
Incomes and Poverty 32
Housing Tenure 40
Housing Needs 45
Worst Case Housing Needs 45
Housing Cost Burden 49
Homelessness 53
Housing Problems by Household Type 53
Persons with Disabilities 56
Population Growth 61
Change within the City 62
Migration 64
Appendix I: Glossary of Terms and Acronyms 75
APPENDIX II: City Comparisons 78

Summary

At the request of the City of Virginia Beach, the Virginia Tech Center for Housing Research conducted a comprehensive assessment of affordable housing demand and housing needs for the City.[1] This assessment reviewed the most recent demographic and housing data available, evaluated past trends and projected housing demand through to 2020. The study's major findings include:

- Vacancy rates for owner and renter housing have dropped well below the level needed to accommodate demand and indicate that housing available on the market is increasingly scarce. Whereas a vacancy rate of at least 5% is considered necessary to provide an adequate supply of housing for home seekers, the ownership vacancy rate in 2000 was only 1.5% and fell below 1% in 2003 (the most recent date available), reflecting an extremely tight market. Rental vacancy rates also point to a shortage of housing in Virginia Beach. In 2000, the rental vacancy rate was 4.0% in the City, well below the national rate of 6.8%. By 2003 the rental vacancy rate fell to only 2.5%, whereas rental vacancy rates were increasing in both the nation and in Virginia as a whole. More recent evidence suggests vacant rental units have become even scarcer in Virginia Beach, despite a surge in ownership demand fueled by low interest rates.

- Housing prices have escalated rapidly and the supply of affordable housing is decreasing. The range of prices below the median ($154,000 in 2003) has clustered closer to the median as the supply of houses below $125,000 has declined significantly. Houses with values below $50,000 are virtually non-existent and the number of houses between $50,000 and $100,000 has declined substantially.

- First-time homebuyers are in danger of being squeezed out of the Virginia Beach housing market. Between 2000 and 2004, first-time homebuyers with incomes below $50,000 faced a dwindling supply of houses that they could afford and must compete for the available supply with homebuyers with higher incomes, including repeat buyers. Home seekers priced out of ownership will turn to the rental market (already very tight) or move out of Virginia Beach to find affordable housing.

- The City had a deficit of 8,500 affordable rental units in the year 2000. Consequently, low-income renters were forced to spend large portions of their incomes (often in excess of half) in order to obtain housing. Low-income homeowners also face a shortage of affordable units, with a deficit of about 6,000 affordable owner units in 2000. As with low-income renters, this gap forces low-income owners to pay excessively high portions of their income for their housing.

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[1] For further information contact the Virginia Tech Center for Housing Research, Mail Code 0451, Blacksburg, Virginia 24061. Phone 540.231.3993, FAX 540.231.7331; email mcavell@vt.edu; website: http://www.caus.vt.edu/vchr

- Housing demand from military personnel is part of the City's affordable housing challenge. Among the naval bases in Virginia Beach, nearly 10,000 housing units are needed in the private housing market.

- The housing market is not keeping up with housing demand related to the expansion of civilian jobs and housing affordable to low and modest income workers is increasingly hard to find. Between 1990 and 2000, the number of wage and salary jobs in Virginia Beach (excluding non-civilian military employment) increased by 53,300 jobs. Given the average number of workers per household in Virginia Beach, 53,300 jobs equates to housing demand for 37,450 units. However, the supply of housing units only increased (net) by 15,240 units, leaving a deficit of 22,210 units in 2000. Between 2000 and 2002, housing production was sufficient to keep up with job growth but inadequate to offset the earlier deficit. Two jobs are often necessary for low and modest wage workers to afford housing in Virginia Beach.

- Commuting out of Virginia Beach is decreasing and commuting in is increasing. There was a 45% increase in the total number of commuters into Virginia Beach between 1990 and 2000, with the largest percent increases from Suffolk, Newport News and Hampton. While there was a 2% decrease in the number of workers commuting out of Virginia Beach and a 9% increase in workers who both live and work in Virginia Beach, Virginia Beach was still a net exporter of commuters in 2000, as more people commuted out of the City to work (94,687) than commuted in (45,655).

- Although household incomes in Virginia Beach kept up with inflation between 1990 and 2000 at the median (with a 2% gain in real income), higher income households had significant gains above inflation while lower-income households had significant losses in real income. Households below the median income are losing ground to housing costs.

- The Black-White income gap is large but becoming narrower and while homeownership is increasing overall, however a significant gap remains between ownership rates for blacks compared to whites. Among racial and ethnic groups, Virginia Beach's Asian households had the highest homeownership rate at 72.8% in 2000 compared to whites at 69.7% and blacks at 48.7%.

- Female-headed families and elderly females living alone are heavily impacted by poverty. The majority of households that fall below the poverty level are female-headed households (62%). Females are particularly vulnerable to reductions in income due to family dissolution, which can significantly reduce housing consumption and increase cost burdens.

- There were nearly 12,000 households with worst case housing needs in 2000, including the elderly and persons with disabilities.

- Population growth has slowed considerably for the City and the region. Between 1980 and 1990, the City's population increased by nearly 50%. However, during the 1990s, Virginia Beach's growth rate dropped to 8%. More people are now moving out of Virginia Beach than moving in. The Virginia Employment Commission (VEC) projects growth for the City of 5% from 2000-2010 and between 3-4% per decade thereafter.

- Even with slowing population growth, more than 10,000 additional housing units will be needed to meet projected demand during this decade, including 2,600 additional units affordable to households with incomes below $35,000.

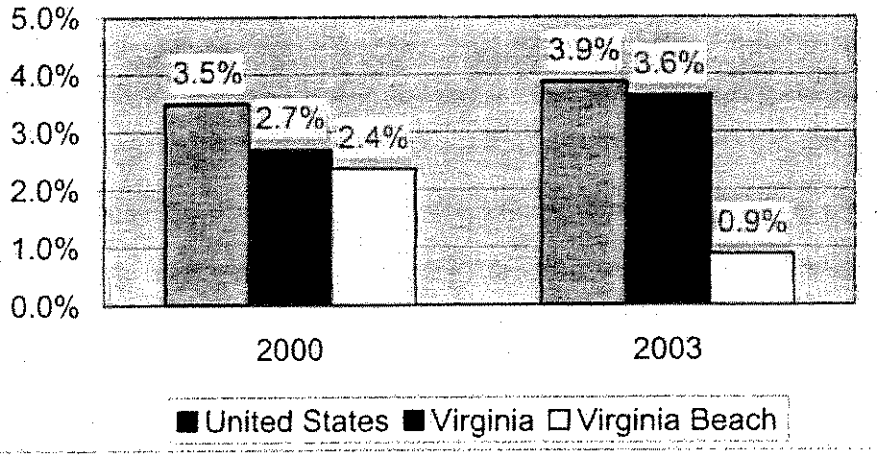
Housing Market Characteristics

Vacancy Rates

The vacancy rate is a key indicator of the adequacy of the supply of housing relative to demand and a five percent vacancy rate is largely accepted as a minimum benchmark for a sufficient number of housing units available for occupancy by people searching for housing. Vacancy rates below five percent often reflect "tight" housing markets where prices can escalate rapidly; rates significantly above five percent can reflect "weak" markets where prices (and maintenance) can be depressed by an excess supply of housing.

The most recent evidence shows that the Virginia Beach housing market has become increasingly tighter during the current decade compared to the State of Virginia and the nation as a whole. According to the American Community Surveys data for 2003 and Census 2000 (Figure 1), the vacancy rate[2] for Virginia Beach was already very low in 2000 and then declined even further by 2003 from 2.4% (3,729 vacant units in 2000) to 0.9% (1,416 vacant units in 2003). During the same period, the national vacancy rate increased from 3.5% to 3.9 %, and the vacancy rate for Virginia went from 2.7% to 3.6%.

Figure 1. Vacancy Rates, 2000 and 2003



Owner vacancy rates point to a housing market in the City of Virginia Beach that was already extremely tight in 2000 and that has since become progressively tighter. The ownership vacancy rate in 2000 was only 1.5% and fell below 1% in 2003 (the most recent date available). (See Table 1.)

[2] The vacancy rate includes only those units for sale or rent and available for occupancy. Total vacant units include these units as well as units rented or sold but not occupied; vacant units used for seasonal, recreational or occasional use; vacant units used for migrant workers; and "other" vacant units not available for occupancy.

Table 1: Vacancy Rates by Tenure, 2000-2003

	United States		Virginia		Virginia Beach	
	2000	2003	2000	2003	2000	2003
Renter Vacancy	6.8%	8.0%	5.2%	8.2%	4.0%	2.5%
Owner Vacancy	1.7%	1.7%	1.5%	1.4%	1.5%	0.2%

Source: US Census 2000 and ACS 2003

Rental vacancy rates, as shown in Table 1, also point to a shortage of housing in Virginia Beach. In 2000, the rental vacancy rate was 4.0% in the City, well below the national rate of 6.8%. Although rental vacancy rates increased in the nation and the state between 2000 and 2003, in Virginia Beach the rental vacancy rate fell to only 2.5% in 2003 and more recent evidence suggests vacant rental units have become even scarcer. A vacancy survey administered by the Tidewater Multifamily Housing Council in August 2004 indicated that the rental vacancy rate throughout the metro area continues to decline and estimated a 1% rental vacancy rate in Virginia Beach. Although the Council's vacancy survey does not include all rental units in the area and cannot be used as an estimate of total vacancies, it nonetheless indicates a tightening rental market despite a surge in ownership demand fueled by low interest rates.

In contrast to the nation and the state as a whole, where strong owner markets resulted in weaker rental markets, the rental market in Virginia Beach has become nearly as tight as the owner market. This could possibly reflect a conversion of rental housing to owner occupancy, reducing units available in the rental market. Although renter demand has not increased as rapidly as owner demand, the number of renters continues to increase.

The overall tightness of the housing market in Virginia Beach will continue to push housing prices and rents higher unless the supply of housing increases sufficiently to produce vacancy rates around 5% (which would have required an additional 5,665 vacant units for sale and 1,358 vacant units for rent). The impact of scarce housing probably will be the most severe for those seeking lower cost housing. It is virtually impossible to expand the supply of lower cost housing through new construction due to land and construction costs. With a dwindling supply of developable land, this situation will only become more severe and the cost of newly built housing will continue to escalate. And with a severe housing shortage, older and lower quality units become more and more attractive to people with higher incomes. Extremely low vacancy rates lead to "bidding wars" when home seekers compete for units that come on the market, with sellers often receiving bids well above their asking price. This shrinks the supply of housing affordable to households with modest incomes by displacing them with households with higher incomes and by increasing the market price for these units. Those displaced either have to find housing outside of Virginia Beach or be willing to pay a high proportion of their income for housing within the City.

Housing Prices

Housing prices and rents in the metropolitan area and in Virginia Beach City have increased dramatically in the last few years. According to the National Association of

Realtors®, the Virginia Beach metropolitan area was 7th in the nation in the rate of increase in the median sales prices for existing homes during 2004, with an increase of 27.3%.[3] Based on sales data for local Realtors associations covering 2000 through 2003, the Center for Housing Research estimated a 28.8% increase in the median sales prices of all homes in the metropolitan area.[4] These data indicate that the price of houses being sold in the metropolitan area has increased 64% between 2000 and 2004. This is well beyond the rate of increase in incomes, which have been increasing by less than 3% a year, or approximately 11% between 2000 and 2004.

Figure 2 provides the median sales price for existing homes sold in the US and in the Virginia Beach MSA[5] as reported by the National Association of Realtors®. The figure also provides the Median Family Income for the US (estimated by the Census Bureau) and for the Virginia Beach MSA (estimated by the US Department of Housing and Urban Development). The median sales price in the MSA is lower than the national median and ranked 40th among metropolitan areas in 2004. However, housing prices are increasing more rapidly in the MSA than the nation, particularly after 2002. The Median Family Income in the MSA is nearly equal to that for the US and, as with the national Median Family Income, the median family income in the MSA has been increasing at a much slower pace than median prices.

Fortunately, mortgage interest rates declined significantly after 2000, which helped increase homeownership demand despite rapid increases in prices and also allowed existing homeowners to reduce their debt payments through refinancing. Interest rates on 30-year loans went from an average of 8.2% in 2000 to an average of 5.8% in 2003 and even somewhat lower in 2004. In addition, lenders have a variety of mortgage loan products, such as interest-only loans, that can increase affordability for many homebuyers. Rapid escalation in prices even could have prompted home seekers to buy in anticipation of higher prices in the future, which would increase their own wealth if they have equity in a home but would make buying in the future less affordable. But mortgage interest rates started to increase in 2005 and higher interest rates combined with current housing prices could decrease ownership affordability significantly and have contributed to speculation about a "housing price bubble" which would be unsustainable if demand suddenly decreased.

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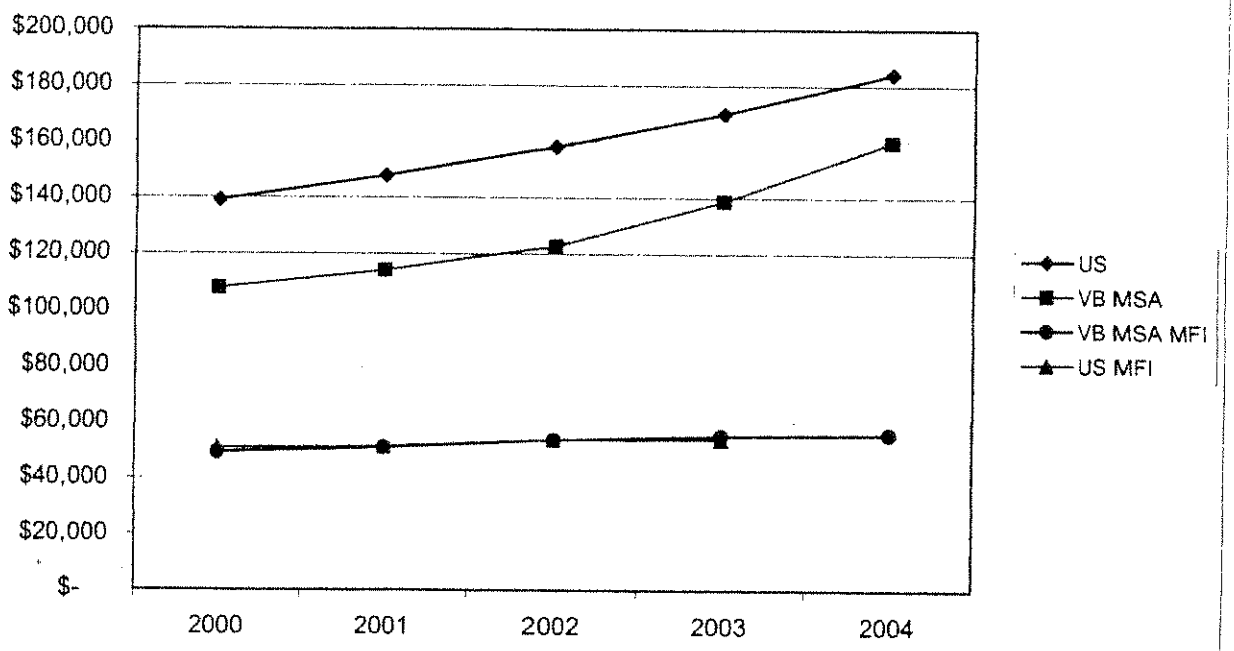
[3] Between the 3rd quarter 2003 and 3rd quarter 2004, the most recent periods available.

[4] "Homeownership Affordability in Virginia," 2004 available at www.caus.vt.edu/CAUS/RESEARCH/vchr/VCHR.html

[5] Virginia Beach-Norfolk-Newport News, VA-NC Metropolitan Statistical Area including the following jurisdictions: Currituck County–NC, Gloucester County–VA, Isle of Wight County–VA, James City County–VA, Mathews County–VA, Surry County-VA, York County-VA, Chesapeake city-VA, Hampton city-VA, Newport News city-VA, Norfolk city-VA, Poquoson city-VA, Portsmouth city-VA, Suffolk city-VA, Virginia Beach city-VA, Williamsburg city-VA. For more information about the definition of the Virginia Beach-Norfolk-Newport News MSA please check http://www.census.gov/population/estimates/metro-city/0312msa.txt

Figure 2: Median Housing Prices and Median Family Incomes (MFI)

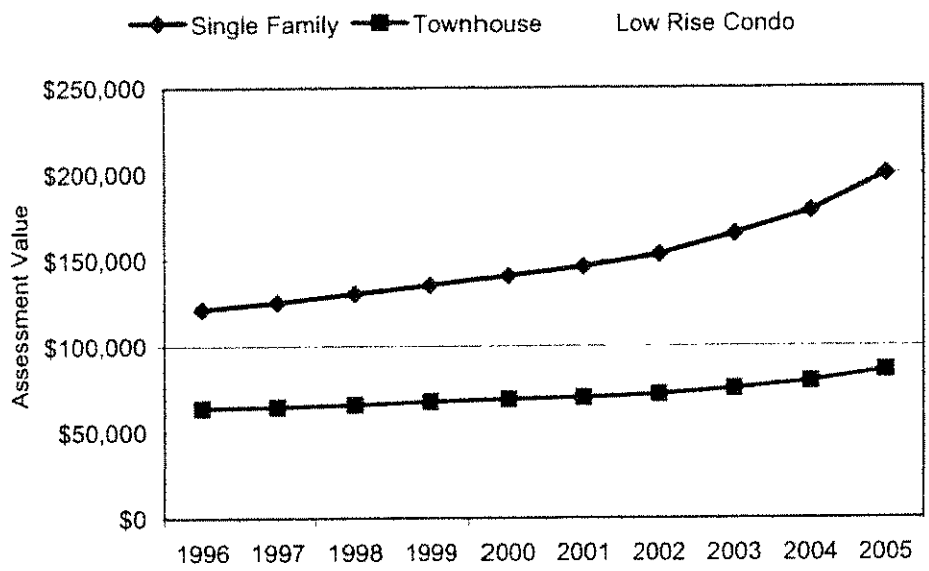


Source: National Association of Realtors and HUDUSER.ORG

Although the data on median sales prices presented in Figure 2 are not available for the City of Virginia Beach, tax assessment data reflect similar if not even more rapid increases in housing prices. The assessment data[6] also provide greater detail about the type of house. As shown in Figure 3, the average assessed values for single-family and low-rise condominium units have increased sharply, particularly since 2000. Average assessed values for townhouse units have increased less dramatically and are the most affordable units in Virginia Beach.

[6] Assessment data are for all units, not just those sold in a given year. Assessments lag changes in sales prices by a year or more.

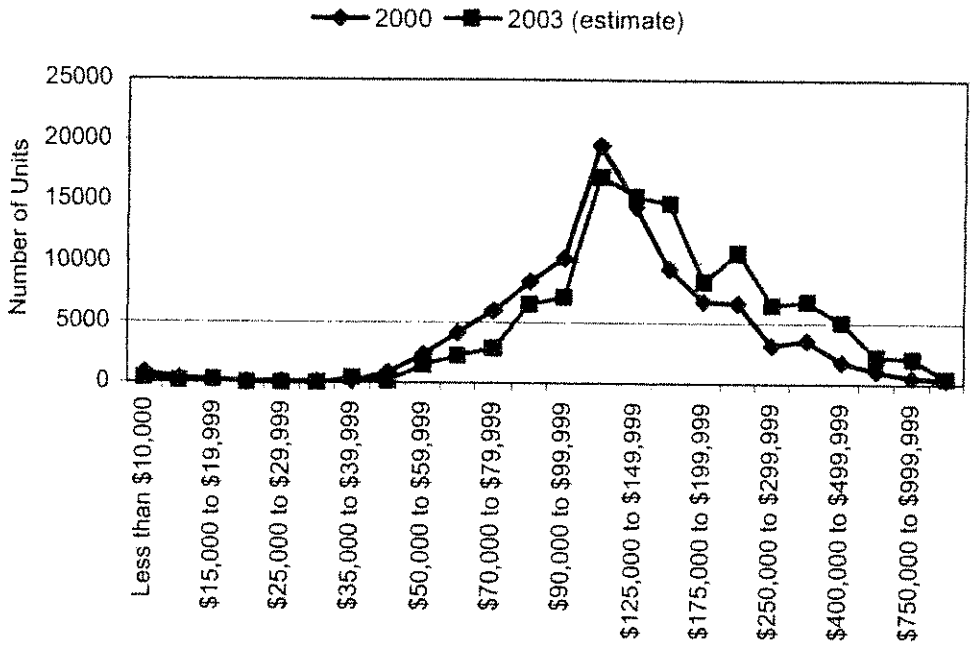
Figure 3: Average Assessment by Housing Type



Source: Virginia Beach Assessor's Office Report, 2004

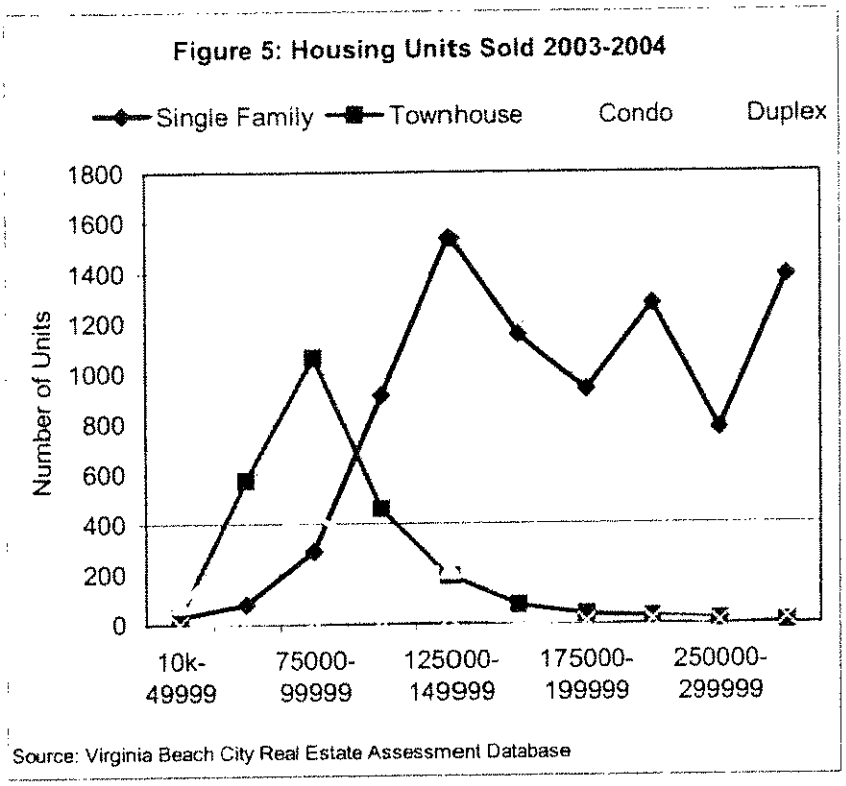
The rapid increase in housing values since 2000 is quickly eliminating the supply of more affordable housing in Virginia Beach. As shown in Figure 4, the supply of houses below $125,000 has declined significantly, causing the range of values below the median ($154,000 in 2003—the most recent available data on the distribution of house values) to cluster closer to the median than in 2000. Houses with values below $50,000 were virtually non-existent by 2003 and the number of houses between $50,000 and $100,000 had declined dramatically. As a result of rapid price inflation and the higher prices of new houses, the Virginia Beach housing supply only increased for houses with prices of $150,000 and higher.

Figure 4: Value of Owner-Occupied Units, 2000-2003



Source: Us Census 2000 and ACS 2003

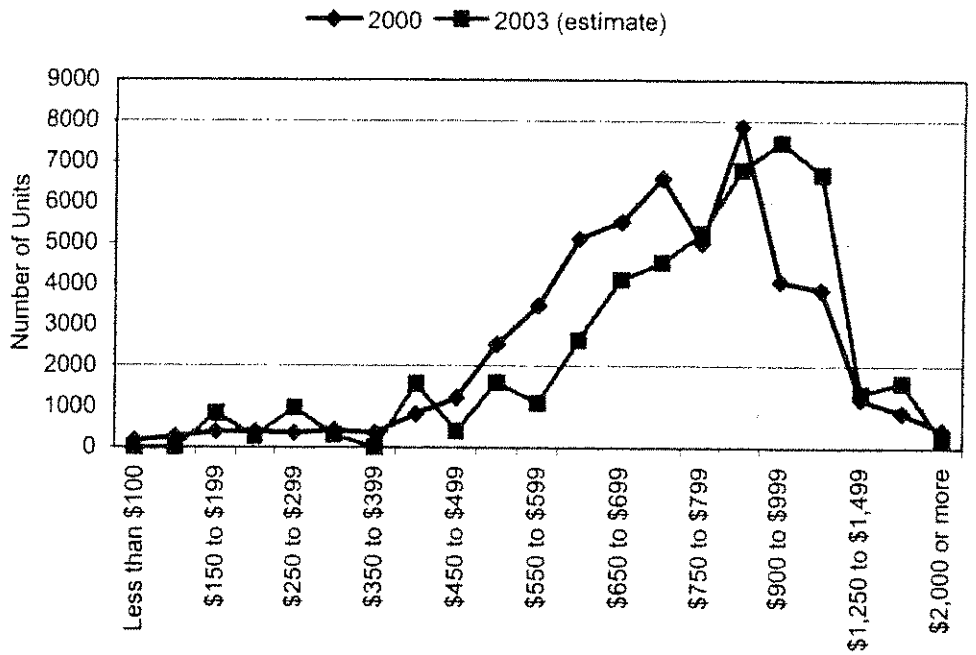
Recent sales data covering 2003 and 2004 for Virginia Beach highlights the scarcity of single-family houses with prices below $100,000 (see Figure 5). Townhouses were the most affordable houses sold, with over 1,600 units sold between $50,000 and $100,000, and with townhouse sales heavily clustered in the $50,000-$125,000 range. Condominium sales were spread fairly evenly across the price range and were more numerous than single-family houses priced below the $100,000 level.



Rental Housing

The cost of rental units has escalated along the lines of the owner units. In 2003, the median gross rent in Virginia Beach was estimated at $804, an almost 10% increase from 2000. Renter occupied units as a percent of total occupied units declined to 30.8% in 2003 from 34.4% in 2000. The increase in median gross rent reflects an overall increase in higher priced rental units (costing more than $900) and a decline in the number of more affordable rental units (Figure 6). This clearly indicates a growing affordability problem in the rental market throughout Virginia Beach.

Figure 6: Gross Rent, 2000-2003



Source: US Census 2000 and ACS 2003

Figure 6 also shows that the majority of renter occupied housing units within the City fall within the $600 to $899 range. Of all housing units, the largest portion (14%) fall within the $800-899 range. Furthermore, housing units with rents below $450 only made up 6% of the total renter occupied units compared to 18% of units in the MSA. When taking into consideration rents by the number of bedrooms in a unit, the majority of one bedroom units (61%) and two bedroom units (55%) fall within the $500-$749 range (same pattern for the MSA). However, for units with three bedrooms or more, the majority fell into the range of $750-$999 (42%).

First-time Homebuyers

First-time homebuyers are at greatest risk of being squeezed by higher prices since they do not benefit from increased equity as a prior homeowner. We project about 19,000 first-time buyers between 2001-2010 with incomes below $50,000 (in year 2000 dollars) and another 20,000 with incomes above this level. About 6,500 projected first-time buyers have incomes below $30,000 (see Table 3)[7].

Homeownership rates increase with the age of the householder. A minority of young people become homeowners in the early years of establishing independent households.

[7] For detailed projections of first-time homebuyer demand in Virginia Beach and elsewhere in the MSA, see "Homebuyer Market Analysis for the Virginia Beach Metropolitan Area," prepared for Community Housing Partners Corporation. Center for Housing Research, Virginia Tech, 2005 (forthcoming).

Homeownership becomes progressively more popular and feasible as people mature, earn more income, save money for a down payment, settle into a job and community, marry and have children. As shown in Table 3 the largest demographic segments of first-time homebuyers are among married-couple families with householders between the ages of 35 and 54 and with incomes above $40,000.

Table 3: First-time Homebuyers, Virginia Beach, 2001-2010

	Income						
	<$20,000	$20,000-30,000	$30,000-40,000	$40,000-50,000	$50,000-75,000	$75,000-100,000	>$100,000
Total	2197	4359	5385	6950	10641	5547	4547
Married-couple	792	1741	3211	4683	8745	4371	3313
15 to 24	79	57	29	104	203	84	81
25 to 34	20	535	1085	1589	3688	1686	1055
35 to 44	379	989	1424	1912	2963	1911	1563
45 to 54	314	160	674	1077	1890	690	613
Other Family	1134	1307	1430	1472	1010	267	254
15 to 24	30	84	72	27	27	12	15
25 to 34	96	530	486	314	210	86	83
35 to 44	716	162	292	343	220	60	21
45 to 54	292	531	579	788	553	109	135
Non-family, 15-54	271	1311	744	796	886	909	981

Source: Center for Housing Research

Family householders without a spouse present (the "other family" category in Table 3) are projected to account for 11,500 first-time buyers over the decade. Most of these householders are single parents (including the formerly married) and the majority are 35 years and older. These households are probably the most vulnerable to not finding affordable housing.

Non-family, first-time homebuyers are projected to be a slightly larger market than single-parent families. Non-families include individuals living alone or with unrelated housemates, including unmarried "DINKS"—couples with "dual incomes, no kids". Non-families have increased more rapidly over the past decades than families and have recently entered the homeownership market in greater number.

Table 4 provides the maximum mortgage amount affordable to first-time homebuyers (if no more than 30% of income goes to housing costs), assuming a thirty-year, fixed-rate mortgage, property insurance at $40/month for houses under $150,000 and at $50/month for houses above $150,000, mortgage insurance at $40/month, and a Virginia Beach tax rate of $1.22/$100 assessed valuation. The maximum affordable mortgage for each income category was estimated for the mid-point of the category ($15,000 was used for the bottom category and $100,000 for the top category). Estimates are provided for interest rates at 5.75% and at 7.00% in order to show the impact of increased interest rates on affordability.

Table 4: Housing Prices Affordable to First-time Homebuyers by Income, Virginia Beach 2000-2010

	Income						
Number of First-time buyers, 2001-2010	<$20,000	$20,000-30,000	$30,000-40,000	$40,000-50,000	$50,000-75,000	$75,000-100,000	>$100,000
	2,197	4,359	5,385	6,950	10,641	5,547	4,547
Interest Rate	Affordable Price at Income Midpoint						
@5.75%	$42,325	$78,805	$115,286	$150,315	$195,920	$305,362	$350,967
@7.00%	$37,813	$70,408	$103,003	$134,294	$175,046	$272,831	$313,568

Source: Center for Housing Research

Obviously the projected 2,200 first-time buyers with incomes below $20,000[8] will have an extremely difficult time finding affordable units and will likely have to look for housing in the rental market or pay considerably more than 30% of their income to purchase a house. Fewer than 100 single-family and townhouse units sold during 2003-04 had prices below $50,000.

First-time buyers with incomes between $20,000 and $30,000 can afford houses priced at around $75,000 or less. There are nearly 4,400 projected first-time buyers in this income category during the decade (about 440 buyers per year). Over the two-year period of 2003-04, about 1,300 single-family houses and townhouse units sold for $75,000 or less. Although there were enough units to meet demand from first-time buyers in this income category, the supply would be insufficient if demand also comes from first-time buyers with higher incomes or from repeat buyers, which is very likely in a tight housing market.

Demand among first-time buyers increases significantly in the next two income ranges ($30,000 to $40,000 and $40,000 to $50,000). For the first of these income categories, 5,400 buyers would need houses priced below $115,000 (or $103,000 if interest rates increase to 7%). This is an average of 540 per year, while there were 2,400 units sold during 2003-04 with prices between $75,000 and $100,000. The affordable supply at this price level and above becomes more abundant and could accommodate demand among first-time buyers and from many repeat buyers.

Up to 2004, first-time buyers with incomes below $30,000 faced the most severe affordability problems. However, if prices continue to escalate more rapidly than incomes and if interest rates increase significantly, the income threshold for effective demand will obviously increase. With prices increasing more rapidly than incomes, lower-income home seekers face a dwindling supply of affordable units. They also face increased competition from higher income households for those units. Even if recent increases in

[8] Although the incomes shown in the table are in year 2000 dollars, incomes have only been increasing by about 3% per year. Over three years, this would only increase the nominal price of affordable housing by 10%. For example, the maximum affordable price of $150,315 for a household with a $45,000 income would only increase to $165,000 by 2003.

housing prices are attenuated, competition for a limited supply of modest-priced houses is likely to increase as more of the affordable stock is occupied by households with higher incomes.

Homebuyers with incomes below $30,000 (in year 2000 dollars) face serious shortages in the number of affordable units they can buy. Continued price increases will place buyers with incomes between $30,000 and $50,000 at greater risk of not finding affordable housing in Virginia Beach. Families with children are probably the most seriously endangered for several reasons. First, their space needs are less flexible. Second, their budgets are probably more constrained by other necessary expenditures, including childcare and educational expenses, and families cannot increase the proportion of income going to housing as readily as households without children. Third, they probably prefer single-family detached houses to townhouses and condominium units whenever possible.

Home seekers priced out of ownership will turn to the rental market or move out of Virginia Beach to find affordable housing. As noted earlier, the rental market in Virginia Beach has a very low vacancy rate, despite a period when housing demand clearly shifted to ownership due to low interest rates. In addition, the number of units with gross rent below $750 declined sharply between 2000 and 2003 (the most recent data available).

The Affordable Housing Gap in 2000

The following housing gap analysis estimates the surplus or deficit of housing units that were affordable to certain household income groups, both for renter and owner-occupied household as of 2000. This housing gap is calculated from special tabulations of the 2000 Census prepared for HUD for use in preparing Consolidated Plans. Three numbers are used in calculating the affordable housing gap: 1) the number of households in the income category, 2) the total number of housing units affordable to these households (at 30% of their income), and 3) the number of these affordable units that were occupied by households with higher incomes.

The gap analysis shows that low-income renters face the most severe shortage of affordable housing, which is not surprising. We estimate a gross deficit of nearly 8,500 affordable rental units for renters with incomes below 50% of the Area Median Family Income (AMFI[9]) (approximately $25,000 in 2000). (See Table 5.) Consequently, low-income renters were forced to spend large portions of their incomes (often in excess of half) in order to obtain housing.

Table 5: Affordable Rental Housing Gap, 2000

	Total Renters	Total Units	Surplus (Deficit)	Occupied >%AMFI	Gross Deficit
<30%AMFI	5,771	4,054	-1,717	2,679 66.1%	-4,396
30-50%AMFI	6,660	5,260	-1,400	2,709 51.5%	-4,109
50-80%AMFI	13,415	37,180	23,765	18,602 50.0%	5,163

Source: CHAS 2000 Data Book and Center for Housing Research

The gap was largest for extremely low-income households (less than 30% AMFI) where the number of renters exceeded the number of affordable units by 1,717. This gap was increased to 4,395 as a result of higher income households out-bidding the lower income segment and occupying more than two-thirds of the units affordable to this income category. The same phenomenon took place for the very-low income group (30-50% AMFI) with higher income households occupying almost half (51.5%) of the units affordable at this income level. Severe housing cost burdens cause a host of problems including under-consumption of other necessary goods and services as well as family instability.

Low and very low-income homeowners also face a shortage of affordable units, with a deficit of about 6,000 affordable owner units in 2000 (see Table 6). Although there was a sufficient number of affordable units for owners with these income levels in 2000, most were occupied by owners with higher incomes (77.2% and 73.4%, respectively). This reduced the limited surplus (+437 units) for the very-low income group to a much larger

[9] AMFI stands for Area Median Family Income, the median income for families within a geographic area. Estimated by HUD and used as a reference for income eligibility for housing programs.

deficit (-5,770 units), and the relatively large surplus (+32,887) for the low-income owner households into a deficit of 421 units.

Table 6: Affordable Owner-Occupied Housing Gap, 2000

	Total Owners	Total Units	Surplus (Deficit)	Occupied >%AMFI	Gross Deficit
<50%AMFI	7,603	8,040	437	6,207 **77.2%**	-5,770
50-80%AMFI	12,477	45,364	32,887	33,308 **73.4%**	-421

Source: CHAS 2000 Data Book and Center for Housing Research

As with low-income renters, this gap forces low-income owners to pay excessively high portions of their income for their housing. Although most homeowners have fixed payments for principal and interest, their property tax, utilities and insurance costs escalate. Since 2000, these costs have risen much more quickly than incomes even for the median income family. Homeowners with below median incomes have seen housing costs increase much more rapidly than their incomes.

Military Housing

Virginia Beach is the home to four main military installations: three Navy, NAB Little Creek, NAS Oceana, FCTC Dam Neck and one Army, Ft. Story. Although some military housing is offered to military personnel, the majority of military families find housing through the open market. The naval installations have a combined total of 11,800 families (a family constitutes a military personnel with dependent) but only provide a total of 1,816 military housing units (see Table 7). This leads to a deficit of 9,984 military housing units or units needed in the private market. Since families are allowed to choose housing within a one hour commute of the base, a portion of the deficit may be handled by military housing located outside of Virginia Beach. Ft. Story also experiences similar deficits as the naval installations. There are 1,130 Army "permanent party" stationed at Ft. Story but only 163 quarters[10].

Table 7: Naval Base Housing Units and Families for Virginia Beach

Base	Number of Families	Number of Housing Units	surplus (deficit)
NAB Little Creek	5068	862	-4206
NAS Oceana	5100	935	-4165
FCTC Dam Neck	1632	19	-1613
Total	11800	1816	**-9984**

Source: John J. Morello, Director, Mid Atlantic Regional Family Housing

Currently, the Navy has a two year wait for military housing for Little Creek and Oceana facilities totaling 571 families (see Table 8). Eighty two percent of those on the wait list are enlisted personnel. Of those enlisted personnel on the wait list, fifty two percent are waiting for three bedroom units.

Table 8: Wait List for Naval Housing, Virginia Beach

		Enlisted	Officer
Little Creek			
	2 bedroom	98	--
	3 bedroom	105	42
	4 bedroom	33	32
	5 bedroom	--	--
Oceana			
	2 bedroom	--	--
	3 bedroom	139	20
	4 bedroom	77	10
	5 bedroom	15	--

Source: John J. Morello, Director, Mid Atlantic Regional Family Housing

Military personnel who are seeking housing within the open market are limited by the housing allowance that is provided to them based on their pay grade and the dependent status (see Table 9). Those with dependents (spouse or children) have a slightly higher housing allowance than those without dependents. For most pay grades the basic housing allowance permits military personnel to compete for housing costing $900-$1,100 per

[10] Source: Ann Heiss Schulte, Family Advocacy Program Manager

month. Although this makes the middle of the rental market affordable to military personnel, it increases competition for these units. Given the shortage of housing in the City, the large military demand undoubtedly adds to the market pressures that have compressed the bottom half of the rental supply toward the median and reduced the supply of units affordable to low-income renters.

Table 9: Basic Housing Allowance (BAH) for Norfolk, Virginia Beach, Portsmouth and Chesapeake

Pay Grade Range	Allowance Range	
	With Dependents	Without Dependents
E1 - E4	$1,031	$874
E5 - E9	$1103 - $1397	$931 - $1159
W1 - W5	$1214 - $1522	$1004 - $1267
O1E - O3E	$1266 - $1437	$1103 - $1213
O1 - O3	$1115 - $1332	$959 - $1173
O4+	$1564 - $1763	$1261 - $1361

Source: Department of Defense, Basic Allowance for Housing (BAH), 2005

Comparing these gross rents to the housing allowance given to military personnel, those personnel within the higher pay grades should be able to easily afford renter housing units within the City. However, lower ranked enlisted personnel may have difficulty finding affordable renter housing. This is particular true when comparing enlisted personnel with dependents and rents for units with three or more bedrooms (enlisted personnel wanting three or more bedrooms is the largest group on the military housing waiting list). Lower ranked personnel may either have to spend more than their allowance on housing costs (using portions of the income) or look outside of the City for housing.

Future Military Housing

As for now, there are no known increases or decreases in the military personnel within the City. Furthermore, the Navy has no known facility projects scheduled within Virginia Beach. However, Ft. Story has plans to build 200 new housing units on post in 2005.

While military housing is currently run through a military housing agency, both the Navy and Army have plans to transition their housing stock to contracted housing. With the transition to contracted housing, military personnel will still get their same housing allowance but their rent will not automatically be taken out of their pay as under the current system. They will have to actually write a check for their rent removing the perception that rent is "free". There is speculation that this may change the housing preference of those individuals living in military housing and more military individuals may move into the open market.

Workforce Housing

The link between the workforce in the city and its housing needs is central because it is the demographics and characteristics of the population that dominate the demand side of the housing market and hence directly impacts the supply of housing in the City. Ideally, the City needs to provide an equal number of housing units to the jobs it creates and to ensure that these units be affordable to the household income level of the workers taking these jobs. In an area such as Virginia Beach that is surrounded by other urban centers within commuting distance, the workforce housing market should be examined from a regional perspective rather than a local one. However, for the purposes of this study, we try to establish only if the City is achieving a comfortable level of balance between the type of jobs available and the stock of affordable housing available to service the workers.

Between 1990 and 2000, the number of wage and salary jobs in Virginia Beach (excluding non-civilian military employment) increased by 53,300 jobs (see Table 10). Given the average number of workers per household in Virginia Beach, 53,300 jobs equates to housing demand for 37,450 units. However, the supply of housing units only increased (net) by 15,240 units, leaving a deficit. For every 1.42 jobs created in the city, a household was created and needed a housing unit. Considering this ratio, and comparing the increase of jobs during this time period and the number of housing units actually produced, we can conclude that between 1990 and 2000, Virginia Beach produced 22,000 fewer units than demand associated with job creation. With jobs and housing units out of balance, Virginia Beach workers were living elsewhere while commuting to their jobs. Along with scarcity of housing, the dislocation between the job and residence place can also be attributed to personal or family preference or the availability of better and more housing choices nearby within a commuting distance.

Table 10: Jobs-Housing Balance in Virginia Beach

	1990-2000	2000-2002
Increase in jobs	53,281	5,885
Households @ 1.42 jobs/household	37,448	4,144
Increase in housing units	15,240	4,175
Housing Surplus (deficit)	-22,208	31

Source: Center for Housing Research

Between 2000 and 2002, housing production was sufficient to keep up with job growth but inadequate to offset the earlier deficit. Even if gross housing production keeps up with workforce-related housing demand, the houses produced are usually at the high-end of the housing market, whereas the jobs being created typically have incomes that require much less expensive housing. For example, according to the Virginia Employment Commission (VEC) the top employers in 2004 in Virginia Beach are:

1. City of Virginia Beach Schools
2. City of Virginia Beach
3. U.S. Department of Defense
4. Sentara Bayside Hospital

5. Little Creek Navy Exchange
6. Farm Fresh
7. Wal-Mart
8. Lillian Vernon Fulfillment
9. Americaid Community Care
10. Stihl

Most of the jobs generated by the employment base in Virginia Beach require less expensive housing than new construction can produce. As seen in Table 11, of the top twenty occupations between 2001 and 2003 in the Virginia Beach MSA, only one had average earnings above $50,000 (a bench mark chosen by the research team based on the latest housing prices and the incomes needed to afford them). The top five earn less than $22,000 per year. As a result, much of the workforce in the Virginia Beach job market, whether in terms of existing or newly created jobs, faces housing affordability challenges especially in the homeownership market.

Table 11: Top 20 Occupations, 2001-2003 (for the whole MSA)

Occupation Title	2001	2003	Change	Average
1.Retail Salespersons	24350	25,570	5%	$20,320
2.Office Clerks, General	15500	19,070	23%	$21,570
3.Cashiers	18320	18,990	4%	$15,100
4.Combined Food Preparation and Serving Workers, Including Fast Food	12370	15,330	24%	$14,610
5.Laborers and Freight, Stock, and Material Movers, Hand	10500	11,850	13%	$20,670
6.Registered Nurses	9120	10,410	14%	$47,460
7.Bookkeeping, Accounting, and Auditing Clerks	8300	8,380	1%	$26,390
8.Elementary School Teachers, Except Special Education	7520	7,930	5%	$44,350
9.Supervisors/Managers of Office and Administrative Support Workers	7440	7,620	2%	$39,890
10.Nursing Aides, Orderlies, and Attendants	6590	7,460	13%	$18,390
11.Receptionists and Information Clerks	6100	6,740	10%	$18,500
12.Maids and Housekeeping Cleaners	5540	6,450	16%	$15,930
13.Sales Representatives, Wholesale and Manufacturing	5900	6,320	7%	$50,560
14.Maintenance and Repair Workers, General	6250	6,320	1%	$27,330
15.Teacher Assistants	5610	5,970	6%	$16,860
16.Truck Drivers, Heavy and Tractor-Trailer	4850	5,800	20%	$29,440
17.First-Line Supervisors/Managers of Food Preparation and Serving Workers	4850	5,520	14%	$24,750
18.Telemarketers	2510	5,240	109%	$19,600
19.Carpenters	4830	5,200	8%	$30,620
20.Secondary School Teachers, Except Special and Vocational Education	3960	4,830	22%	$47,560

***Bold for jobs paying more than 50k/year**

Source: Virginia Employment Commission 2004

Table 12 shows the top twenty growing occupations throughout the metro area during the same period with only three of them earning more than $50,000. As a result, the majority of the workforce in the Virginia Beach job market, whether in terms of existing or growing jobs, faces housing affordability challenges especially in the homeownership market. These challenges continue to exist and apparently grow with fewer affordable units produced in 2003-04 and increasing real estate assessments and vacancy rates.

Table 12: Top 20 Growing Occupations, 2001-2003 (for the whole MSA)

Occupation Title	2001	2003	Change	Average
1.Meat, Poultry, and Fish Cutters and Trimmers	530	2,230	321%	$15,930
2.Photographic Process Workers	40	130	225%	$22,110
3.Extruding, Forming, Pressing, and Compacting Machine Setters, Operators, and Tenders	110	350	218%	$27,540
4.First-Line Supervisors/Managers of Correctional Officers	120	370	208%	$42,450
5.Radio Mechanics	110	310	182%	$37,860
6.Real Estate Brokers	80	190	138%	$104,240
7.Personal Financial Advisors	200	470	135%	$61,950
8.Fitness Trainers and Aerobics Instructors	450	1,050	133%	$30,140
9.Paving, Surfacing, and Tamping Equipment Operators	160	360	125%	$26,790
10.Locksmiths and Safe Repairers	60	130	117%	$28,200
11.Coin, Vending, and Amusement Machine Services and Repairers	70	150	114%	$28,330
12.Security and Fire Alarm Systems Installers	80	170	113%	$29,580
13.Helpers-Pipelayers, Plumbers, Pipe fitters, and Steamfitters	590	1,250	112%	$26,660
14.Ushers, Lobby Attendants, and Ticket Takers	600	1,260	110%	$14,010
15.Telemarketers	2510	5,240	109%	$19,600
16.Training and Development Specialists	980	1,990	103%	$46,520
17.Lawyers	1340	2,570	92%	$138,440
18.Cooks, Short Order	610	1,110	82%	$15,470
19.Weighers, Measurers, Checkers, and Samplers, Recordkeeping	200	360	80%	$24,410
20.Real Estate Sales Agents	1340	2,410	80%	$39,990

***Bold for jobs paying more than 50k/year**

Source: Virginia Employment Commission 2004

Housing Affordable to Low and Modest Income Workers is Hard to Find

Housing affordability for the workforce reflects wage levels, household characteristics and housing prices or rents. To examine housing affordability for people with low-wage

to modest-wage jobs, we estimated the number of units affordable for people in seven occupations representing a mixture of growing metro jobs and critical city jobs.

- Cashiers
- Retail/Sales
- Office Clerks
- Elementary Teacher
- Firefighter & Police
- Registered Nurse
- Lawyers

For each of these occupations, we have created an individual table to summarizing housing affordability for each of these occupations in the rental and ownership market including two main scenarios of income profiles (individual wage and Median HHI/W – see description below).

The following provides a description for the terms and methodology used in these tables:

- Individual wage (either the published MSA average or the City entry level wage)
- The median household income per wage (Median HHI/W) indicating the median household income for the households with at least one member of the household working in this occupation. This is calculated using the 2000 US Census micro data set to estimate the ratio between households with a single earner in this occupation (found to be an average of 10 percent across the board), and the total household income with at least one person working in this occupation. For each income level, the affordable maximum price (max. price) is calculated as well as the affordable maximum gross rent (max. rent).
- We checked the total number of single family (SF) units sold in 2003/2004 (based on the latest update of the assessor's office database that was available to the study team) as well as the total townhouses sold in the same period using the latest sales data in the city assessor's database. These represent the total number of units these occupations can afford and are actually offered for sale. However, these units are also in the competitive market with higher income levels, so the number of units are most likely an overstatement especially considering low vacancy rates..
- For the rental market, we checked the number of units listed on the City's Real Estate Information Network (REIN) data base to find out the total number of units actually available for rent within the affordable rent range for each occupation.
- The numbers of workers in the various occupations are based on metro level data provided by the VEC. Data were not available at the city level.

Cashiers

Cashiers account for about 18,990 workers on the metro level earning an average individual salary of $15,100. On the city level, less than 10 percent of households with persons in this occupational category had only one income. The majority of these

households had a 2.53 ratio of HHI/W (that is about 90 percent of the households with a person in this occupation had an income 2.53 times his/her individual wage). Table 13 shows what households in this occupation can afford along with the number of affordable units for sale or rent. For a cashier without additional income, there were only 58 affordable units sold during 2003-04 and there were no affordable rental units available. Obviously, cashiers are in need of affordable housing due to their limited income and compete among themselves and with those in better paying occupations for a limited number of affordable units.

Table 13: Affordable Housing for Cashiers

	Individual wage	Median HHI/W
Income	$ 15,100	$ 38,188
Home Ownership		
Max. price	$40,285	$111,273
SF units sold 2003/04	26	913
Townhouse units sold 2003/04	32	461
Rental		
Max. rent	$ 378	$ 955
Available for rent on 02/16/2005 (REIN Database)	0	198

Source: Center for Housing Research

Retail Sales

Retail sales jobs account for the largest number of workers on the metro level with about 25,570 workers earning an average individual salary of $20,320. On the city level, less than 10 percent of households with persons in this occupational category had only one income. The majority of these households had a 2.2 ratio of HHI/W (that is about 90 percent of the households with a person in this occupation had an income 2.2 times his/her individual wage). Table 14 shows what households in this occupation can afford along with the number of affordable units for sale or rent. Although the individual income in this group faces a shortage of affordable housing throughout the City, that most households have additional sources of income makes it a little easier, although still tight, in terms of how much they can afford.

Table 14: Affordable Housing for Retail Sales

	Individual wage	Median HHI/W
Income	$ 20,320	$ 44,704
Home Ownership		
Max. price	$58,897	$143,989
SF units sold 2003/04	104	2,844
Townhouse units sold 2003/04	606	2,319
Rental		
Max. rent	$ 508	$ 1,118
Available for rent on 02/16/2005 (REIN Database)	4	303

Source: Center for Housing Research

Office Clerks

Office Clerks account for about 8,380 workers at the metro level earning an average individual salary of $26,390. On the city level, about 13 percent of households with persons in this occupational category had only one income. The majority of these households had a 2.45 ratio of HHI/W (that is about 86 percent of the households with a person in this occupation had an income 2.45 times his/her individual wage). Table 15 shows what households in this occupation can afford along with the number of affordable units for sale or rent. Almost similar to the previous categories, this group largely faces a very tight affordable housing market in the City if they depend on a single earner, and a little easier condition around the median.

Table 15: Affordable Housing for Office Clerks

	Individual wage	Median HHI/W
Income	$ 26,390	$ 64,756
Home Ownership		
Max. price	$80,545	$219,139
SF units sold 2003/04	395	4,932
Townhouse units sold 2003/04	1,669	2,456
Rental		
Max. rent	$ 660	$ 1,619
Available for rent on 02/16/2005 (REIN Database)	136	654

Source: Center for Housing Research

Teachers

Teachers are a critical part of any community and on the MSA level account for about 7,930 workers earning an average individual salary of $44,350 (however, for this exercise we selected the entry level salary of $34,227 to reflect the status of the newly hired teachers in the city). On the city level, about 10 percent of households with persons in this occupational category had only one income. The majority of these households had a 2.06 ratio of HHI/W (that is about 90 percent of the households with a person in this occupation had an income 2.06 times his/her individual wage). Table 16 shows what households in this occupation can afford along with the number of affordable units for sale or rent. Particularly with married teachers, the median household income allows for relatively decent housing market opportunities. However, the available and affordable units are also in the competitive market for higher income households who can out bid this group.

Table 16: Affordable Housing for Teachers

	Individual wage	Median HHI/W
Income	$ 34,227	$ 70,508
Home Ownership		
Max. price	$102,354	$226,828
SF units sold 2003/04	395	6,208
Townhouse units sold 2003/04	1,669	2,456
Rental		
Max. rent	$ 856	$ 1,763
Available for rent on 02/16/2005 (REIN Database)	122	581

Source: Center for Housing Research

Registered Nurses

Registered Nurses on the MSA level account for about 10,410 workers earning an average individual salary of $47,460 (however, for this exercise we selected the entry level salary of $34,858 to reflect the status of the newly hired nurses in the city). On the city level, about 8.4 percent of households with persons in this occupational category had only one income. The majority of these households had a 1.87 ratio of HHI/W (that is about 91 percent of the households with a person in this occupation had an income 1.87 times his/her individual wage). Table 17 shows what households in this occupation can afford along with the number of affordable units for sale or rent. Although nurses have a slightly higher individual income than teachers, their housing options are more limited based on household income.

Table 17: Affordable Housing for Registered Nurses

		Individual wage	Median HHI/W
	Income	$ 34,858	$ 65,184
Home Ownership			
	Max. price	$110,734	$218,858
SF units sold 2003/04		1,308	6,208
Townhouse units sold 2003/04		2,130	2,456
Rental			
	Max. rent	$ 871	$ 1,630
Available for rent on 02/16/2005 (REIN Database)		123	547

Source: Center for Housing Research

Firefighters and Police Officers

Firefighters and police officers are another critical asset of any community. For this exercise we selected the entry level salary of $36,622 to reflect the status of the newly hired officers in the city). On the city level, about 17 percent of households with persons in this occupational category had only one income. The remaining 93 percent had a 1.81 ratio of HHI/W (which is relatively low but consistent with the single earner ratio of 17 percent). Table 18 shows what households in this occupation can afford along with the number of affordable units for sale or rent. Even with relatively higher entry level wages, the demographics of these households makes it challenging for them to compete in a housing market with already few units available for sale or rent affordable to their income level.

Table 18: Affordable Housing for Fire Fighters & Police Officers

		Individual wage	Median HHI/W
	Income	$ 36,622	$ 66,143
Home Ownership			
	Max. price	$117,021	$229,707
SF units sold 2003/04		1,308	6,208
Townhouse units sold 2003/04		2,130	2,456
Rental			
	Max. rent	$ 916	$ 1,654
Available for rent on 02/16/2005 (REIN Database)		163	556

Source: Center for Housing Research

Lawyers

Lawyers as an occupational category were included to reflect a higher income occupation. The average individual salary of lawyers on the MSA level was $138,440. On the city level, about 22.2 percent of households with persons in this occupational category had only one income. The remaining had a 1.32 ratio of HHI/W (which is not surprising considering the high average individual salary). Table 19 shows what households in this occupation can afford along with the number of affordable units for sale or rent. Obviously this group has little to worry about when it comes to affordable housing in terms of absolute numbers of units needed or actual available numbers offered for sale or rent.

Table 19: Affordable Housing for Lawyers

	Individual wage	Median HHI/W
Income	$ 138,440	$ 182,741
Home Ownership		
Max. price	$480,026	$637,959
SF units sold 2003/04	8,374	8,374
Townhouse units sold 2003/04	2,478	2,478
Rental		
Max. rent	$ 3,461	$ 4,569
Available for rent on 02/16/2005 (REIN Database)	671	671

Source: Center for Housing Research

Anyone reliant on employment as a cashier (or similar jobs averaging $15,000 per year) or in retail sales (averaging $20,000 per year) would have an extremely hard time finding affordable housing in Virginia Beach, even though these are among fastest growing positions in the region. Office clerks (averaging $26,400 per year) have greater opportunities to find an affordable townhouse or apartment, but have few opportunities to buy a single-family house. Entry level teachers, public safety officers, and registered nurses could also find affordable townhouses and apartments, but would struggle to find an affordable single-family house. With the City's extremely low vacancy rates, only a few affordable housing units would be on the market at any given time.

Two Jobs Often Necessary to Afford Housing in Virginia Beach

Total purchasing power (and thus affordability) depends on total household income rather than an individual's income from a particular job. Only 10% of households with low to modest wage jobs rely exclusively on the income from that one job. Some households,

particularly married-couples, have income from two (or more) workers. We estimate that about 44% of all households with one or more potential workers have only one worker, while the remainder of households have two or more workers. A significant portion of one-worker households must have income from more than one job (that data is not available) or from other sources than work, such as transfer payments (public assistance and Supplemental Security Income) or investment income.

Low-income, single-parent females qualify for public assistance through Temporary Assistance for Needy Families (TANF) which includes a work requirement for most recipients. Non-elderly single individuals do not qualify for public assistance other than food stamps and SSI (if they have a disability, in which case they might not be working). One-worker households in low to modest wage jobs are unlikely to have significant earnings from investments or savings. By implication, a large portion of one-worker households have more than one job and otherwise could not afford to live in Virginia Beach.

Median household incomes for households with a person employed full-time in any of the low to modest income occupations examined were substantially higher than the average income from that position. Median household incomes for households with a teacher or registered nurse were about double the salary of the person in those positions, while median household incomes for households with a public safety officer were 80% higher than the public safety officer's income. Median household incomes for cashiers and office clerks were even higher multiples (150%) of the income from one job in those positions.

Across all of these positions, the lower half (in terms of household income) of households boosted their incomes by approximately $10,000 (in year 2000 dollars) on average, either through holding a second job, having another earner in the household, or other sources of income. Cashiers and office clerks were the most reliant on income from a second job or from other sources of income (e.g. food stamps or TANF). Most of the additional household income for these households must come from a second job or from public assistance, since approximately 40% of these households are reliant on income from one worker. In effect, one-worker households in lower-wage jobs must have a second job in order to obtain housing in Virginia Beach.

Commuting Patterns

Commuting patterns reveal the interrelationship between jobs and homes. As shown in Table 20, there was a 9% increase between 1990 and 2000 in workers who both lived and worked in Virginia Beach (127,961 people both lived and worked in Virginia Beach in 2000, approximately an increase of 11,000 above the 1990 level). However, jobs in Virginia Beach have been increasing faster than residents working in the City, which could be a reflection of the scarcity of housing affordable to many of the jobs being created. There was a 45% increase in the total number of commuters into Virginia Beach between 1990 and 2000. Even though Norfolk and Chesapeake accounted for the majority of in-commuters, the largest percent increases were from Suffolk (183%), Newport News (107%) and Hampton (85%).

Table 20: Commuter Into and Out of Virginia Beach, 1990-2000

	1990	2000	% Change
Out-Commuters:			
Total	96,337	94,687	-1.7
Norfolk	64,100	55,963	-12.7
Chesapeake	12,336	18,541	50.3
Portsmouth	7,477	7,318	-2.1
Newport News	2,045	2,319	13.4
Hampton	1,798	2,020	12.3
Suffolk	902	1,223	35.6
In-Commuters:			
Total	31,460	45,655	45.1
Norfolk	13,276	17,717	33.5
Chesapeake	9,762	15,394	57.7
Portsmouth	2,254	2,942	30.5
Suffolk	582	1,644	182.5
Hampton	807	1,490	84.6
Newport News	636	1,316	106.9
Live and Work in Virginia Beach	117,095	127,961	9.3

Source: US Census 1990 & 2000

Even though overall there was a 2% decrease in the number of workers commuting out of Virginia Beach between 1990 and 2000 (Table 20), in 2000 Virginia Beach was still a net exporter of workers, as more people commuted out of the City to work (94,687) than commuted in (45,655). As shown in Table 21, only Suffolk and Currituck County, North Carolina in 2000 had more commuters coming to Virginia Beach for work than leaving Virginia Beach to work in other areas. While Norfolk had the highest volume of commuters from Virginia Beach, there was a 13% decrease in the number of commuters to Norfolk over the last decade. Chesapeake had the highest increase (50%) in the number of workers commuting to it over the last decade, followed by Suffolk (36%).

Table 21: Commuting Into and Out of Virginia Beach, 2000

Locality	From Virginia Beach to:	To Virginia Beach from:	Net
Total (not including Virginia Beach)	94687	45655	-49032
Norfolk	55963	17717	-38246
Chesapeake	18541	15394	-3147
Portsmouth	7318	2942	-4376
Suffolk	1223	1644	421
Hampton	2020	1490	-530
Newport News	2319	1316	-1003
Currituck Co. NC	74	1032	958

Source: US Census 2000

Household Demographics

Household Composition

The average household size in 2000 was slightly larger in Virginia Beach than in the MSA, with 2.7 persons per household compared with 2.6 for the MSA. The City had a higher proportion of family households (households with one or more relatives) than did the MSA (73% vs. 70%) and fewer non-family households (one-person households or households with only unrelated individuals). Within the City one third of family households were comprised of a 2-person household (36%) and three quarters of the non-family households were comprised of a 1-person household (74%). As for the age of the households, about one third of family households in the City and the MSA are between the ages of 35-44 years, compared to non-family households where the largest percentage are between the ages of 25-34 years.

As shown in Table 22, families accounted for almost three of every four households in Virginia Beach (73%) in 2000, making it slightly more of a family housing market than the MSA (70%). In the City, married-couple families accounted for 57% of all households in 2000 (53.6% in 2003) and female-headed families (without a spouse in the household) made up 12% of all households (13% in 2003). Female-headed families accounted for three quarters of the "other family" category (both male and female-headed families without spouses present).

Table 22: Households by Type, MSA 2000 and Virginia Beach 2000 & 2003

	2000				2003	
	MSA		Virginia Beach			
	Number	%	Number	%	Number	%
Total households	577,794	100.0%	154,635	100.0%	160,433	100.0%
Family households	406,812	70.4%	112,127	72.5%	113,088	70.5%
Married-couple family	300,294	52.0%	88,102	57.0%	86,044	53.6%
Other family	106,518	18.4%	24,025	15.5%	27,044	16.9%
Female householder*	84,301	14.6%	18,160	11.7%	21,160	13.2%
Male householder*	22,217	3.8%	5,865	3.8%	5,884	3.7%
Non-family households	170,982	29.6%	42,508	27.5%	47,345	29.5%

*without a spouse present

Source: US Census 2000 and ACS 2003

Doubling-up in family households and subfamilies is relatively rare within Virginia Beach. The 2000 Census estimated about 9,335 people living in subfamilies, which equals about 3,892 subfamilies and constitutes only 3% of all households. The majority of people in subfamilies are in mother-child subfamilies (5,272 people). In addition, the 2000 Census estimated that 6,354 householders or spouses of householders were grandparents with grandchildren under 18 years of age living with them. Data for 2003 from the American Communities Survey indicated that the level of doubling-up has remained stable.

Non-family households have become more prevalent as more people live alone or live with unrelated roommates (including unmarried couples without children). Non-family households comprised slightly over one quarter (27%) of all households within the City in 2000, a slight increase over 1990.

Non-family households are comprised of two groups: those living alone and those living with roommates (often unmarried couples without children). Within Virginia Beach in 2000, nearly three quarters (74%) of non-family households were comprised of people living alone. Males living alone only made up 13% of non-family households while 54% of non-families were females living alone. One third of females living alone were 65 years of age or older (37%). There is a growing need for housing that can accommodate the increasing number of seniors living alone.

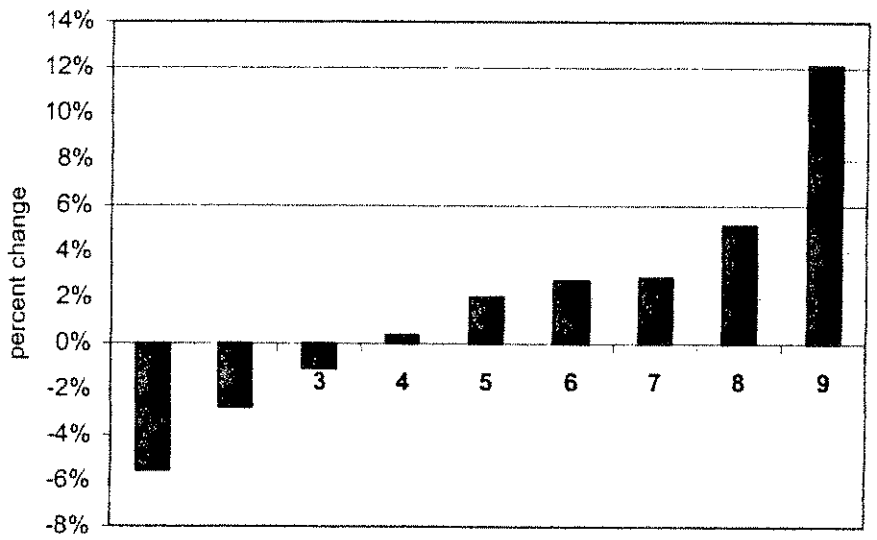
Incomes and Poverty

The median household income in 1999 was $48,705 in Virginia Beach, 15% higher than in the MSA ($42,448). Median family income was $53,242 (only 8% higher than the MSA) and median non-family income was $33,184 (22% above the MSA levels). The significantly higher income of non-families in Virginia Beach could reflect the scarcity of affordable housing for single people (and others) with lower incomes.

Median household income for the City increased 34% from 1989 to 1999. The Census American Community Survey estimated an additional increase of 7% from 2000 and 2003. However, a key indicator of how well households are doing across the income spectrum is the constant dollar (i.e. adjusted for inflation) income for the bottom 10% of households, the bottom 20%, and succeeding deciles (the median is the 5th decile or 50% percentile). The change in the income level using the constant dollar for each decile indicates how well that portion of households fared during the decade.

Figure 7 presents the percent change in income levels for total households (including military households) in 1989 and 1999 for each decile, with the 1989 income values inflated to 1999 dollars. Although household incomes kept up with inflation between 1990 and 2000 at the median (with a 2% gain in real income), higher income households had significant gains above inflation while lower-income households had significant losses in real income. This leaves lower income households even more vulnerable to escalating housing costs in Virginia Beach.

Figure 7: Total Household Income Deciles Percent Change 1990-2000



Source: US Census PUMS Data 1990-2000 and Center for Housing Reseach

Households in the 1st, 2nd, and 3rd deciles all experienced a negative change in income, with the 1st decile faring the worst (-6% change). The 4th decile only saw a slight increase in income (.4%). The 5th (median level), 6th, and 7th all experienced relatively the same change in income (2%-3%). The most significant change in income was seen in the 9th decile (incomes around $95,000 +) which experienced a 12% increase in income over the last decade. This shows a widening gap between those with lower incomes and those with higher incomes and has a considerable impact on the City's housing market. High income households increasingly can afford larger and more expensive homes and low income households increasingly have a difficult time maintaining their current housing situation or finding affordable housing.

The military appears to have had a significant and beneficial impact on incomes in Virginia Beach between 1990 and 2000. The median household income for households with one or more persons in the military increased by 17% in real dollars whereas the median income for all households only increased by 2%. In addition, households with military personnel gained in real incomes across the entire income distribution (see Table 23).

Table 23: Deciles 1 or more Military person in Household Income change 1990-2000

percentiles	1990*	2000	change
10	$22,725	$25,000	10.0%
20	$27,207	$31,000	13.9%
30	$31,549	$36,000	14.1%
40	$35,955	$41,010	14.1%
50	$40,911	$48,000	17.3%
60	$47,024	$52,550	11.8%
70	$53,903	$60,000	11.3%
80	$63,241	$70,100	10.8%
90	$79,135	$91,270	15.3%

*income adjusted to 2000 dollars

Source: US Census PUMS Data 1990-2000 and CHR

Black/White Income Gap

Minority households in Virginia Beach have much lower incomes than whites, with the median household income for whites exceeding that for blacks by 30% ($51,175 to $39,171). The median family income for households headed by whites almost always exceeds those for blacks in the same age and family type categories by 15% or more (see Table 23). However, the income gap between blacks and whites has significantly narrowed for married-couple families and for female-head families without a spouse present below the age of 35. If this progress is maintained as these householders age, there will be a significant reduction in the black-white income gap over time.

Table 24: Median Income by Race, Household Type and Age of Householder Virginia Beach, 2000

	White	Black	Total
Median family income in 1999 --			
Total	57,589	41,381	53,242
Married-couple family --			
Total	62,947	51,480	60,602
Householder 15 to 24 years	30,132	27,841	30,117
Householder 25 to 34 years	48,819	45,568	47,642
Householder 35 to 44 years	64,624	54,518	61,958
Householder 45 to 54 years	79,651	65,394	76,247
Householder 55 to 59 years	81,171	69,844	79,019
Householder 60 to 64 years	73,125	61,534	70,561
Householder 65 to 74 years	59,361	50,278	58,446
Householder 75 years and over	48,608	25,000	48,220
Other family --			
Total	34,082	25,348	30,549
Female householder, no husband present --			
Total	31,480	24,615	37,875
Householder 15 to 24 years	17,214	16,009	26,364
Householder 25 to 34 years	21,306	20,353	29,658
Householder 35 to 44 years	32,473	23,673	38,255
Householder 45 to 54 years	39,405	33,500	50,658
Householder 55 to 59 years	45,398	38,750	57,500
Householder 60 to 64 years	45,573	39,375	68,438
Householder 65 to 74 years	36,977	22,031	55,313
Householder 75 years and over	40,357	40,667	63,365
Male householder, no wife present --			
Total	41,383	28,268	28,397
Householder 15 to 24 years	27,390	25,179	16,522
Householder 25 to 34 years	34,000	23,450	21,100
Householder 35 to 44 years	40,559	30,625	28,754
Householder 45 to 54 years	51,956	49,464	36,854
Householder 55 to 59 years	56,000	24,115	41,841
Householder 60 to 64 years	69,141	60,357	42,604
Householder 65 to 74 years	57,031	54,107	34,599
Householder 75 years and over	64,904	26,250	41,875

Source: US Census 2000

Age and Income

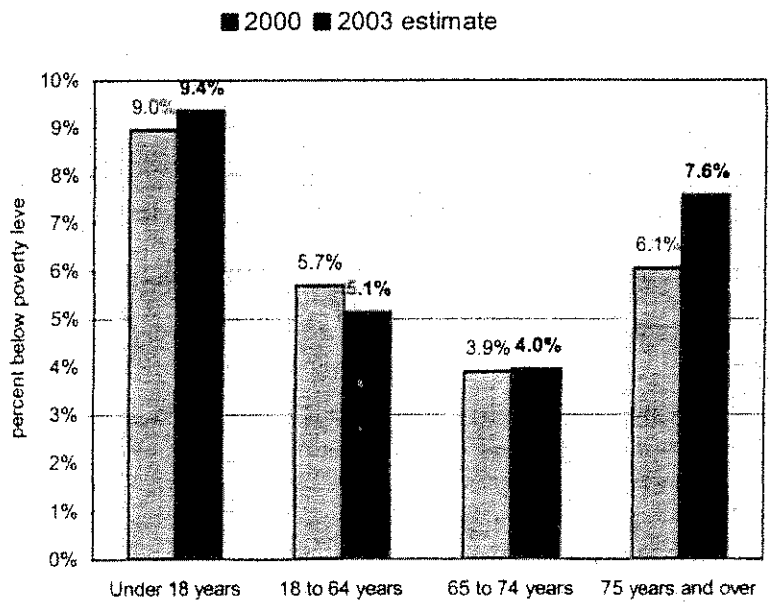
The impact of age on income is a combination of the effects of both maturity and the productivity of an age group. For husband-wife families in Virginia Beach in 1999, median family incomes, as shown in Table 23, were the highest for 55-59 year olds ($79,019) and then gradually decreased thereafter. Both male-headed and female-headed families without spouses reached their highest median incomes between the ages of 60 and 64 years ($68,438 and $42,604 respectively).

Incomes obviously influence housing consumption. Given the changes in incomes levels among lower income and higher income households, a diverse housing market is necessary to meet their needs. Additionally, as the population continues to age over the next decade, the number of post-retirement households will also increase. This has the potential to create a market for smaller houses with amenities targeted to this group and retirement communities.

Poverty

Although Virginia Beach has relatively high incomes compared to the region, poverty is still an issue within the City. There were approximately 27,163 people living below the poverty level in Virginia Beach in 2000, and the City's poverty rate of 7% was slightly below the MSA rate of 11%. In both 2000 and 2003, the poverty rate was highest among children under 18 years of age (see Figure 8). The poverty rate was lowest for individuals between the ages of 65 and 74 years (4%). The poverty rate rose between 2000 and 2003 for all age groups except 18-64 year olds where the rate dropped slightly. The most dramatic increase in poverty was for persons aged 75 and older (from 6% to 7.5%). With people living longer and often relying on social security as their only source of income, the poverty rate will most likely continue to rise for Virginia Beach's elderly population. With fewer resources and less ability or desire to move out of the City to find affordable housing, housing the elderly will become more of a challenge.

Figure 8: Poverty Rate by Age, 2000-2003



Source: US Census 2000 and ACS 2003

Map 1 shows that in 2000 Virginia Beach had a few pockets of concentrated poverty (greater than or equal to 20% of persons. These areas were scattered throughout the City

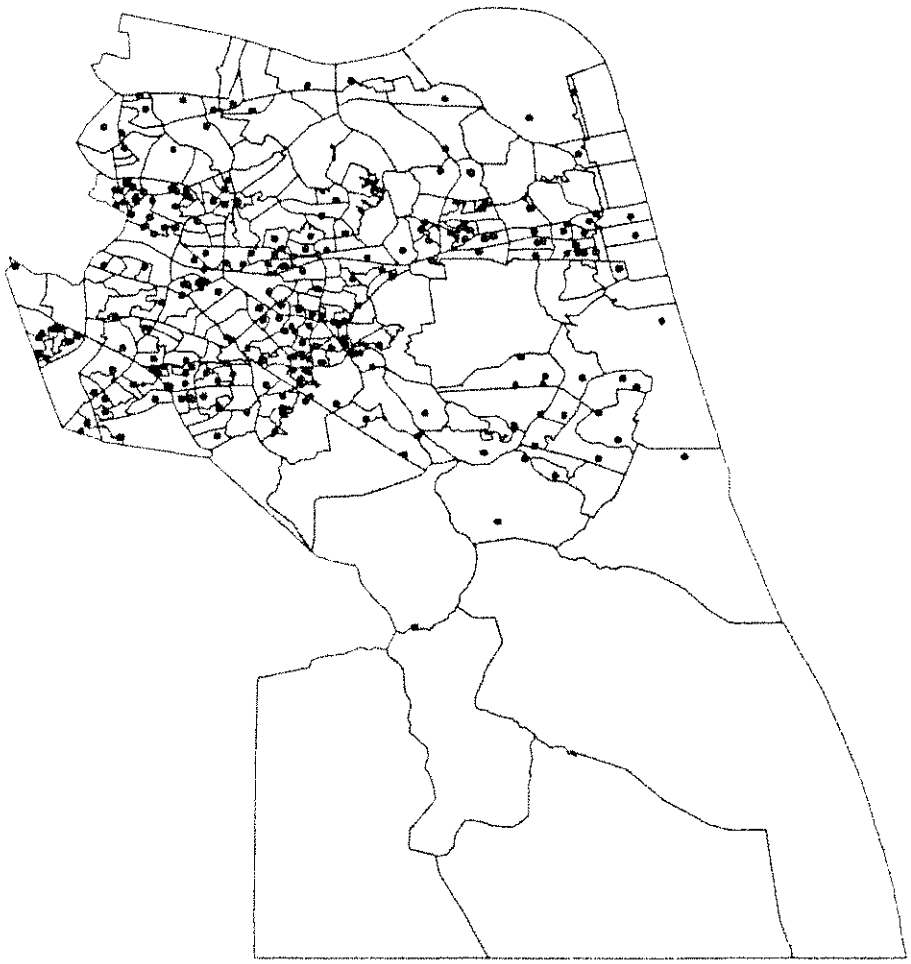
but existed mainly in the central portions of the City. However, many areas throughout the city had 5% to 19.9% of residents living below poverty level. The majority of these areas exist in western portion along the Norfolk border, the central portion of the City and along the ocean front.

In 2000 in Virginia Beach, the majority of households that fell below the poverty level were female-headed households (62%). Female-headed families without a spouse present were 35% of households living in poverty and non-families[11] were 41% of poverty households. Of those, 64% are headed by females. Females are particularly vulnerable to reductions in income due to family dissolution, which can significantly reduce housing consumption and increase cost burdens. Females are also more likely to fall below the poverty line as they age beyond 65 years.

Map 2 shows the concentration of female-headed families in Virginia Beach. When comparing Map 1 to Map 2, the link between female-headed households and persons living below poverty becomes apparent. They are both concentrated within the same areas of the city.

[11] Non-family households include single individuals living alone and two or more unrelated people living together.

Map 1



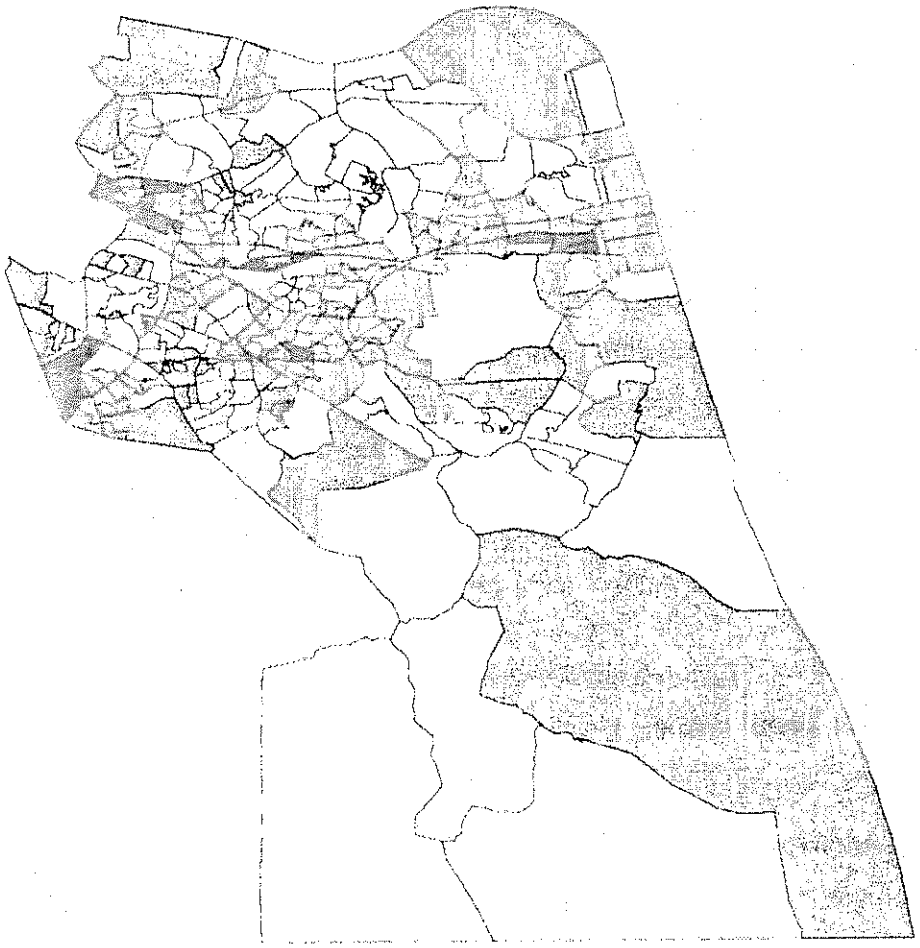
1 Dot = 50

• # females

Distribution of female-headed households (no husband present) with children under age 18 by Census tract Virginia Beach city, 2000

Source: U.S. Census data
Created in ArcMap

Map 2



% poverty

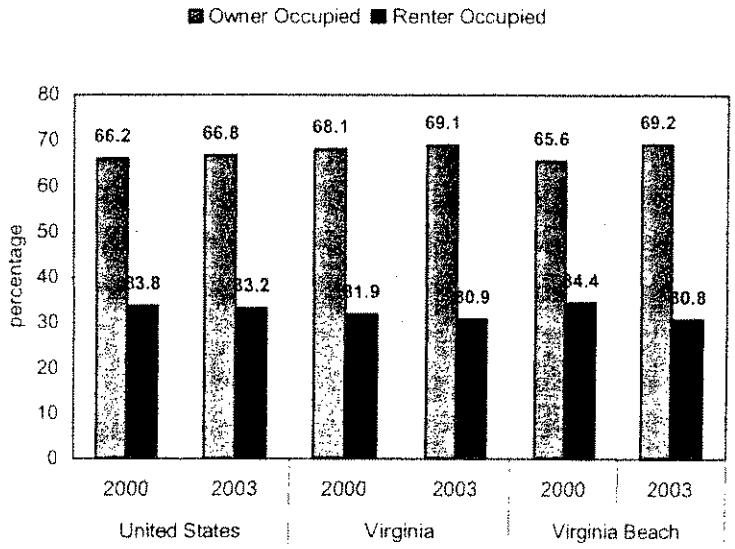
- <5%
- 5%-19.9%
- >=20%

Percent of persons below poverty by block group Virginia Beach city, 2000

Housing Tenure

Approximately, two of every three households in Virginia Beach live in owner-occupied housing. The ownership rate increased significantly between 2000 and 2003 as lower interest rates made ownership more affordable (65.6% in 2000 to 69.2% in 2003). The City had a slightly higher ownership rate than the MSA as a whole (63%) in 2000 (data are unavailable for the MSA for 2003). Additionally, Virginia Beach had a comparable ownership rate to Commonwealth of Virginia and the nation as a whole (see Figure 9).

Figure 9: Total Housing Tenure, 2000-2003



Source: US Census 2000 and ACS 2003

Among racial and ethnic groups, Virginia Beach's Asian households had the highest homeownership rate at 72.8% in 2000 compared to whites at 69.7% and blacks at 48.7% (see Table 25). In the MSA, however, Asians (64.9%) were second to whites in rate of homeownership (71.5%). Virginia Beach had a slightly higher ownership rate for blacks (48.8%) than in the MSA (45.5%) For both Virginia Beach and the MSA, Hispanics had the lowest homeownership rate. The ownership rate for whites in Virginia Beach was about two percentage points lower than for the MSA as a whole. The 2003 American Community Survey estimates showed an increasing ownership rate for almost all ethnic groups (with the exception of the Hispanic households) with the highest increase in black households of about 9 percent points.

Table 25: Homeownership Rates by Race

	MSA	Virginia Beach	
	2000	2000	2003
White	71.5%	69.7%	72.6%
Black	45.5%	48.8%	57.7%
Asian	64.9%	72.8%	73.2%
Hispanic	42.6%	48.0%	37.3%

Source: US Census 2000 and ACS 2003

As noted earlier, homeownership is heavily influenced by the age of the householder. Young adults typically rent rather than own, at least until their employment and family lives are well-established. The impact of age on homeownership is so strong that more than 8-of-10 householders in Virginia Beach were homeowners by middle age (see Table 26). The ownership rate slightly declined between 1990 and 2000 for all age groups, except the senior cohort (65 years and older), in tune with the MSA as well as the statewide trend that saw declines for all age groups under 45. By 2003, estimated ownership rates showed the influence of a decline in interest rates. Homeownership rates rose significantly across most age groups with the exceptions of householders aged 45-54 with almost no change and householders aged 65-74 with a slight decline (possibly due to selling homes to take advantage of a strong seller's market). Homeownership rates increased for the 75 and older age group by 8 points from 1990 to 2000 and increased by another 9 points between 2000 and 2003. Some implications of this large increase may be increasing numbers of retirees moving to the area or a healthier older population staying in their homes longer.

Table 26: Homeownership Rates by Age, 1990, 2000 and 2003

	MSA		Virginia Beach		
	1990	2000	1990	2000	2003
15 to 24	13.2%	11.7%	15.7%	14.9%	18.1%
25 to 34	41.0%	40.8%	47.4%	43.6%	46.8%
35 to 44	63.0%	64.0%	69.6%	69.2%	74.7%
45 to 54	75.5%	73.7%	81.7%	78.4%	78.3%
55 to 64	79.4%	79.7%	86.3%	84.1%	88.7%
65 to 74	77.2%	81.8%	80.7%	85.7%	83.4%
75 and older	68.3%	74.7%	61.3%	69.2%	78.1%

Source: US Census 1990, 2000 and ACS 2003

As shown on Map 3, homeowners are in a majority throughout the City except for a few areas on the northern and western perimeters and the commercial corridor leading to and along the beach front. In areas just north and south of the center of Virginia Beach, 90% or more of households own their homes. Homeowners can contribute to greater stability and on-going investment in neighborhoods. Neighborhoods with low ownership rates, particularly if those rates are also declining, can become hubs for converting single-family properties from owner to renter occupancy. Such conversions can diminish confidence in the economic vitality of the neighborhood and spawn disinvestment. As current owner-occupants find they cannot sell to other owner-occupants and property values decline, fewer and fewer homeowners are willing to continue to invest in maintaining their properties. Ironically, these very neighborhoods can offer entry-level

homebuyers excellent opportunities, as long as investor confidence is maintained. Strategies to promote homeownership and to engage residents in determining the future of the neighborhood can help maintain that confidence.

Lower interest rates and higher housing prices since 2000 have probably produced higher ownership demand within older neighborhoods that have a relatively affordable supply of housing. Under these market conditions, rental properties are more likely to be converted to owner-occupancy than the reverse. While this could be desirable for single-family properties, conversions of multi-family properties can deplete the affordable rental housing supply unless that supply is expanded through new construction, such as through the Low Income Housing Tax Credit. The City should monitor trends in conversion of properties between owner and renter occupancy to help determine if conversions are having an adverse impact on either the supply of affordable housing or on neighborhood quality.

About a third of households in Virginia Beach are renters—approximately 53,000 households in 2000. The number of renters increased only slightly (4.6%) from 1990 to 2000 compared with a 19.5% growth rate among homeowners. Median gross rent was $734 in 2000, up 27.2% from 1990 and more than 19% above the MSA 2000 median gross rent of $615. The relatively small increase in renters from 1990 to 2000 in Virginia Beach may partially be attributed to the lack of availability of rental property and rapid rise in the cost of renting. The City's median gross rent increased even further in 2003 reaching $804.

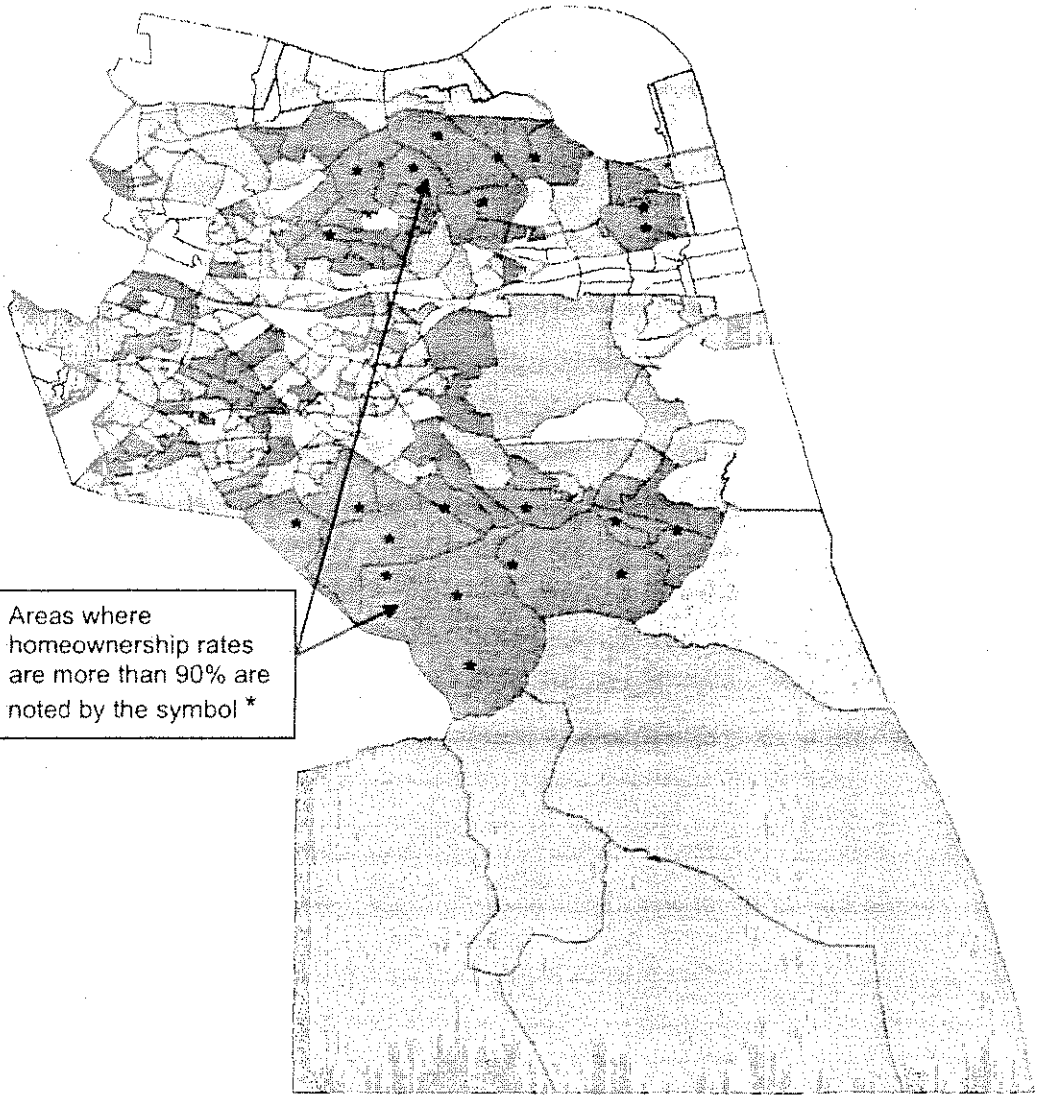
Nearly half of the City's rental housing stock (42.7%), as well as that of the MSA (44.6%) were 2 bedrooms units in 2000 (see Table 27). Slightly more than a quarter of the rental stock consisted of 3 bedroom units, and four bedroom units were scarce (under 6% of renter occupied units). Having a limited supply of rental units with more than 2 bedrooms increases competition for those units and puts low-income families at a severe disadvantage in the marketplace. That trend continued through 2003 in the City with estimates of a diminishing number of larger rental units of 5 bedrooms or more (note that the slight increase in the 4 bedrooms units might contribute to the margin of error in the 2003 ACS estimates). Most of the rental units added in between 2000 and 2003 in the City seem to be primarily in the 2 bedroom range. Consequently, low-income families needing three or more bedrooms might find a limited supply of rental housing and can be severely disadvantaged in the housing market.

Table 27: Renter Occupied Units by Number of Bedrooms

	MSA	Virginia Beach	
	2000	2000	2003
Renter occupied	37.0%	34.4%	30.8%
No bedrooms	3.2%	2.7%	1.2%
1 bedroom	22.0%	19.6%	13.5%
2 bedrooms	44.6%	42.7%	51.4%
3 bedrooms	24.3%	28.2%	27.6%
4 bedrooms	5.2%	6.0%	6.2%
5 or more bedrooms	0.7%	0.8%	-

Source: U.S. Census 2000 and ACS 2003

Map 3



ownership rate
- <50%
- 50%-74.9%
- 75%-89.9%
- >90%

Homeownership rate by block group Virginia Beach city, 2000

Housing Needs

Worst Case Housing Needs

Worst case housing is defined as households with incomes less than 50% of the Area Median Family Income that have one or more of the following conditions: pay half or more of their income for housing, have zero income[12], occupy units with incomplete plumbing facilities, or are overcrowded (1.51+ persons per room). Any of these conditions qualifies a household as having a worst case housing need. By far the most likely qualifying condition of worst case housing is cost burden. "Incomplete plumbing" means that the individual housing unit (rather than the structure) does not have complete plumbing (a bathroom with a toilet, bath/shower, and sink) in that unit, although these facilities could be elsewhere in the building. In a city, incomplete plumbing typically identifies units in apartment buildings or boarding houses where bathroom facilities are shared by occupants of several units.

As shown in Table 28, in 2000, the City of Virginia Beach had 4,730 owner-occupied households with worst case housing needs and ranked second highest among cities and counties in the Virginia (behind Fairfax County). One-in-four of every very low-income owner in the City had a worst case housing need (See Map 4). The map clearly indicates the concentration of worst case needs households in the older districts of the City, primarily in the areas marked with asterisks on the map and the area surrounding Oceana airbase. These areas should be considered when addressing housing support for the households most in need.

Table 28: Top 10 Owner-Occupied Worst Case Housing Needs in Virginia

Rank	Number
1 Fairfax County	9,995
2 Virginia Beach City	**4,730**
3 Richmond City	3,344
4 Norfolk City	3,250
5 Henrico County	3,159
6 Prince William County	2,995
7 Chesterfield County	2,515
8 Chesapeake City	2,490
9 Newport News City	2,290
10 Hampton City	2,015

Source: CHASE 2000 and Center for Housing Research

In addition, as shown in Table 29, the City had 7,195 renter households with worst case housing needs (58% of all very low-income renters in the city), placing Virginia Beach 5th highest among cities and counties in the state. Map 5 shows the ratio of very low income renter-occupied households with worst case housing. The distribution of renter-occupied households closely follows the same pattern as the owner-occupied households

[12] The decennial Census allows respondents to report zero and even negative incomes (one reportable type of income is net self-employment income which is gross receipts less expenses).

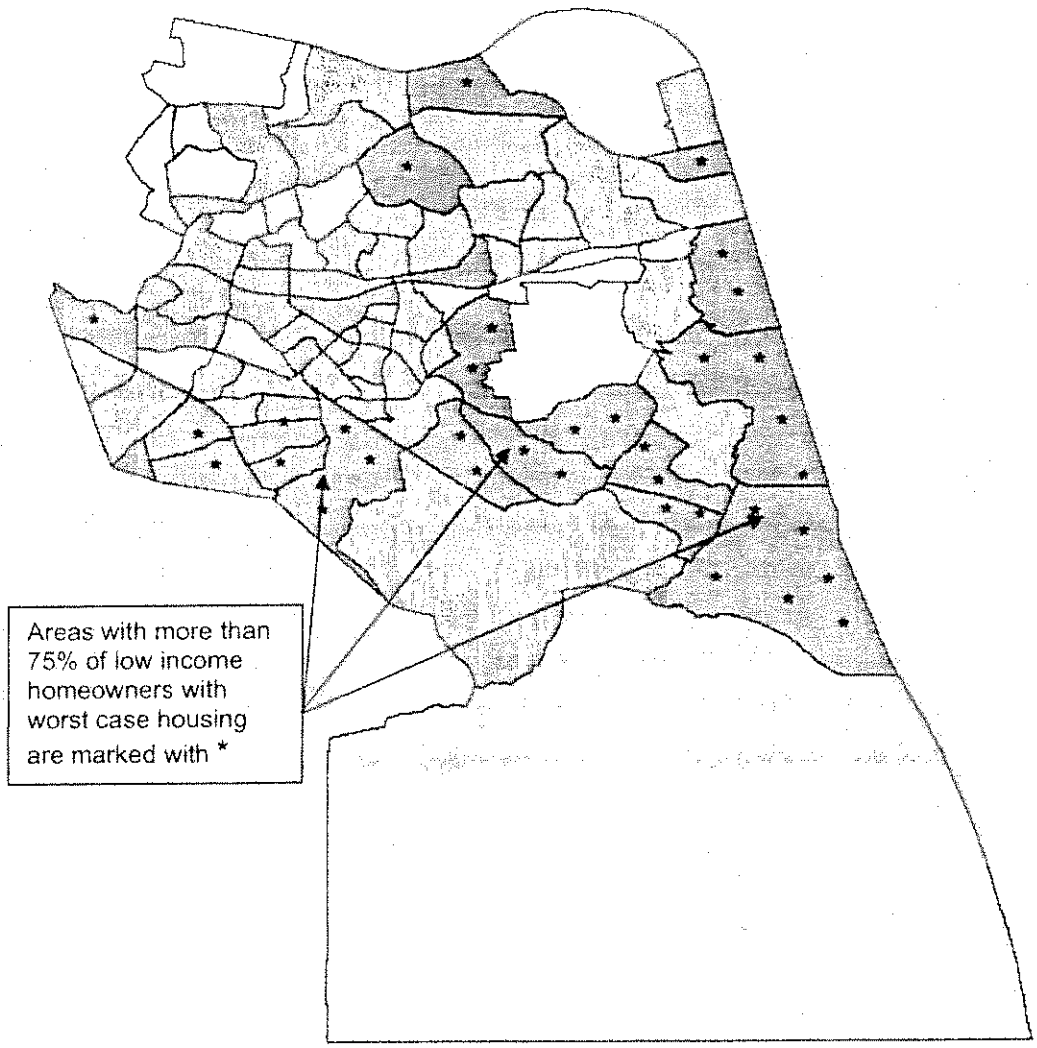
with higher concentrations in the western and central areas of the city rather than the back areas of the beachfront.

Table 29: Top 10 Renter Occupied Worst Case Housing Needs in Virginia

Rank	Number
1 Fairfax County	12,945
2 Richmond City	10,710
3 Norfolk City	9,665
4 Arlington County	7,595
5 Virginia Beach City	**7,195**
6 Newport News City	5,745
7 Alexandria City	5,485
8 Henrico County	4,925
9 Montgomery County	4,165
10 Hampton City	4,020

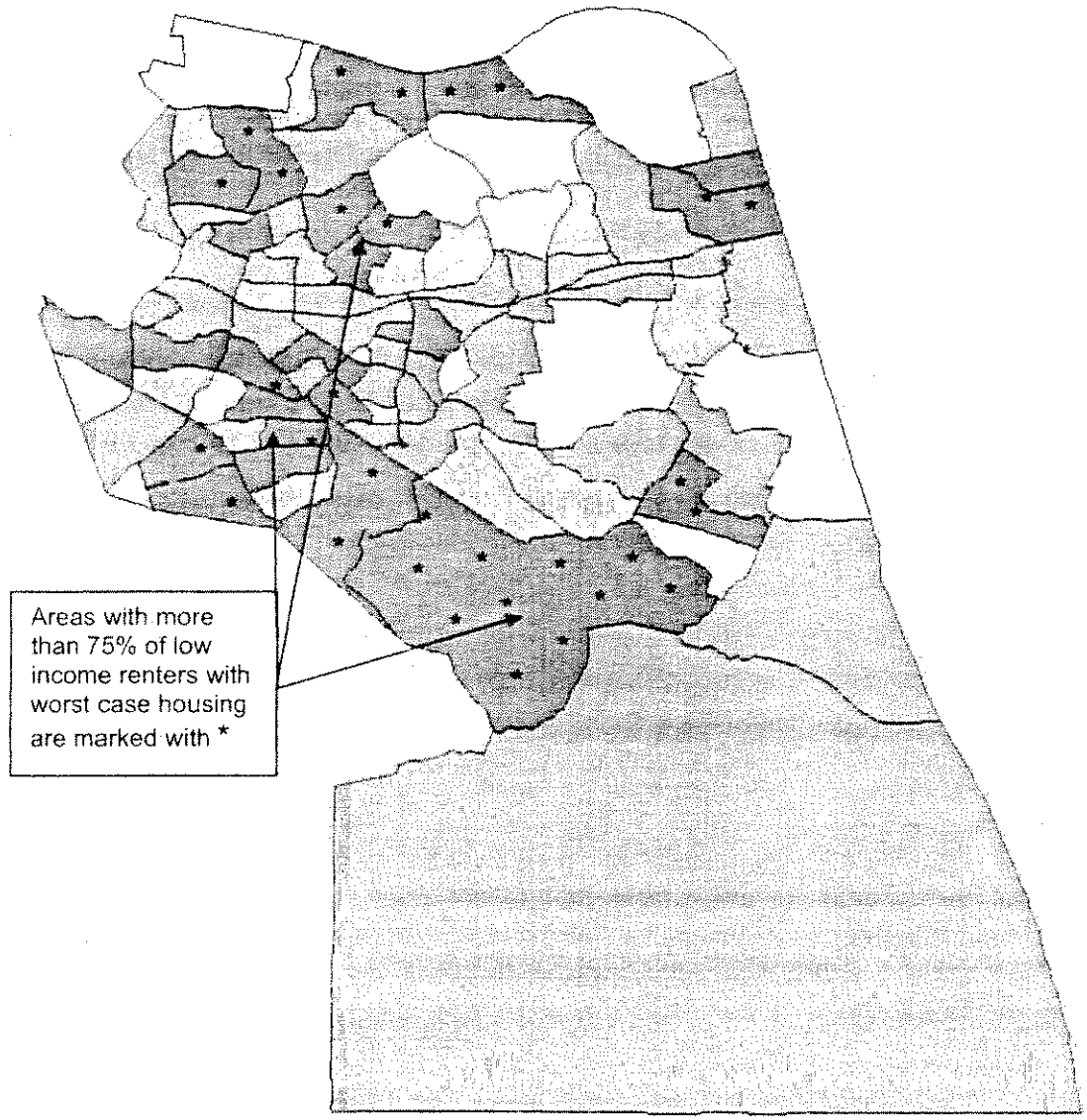
Source: CHASE 2000 and Center for Housing Research

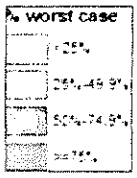
Map 4



Percent of very low income homeowners with worst case housing problems by Census tract Virginia Beach city, 2000

Map 5





Percent of very low income renter households with worst case housing problems by Census tract Virginia Beach city, 2000

Nearly one-third of all households (about 30% or renters and 20% of owners) with housing problems are non-elderly people living alone or with unrelated roommates (including unmarried couples without children). Some of these "singles" could be young adults starting out in the housing market and their housing problems (mainly cost burden) could be resolved as incomes increase with work experience. Others could face more permanent housing problems. In addition, more research is needed to study problems of young first-time buyers and elderly owners. Young low-income homeowners could need assistance in managing budgets and in weathering fluctuations in income that could result in foreclosure. Older low-income owners might benefit from assistance with housing maintenance, with using their housing equity to improve quality of life, and with protection against predatory lenders who frequently prey on low-income, elderly homeowners.

Housing Cost Burden

One of the best measures of housing problems, particularly affordability problems, is cost burden, or the ratio of gross housing costs to income[13]. When households are required to devote a large portion of their income to housing, they typically have to sacrifice elsewhere. Often severe cost burdens are associated with emotional stress, family instability, and risk of eviction and homelessness.

In 2000, about two thirds of all renters in Virginia Beach paid less than 30% of their incomes for housing. Yet, 14.5% of all renter households paid more than 50% of their income towards rent putting a severe cost burden on their household. Compared to the MSA in 2000, Virginia Beach seems to have had a favorable overall affordable rental environment with higher percentage of renters paying less then 30% of their income towards rent, and lower percentage of renters paying more than 50% (Table 28). The distribution of renters paying 50% or more of their income for their housing throughout the City (Map 6) helps to pinpoint areas for further study where rental affordability is a problem (either due to low incomes or high rents).

Table 28: Renter Cost Burden, 2000

	Virginia Beach	MSA
less than 30%	57.2%	55.3%
more than 30%	23.4%	21.5%
more than 50%	14.5%	16.4%
not computed	4.9%	6.7%

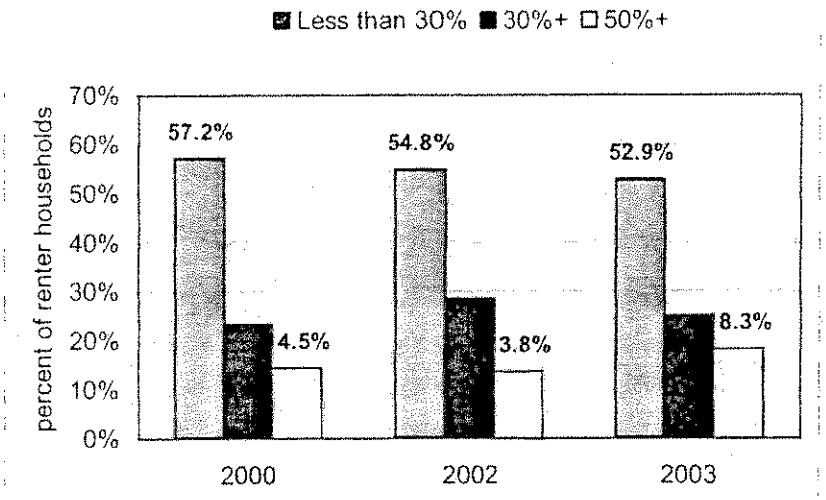
Source: U.S. Census 2000

Since 2000 and through 2003, there has been an increase in the rent burden for all renters in the City with a decline in renters paying less than 30% of their income for housing from 57.2% in 2000 to 52.9% in 2003 and an increase in those paying more than 50%

[13] Other key indicators are the incidence of units lacking plumbing or other indicators of physical housing problems such as overall physical deterioration due lack of maintenance or the presence of hazardous materials such as lead paint or asbestos insulation particularly in older housing stock.

towards rent from 14.5% in 2000 and 18.3% in 2003 (Figure 10). This double effect trend indicates a shrinking affordable housing market in the City combined with the general increase in gross rents (as indicated earlier in Figure 5).

Figure 10: Virginia Beach Renter Cost Burden 2000-2003



Source: US Census 2000 and ACS 2002 & 2003

In 2000, 72.2% of all owner households in Virginia Beach paid less than 30% of their income for housing, while only 18.5% paid more than 35% of their income[14]. From 2000 to 2003, owner cost burdens decreased (Figure 11), even though prices increased faster than incomes. Four factors contributed to this improvement in ownership affordability. First, lower interest rates offset the effect of increasing prices. Second, many existing owners took advantage of the lower rates to reduce their cost burdens by refinancing. Third, population aging resulted in more owners being at or near their peak income years. Fourth, owners with substantial equity due to length of tenure and increased values were able to leverage this equity and "move-up" in the market without increasing their cost burden. (See Table 29.)

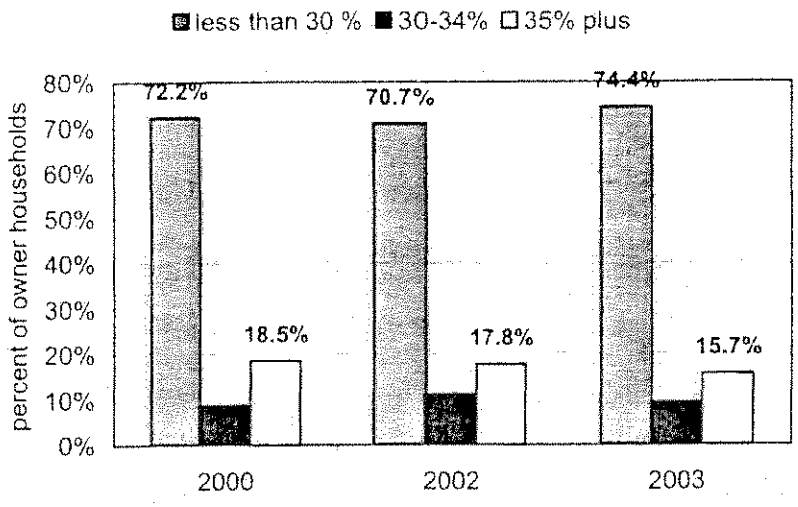
Table 29: Owner Cost Burden, 2000

	Virginia Beach	MSA
less than 30%	72.2%	74.0%
30% to 34%	8.8%	7.8%
more than 35%	18.5%	17.7%
not computed	0.4%	0.6%

Source: U.S. Census 2000

[14] Total owner cost burden in the US census is provided only for the more than 35% category, unlike for renters where it is provided for more than 50% of household income.

Figure 11: Owner-Occupied Cost Burden, 2000-2003



Source: US Census 2000 and ACS 2002 & 2003

Table 30 shows the cost burden by income and tenure for lower income households who pay more than 50% of their income towards their housing costs in 1990 and 2000 (the most recent published data tables) based on the CHAS data tables.

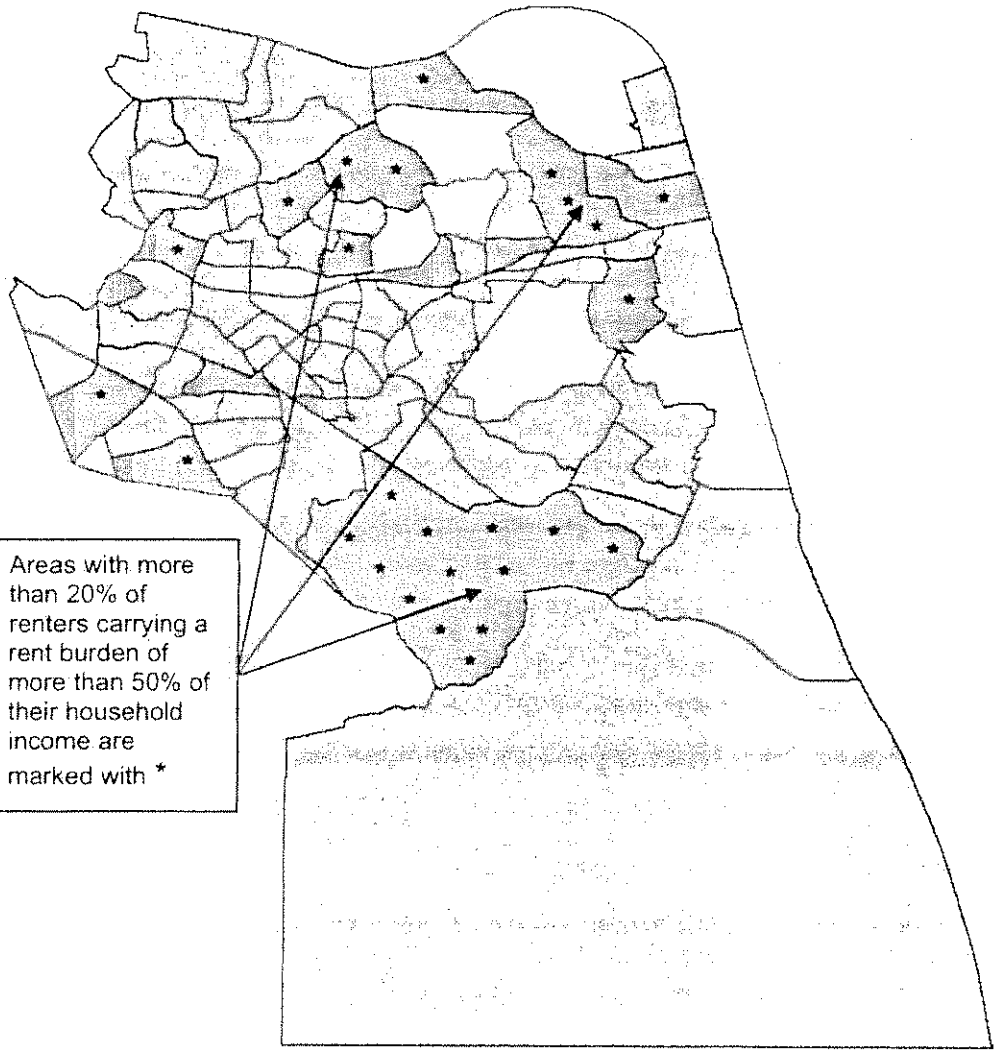
- For extremely low income households (less than 30% of AMFI), extremely cost-burdened households increased by 2% and 3% for renters and owners respectively.
- For very low income households (30-50% AMFI), extremely cost-burdened households decreased by 6% for renters and increased by 2% for owners.
- For low-income households with incomes between 50-80% the area median, extremely cost-burdened renters and owners decreased between 1990 and 2000.

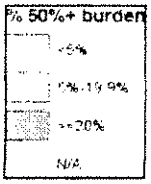
Table 30: Cost Burden by Income and Tenure, Virginia Beach 1990 and 2000

Household by Income	1990			2000			1990-2000 Change		
	Rent	Own	Total	Rent	Own	Total	Rent	Own	Total
less than 30% AMFI	4,420	2,056	6,476	5,771	2,815	8,586	1,351	759	2,110
% Cost Burden >50%	67.5	67.3	67.4	69.3	70.5	69.7	2	3	2
30% - 50% AMFI	5,708	2,699	8,407	6,660	4,788	11,448	952	2,089	3,041
% Cost Burden >50%	45.2	48.6	46.3	38.8	50.4	43.7	-6	2	-3
50% - 80% AMFI	12,697	9,302	21,999	13,415	12,477	25,892	718	3,175	3,893
% Cost Burden >50%	5	27.4	14.5	4.4	16	10	-1	-11	-5

Source: CHAS Data Book 1990 and 2000

Map 6





Percent of renter households with rent burden >50% by Census tract Virginia Beach city, 2000

Source: U.S. Census data
Created in ArcMap

Homelessness

Homelessness is probably the most extreme housing problem. The homeless are the most vulnerable in the housing market and are usually served by particular agencies and organizations coordinated through the Virginia Beach Continuum of Care (CoC). The Virginia Beach CoC completed a survey of homeless in 2004. (It is important to note that the CoC count is a point-in-time survey that does not provide an accurate count of the traditional homeless population as defined by HUD. A more accurate tool for measuring the homeless population and appropriately assessing their needs is Homeless Management Information System (HMIS). Such a system does not yet exist in Virginia Beach, but is being developed collectively on the state level. Until such a system is in place, the CoC count provides the best available data on the homeless.) Results of the 2004 survey showed there were 463 homeless persons in Virginia Beach on the day of the count, fewer than in the Virginia Peninsula[15] and Norfolk, but more than in Portsmouth and Chesapeake. About 200 of the homeless population counted in Virginia Beach were in emergency shelters, 170 were in transitional housing while 93 were unsheltered. The CoC estimated a need for 300 additional beds in shelters and permanent supportive housing to service the homeless population.

The survey also pointed out the need for permanent supportive housing to service the chronically homeless (72 persons in 2004). Such housing would support the national objective to end chronic homelessness over this decade. The chronic homeless stay homeless longer than other groups and need additional services to address their particular mental health and substance abuse problems. While the CoC survey did not capture those of the verge of homelessness, we know that according to the Census, in Virginia Beach in 2000 there were approximately 4,000 families (2.4% of households, equal to the state figure and slightly lower than the MSA where 2.7% of households had subfamilies) "doubled-up" with relatives or friends. Many of these families probably cannot afford housing on their own.

Housing Problems by Household Type

As shown in Table 31, in 2000, nearly 3,000 elderly (65 and older) renters and 4,500 elderly owners had some housing problem (defined as having cost burden greater than 30% of income and/or overcrowding and/or incomplete complete kitchen or plumbing facilities).

- One-in-six very-low income renters with housing problems were elderly, while nearly one-in-three very-low income owners with housing problems were elderly.
- Although 60% of extremely low-income elderly renters and owners had cost burdens over 50% of income, younger extremely low-income renters and owners were even more likely to spend greater than half of their incomes for rent.

[15] Including the City of Hampton, the City of Newport News, James City County, York County, Poquoson City, and Williamsburg City.

- Elderly renters were much more likely to have extreme cost burdens (in excess of 50% of income) than other households with incomes above 30% of the area median family income.

Table 31: Demographic Characteristics of Low Income Renters and Owners with Housing Problems

	Renters					Owners				
Household by Income	Elderly	Small Related	Large Related	All other	Total Renters	Elderly	Small Related	Large Related	All Other	Total Owners
less than 30% AMFI	1,068	2,439	385	1,879	5,771	990	860	190	775	2,815
% with any housing problems	73.9	78.5	85.7	80.8	78.9	76.8	83.7	89.5	77.4	79.9
% Cost Burden >50%	59.5	68.7	62.3	77.2	69.3	60.1	81.4	76.3	70.3	70.5
30% - 50% AMFI	1,030	3,110	785	1,735	6,660	1,710	1,869	429	780	4,788
% with any housing problems	77.7	86.2	82.2	92.8	86.1	60.8	86.9	95.6	77.6	76.8
% Cost Burden >50%	55.3	31.4	22.9	49.6	38.8	34.2	64.7	47.8	53.2	50.4
50% - 80% AMFI	1,190	6,540	1,570	4,115	13,415	2,809	5,784	1,795	2,089	12,477
% with any housing problems	73.1	52.8	54.1	64.2	58.3	35.4	74.3	69.9	74.9	65
% Cost Burden >50%	13.9	1.9	3.2	6	4.4	11	18.6	8.6	21.7	16
more than 80% AMFI	1,924	13,324	2,214	9,865	27,327	13,079	48,335	8,755	11,010	81,179
% with any housing problems	21	7.9	20.3	9.3	10.3	13.1	15.2	21.2	22.7	16.5

Source: CHAS Data Book 2000

Although most of the low-income (50%-80% AMFI) and extremely low-income (less than 50%AMFI) households with housing problems are families (Table 32), between 1990 and 2000 the percentage of elderly with housing problems increased except for extremely low-income owners.

- For the extremely low-income households), elderly renters slightly increased between 1990 and 2000 while elderly owner households with housing problems decreased by about 4%.
- In 2000, about one in every six extremely low-income renters with housing problems were elderly, while nearly one in every three very low-income owners with housing problems were elderly.

- In 2000, more than half (55%) of low-income renters and two thirds of owners (68.5%) with housing problems were families.
- For low income households with incomes between 50-80% of the area median and with housing problems, elderly households increased between 1990 and 2000 for both renters and owners by 5% and 3.1% respectively.
- In 2000 within the 50-80% AMFI category, elderly renters and owners with housing problems represented approximately 11% and 12% respectively.

Table 32: Very Low Income and Low Income with Housing Problems, Virginia Beach 1990 and 2000

	Renters			Owners		
With Housing Problems:	1990	2000	change	1990	2000	change
less than 50%AMFI	8,379	10,288	22.8%	3,685	5,926	60.8%
% Elderly	**15.0%**	**15.5%**	**0.5%**	**34.4%**	**30.4%**	**-4.0%**
% Family	61.1%	54.1%	-7.0%	NA	49.3%	
% Non-elderly, non-family	24.0%	30.4%	6.4%	NA	20.3%	
50-80%AMFI	8,609	7,821	-9.1%	6,502	8,110	24.7%
% Elderly	**6.1%**	**11.1%**	**5.0%**	**9.2%**	**12.3%**	**3.1%**
% Family	64.5%	55.0%	-9.5%	NA	68.5%	
% Non-elderly, non-family	29.5%	33.8%	4.3%	NA	19.3%	

Source: CHAS Data Book 1990 & 2000 and Center for Housing Research

Elderly households are particularly vulnerable to housing problems and housing affordability especially at the lower income groups as indicated earlier. Projecting the growth of these households can help address and plan for their housing needs. Table 33 shows the projected number of elderly households by tenure for Virginia Beach in 2010 and 2020.

- For elderly renters, the majority of households fall below the 80% AMFI income level with a projected growth of about 12 percent in this decade and 15 percent during 2010 and 2020.
- For elderly homeowners, more than half of all households have less than 80% AMFI with a projected growth of about 11 percent in 2000-2010 and 16 percent in 2010-2020.

Table 33: Elderly Housholds Projection by Tenure, 2010 & 2020

	Renters				
	2000	2010	2000-2010 change	2020	2010-2020 change
less than 30% AMFI	2285	2566	12.3%	2955	15.2%
30% - 80% AMFI	1193	1336	12.0%	1542	15.4%
80% - 100% AMFI	463	520	12.4%	598	15.1%
100% - 120% AMFI	67	76	13.8%	87	14.0%
more than 120% AMFI	394	443	12.5%	510	15.0%
Total	4402	4941	12.3%	5692	15.2%

	Owners				
	2000	2010	2000-2010 change	2020	2010-2020 change
less than 30% AMFI	3091	3463	12.0%	3995	15.4%
30% - 80% AMFI	4861	5359	10.3%	6255	16.7%
80% - 100% AMFI	4437	4903	10.5%	5713	16.5%
100% - 120% AMFI	1772	1957	10.4%	2282	16.6%
more than 120% AMFI	3133	3484	11.2%	4041	16.0%
Total	17294	19166	10.8%	22286	16.3%

Source: Center for Housing Research

Persons with Disabilities

Persons with disabilities are another vulnerable population group in terms of housing needs. The 2000 Census provides several measures of disability for persons aged 5 and older, as well as for persons 65 and older. In the 2000 Census, there were 359,890 people age 5 and older living in Virginia Beach City of whom 15.8% were living with a disability, representing over 56,000 people potentially needing accessible housing (Table 34). In addition to living with a disability, about 5,400 people had also been living below the poverty level. The American Community Survey of 2003 also estimates that the numbers and percentages of those living with a disability and in poverty in Virginia Beach are slightly declining. Although the ACS is based on a much smaller sample survey than the decennial census with a larger standard error, it is still indicative of a declining trend of these two groups (disabled and disabled in poverty) over the first three years for this decade particularly in the 21-64 years age group and the elderly who are more than twice as likely as all others to have a disability, and are more likely to have a disability and be below the poverty level than any other age group.

Table 34: Disability and Poverty, Virginia Beach 2000-2003

2000 Census

Age	Total Population	With a disability	and below poverty	% with a disability	% with disability and below poverty
5 to 15 years	72,600	5,098	692	7.0%	1.0%
16 to 20 years	26,517	3,349	429	12.6%	1.6%
21 to 64 years	226,628	34,801	3,384	15.4%	1.5%
65 years and over	34,145	13,565	922	39.7%	2.7%
Total	**359,890**	**56,813**	**5,427**	**15.8%**	**1.5%**

2003 estimates

Age	Total Population	With a disability	and below poverty	% with a disability	% with disability and below poverty
5 to 15 years	72624	7173	700	9.9%	1.0%
16 to 20 years	29067	3843	0	13.2%	0.0%
21 to 64 years	241238	22650	2778	9.4%	1.2%
65 years and over	37941	11144	569	29.4%	1.5%
Total	**380,870**	**44,810**	**4,047**	**11.8%**	**1.1%**

Source: US Census 2000 and ACS 2003

Nearly 21,049 households in Virginia Beach had a person with a mobility or self-care limitation in 2000 (Table 35). About half of these households were low-income households spreading gradually between the less than 30%AMFI, 30-50%AMFI, and 50-80%AMFI categories (2,049, 2355, and 3,985 respectively). Almost two thirds (68%) of the total households were owner occupants, and about one third (35%) of the total were elderly (split fairly evenly between "extra" elderly (one or two member households where either is 75 or older) and those between the ages of 62 and 74). The percentage of households with mobility and self-care limitations as well as housing problems appear generally to increase in lower income households and decrease in higher incomes (particularly for elderly and extra elderly homeowners where it declines from an average of 80% for households with less than 30% AMFI to an average of 13% for those with more than 80% AMFI).

Table 35: Households with Mobility and Self-Care Limitations with Housing Problems

Household by Type/Income	Renters				Owners			
	Extra Elderly (>75y)	Elderly	All others	Total	Extra Elderly (>75y)	Elderly	All others	Total
less than 30% AMFI	285	165	870	1,320	215	189	325	729
% with any housing problems	77.2	60.6	81	77.7	88.4	76.7	90.8	86.4
30% - 50% AMFI	295	155	675	1,125	415	210	605	1,230
% with any housing problems	81.4	67.7	82.2	80	50.6	73.8	81	69.5
50% - 80% AMFI	340	170	1,195	1,705	390	590	1,300	2,280
% with any housing problems	79.4	55.9	66.9	68.3	29.5	44.1	62.3	52
more than 80% AMFI	460	230	1,945	2,635	1,400	2,025	6,600	10,025
% with any housing problems	44.6	4.3	11.1	16.3	12.5	14.8	18.6	17
Total Households	1,380	720	4,685	6,785	2,420	3,014	8,830	14,264
% with any housing problems	67.8	43.1	48.6	51.9	28.5	28.5	32	30.7

Source: CHAS Data Book 2000

Persons aged 65 and over are more than twice as likely as all others to have a disability. Older persons with disabilities often have special needs for housing, as well as needs for social services. As shown in Map 7, persons aged 65 and over with a physical disability live in all parts of Virginia Beach but are somewhat more concentrated in the northwestern and central portion of the city. Elderly persons with disabilities were also more likely to be below the poverty level than any other age group.

Special needs population in Virginia Beach

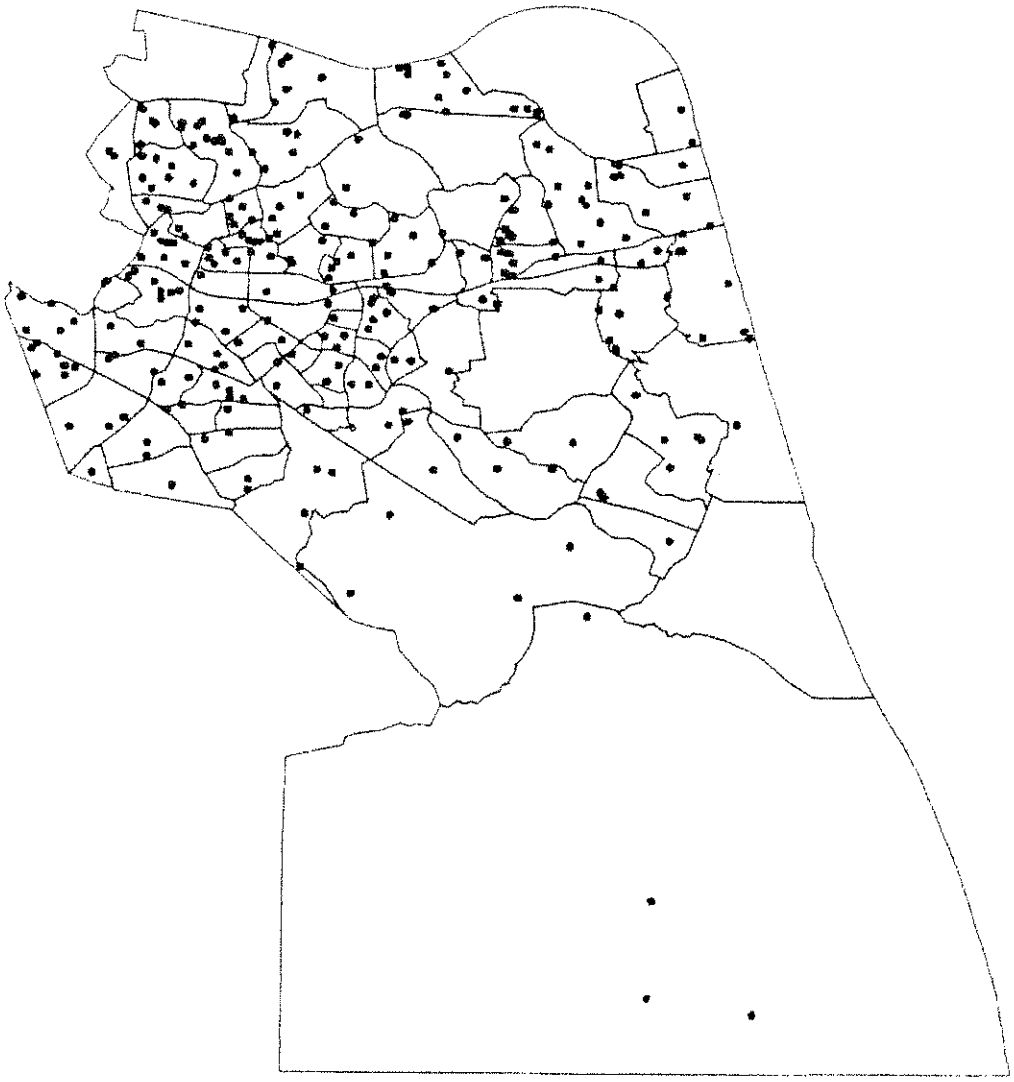
The Virginia Beach Department of Human Services provided additional data on the housing needs for the elderly and people with disabilities. The 2002-2008 Virginia Department of Health Comprehensive State Plan indicated that there are an estimated 3,147 to 4,082 persons (0.7%-1.0% of total population in 2000) in Virginia Beach with mild to profound mental retardation (MR). As a result of the commitment to reduce the size of large state operated mental retardation facilities, there is a need to develop more community based Intermediate Care Facilities for People with Mental Retardation (ICF/MRs) to serve this population at the local level. Currently, the Virginia Beach ICF/MR has 8 beds, in addition to 356 Medicare Waiver slots for MR residential services. About 1,500 of the moderate to profound MR population is estimated to need either Medicare waiver slots or ICF/MR beds to serve their special needs for housing support and services in Virginia Beach. Mild MRs can usually get by on their own with minimal support (the City currently provides support for 40 persons in this category).

The Virginia Department of Human Services utilizes about 207 beds (39 of which are private providers) to serve persons with Mental Health (MH) and Substance Abuse (SA) throughout the City. A total of 195 beds are dedicated to MH, and 13 for SA. As of February 2005, the Department had 45 clients on a waiting list. These placements vary from intensively supervised to independent settings. In addition, Virginia Beach has 17 licensed Assisted Living Facilities (ALFs) with a total bed count of 1721.

The Biennial Report on Virginia's Disability Services System[16] emphasized a set of issues relating to housing services and needs of persons with disabilities throughout the State that is applicable to Virginia Beach as well. The lack of sufficient housing subsidies and housing units accessible for persons with mobility or sensory limitations were the major concerns of the report. In addition, the affordability of these accessible housing options including in ALFs is a major issue. The ALF system has been operating under reimbursement levels that are insufficient to provide for improvements in services, and those dependent on SSI and need ALF services were effectively limited to residing in ALFs in order to receive subsidized shelter and care. There is increased longevity of persons with mental retardation or a developmental disability putting strains on the system and contributing to longer waiting lists for ALF services.

[16] The Biennial Report on Virginia's Disability Services System, Virginia Board for People with Disabilities, Virginia's Developmental Disabilities Planning council, Interim Report, March 2005.

Map 7



1 Dot = 100 disabilities 65+

Distribution of persons ages 65+ with disabilities by Census tract Virginia Beach city, 2000

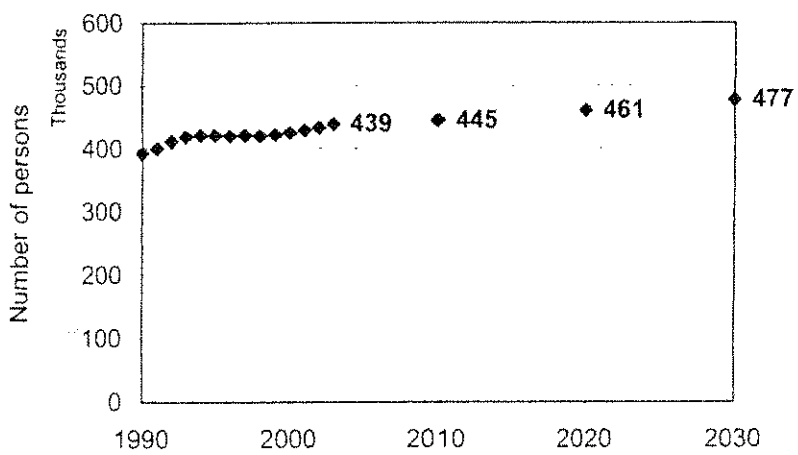
Source: U.S. Census data
Created in ArcView

Population Growth

Population growth in the Virginia Beach MSA has slowed considerably over the past decade. While the MSA population increased by 20% during the 1980s, the growth rate in the 1990s slowed to only 9%. According to the Virginia Employment Commission (VEC), which produces the state's official population projections, the growth rate for the current decade (2000-2010) and the successive decades (2010-2020 and 2020-2030) will slow to 5%. Projected growth rates assume a continuation of current economic trends affecting net migration into the region.

The population growth rate of Virginia Beach was more than double that of the MSA during the 1980s, but has since dropped below the MSA's growth rate. Between 1980 and 1990, the City's population increased by nearly 50% (from 262,199 to 393,069). However, during the 1990s, Virginia Beach's growth rate was only 8% (from 393,069 in 1990 to 425,257 in 2000. The VEC projects 5% growth for the City from 2000-2010 (3% below the rate for the 1990's) and 4% and 3% for 2010-2020 and 2020-2030 respectively (see Figure 12). However, a recent study by the Hampton Roads Planning Commission[17] estimated almost 50,000 more persons (526,100) in Virginia Beach for the year 2026 than the number of persons projected by the VEC for 2030 (477,000). Based on the American Community Survey's (ACS) population estimates for 2001 through 2003, the annual population growth rates for the City have slowed considerably compared to rates of the previous decade (peak annual growth rate was 6.3% 1985-1986) reaching 1.3% in 2002-2003.

Figure 12: Virginia Beach Population Projection



Source: VEC and ACS 2001, 2002, and 2003

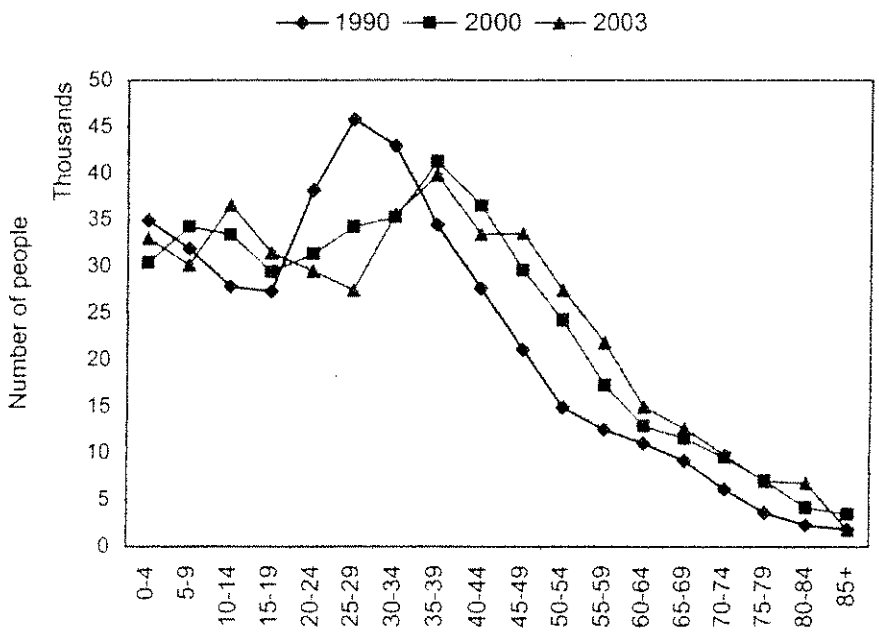
[17] Hampton Roads Planning Commission, (2004). *2026 Regional Transportation Plan Technical Document.*

Change within the City

Within the City, population change was uneven between 1990 and 2000. Map 8 shows the growth pattern in Virginia Beach (areas marked with asterisks have grown more than 50% over the last decade). Many areas of the City, especially in the central portion, have lost population over the last decade. Therefore, much of the population change within the City can be associated with migration within the City rather than migration into the City.

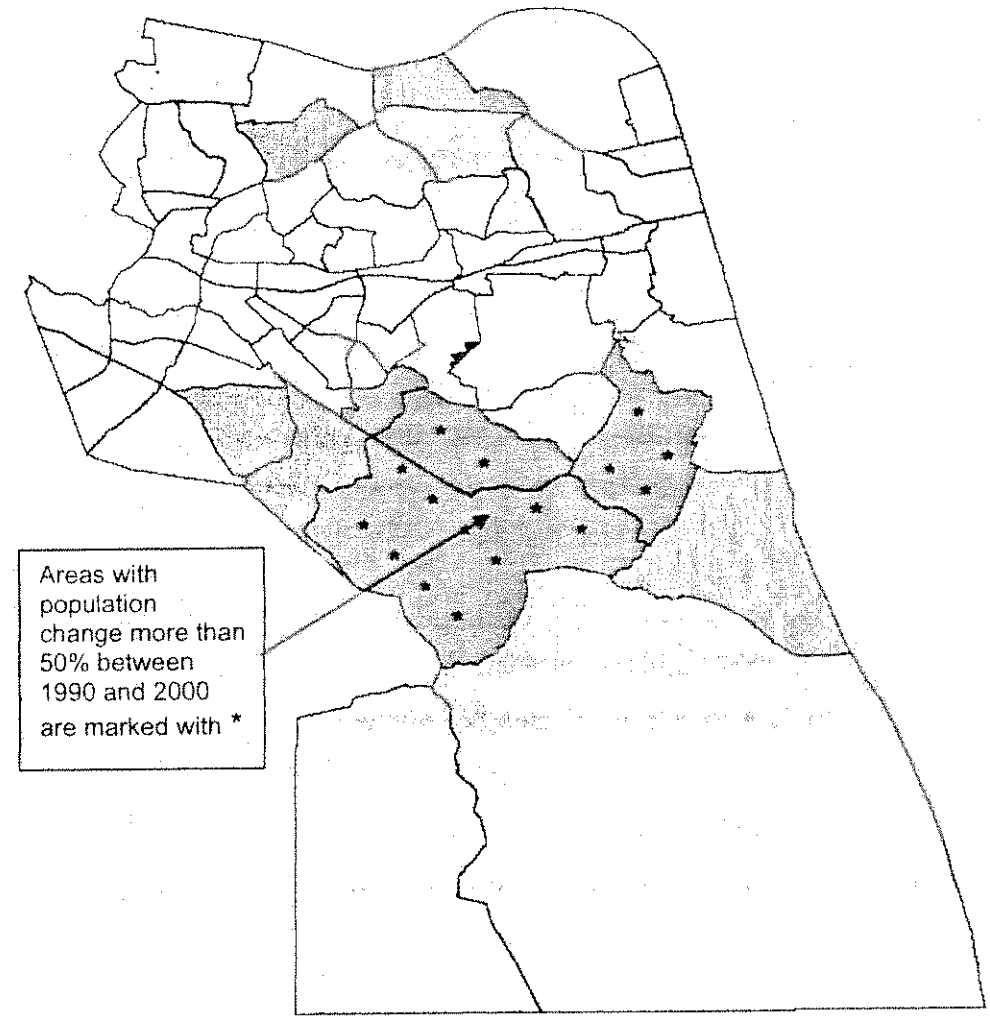
The age composition of the population has shifted over the last decade. Within the 1990 Census, the 25-29 age group represented the largest cohort within the City with a steep decline in number of persons within the ages of 34 to 54 (Figure 13). The 2000 Census showed that the age composition within the City was changing with the highest number of persons belonging within the 35-39 age group. However, the number of persons within the 35-39 age group for 2000 do not equal the number of those within the 25-29 age group a decade earlier, as would be expected. As in 1990, there is a steep decline in the number of persons who fall within the ages of 35 to 59. The Census 2003 American Community Survey shows that the 25-29 age group is significantly declining while the 10-14 and 45-64 ages are slowing increasing.

Figure 13: Change in Age Cohorts, 1990-2003



Source: US Census 1990-2000 and ACS 2003

Map 8



% change

<-0%

0%-19.9%

20%-49.9%

>50%

N/A

Percent change in population by Census tract Virginia Beach city, 1990-2000

Source: U.S. Census data
Created in ArcView

Migration

In 2000, Virginia Beach had a slightly higher mobility rate than for the region as a whole: 54% of the population in the City had recently moved (within a 5 year period prior to the 2000 Census) compared to 52% for the MSA as a whole (Table 36). The majority of recent movers moved from some other location within the City (45%). One third of the recent movers moved from another state (34%). Of these movers, the majority came from the South (43%) or the Northeast (26%). Only 12% of recent movers moved from some other location within the remaining MSA compared to 19% for the MSA as a whole. Only a small percentage of the recent movers located from elsewhere within the state for both the City and the MSA (4% and 5% respectively).

Table 36: Recent Movers 1995-2000, Population 5 Years and Over

	Virginia Beach	MSA
Percent of Recent Movers	54.2	52.0
Percent of Movers from:		
Within Virginia Beach	44.9	39.7
Remainder of MSA	11.7	19.4
Elsewhere in Virginia	4.2	5.3
Other State	33.8	31.0
Outside United States	5.4	4.6

Source: US Census 2000

Virginia Beach's growth is affected by the net migration into and out of the City. The City experienced a net loss of 21,474 people between 1995 and 2000 (Table 37). The majority of migration was between Virginia Beach and the combined areas of Norfolk, Chesapeake, and Portsmouth (Census data were only available for the combined area, see Table 38 for single jurisdiction data) with Virginia Beach experiencing a net loss of about 2,000 people (10% of net migration). Suffolk accounted for the next largest net movement of people out of the City with a net loss of 1,700 people (8% of net migration). Localities within the state accounted for the majority of net losses for the City. Henrico County, Hampton and Newport News accounted for a total net loss of 1,161 people.

Table 37: Locations with 500 or more People Moving to Virginia Beach, 1995-2000

County and State in 1995	Moved to Virginia Beach	Moved from Virginia Beach	Net Change	% of Net
Total	106,326	127,800	-21,474	100.0%
Norfolk, Chesapeake, Portsmouth, VA	21,844	23,909	-2,065	9.6%
San Diego County, California	3,687	2,089	1,598	-7.4%
Duval County, Florida	2,558	2,618	-60	0.3%
Fairfax City, Fairfax Co., Falls Church, VA	1,787	2,029	-242	1.1%
Honolulu County, Hawaii	1,389	836	553	-2.6%
Escambia County, Florida	1,341	1,234	107	-0.5%
Henrico County, Virginia	1,225	1,719	-494	2.3%
Kings County, New York	1,181	297	884	-4.1%
Newport News city, Virginia	987	1,276	-289	1.3%
Prince William Co., Manassas, Manassas Park, VA	859	890	-31	0.1%
Queens County, New York	789	126	663	-3.1%
Lake County, Illinois	748	523	225	-1.0%
Cook County, Illinois	745	434	311	-1.4%
Bronx County, New York	730	84	646	-3.0%
Philadelphia County, Pennsylvania	720	369	351	-1.6%
Chesterfield County, Virginia	698	868	-170	0.8%
Anne Arundel County, Maryland	697	814	-117	0.5%
Hampton city, Virginia	690	1,068	-378	1.8%
Suffolk city, Virginia	679	2,394	-1,715	8.0%
Charleston County, South Carolina	678	392	286	-1.3%
Orange County, Florida	619	415	204	-0.9%
Nassau County, New York	614	74	540	-2.5%
Montgomery County, Maryland	611	615	-4	0.0%
Arlington Co, Alexandria, VA	601	566	35	-0.2%
Prince George's County, Maryland	594	642	-48	0.2%
Suffolk County, New York	591	203	388	-1.8%
Kitsap County, Washington	570	557	13	-0.1%
New London County, Connecticut	558	661	-103	0.5%
Berkeley County, South Carolina	555	636	-81	0.4%
Shelby County, Tennessee	553	635	-82	0.4%
Los Angeles County, California	536	485	51	-0.2%
New York County, New York	530	210	320	-1.5%
Ventura County, California	514	362	152	-0.7%
Orange County, California	513	156	357	-1.7%

Source: US Census 2000

The City experienced the majority of its net gains from localities outside of the state. San Diego was the leading locality for net gains with nearly 1600 people (7% of net migration) moving to Virginia Beach between 1995 and 2000 (the military moved F-14s to Oceana from San Diego during this period). The New York metropolitan area was also a significant contributor to net gains within the City. Kings County, Queens County and Bronx County, New York were the second, third and fourth localities in net gains to Virginia Beach contributing almost 2,200 people all together. Honolulu County was another top contributor to Virginia Beach.

IRS Migration data from 1995 to 2000 and 2000 to 2003 show similar trends to the Census migration data (see Table 38) and provide greater detail on locations for in-migrants and out-migrants. These data provide the number of federal income tax filers and the number of exemptions, which is an approximation of the number of people (we use the terms "people" or "population" in this discussion and in Table 38 instead of "exemptions"). The Center for Housing Research estimated net migration by matching the IRS data for in-migration and out-migration by locality and aggregated annual estimates from 1995 to 2000 and from 2001 and 2003. From 1995 to 2000, Chesapeake and Suffolk by far were the localities that gained the most net population from Virginia Beach. Virginia Beach experienced a net loss of about 6,300 people to Chesapeake and 2,200 people to Suffolk from 1995-2000. Chesapeake and Suffolk were also the two top net migration locations from Virginia Beach for 2001 to 2003 (approximately 3,300 and 1,900 respectively). For 1995 to 2000, the IRS data show a distinct pattern of losing net population to North Carolina that does not show in the Census migration data. For 2000 to 2003, except for Chesapeake and Suffolk the net out-migration seems to be driven mostly by military moves.

Table 38. Locations with 200 or More People* Moving In or Out of Virginia Beach 1995-2000 and 2000-2003

Location 1995-2000	Number People Gained or Lost	Location 2000-2003	Number People Gained or Lost
Norfolk, VA	4600	Norfolk, VA	2193
San Diego County, CA	1843	Escambia County,FL	555
Lake County, IL	1033	Lake County, IL	513
Berkeley County, SC	824	New London County, CT	338
Escambia County, FL	738	Queens County, NY	316
Duval County, FL	687	San Diego County, CA	289
Queens County, NY	567	Bronx County, NY	278
Kings County, NY	517	Nassau County, NY	262
Charleston County, SC	448	Kings County, NY	256
New London County, CT	445	Monmouth County, NJ	251
Bronx County, NY	430	Onslow County, NC	236
Suffolk County, NY	411	Suffolk County, NY	210
Philadelphia County, PA	367		
Nassau County, NY	344		
Newport County, RI	306		
Onslow County, NC	257		
New York County, NY	256		
Hudson County, NJ	255		
Honolulu County, Hawaii	201		
Hillsborough County, FL	-219	Hillsborough County, FL	-272
Richmond, VA	-220	Clay County, FL	-470
James City County, VA	-234	Kings County, NY	-488
Isle Of Wight County, VA	-235	Currituck County, NC	-625
Tarrant County, TX	-245	Duval County, FL	-888
Harris County, TX	-248	Suffolk, VA	-1890
York County, VA	-257	Chesapeake, VA	-3343
Gwinnett County, GA	-261		
Broward County, FL	-283		
Chesterfield County, VA	-290		
Henrico County, VA	-337		
Clay County, FL	-339		
Fairfax County, VA	-340		
Wake County, NC	-346		
Cobb County, GA	-395		
Mecklenburg County, NC	-426		
Currituck County, NC	-801		
Suffolk, VA	-2229		
Chesapeake, VA	-6322		

*Net number of exemptions claimed

Source: IRS Migration Data

The IRS data clearly show Norfolk as the leading source of net in-migration of people to Virginia Beach for both 1995 to 2000 and 2000 to 2003 (4,600 and 2,193 respectively). As with the Census migration data, significant net gains in the population of Virginia Beach came from San Diego (1,843 people from 1995 to 2000) and for both 1995 to 2000 and 2000 to 2003 the City experienced the majority of its net gains from localities outside of the state. Lake County, IL and Escambia County, FL were the origins of a significant net movement of people to Virginia Beach in both sets of years along with large numbers of people from other Florida counties and counties in New York and North Carolina .

Projected Housing Demand

Projections of housing demand in the City of Virginia Beach for 2010 and 2020 were prepared with the Center's Housing Demand Projection Model. The model projects households by type, age, income and tenure. It provides a useful tool to project the numerical demand for housing and the demographic characteristics of that demand.

The total housing demand in Virginia Beach is projected to grow steadily over the next two decades, although not as rapidly as in the past decade. An increase of 10,379 households are projected for 2000-2010 and 7,810 from 2010 to 2020 compared with 18,889 households from 1990-2000 (Table 39). The projected increase of approximately 10,400 households during the current decade implies the need for construction of at least this number of housing units.

During the current decade, we project an increase of 9,044 owner occupied units and 1,335 renter occupied units, followed by increases between 2010 and 2020 of 7,095 owner occupied units and only 715 renter-occupied units. Throughout both decades, owner demand is anticipated to increase more quickly than renter demand (8.9% and 6.4% compared to 2.5% and 1.3% respectively). These projections do not include the increase in ownership demand prompted by the decrease in mortgage interest rates since the year 2000.

Table 39: Total Households by Tenure, Virginia Beach 2000-2020

	1990	2000	2010	2020	2000 to 2010 % Change	2010 to 2020 % Change
Total	135,566	154,455	164,834	172,644	6.7%	4.7%
Owner	84,723	101,308	110,352	117,447	8.9%	6.4%
Renter	50,843	53,147	54,482	55,197	2.5%	1.3%

Source: US Census 2000 and VCHR Projections

Household formation can be attributed to a variety of factors. Most new household formations occur among persons under the age of 35 as young adults start forming their own households. This age group is also the most mobile in responding to employment opportunities. The City of Virginia Beach housing market has to absorb about 41,000 new households formed by younger people (under 35 years old) over a decade (Table 40). In addition Virginia Beach gains about 4,500 households headed by adults between the ages of 35 to 44 every ten years during the projection period, mainly through net migration. (Changes in consistent population cohorts can be calculated by subtracting a ten-year age group from the succeeding ten-year cohort it ages into over a decade. For instance, the 33,748 householders aged 25-34 in 2000 are projected to become 38,173 householders aged 35-44 in 2010. Similarly, the 32,692 householders aged 25-34 in 2010 increase to 36,028 householders aged 35-44 in 2020.)

Table 40: Total Households by Age, Virginia Beach 2000-2020

		2000	2010	2020	2000 to 2010 % Change	2010 to 2020 % Change
Total		154,455	164,834	172,644	6.7%	4.7%
	15-24	9,267	9,246	9,303	-0.2%	0.6%
	25-34	33,748	32,692	31,590	-3.1%	-3.4%
	35-44	41,185	38,173	36,028	-7.3%	-5.6%
	45-54	30,240	36,442	37,622	20.5%	3.2%
	55-64	18,319	24,174	30,123	32.0%	24.6%
	65-74	12,742	13,597	16,261	6.7%	19.6%
	75 +	8,954	10,510	11,717	17.4%	11.5%

Table 41 projects total households for 2010 and 2020 for income categories. We project the extremely low-income segment of households to increase by 7%, thus increasing demand for affordable housing and assistance programs. Table 41 also shows that all other income groups on the spectrum will experience a growth of around 4-7% during both decades. Competition for affordable housing will continue to be intense.

Table 41: Total Household Projections By Income, 2000-2020

	2000	2010	2000-2010 change	2020	2010-2020 change
less than 15k	12,082	12,926	7.0%	13,831	7.0%
15k-25k	15,568	16,344	5.0%	17,011	4.1%
25k-35k	21,270	22,265	4.7%	23,036	3.5%
35k-45k	21,358	22,475	5.2%	23,307	3.7%
45k-50k	9,593	10,151	5.8%	10,555	4.0%
50k-75k	37,754	40,165	6.4%	41,825	4.1%
75k-100k	18,245	19,719	8.1%	20,750	5.2%
100k and more	18,585	20,790	11.9%	22,329	7.4%
Total	156,455	166,845	6.6%	174,664	4.7%

Source: Center for Housing Research

Table 42 focuses on the projected households by income and tenure for 2010 and 2020. While higher income households are typically homeowners, the 2000 data and the projection model also indicate a relatively high rate of home ownership among the extremely and very low-income households, a segment of population typically expected to be more into the rental market. In 2000, more than one third of the total extremely low-income households were homeowners and almost half of the total very-low households (30-50% AMFI) were homeowners. Tenure shifts toward homeowners as income increases. At first glance, increases in ownership among households with very limited incomes are difficult to understand, but some of this increase reflects older households who shift from higher to lower income categories as they retire, many of whom continue to be homeowners.

Table 42: Projected Households by HUD Income Category and Tenure, 2000-2020

	<30%AMFI	30-50%AMFI	50-80%AMFI	80-120%AMFI	120%+ AMFI
2000					
Owners	6,127	13,078	15,922	42,811	23,342
Renters	10,681	13,262	10,934	12,881	5,417
Total	16,808	26,340	26,856	55,692	28,759
2010					
Owners	6661	13893	17186	46090	25,928
Renters	11,096	13,588	11,362	13,326	5,705
Total	17,757	27,481	28,548	59,415	31,633
2020					
Owners	7266	14688	18169	48499	27,769
Renters	11,499	13,782	11,520	13,537	5,915
Total	18,765	28,470	29,689	62,036	33,684

Source: Center for Housing Research

Table 43 shows the projections of households by tenure status and household composition. The married-couple family type dominates owner-occupied household projections, although the fastest growing market segment is for non-family households. This could indicate a greater need for smaller housing units and higher densities than for single-family detached housing.

Table 43: Household Projections by Type, Virginia Beach 2000-2020

	2000	2010	2000-2010 change	2020	2010-2020 change
Total Households					
Married Couple	85,982	92,107	7.1%	96,609	4.9%
Other Family	24,971	26,095	4.5%	26,737	2.5%
Non-Family	43,502	46,632	7.2%	49,298	5.7%
Owner-Occupied					
Married Couple	66,697	72,580	8.8%	77,042	6.2%
Other Family	12,954	13,901	7.3%	14,559	4.7%
Non-Family	21,657	23,871	10.2%	25,847	8.3%
Renter-Occupied					
Married Couple	19,285	19,527	1.3%	19,567	0.2%
Other Family	12,017	12,194	1.5%	12,179	-0.1%
Non-Family	21,845	22,760	4.2%	23,451	3.0%

Source: Center for Housing Research

Tables 44, 45, 46 provide a detailed projection of households (total, owner-occupied and renters) by income, household type and age of householder. We project 12,369 homeowners under the age of 35 by 2010, and 11,988 by 2020. Most of these will be

first-time homebuyers, including a high proportion of married-couple families with fairly high incomes.

Table 44: Total Household Projections by Income, Type, and Age

	<15k (30% AMFI)	15-25K (50% AMFI)	25-35K (80% AMFI)	35-45K (100% AMFI)	45-50K (120% AMFI)	50-75K	75-100K	>100K	Total
2010									
Married Couples									
<35 years	730	1202	3312	3495	1779	6167	2384	10880	29949
35-54 years	928	1630	2640	4588	2570	14449	8948	13789	49542
55 to 64 years	227	399	1004	1753	866	3878	2713	6109	16949
65+	573	815	1104	1265	709	3209	1781	1944	11400
Other Family									
<35 years	1353	2221	1699	1074	291	426	165	740	7969
35-54 years	1023	1900	2591	2512	1006	3101	798	843	13774
55 to 64 years	94	268	290	358	185	752	360	529	2836
65+	201	304	343	356	172	693	291	277	2637
Non-Family									
15-64	3360	5609	7891	6337	2311	6788	2020	2532	36848
65+	4436	1996	1390	738	263	702	258	287	10070
Total	12926	16344	22265	22475	10151	40165	19719	37930	181975
2020									
Married Couples									
<35 years	719	1181	3230	3400	1728	5980	2309	10847	29394
35-54 years	916	1608	2584	4490	2531	14217	8843	14819	50008
55 to 64 years	283	497	1251	2184	1079	4832	3381	7469	20976
65+	664	944	1287	1479	829	3756	2091	2279	13329
Other Family									
<35 years	1326	2169	1657	1046	282	415	161	735	7791
35-54 years	1001	1841	2529	2463	990	3078	801	904	13607
55 to 64 years	117	334	362	446	231	936	449	631	3506
65+	234	354	398	415	200	803	336	318	3058
Non-Family									
15-64	3465	5785	8138	6535	2383	7001	2083	2646	38036
65+	5106	2298	1600	849	303	809	297	330	11592
Total	13831	17011	23036	23307	10555	41825	20750	40978	191293

Source: Center for Housing Research

Table 45: Owner-Occupied Household Projections by Income, Type, and Age

	<15k (30% AMFI)	15-25K (50% AMFI)	25-35K (80% AMFI)	35-45K (100% AMFI)	45-50K (120% AMFI)	50-75K	75-100K	>100K	Total
2010									
Married Couples									
<35 years	23	207	952	1413	904	3891	1770	1136	10296
35-54 years	278	884	1737	2911	1894	12532	8442	9379	38057
55 to 64 years	98	262	791	1526	769	3736	2613	3931	13726
65+	386	678	1011	1157	664	3131	1681	1766	10474
Other Family									
<35 years	0	432	622	440	146	237	98	98	2073
35-54 years	343	827	1302	1315	602	2277	628	453	7747
55 to 64 years	45	149	189	276	132	617	307	225	1940
65+	120	254	266	246	127	631	265	230	2139
Non-Family									
15-64	1056	2172	3621	2989	1075	3514	1051	1273	16751
65+	2366	1261	1019	577	227	630	234	239	6553
Total	4713	7125	11509	12851	6541	31196	17091	18732	109758
2020									
Married Couples									
<35 years	23	204	920	1369	875	3768	1714	1101	9974
35-54 years	279	879	1698	2850	1875	12367	8344	9383	37675
55 to 64 years	122	326	986	1901	959	4655	3256	4899	17104
65+	447	785	1181	1354	777	3666	1976	2073	12259
Other Family									
<35 years	0	420	604	427	141	230	95	96	2013
35-54 years	334	804	1273	1289	592	2263	633	455	7643
55 to 64 years	56	185	236	344	165	769	383	281	2419
65+	141	297	308	286	148	731	307	264	2482
Non-Family									
15-64	1089	2240	3734	3083	1109	3624	1084	1313	17276
65+	2724	1451	1173	664	262	725	269	275	7543
Total	5214	7593	12113	13569	6902	32799	18061	20139	116390

Source: Center for Housing Research

Table 46: Renter-Occupied Household Projections by Income, Type, and Age

	<15k (30% AMFI)	15-25K (50% AMFI)	25-35K (80% AMFI)	35-45K (100% AMFI)	45-50K (120% AMFI)	50-75K	75-100K	>100K	Total
2010									
Married Couples									
<35 years	708	995	2361	2082	875	2276	614	9744	19655
35-54 years	650	746	903	1676	677	1917	506	4410	11485
55 to 64 years	130	137	213	227	96	142	100	2177	3222
65+	187	137	93	108	45	79	100	178	927
Other Family									
<35 years	1353	1789	1077	634	145	189	67	642	5896
35-54 years	680	1073	1290	1197	404	823	170	390	6027
55 to 64 years	49	119	101	81	53	135	53	304	895
65+	81	50	77	109	44	62	25	47	495
Non-Family									
15-64	2305	3437	4271	3347	1235	3274	969	1259	20097
65+	2070	735	370	161	36	72	24	48	3516
Total	8212	9219	10756	9623	3611	8969	2628	19199	72217
2020									
Married Couples									
<35 years	696	977	2310	2031	853	2212	595	9746	19420
35-54 years	637	729	885	1640	655	1850	499	5436	12331
55 to 64 years	161	171	266	283	120	177	124	2570	3872
65+	217	159	105	125	53	89	116	206	1070
Other Family									
<35 years	1326	1748	1053	618	140	185	66	640	5776
35-54 years	666	1036	1256	1174	398	814	168	449	5961
55 to 64 years	61	149	126	101	66	168	66	351	1088
65+	93	57	90	128	52	71	29	53	573
Non-Family									
15-64	2377	3545	4404	3452	1274	3377	999	1333	20761
65+	2383	846	426	185	41	83	28	55	4047
Total	8617	9417	10923	9739	3652	9026	2689	20839	74902

Source: Center for Housing Research

Appendix I: Glossary of Terms and Acronyms

ACS	American Community Survey – An annual household survey conducted by the Census Bureau in 2001, 2002 and 2003.
Affordability	Affordability is defined as the relationship between a household's ability to pay, and the cost *to them* of the housing they occupy, or seek to occupy. In Virginia, the state has defined affordability as costs that are less than 30% of household income.
AHS	American Housing Survey - A source of information for frequent and up-to-date information on the Nation's housing supply. Collected for the Department of Housing and Urban Development by the Bureau of the Census.
AMFI	Area Median Family Income, the median income for families within a geographic area. Estimated by HUD and used as a reference for income eligibility for housing programs.
Average Household Income	Total aggregate income divided by the number of households. The means for households, families, and unrelated individuals are based on all households, families, and unrelated individuals, respectively. The means (averages) for people are based on people 15 years old and over with income.
Block Group	A subdivision of a census tract. A block group consists of approximately three individual blocks which are equivalent to city blocks.
Census Tract	A small area of approximately 4,000 people used by the U.S. Census Bureau for reporting decennial census results. Census tracts are designed to be relatively homogeneous units with respect to population characteristics, economic status, and living conditions at the time they are establisheds.
CHAS Data	Comprehensive Housing Affordability Strategy (CHAS) data are special tabulations of census data used by HOME and CDBG jurisdictions to prepare Consolidated Plans and analyze housing needs.

CoC	Continuum of Care - A program to help the homeless Americans get housing, job training, child care, and other services. The Continuum of Care, which is the centerpiece of the federal policy on homelessness, stresses permanent solutions to homelessness through comprehensive and collaborative community planning.
Cost Burden	The fraction of a household's total gross income spent on housing costs. For renters, housing costs include rent paid by the tenant plus utilities. For owners, housing costs include mortgage payment, taxes, insurance, and utilities.
ELI	Extremely Low Income - Income that does not exceed 30 percent of area median family income adjusted for household size.
Family	A family is a group of two people or more (one of whom is the householder) related by birth, marriage, or adoption and residing together; all such people (including related subfamily members) are considered as members of one family.
Gross Rent	Rent plus utilities.
HH	A household (HH) consists of all the people who occupy a housing unit. A house, an apartment or other group of rooms, or a single room, is regarded as a housing unit when it is occupied or intended for occupancy as separate living quarters; that is, when the occupants do not live and eat with any other persons in the structure and there is direct access from the outside or through a common hall.
HMDA	Home Mortgage Disclosure Act - This law (P.L. 101-73), as implemented by the Federal Reserve Board's Regulation C, requires the reporting of census tract number along with other information in order to identify areas with possible discrimination in providing mortgages.
Householder	The householder refers to the person (or one of the people) in whose name the housing unit is owned or rented (maintained) or, if there is no such person, any adult member, excluding roomers, boarders, or paid employees. If the house is owned or rented jointly by a married couple, the householder may be either the husband or the wife.

LI	Low Income - Income that does not exceed 80 percent of area median income.
LIHTC	Low Income Housing Tax Credits - A way of obtaining financing to develop low-income housing. Government programs provide dollar-for-dollar credit toward taxes owed by the housing owner. These tax credits can be sold, or used to back up bonds that are sold, to obtain financing to develop the housing.
Median income	The amount which divides the income distribution into two equal groups, half having incomes above the median, half having incomes below the median. The medians for households, families, and unrelated individuals are based on all households, families, and unrelated individuals, respectively. The medians for people are based on people 15 years old and over with income.
MSA	Metropolitan Statistical Area - An area defined by the Office of Management and Budget as a Federal statistical standard. An area qualifies for recognition as an MSA if it includes a city of at least 50,000 population or an urbanized area of at least 50,000 with a total metropolitan area population of at least 100,000.
Non-Family	A person living alone or two or more people who are unrelated to each other and share a housing unit.
Other Family	Families headed by a householder with no spouse present.
Section 8	Federal Housing Assistance Payments Program, authorized by the Housing and Community Development Act of 1974 providing housing choice vouchers allowing very low-income families to choose and lease or purchase safe, decent, and affordable privately-owned rental housing.
VLI	Very Low Income - Income that does not exceed 50 percent of area median income.
Worst case housing needs	The number (percent) of households with income of less than 50% AMFI that have incomplete facilities, or 1.51+ people/room, or cost burden of 50% of monthly income or more, or zero income.

Source: HUD and US Census Definitions

APPENDIX II: City Comparisons

At the request of the City of Virginia Beach, we put together a set of selected comparison charts and tables between Virginia Beach and 5 other cities in Virginia and across the nation. These cities are:

- Chesapeake, Virginia
- Suffolk, Virginia
- Jacksonville, Florida
- Atlanta, Georgia
- Charlotte, North Carolina.

These cities were chosen because they were often sited as Virginia Beach's top competition for economic development projects. The comparisons are based on the US Census 2000 which provides data for all these cities (2003 ACS does not cover all of these cities).

1. Total Household by Type

Table 47 compares the total households by type between the six cities. Virginia Beach had a relatively high percentage of family households (72.5%) with the highest percentage of married couple families among all the other cities in 2000. Virginia Beach also had the highest percentage of non-family households doubling up (26.1%).

Table 47: Household by Type for Selected Cities, 2000

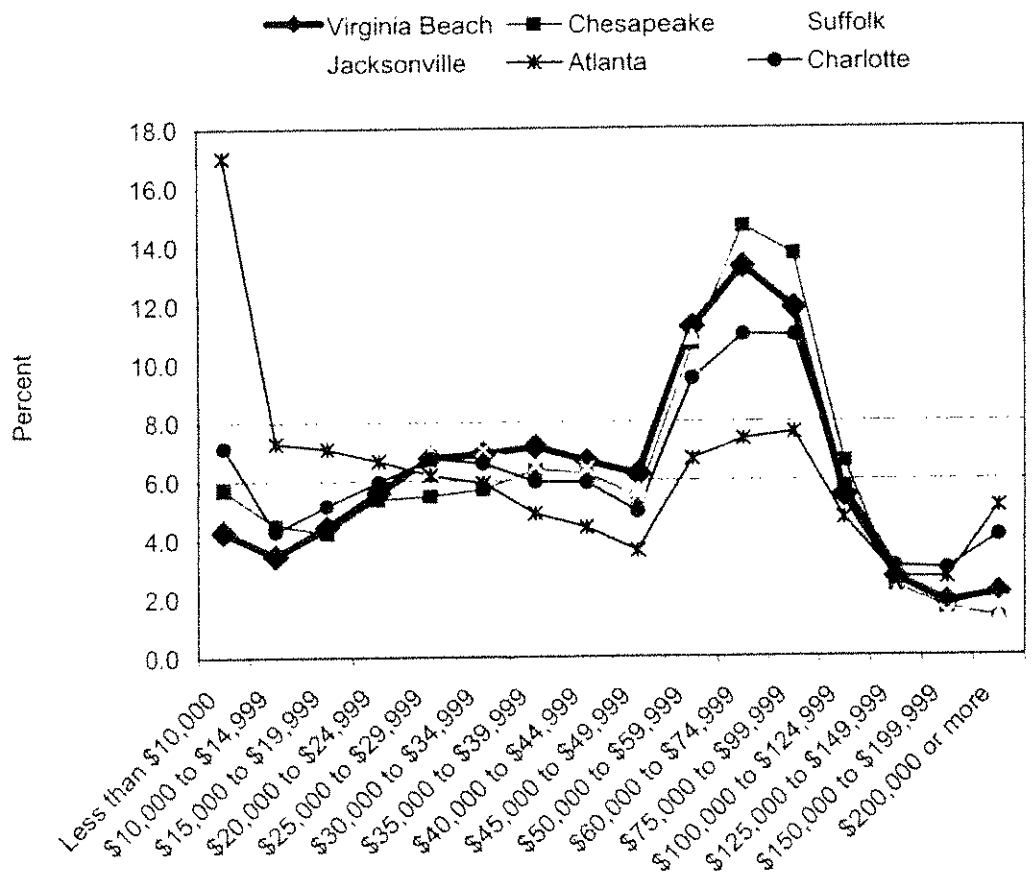
	Virginia Beach	Chesapeake	Suffolk	Jacksonville	Atlanta	Charlotte
Total Households	**154,635**	**69,835**	**23,290**	**284,661**	**168,341**	**215,803**
Family	**72.5%**	**77.7%**	**76.3%**	**67.4%**	**50.2%**	**62.1%**
Married-couple family	78.6%	77.7%	72.4%	70.7%	50.0%	72.0%
Male householder	5.2%	5.0%	5.6%	6.5%	8.5%	6.8%
Female householder	16.2%	17.4%	22.0%	22.9%	41.5%	21.2%
Non-family	**27.5%**	**22.3%**	**23.7%**	**32.6%**	**49.8%**	**37.9%**
Living alone	73.9%	80.6%	84.7%	80.3%	77.1%	77.6%
Not living alone	26.1%	19.4%	15.3%	19.7%	22.9%	22.4%

Source: US Census 2000

2. Household Income

Figure 14 shows that all cities had almost the same distribution pattern for household income. However, Virginia Beach had a smaller percent of households with incomes less that $15,000, and the second highest percent of households with incomes of $50,000 plus in 2000.

Figure 14: Household Income Comparison



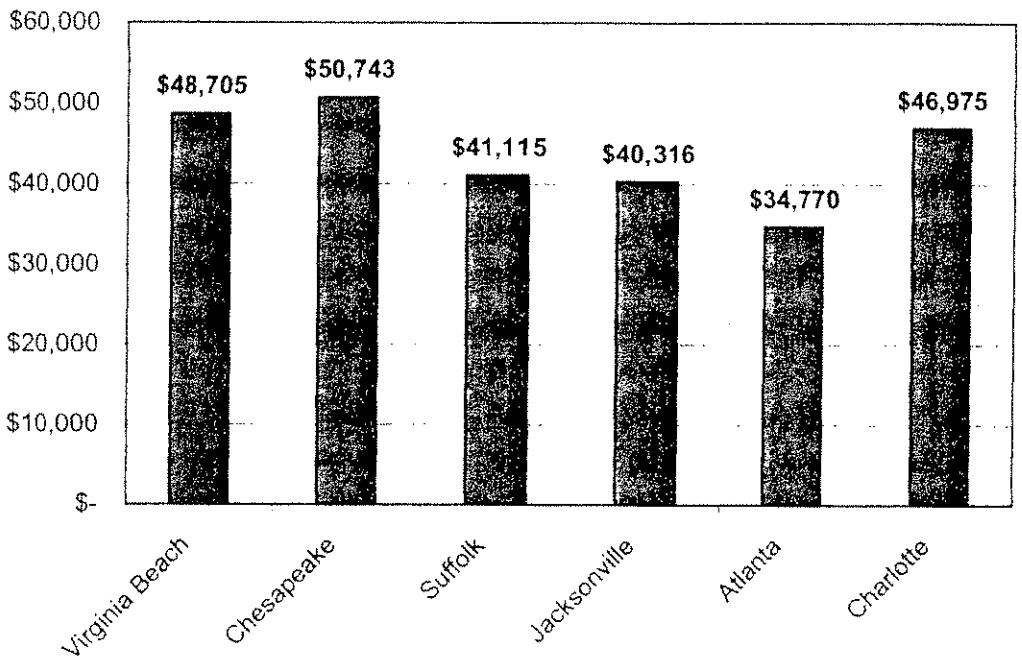
Source: US Census 2000

S

3. Median Household Income

Figure 15 shows that only Chesapeake had a higher median household income in 1999 than Virginia Beach among the selected cities.

Figure 15: Median Household Income, 1999

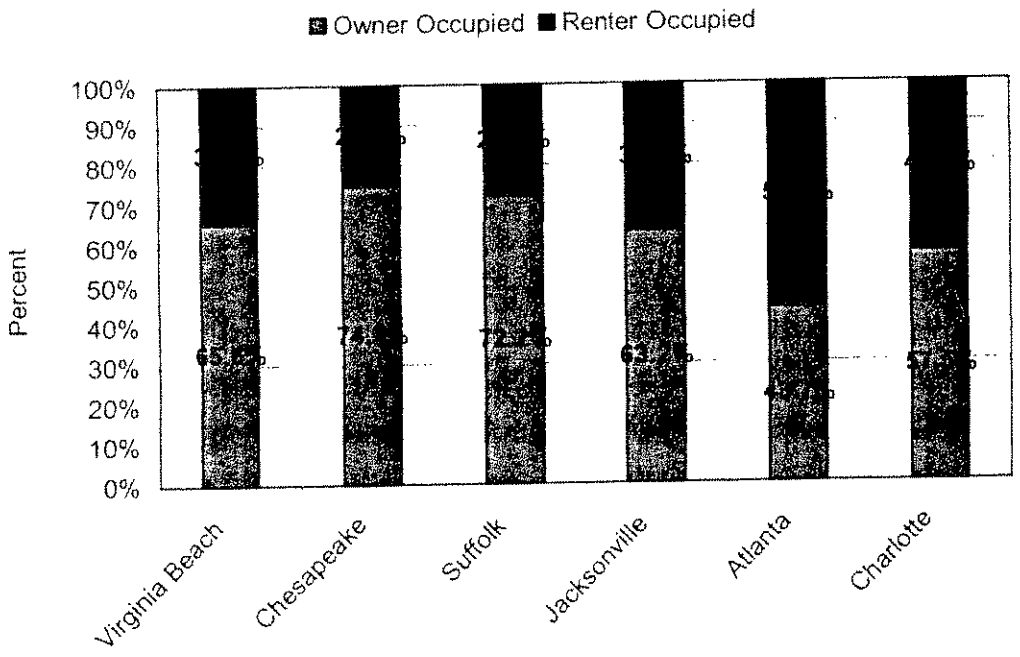


Source: US Census 2000

4. Housing Tenure

Figure 16 shows that Virginia Beach had a higher ownership rate in 2000 than Jacksonville, Atlanta, and Charlotte but lower rate than Chesapeake and Suffolk.

Figure 16: Housing Tenure (Percent Homeowners and Renters)

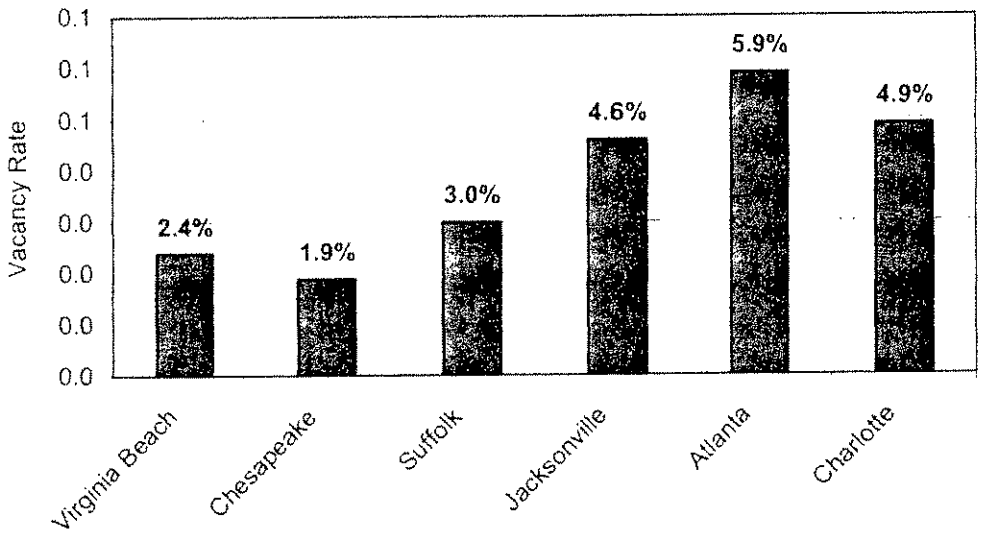


Source: US Census 2000

5. Vacancy Rates

Figure 17 shows that Virginia Beach had a significantly lower vacancy rate than the comparison cities of Jacksonville, Atlanta, and Charlotte and was second lowest to Chesapeake in 2000.

Figure 17: Vacancy Rate, 2000

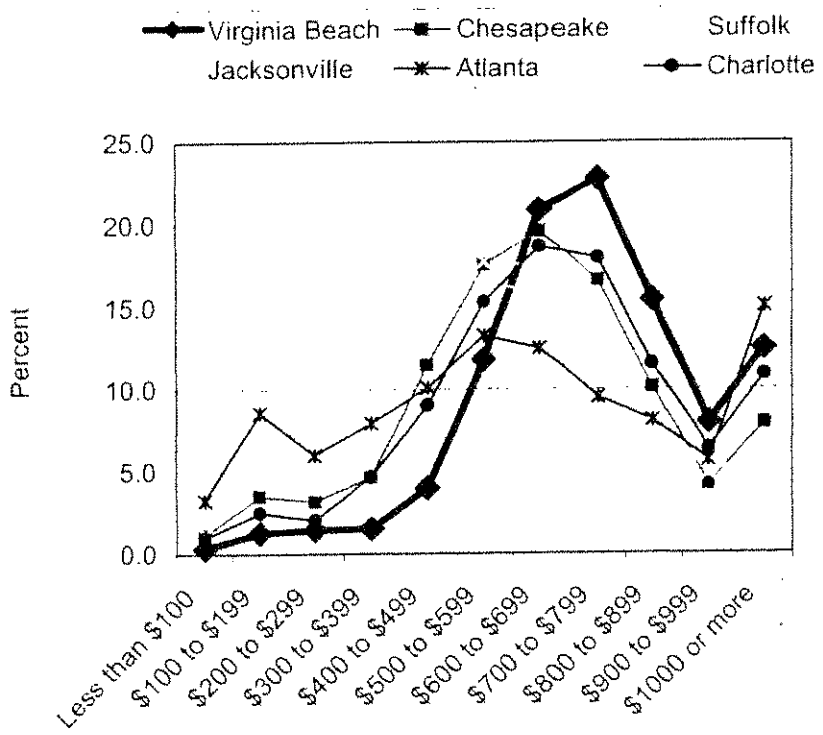


Source: US Census 2000

6. Gross Rent

Figure 18 shows that Virginia Beach had the lowest percentage of rents less than $600, and the highest percentage of rents more than $700 among the selected cities in 2000.

Figure 18: Gross Rent

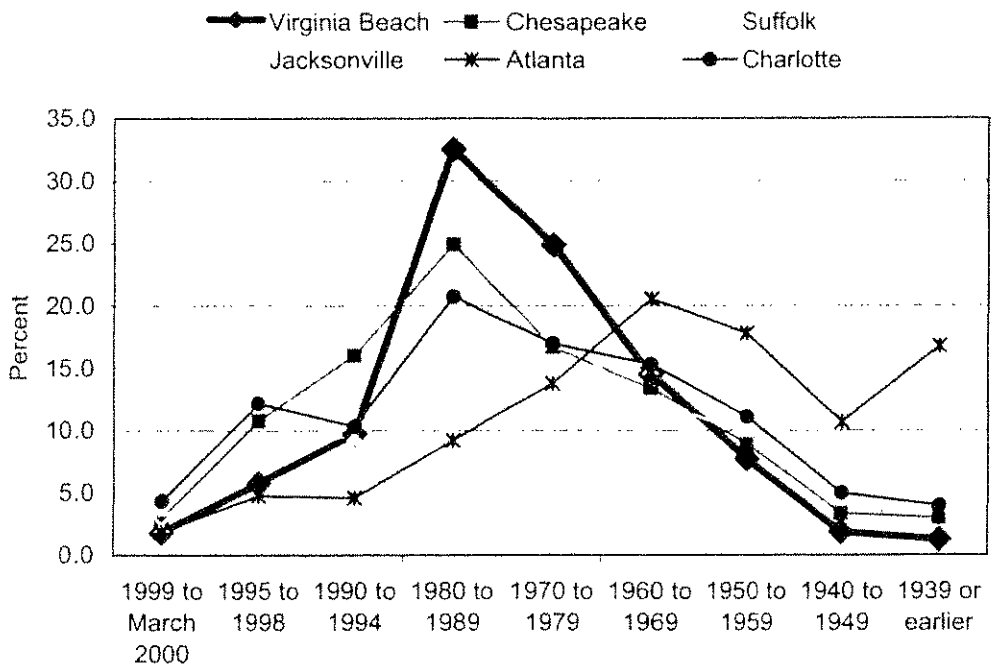


Source: US Census 2000

7. Year Structure Built

Figure 19 shows that in 2000 Virginia Beach had the lowest percentage of pre-1960 housing units compared to the selected cities, with the majority of its stock built in the 1970s-1990s.

Firgure 19: Year Structure Built

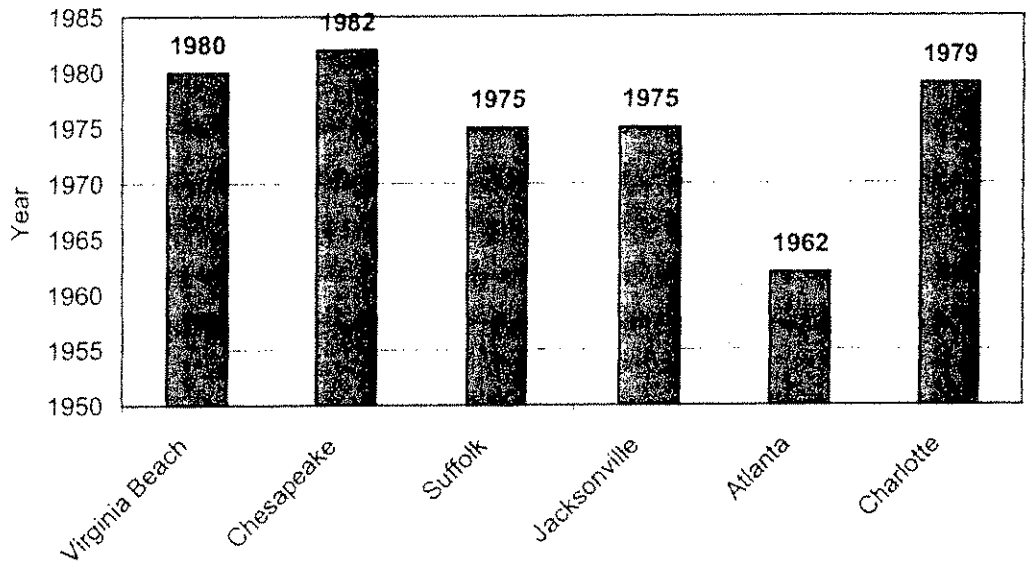


Source: US Census 2000

8. Median Year Structure Built

Figure 20 shows that in 2000 the median year structure built for Virginia Beach was second most recent to Chesapeake.

Figure 20: Median Year Structure Built



Source: US Census 2000

SUPPORT FILE # 7
CITY OF VIRGINIA BEACH
2010 ANNUAL AGENCY PLAN
AND
FIVE YEAR PLAN:

FAIR HOUSING REPORT

Analysis of Impediments To Fair Housing Choice

Interim Report #1

Hampton Roads Region of Virginia

December 14, 2009

MULLIN & ONERGAN ASSOCIATES
800 Vinial Street, Suite B-414, Pittsburgh, PA 15212 412.323.1980 fax 412.323.1969

December 14, 2009

Sylvia Hill
Housing Programs Coordinator
Department of Housing and Neighborhood Preservation
Annex, Building 1 - Basement
2401 Courthouse Drive
Virginia Beach, VA 23456

Dear Sylvia:

Enclosed please find Interim Report #1 of the Hampton Roads Analysis of Impediments to Fair Housing Choice (AI). This report includes the basic demographic profile for each of the seven cities.

By January 31, we will provide you with a second Interim Report. The second report will build upon the first by incorporating relevant information from the numerous documents provided by the seven cities. It will also include mapping to better illustrate the demographic conditions included herein, and a review of public policy documents.

In the meantime, should you have any questions, please advise.

Sincerely,

Marjorie Williams, AICP
Senior Project Manager

Enclosure

cc: Eric Fulmer, AICP
Karen Blandford, The Blandford Group

HAMPTON ROADS REGION OF VIRGINIA
ANALYSIS OF IMPEDIMENTS TO FAIR HOUSING CHOICE

1. INTRODUCTION 8
- A. Introduction 8
- B. Fair Housing Choice 8
- C. The Federal Fair Housing Act 10
  - i. What housing is covered? 10
  - ii. What does the Fair Housing Act prohibit? 10
  - iii. Additional Protections for the Disabled 11
  - iv. Significant Recent Changes 11
  - v. Requirements for New Buildings 12
  - vi. Housing Opportunities for Families 12
- D. Virginia Human Rights Act 13
- E. Methodology 16
  - i. Use of Census Data 16
  - ii. Other Data Sources Used 17
  - iii. Areas of Racial or Ethnic Concentration 17
- F. Development of the AI 17
  - i. Lead Agency 17
  - ii. Agency Consultation 17
- G. The Relationship between Fair Housing and Affordable Housing 17

2. THE CITY OF CHESAPEAKE 19
- A. The Relationship between Protected Class Status and Income 19
  - i. Population Trends 19
  - ii. Residential Segregation Patterns 21
  - iii. Race and Income 24
  - iv. Disability and Income 27
  - v. Familial Status and Income 27
  - vi. Ancestry and Income 28
  - vii. The Relationship between Protected Class Status and Unemployment 28
- B. The Housing Market 29
  - i. Housing Inventory 29
  - ii. Types of Housing Units 31
  - iii. The Relationship between Protected Class Status and Homeownership 32
  - iv. The Tendency of the Protected Classes to Live in Larger Households 34
  - v. Cost of Housing 35
  - vi. The Relationship between Protected Class Status and Housing Problems 38

3. THE CITY OF HAMPTON 40
- A. The Relationship between Protected Class Status and Income 40
  - i. Population Trends 40
  - ii. Residential Segregation Patterns 42
  - iii. Race and Income 45
  - iv. Disability and Income 47
  - v. Familial Status and Income 48
  - vi. Ancestry and Income 49
  - vii. The Relationship between Protected Class Status and Unemployment 49
- B. The Housing Market 50
  - i. Housing Inventory 50
  - ii. Types of Housing Units 51
  - iii. The Relationship between Protected Class Status and Homeownership 52
  - iv. The Tendency of the Protected Classes to Live in Larger Households 53

v. Cost of Housing 54
vi. The Relationship between Protected Class Status and Housing Problems 58

4. THE CITY OF NEWPORT NEWS 59
A. The Relationship between Protected Class Status and Income 59
i. Population Trends 59
ii. Residential Segregation Patterns 61
iii. Race and Income 64
iv. Disability and Income 67
v. Familial Status and Income 67
vi. Ancestry and Income 68
vii. The Relationship between Protected Class Status and Unemployment 68
B. The Housing Market 69
i. Housing Inventory 69
ii. Types of Housing Units 70
iii. The Relationship between Protected Class Status and Homeownership 71
iv. The Tendency of the Protected Classes to Live in Larger Households 73
v. Cost of Housing 74
vi. The Relationship between Protected Class Status and Housing Problems 77

5. THE CITY OF NORFOLK 79
A. The Relationship between Protected Class Status and Income 79
i. Population Trends 79
ii. Residential Segregation Patterns 81
iii. Race and Income 84
iv. Disability and Income 87
v. Familial Status and Income 87
vi. Ancestry and Income 88
vii. The Relationship between Protected Class Status and Unemployment 88
B. The Housing Market 89
i. Housing Inventory 89
ii. Types of Housing Units 90
iii. The Relationship between Protected Class Status and Home ownership 91
iv. The Tendency of the Protected Classes to Live in Larger Households 92
v. Cost of Housing 93
vi. The Relationship between Protected Class Status and Housing Problems 97

6. THE CITY OF PORTSMOUTH 98
A. The Relationship between Protected Class Status and Income 98
i. Population Trends 98
ii. Residential Segregation Patterns 100
iii. Race and Income 103
iv. Disability and Income 105
v. Familial Status and Income 106
vi. Ancestry and Income 107
vii. The Relationship between Protected Class Status and Unemployment 107
B. The Housing Market 108
i. Housing Inventory 108
ii. Types of Housing Units 109
iii. Relationship between Protected Class Status and Home Ownership 110
iv. The Tendency of the Protected Classes to Live in Larger Households 111
v. Cost of Housing 112
vi. The Relationship between Protected Class Status and Housing Problems 116

7. THE CITY OF SUFFOLK 117
A. The Relationship between Protected Class Status and Income 117
i. Population Trends 117
ii. Residential Segregation Patterns 119

iii. Race and Income 121
iv. Disability and Income 124
v. Familial Status and Income 125
vi. Ancestry and Income 126
vii. The Relationship between Protected Class Status and Unemployment 126

B. The Housing Market 127
i. Housing Inventory 127
ii. Types of Housing Units 128
iii. The Relationship between Protected Class Status and Homeownership 129
iv. The Tendency of the Protected Classes to Live in Larger Households 129
v. Cost of Housing 130
vi. The Relationship between Protected Class Status and Housing Problems 134

8. THE CITY OF VIRGINIA BEACH 135

A. The Relationship between Protected Class Status and Income 135
i. Population Trends 135
ii. Residential Segregation Patterns 138
iii. Race and Income 140
iv. Disability and Income 143
v. Familial Status and Income 143
vi. Ancestry and Income 144
vii. The Relationship between Protected Class Status and Unemployment 145

B. The Housing Market 146
i. Housing Inventory 146
ii. Types of Housing Units 146
iii. The Relationship between Protected Class Status and Homeownership 147
iv. The Tendency of the Protected Classes to Live in Larger Households 148
v. Cost of Housing 149
vi. The Relationship between Protected Class Status and Housing Problems 153

Index of Tables and Figures

Figure 1-1 Protection for Members of the Protected Classes 13
Figure 2-1 Population Trends, 1990-2008 19
Figure 2-2 Changes in the Racial and Ethnic Characteristics of the Population, 1990-2008 20
Figure 2-3 Census Tract Population by Race and Hispanic Origin, 2009 21
Figure 2-4 Virginia Municipal Dissimilarity Index Rankings, 2000 23
Figure 2-5 Chesapeake Dissimilarity Indices, 2000 23
Figure 2-6 Median Household Income and Poverty Rates by Race/Ethnicity - 2000 24
Figure 2-7 Household Income Distribution by Race, 2008 24
Figure 2-8 Household Income Distribution by Race, 2008 25
Figure 2-9 Low and Moderate Income Persons, 2009 26
Figure 2-10 Female-Headed Households with Children, 1990-2008 28
Figure 2-11 Civilian Labor Force, 2008 29
Figure 2-12 Trends in Total Housing Units, 1990-2009 30
Figure 2-13 Trends in Housing Units in Structures, 2000 32
Figure 2-14 Home Ownership by Race and Ethnicity of Householder - 2000 34
Figure 2-15 Families with Three or More Persons, 2000 35
Figure 2-16 Housing Units by Number of Bedrooms, 2000 35
Figure 2-17 Trends in Housing Value, Rent and Income, 1990-2008 36
Figure 2-18 Loss of Affordable Rental Housing Units, 2000-2008 36
Figure 2-19 Housing Market Sales Trends, 2000-2008 37
Figure 2-20 Number of Housing Units Sold, 2000-2008 38
Figure 2-21 Median Sales Price Trends, 2000-2008 38
Figure 2-22 Lower Income Households with Housing Problems, 2000 39
Figure 3-1 Population Trends, 1990-2008 40
Figure 3-2 Changes in the Racial and Ethnic Characteristics of the Population, 1990-2008 41
Figure 3-3 Census Tract Population by Race and Hispanic Origin, 2009 42
Figure 3-4 Virginia Municipal Dissimilarity Index Rankings, 2000 44
Figure 3-5 Hampton Dissimilarity Indices, 2000 44
Figure 3-6 Median Household Income and Poverty Rates by Race/Ethnicity, 2008 45
Figure 3-7 Household Income Distribution by Race, 2008 46
Figure 3-8 Household Income Distribution by Race, 2008 46
Figure 3-9 Household Income Distribution by Race, 2008 47
Figure 3-10 Female-Headed Households and Households with Children 48
Figure 3-11 Civilian Labor Force, 2008 50
Figure 3-12 Trends in Total Housing Units, 1990-2009 51
Figure 3-13 Trends in Housing Units in Structures, 2000 52
Figure 3-14 Rates of Homeownership by Race, 2000 53
Figure 3-15 Families with Three or More Persons, 2000 54
Figure 3-16 Housing Units by Number of Bedrooms, 2000 54
Figure 3-17 Trends in Housing Value, Rent and Income, 1990-2008 55
Figure 3-18 Loss of Affordable Rental Housing Units, 2000-2008 55
Figure 3-19 Housing Market Sales Trends, 2000-2008 56

Figure 3-20 Number of Housing Units Sold, 2000-2008 57
Figure 3-21 Median Sales Price Trends, 2000-2008 57
Figure 3-22 Lower Income Households with Housing Problems, 2000 58
Figure 4-1 Population Trends, 1990-2008 59
Figure 4-2 Changes in the Racial and Ethnic Characteristics of the Population, 1990-2008 60
Figure 4-3 Census Tract Population by Race and Ethnicity, 2009 61
Figure 4-4 Virginia Municipal Dissimilarity Index Rankings, 2000 63
Figure 4-5 Newport News Dissimilarity Indices, 2000 63
Figure 4-6 Median Household Income and Poverty Rates by Race/Ethnicity, 2008 64
Figure 4-7 Household Income Distribution by Race and Ethnicity, 2008 65
Figure 4-8 Household Income Distribution by Race and Ethnicity, 2008 65
Figure 4-9 Low and Moderate Income Persons, 2009 66
Figure 4-10 Female-headed Households and Households with Children, 1990-2008 68
Figure 4-11 Civilian Labor Force, 2008 69
Figure 4-12 Trends in Total Housing Units, 1990-2009 70
Figure 4-13 Trends in Housing Units in Structures, 2000 71
Figure 4-14 Home Ownership by Race and Ethnicity, 2000 72
Figure 4-15 Families with Three or More Persons, 2000 73
Figure 4-16 Housing Units by Number of Bedrooms, 2000 74
Figure 4-17 Trends in Housing Value, Rent and Income, 1990-2008 74
Figure 4-18 Loss of Affordable Rental Housing Units, 2000-2008 75
Figure 4-19 Housing Market Sales Trends, 2000-2008 76
Figure 4-20 Number of Housing Units Sold, 2000-2008 76
Figure 4-21 Median Sales Price Trends, 2000-2008 77
Figure 4-22 Lower Income Households with Housing Problems, 2000 78
Figure 5-1 Population Trends, 1990-2008 79
Figure 5-2 Changes in the Racial and Ethnic Characteristics of the Population, 1990-2008 79
Figure 5-3 Census Tract Population by Race and Hispanic Origin, 2009 81
Figure 5-4 Virginia Municipal Dissimilarity Index Rankings, 2000 83
Figure 5-5 Norfolk Dissimilarity Indices, 2000 83
Figure 5-6 Median Household Income and Poverty Rates by Race/Ethnicity, 2000 84
Figure 5-7 Household Income Distribution by Race and Ethnicity, 2008 85
Figure 5-8 Household Income Distribution by Race and Ethnicity, 2008 85
Figure 5-9 Low and Moderate Income Persons, 2009 86
Figure 5-10 Female-headed Households and Households with Children, 1990-2008 88
Figure 5-11 Civilian Labor Force, 2008 89
Figure 5-12 Trends in Total Housing Units, 1990-2009 90
Figure 5-13 Trends in Housing Units in Structures, 2000 91
Figure 5-14 Home Ownership by Race and Ethnicity, 2000 92
Figure 5-15 Families with Three or More Persons, 2000 93
Figure 5-16 Housing Units by Number of Bedrooms, 2000 93
Figure 5-17 Trends in Housing Value, Rent and Income, 1990-2008 94
Figure 5-18 Loss of Affordable Rental Housing Units, 2000-2008 94
Figure 5-19 Housing Market Sales Trends, 2000-2008 95
Figure 5-20 Number of Housing Units Sold, 2000-2008 96

Figure 5-21 Median Sales Price Trends, 2000-2008 96
Figure 5-22 Lower Income Households with Housing Problems, 2000 97
Figure 6-1 Population Trends – 1990-2008 98
Figure 6-2 Changes in the Racial and Ethnic Characteristics of the Population, 1990-2008 99
Figure 6-3 Census Tract Population by Race and Hispanic Origin, 2009 100
Figure 6-4 Virginia Municipal Dissimilarity Index Rankings, 2000 102
Figure 6-5 Portsmouth Dissimilarity Indices, 2000 102
Figure 6-6 Median Household Income and Poverty Rates by Race/Ethnicity, 2008 103
Figure 6-7 Household Income Distribution by Race and Ethnicity, 2008 103
Figure 6-8 Household Income Distribution by Race and Ethnicity, 2008 104
Figure 6-9 Low and Moderate Income Persons, 2009 105
Figure 6-10 Female-Headed Households and Households with Children 107
Figure 6-11 Civilian Labor Force, 2008 108
Figure 6-12 Trends in Housing Inventory, 1990-2008 109
Figure 6-13 Trends in Housing Units in Structures, 2000 110
Figure 6-14 Home Ownership by Race and Ethnicity of Householder, 2000 111
Figure 6-15 Families with Three or More Persons, 2000 112
Figure 6-16 Housing Units by Number of Bedrooms, 2000 112
Figure 6-17 Trends in Housing Value, Rent, and Income, 1990-2008 113
Figure 6-18 Loss of Affordable Rental Housing Units, 2000-2008 113
Figure 6-19 Housing Market Sales Trends, 2000-2008 114
Figure 6-20 Number of Housing Units Sold, 2000-2008 115
Figure 6-21 Median Sales Price Trends, 2000-2008 115
Figure 6-22 Lower Income Households with Housing Problems, 2000 116
Figure 7-1 Population Trends, 1990-2008 117
Figure 7-2 Changes in the Racial and Ethnic Characteristics of the Population, 1990-2008 118
Figure 7-3 Census Tract Population by Race and Hispanic Origin, 2009 119
Figure 7-4 Virginia Municipal Dissimilarity Index Rankings, 2000 120
Figure 7-5 Suffolk Dissimilarity Indices, 2000 121
Figure 7-6 Median Household Income and Poverty Rates by Race/Ethnicity, 2000 122
Figure 7-7 Household Income Distribution by Race and Ethnicity, 2000 122
Figure 7-8 Household Income Distribution by Race, 2008 123
Figure 7-9 Low and Moderate Income Persons, 2009 124
Figure 7-10 Female-headed Households and Households with Children 126
Figure 7-11 Civilian Labor Force, 2008 127
Figure 7-12 Trends in the Housing Inventory, 1990-2009 128
Figure 7-13 Trends in the Housing Units in Structures, 2000 128
Figure 7-14 Home Ownership by Race and Ethnicity of Householder, 2000 129
Figure 7-15 Families with Three or More Persons, 2000 130
Figure 7-16 Housing Units by Number of Bedrooms, 2000 130
Figure 7-17 Trends in Housing Value, Rent and Income, 1990-2008 131
Figure 7-18 Loss of Affordable Rental Housing Units, 2000-2008 131
Figure 7-19 Housing Market Sales Trends, 2000-2008 132
Figure 7-20 Number of Housing Units Sold, 2000-2008 133
Figure 7-21 Median Sales Price Trends, 2000-2008 133

Figure 7-22 Lower Income Households with Housing Problems, 2000 134
Figure 8-1 Population Trends, 1990-2008 135
Figure 8-2 Changes in the Racial and Ethnic Characteristics of the Population, 1990-2008 136
Figure 8-3 Census Tract Population by Race and Hispanic Origin, 2009....137
Figure 8-4 Virginia Municipal Dissimilarity Index Rankings, 2000 139
Figure 8-5 Virginia Beach Dissimilarity Indices, 2000....139
Figure 8-6 Median Household Income and Poverty Rates by Race/Ethnicity, 2000 140
Figure 8-7 Household Income Distribution by Race - 2008 141
Figure 8-8 Household Income Distribution by Race....141
Figure 8-9 Low and Moderate Income Persons, 2009....142
Figure 8-10 Female-Headed Households and Households with Children....144
Figure 8-11 Civilian Labor Force, 2008....145
Figure 8-12 Trends in Total Housing Units, 1990-2009 146
Figure 8-13 Trends in Housing Units in Structures, 2000 147
Figure 8-14 Home Ownership by Race and Ethnicity of Householder, 2000....148
Figure 8-15 Families with Three or More Persons, 2000....149
Figure 8-16 Housing Units by Number of Bedrooms, 2000 149
Figure 8-17 Trends in Housing Value, Rent and Income, 1990-2008....150
Figure 8-18 Loss of Affordable Rental Housing Units, 2000-2008....150
Figure 8-19 Housing Market Sales Trends, 2000-2008 151
Figure 8-20 Number of Housing Units Sold, 2000-2008 152
Figure 8-21 Median Sales Price Trends, 2000-2008 152
Figure 8-22 Lower Income Households with Housing Problems, 2000 153

1. INTRODUCTION

A. Introduction

The Hampton Roads Region of Virginia has prepared an Analysis of Impediments to Fair Housing Choice to satisfy requirements of the Housing and Community Development Act of 1974, as amended. This Act requires that each community receiving Community Development Block Grant (CDBG) funds certifies to HUD that it will affirmatively further fair housing. The Hampton Roads Region includes the seven cities of Chesapeake, Hampton, Newport News, Norfolk, Portsmouth, Suffolk and Virginia Beach.

Communities receiving CDBG entitlement funds are required to:

- Examine and attempt to alleviate housing discrimination within their jurisdiction
- Promote fair housing choice for all persons
- Provide opportunities for all persons to reside in any given housing development, regardless of race, color, religion, sex, disability, familial status, or national origin
- Promote housing that is accessible to and usable by persons with disabilities, and
- Comply with the non-discrimination requirements of the Fair Housing Act. These requirements can be achieved through the preparation of an Analysis of Impediments to Fair Housing Choice.

The Analysis of Impediments to Fair Housing Choice (AI) is a review of a jurisdiction's laws, regulations, and administrative policies, procedures, and practices affecting the location, availability, and accessibility of housing, as well as an assessment of conditions, both public and private, affecting fair housing choice.

B. Fair Housing Choice

Equal and free access to residential housing (housing choice) is fundamental to meeting essential needs and pursuing personal, educational, employment or other goals. Because housing choice is so critical, fair housing is a goal that government, public officials and private citizens must achieve if equality of opportunity is to become a reality.

Under federal law, fair housing choice is defined as the ability of persons, regardless of race, color, religion, sex, disability, familial status, or national origin, of similar income levels to have available to them the same housing choices. Persons who are protected from discrimination by fair housing laws are referred to as members of the protected classes.

This Analysis encompasses the following six areas related to fair housing choice:

- The sale or rental of dwellings (public and private)
- The provision of housing brokerage services
- The provision of financing assistance for dwellings
- Public policies and actions affecting the approval of sites and other building requirements used in the approval process for the construction of publicly assisted housing
- The administrative policies concerning community development and housing activities, which affect opportunities of minority households to select housing inside or outside areas of minority or ethnic concentration, and
- Where there is a determination of unlawful segregation or other housing discrimination by a court or a finding of noncompliance by the U.S. Department of Housing and Urban Development (HUD) regarding assisted housing in a recipient's jurisdiction, an analysis of the actions which could be taken by the recipient to remedy the discriminatory condition, including actions involving the expenditure of funds made available under 24 CFR Part 570 (i.e., the CDBG program regulations).

As federal entitlement communities, the seven cities in the Hampton Roads Region have specific fair housing planning responsibilities. These include:

- Conducting an Analysis of Impediments to Fair Housing Choice
- Developing actions to overcome the effects of identified impediments to fair housing, and
- Maintaining records to support the cities' initiatives to affirmatively further fair housing.

HUD interprets these three certifying elements to include:

- Analyzing housing discrimination in a jurisdiction and working toward its elimination
- Promoting fair housing choice for all people
- Providing racially and ethnically inclusive patterns of housing occupancy
- Promoting housing that is physically accessible to, and usable by, all people, particularly individuals with disabilities, and
- Fostering compliance with the nondiscrimination provisions of the Fair Housing Act.

This Analysis will:

- Evaluate population, household, income and housing characteristics by protected classes in each of the seven cities and across the region
- Evaluate public and private sector policies that impact fair housing choice
- Identify blatant or de facto impediments to fair housing choice, where any may exist, and

- Recommend specific strategies to overcome the effects of any identified impediments.

HUD defines an impediment to fair housing choice as any actions, omissions, or decisions that restrict, or have the effect of restricting, the availability of housing choices, based on race, color, religion, sex, disability, familial status, or national origin.

This Analysis serves as the basis for fair housing planning, provides essential information to policy makers, administrative staff, housing providers, lenders, and fair housing advocates, and assists in building public support for fair housing efforts. The elected governmental bodies are expected to review and approve the analysis and use it for direction, leadership, and resources for future fair housing planning.

The analysis will serve as a baseline for progress against which implementation efforts will be judged and recorded.

C. The Federal Fair Housing Act

i. What housing is covered?

The federal Fair Housing Act covers most housing. In some circumstances, the Act exempts owner-occupied buildings with no more than four units, single family housing sold or rented without the use of a broker, and housing operated by organizations and private clubs that limit occupancy to members.

ii. What does the Fair Housing Act prohibit?

a. In the Sale and Rental of Housing

No one may take any of the following actions based on race, color, religion, sex, disability, familial status or national origin:

- Refuse to rent or sell housing
- Refuse to negotiate for housing
- Make housing unavailable
- Deny a dwelling
- Set different terms, conditions or privileges for the sale or rental of a dwelling
- Provide different housing services or facilities
- Falsely deny that housing is available for inspection, sale, or rental
- For profit, persuade owners to sell or rent (blockbusting), or
- Deny anyone access to or membership in a facility or service (such as a multiple listing service) related to the sale or rental of housing.

b. In Mortgage Lending

No one may take any of the following actions based on race, color, religion, sex, disability, familial status or national origin:

- Refuse to make a mortgage loan
- Refuse to provide information regarding loans
- Impose different terms or conditions on a loan, such as different interest rates, points, or fees
- Discriminate in appraising property
- Refuse to purchase a loan, or
- Set different terms or conditions for purchasing a loan.

c. Other Prohibitions

It is illegal for anyone to:

- Threaten, coerce, intimidate or interfere with anyone exercising a fair housing right or assisting others who exercise that right
- Advertise or make any statement that indicates a limitation or preference based on race, color, religion, sex, disability, familial status, or national origin. This prohibition against discriminatory advertising applies to single family and owner-occupied housing that is otherwise exempt from the Fair Housing Act.

iii. Additional Protections for the Disabled

If someone has a physical or mental disability (including hearing, mobility and visual impairments, chronic alcoholism, chronic mental illness, AIDS, AIDS Related Complex and mental retardation) that substantially limits one or more major life activities, or has a record of such a disability, or is regarded as having such a disability, a landlord may not:

- Refuse to let the disabled person make reasonable modifications to a dwelling or common use areas, at the disabled person's expense, if necessary for the disabled person to use the housing. Where reasonable, the landlord may permit changes only if the disabled person agrees to restore the property to its original condition when he or she moves.
- Refuse to make reasonable accommodations in rules, policies, practices or services if necessary for the disabled person to use the housing.

For example, a building with a "no pets" policy must make a reasonable accommodation and allow a visually impaired tenant to keep a guide dog.

iv. Significant Recent Changes

The Housing for Older Persons Act of 1995 (HOPA) makes several changes to the age 55 and older exemption. Since the 1988 Amendments, the Fair Housing Act has exempted from its familial status provisions properties that satisfy the Act's age 55 and older housing condition. First, it eliminates the requirement that housing for persons age 55 and older have "significant facilities and services" designed for the elderly. Second, HOPA establishes a

"good faith reliance" immunity from damages for persons who in good faith believe that the age 55 and older exemption applies to a particular property, if they do not actually know that the property is not eligible for the exemption and if the property has formally stated in writing that it qualifies for the exemption.

HOPA retains the requirement that senior housing must have one person who is 55 years of age or older living in at least 80% of its occupied units. It also still requires that senior housing publish and follow policies and procedures that demonstrate the intent to be housing for persons 55 years and older.

An exempt property will not violate the Fair Housing Act if it includes families with children, but it does not have to do so. Of course, the property must meet the Act's requirements that at least 80% of its occupied units have at least one occupant who is 55 or older, and that it publish and follow policies and procedures that demonstrate the intent to be housing for persons age 55 and older housing.

v. Requirements for New Buildings

In buildings that are ready for first occupancy after March 13, 1991 and have an elevator and four or more units:

- Public and common areas must be accessible to persons with disabilities
- Doors and hallways must be wide enough for wheelchairs
- All units must have:
  - An accessible route into and through the unit
  - Accessible light switches, electrical outlets, thermostats and other environmental controls
  - Reinforced bathroom walls to allow later installation of grab bars, and
  - Kitchens and bathrooms that can be used by people in wheelchairs.

If a building with four or more units has no elevator and will be ready for first occupancy after March 13, 1991, these standards apply to ground floor units. These requirements for new buildings do not replace any more stringent standards in state or local law.

vi. Housing Opportunities for Families

Unless a building or community qualifies as housing for older persons, it may not discriminate based on familial status. That is, it may not discriminate against families in which one or more children under the age 18 live with:

- A parent or
- A person who has legal custody of the child or children or

- The designee of the parent or legal custodian, with the parent or custodian's written permission.

Familial status protection also applies to pregnant women and anyone securing legal custody of a child under age 18.

Housing for older persons is exempt from the prohibition against familial status discrimination if:

- The HUD Secretary has determined that it is specifically designed for and occupied by elderly persons under a federal, state or local government program, or
- It is occupied solely by persons who are 62 or older, or
- It houses at least one person who is 55 or older in at least 80% of the occupied units, and adheres to a policy that demonstrates the intent to house persons who are 55 or older, as previously described.

A transition period permits residents on or before September 13, 1988 to continue living in the housing, regardless of their age, without interfering with the exemption.

D. Virginia Human Rights Act

The Virginia Fair Housing Law was adopted in 1972 and prohibits housing discrimination on the basis of race, color, religion, sex, national origin, elderliness, familial status, and handicap. As a result, persons in Virginia have greater protection under the State's fair housing law than under federal fair housing law as illustrated in the following chart.

Figure 1-1
Protection for Members of the Protected Classes

Protected Class	Federal Fair Housing Act	Virginia Fair Housing Law
Race	•	•
Color	•	•
National Origin	•	•
Religion	•	•
Sex	•	•
Familial Status	•	•
Handicap/Disability Status	•	•
Elderliness (over 55 years of age)		•

Specifically, the Virginia Fair Housing Law prohibits the following practices:

- Refusing to sell or rent after the making of a bona fide offer or refusing to negotiate for the sale or rental of, or otherwise make unavailable or deny, a dwelling to any person because of race, color, religion, sex, national origin, elderliness, familial status or disability;

- Discriminating against any person in the terms, conditions, or privileges of the sale or rental of a dwelling, or in the provision of services or facilities in connection therewith to any person because of race, color, religion, sex, national origin, elderliness, familial status or disability;
- To make, print, or publish, or cause to be made, printed, or published any notice, statement, or advertisement, with respect to the sale or rental of a dwelling that indicates any preference, limitation, or discrimination or an intention to make any such preference, limitation or discrimination based on race, color, religion, sex, national origin, elderliness, familial status or disability;
- Representing to any person because of race, color, religion, sex, national origin, elderliness, familial status or disability that any dwelling is not available for inspection, sale, or rental when such dwelling is in fact available;
- Denying any person access to membership or participation in any multiple listing service, real estate brokers' organization, or other service, organization or facility relating to the business of selling or renting dwellings, or to discriminate against such person in the terms or conditions of such access, membership, or participation because of race, color, religion, sex, national origin, elderliness, familial status or disability;
- To include in any transfer, sale rental, or lease of housing, any restrictive covenant that discriminates because of race, color, religion, sex, national origin, elderliness, familial status or disability or for any person to honor or exercise, or attempt to honor or exercise any such discriminatory covenant pertaining to housing;
- To induce or attempt to induce to sell or rent any dwelling by representations regarding the entry or prospective entry into the neighborhood of a person or persons of a particular race, color, religion, sex, national origin, elderliness, familial status or disability.

In addition, the State law further stipulates additional actions that are prohibited as they relate to housing discrimination. These prohibitions include the following:

- Failing or delaying maintenance or repairs of sales or rental dwellings;
- Limiting the use of privileges, services or facilities associated with a dwelling;
- Discouraging the purchase or rental of a dwelling or exaggerating drawbacks or failing to inform any person of desirable features of a dwelling or a community, neighborhood, or development;
- Communicating to any prospective purchaser that they would not be comfortable or compatible with existing residents of a community neighborhood or development;
- Assigning any person to a particular section of a community neighborhood or development or to a particular floor or section of a building;

- Denying or limiting services or facilities in connection with the sale or rental of a dwelling because a person failed or refused to provide sexual favors.

The law also explicitly regulates the advertising of real estate in the following manner:

- Using words, phrases, photographs, illustrations, symbols, or forms which convey that dwellings are available or are not available to a particular group because of race, color, religion, sex, handicap, familial status, elderliness or national origin;
- Using selective geographic advertisements, such as the strategic placement of billboards; brochure advertisements distributed within a limited geographic area by hand or in the mail; advertising in particular geographic coverage editions of major metropolitan newspapers or in newspapers of limited circulation which are mainly advertising vehicles for reaching a particular segment of the community; or displays or announcements available only in selected sales offices;
- Using selective human models when using an advertising campaign using human models primarily in media that cater to one racial or national origin segment of the population without a complementary advertising campaign that is directed at other groups;
- All newspaper publishers should publish at the beginning of the real estate advertising section a notice that includes a statement regarding the coverage of any local fair housing or human rights ordinance prohibiting discrimination in the sale, rental or financing of dwellings.

The Virginia Fair Housing Office (VFHO) is under the auspices of the Department of Professional and Occupational Regulation. The VFHO consists of an administrator who has overall responsibility for the office, an Investigative Supervisor who oversees all investigations, a Program Conciliator who attempts to resolve complaints through informal negotiation, four field investigators, and two administrative investigators. The VFHO is the investigative arm of Virginia's Fair Housing Board and Real Estate Board. The Fair Housing Board administers and enforces the Fair Housing Law for most individuals and businesses; the Real Estate Board retains jurisdiction over real estate licensees and their employees.

Once the VFHO accepts a complaint as stating a fair housing claim, the complaint is assigned to be investigated. During the investigative process an investigator generally interviews the complainant, the respondent and relevant witnesses. The investigator may also review documents and records.

After the investigation is completed, the investigator writes a final report that summarizes the evidence obtained during the investigation. The investigative supervisor then reviews this report. The evidence is presented to the Board, which will review the evidence. The Board will take one of the following actions upon a report: (1) dismiss the complaint, (2) issue a charge of discrimination, or (3) accept the conciliation agreement. If the Board issues a charge of discrimination, the charge is immediately referred to the Office of the Attorney General in Virginia for further action.

E. Methodology

Mullin & Lonergan Associates, Inc. (M&L) was hired as consultants to conduct the Analysis of Impediments to Fair Housing Choice. M&L utilized a comprehensive approach to complete the analysis involving the Hampton Roads Region. The following sources were utilized:

- The most recently available demographic data regarding population, household, housing, income, and employment
- The most recent five-year Consolidated Plan for each city
- The 2002 Analysis of Impediments to Fair Housing Choice for the region
- Public policies affecting the siting and development of housing, including the comprehensive plans and municipal zoning ordinances
- Administrative policies concerning housing and community development
- Housing brokerage services and their administration in the community
- Financial lending institution data from the Home Mortgage Disclosure Act (HMDA) database
- Previous Consolidated Annual Performance and Evaluation Reports (CAPER) for each city
- Interviews and focus group sessions conducted with agencies and organizations that provide housing and housing related services to members of the protected classes.

i. Use of Census Data

Two major sources of data were used for this report. Census data from 1990, Census 2000, and the 2008 American Community Survey (ACS) were supplemented with 2009 estimates obtained from DemographicsNow. The ACS data is available only for geographic units with a population of 65,000 or more. As a result, ACS data is available for a city, but is not available for smaller geographic units within a city such as census tracts. For census tract level data more recent than 2000, DemographicsNow data was used. In most cases, the most recent data available was used.

Because statistics in census data products are based on the collection, tabulation, editing, and handling of questionnaires, errors in the data are possible. In addition to errors occurring during data collection, much of the census data is based on Summary File 3 (SF3) sample data rather than Summary File 1 (SF1) data, which is 100-percent data. Each data set is subject to sampling error and non-sampling error, respectively. Non-sampling error includes confidentiality edits applied by the Census Bureau to assure that data does not disclose information about specific individuals, households, or housing units. Because of sampling and non-sampling errors, there may be discrepancies in the reporting of similar type of data. These discrepancies do not negate the usefulness of the census data.

ii. Other Data Sources Used

Other primary data sources include CHAS data tables available from HUD, residential segregation data available from Census Scope, and mortgage data available from the Home Mortgage Disclosure Act (HMDA) database.

iii. Areas of Racial or Ethnic Concentration

HUD defines areas of racial or ethnic concentration as geographic areas where the percentage of a specific minority or ethnic group is 10 percentage points higher than a city's overall percentage. While segregation may exist, it alone is not definitive proof of discrimination in the housing market; it *may* indicate discrimination or else suggest that other factors are at work limiting housing choices of racial and ethnic groups.

F. Development of the AI

i. Lead Agency

The Hampton Roads Community Housing Resource Board (HRCHRB) is the lead agency responsible for the preparation and implementation of the AI. The HRCHRB identified and invited numerous stakeholders to participate in the process for the purpose of developing a thorough analysis with a practical set of recommendations to eliminate impediments to fair housing choice, where identified.

ii. Agency Consultation

The HRCHRB engaged in an extensive consultation process with local public agencies, nonprofit organizations and other interested entities in an effort to develop a community planning process for the AI. A series of written questionnaires were mailed to many of the interviewees and detailed lists of issues were developed for the focus group sessions and interviews.

From August 24 through August 27, 2009 the HRCHRB membership and the consulting team began a series of focus group sessions and individual interviews to identify current fair housing issues impacting the various agencies and organizations. Comments received through these meetings are incorporated throughout the AI, where appropriate.

A list of the stakeholders identified and invited to the focus group sessions and interviews will be included in Appendix A upon completion of the final draft.

G. The Relationship between Fair Housing and Affordable Housing

As stated in the Introduction, fair housing choice is defined as the ability of persons, regardless of race, color, religion, sex, disability, familial status, or national origin, of similar income levels to have available to them the same housing choices. In Virginia, this protection is also extended to persons 55 years of age and older. Persons who are

protected from discrimination by fair housing laws are referred to as members of the protected classes.

This AI analyzes a range of fair housing issues regardless of a person's income. To the extent that members of the protected classes tend to have lower incomes, then access to fair housing is related to affordable housing. In many areas across the U.S., a primary impediment to fair housing is a relative absence of affordable housing. Often, however, the public policies implemented in towns and cities create, or contribute to, the lack of affordable housing in these communities.

This document goes well beyond an analysis of the adequacy of affordable housing in the Hampton Roads region. This AI defines the relative presence of members of the protected classes within the context of factors that influence the ability of the protected classes to achieve equal access to housing and related services.

2. THE CITY OF CHESAPEAKE

A. The Relationship between Protected Class Status and Income

i. Population Trends

Minority residents are increasing at a faster rate than White residents in Chesapeake. Total population grew at a significant pace between 1990 and 2008. In 1990, there were 151,968 residents with Whites comprising almost 71% of the population. Blacks represented 27.4% of the total population and over 93% of the minority population. By 2008, total population increased nearly 45% to 220,111 residents. Whites increased 30% while Blacks increased more than 56% during the 18-year period. By 2008, Whites had fallen to 63.4% of the population despite a numeric increase.

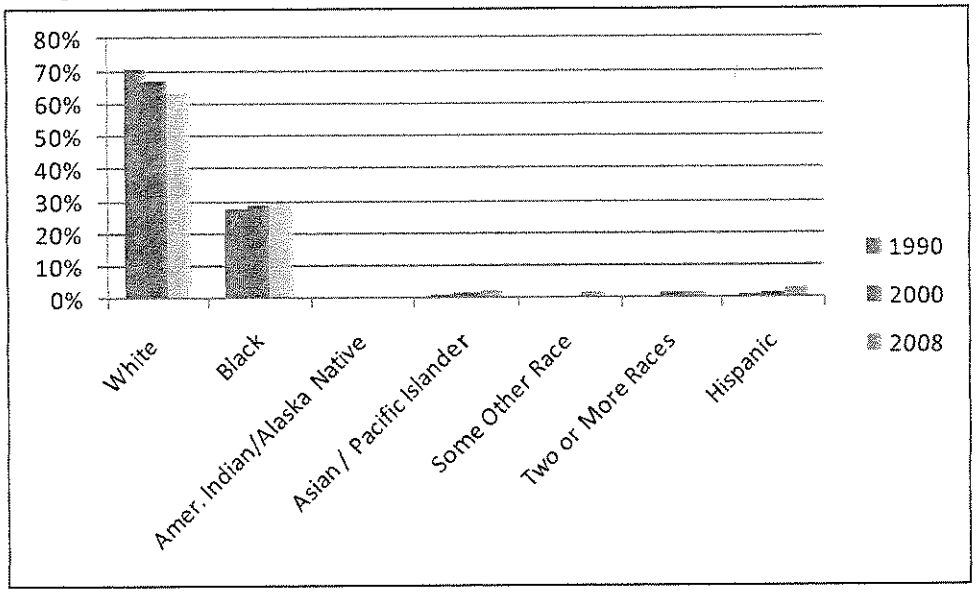
Growth among other minorities was also significant during this period. Asian/Pacific Islanders comprised the second-largest racial minority group in 2008, accounting for 2.6% of the population. In actual numbers, this group increased three-fold from 1,892 to 5,719 since 1990. Persons of Two or More Races, a category first used in Census 2000, grew over 36% from 3,224 to 4,398 residents in 2008. Persons of Some Other Race increased from 571 to 4,077 residents. American Indians/Alaskan Natives more than doubled in number from 444 to 1,033. Persons of Hispanic origin increased more than threefold from 1,911 to almost 7,000 residents.

Figure 2-1
Population Trends, 1990-2008

	1990		2000		2008		% Change
	#	%	#	%	#	%	1990-2008
City of Chesapeake	151,968	100.0%	199,184	100.0%	220,111	100.0%	44.8%
White Population	107,400	70.7%	133,193	66.9%	139,638	63.4%	30.0%
Non-White Population	44,568	29.3%	65,991	33.1%	80,473	36.6%	80.6%
Black	41,661	27.4%	56,823	28.5%	65,246	29.6%	56.6%
Amer. Indian/Alaska Native	444	0.3%	770	0.4%	1,033	0.5%	132.7%
Asian / Pacific Islander	1,892	1.2%	3,774	1.9%	5,719	2.6%	202.3%
Some Other Race	571	0.4%	1,400	0.7%	4,077	1.9%	614.0%
Two or More Races	---	---	3,224	1.6%	4,398	2.0%	36.4%
Hispanic	1,911	1.3%	4,076	2.0%	6,933	3.1%	262.8%

Source: U.S. Census Bureau

Figure 2-2
Changes in the Racial and Ethnic Characteristics of the Population, 1990-2008



Sources: U.S. Census Bureau, Demographics Now

HUD defines areas of racial or ethnic minority concentration as geographical areas where the percentage of a specific minority or ethnic group is 10 percentage points higher than in the City overall. In Chesapeake, Blacks comprised 29.2% of the population in 2009.[1] Therefore, an area of racial concentration would include any census tract where the percentage of Black residents is 39.2% or higher. There are 13 census tracts which meet these criteria; they are highlighted in the following chart. No other racial minority group meets the criteria for an area of racial concentration.

Hispanic residents represent 3.3% of the total population. An area of ethnic concentration would include a census tract where the percentage of Hispanics is 13.3% or higher. No census tract meets this criterion.

[1] Data from DemographicsNow for 2009 was used for this analysis because the data were provided at the census tract level.

Figure 2-3
Census Tract Population by Race and Hispanic Origin, 2009

			Minority Residents		
Census Tract	Total Population	White %	Black %	Asian/Pacific Islander %	Hispanic %
Chesapeake	**216,184**	**63.9%**	**29.2%**	**3.8%**	**3.3%**
200.01	1,526	87.8%	6.4%	3.1%	1.3%
200.02	4,424	54.8%	39.5%	2.0%	3.2%
200.03	5,114	74.4%	19.8%	2.2%	3.6%
201.00	4,753	12.9%	83.8%	0.7%	2.8%
202.00	3,854	4.7%	92.7%	0.6%	1.7%
203.00	1,672	40.3%	50.2%	5.4%	2.4%
204.00	2,782	70.7%	23.2%	2.8%	2.8%
205.01	169	28.4%	68.1%	0.0%	4.7%
205.02	1,059	48.2%	49.0%	0.5%	2.5%
206.00	3,863	82.1%	12.1%	3.0%	2.0%
207.00	5,245	40.4%	54.9%	1.5%	2.2%
208.01	8,658	42.2%	51.6%	2.6%	3.1%
208.04	6,458	68.7%	17.0%	10.9%	3.4%
208.05	5,518	56.1%	28.7%	10.3%	6.5%
208.06	6,638	65.3%	22.2%	7.6%	6.4%
208.07	8,090	69.9%	19.0%	6.9%	5.2%
209.01	9,624	64.5%	26.3%	5.0%	5.2%
209.03	2,235	11.3%	86.9%	0.3%	0.4%
209.04	8,214	54.3%	38.0%	5.0%	3.8%
210.04	5,783	82.3%	9.6%	3.9%	3.8%
210.05	4,883	68.6%	24.6%	3.9%	3.0%
210.06	8,020	82.9%	11.0%	3.2%	3.9%
210.07	9,010	86.0%	9.5%	0.6%	2.4%
210.08	10,509	86.4%	9.0%	2.4%	2.8%
210.09	4,268	87.3%	7.7%	2.7%	3.3%
211.01	5,146	87.4%	6.9%	3.1%	3.1%
211.02	7,649	66.4%	29.7%	2.1%	1.6%
212.00	5,500	83.8%	11.6%	1.7%	3.9%
213.01	4,699	70.5%	23.9%	2.0%	3.5%
213.02	8,591	52.0%	40.5%	3.0%	4.6%
214.01	2,073	70.0%	23.4%	1.7%	6.2%
214.02	6,450	79.3%	15.4%	2.2%	2.7%
214.03	4,549	64.5%	30.9%	1.8%	3.1%
214.04	7,651	20.5%	74.8%	2.3%	1.9%
215.01	9,541	54.1%	40.3%	3.6%	1.8%
215.02	6,874	82.4%	11.8%	3.2%	2.7%
216.01	8,616	81.1%	10.5%	6.4%	2.5%
216.02	6,476	45.8%	42.5%	7.1%	4.1%

Source: Demographics Now

[MAP TO BE INSERTED]

ii. Residential Segregation Patterns

Residential segregation is a measure of the degree of separation of racial or ethnic groups living in a neighborhood or community. Typically, the pattern of residential segregation involves the existence of predominantly homogenous, White suburban communities and low-income minority inner-city neighborhoods. A potential impediment to fair housing is created where either latent factors, such as attitudes, or overt factors, such as real estate

practices, limit the range of housing opportunities for minorities. A lack of racial or ethnic integration in a community creates other problems, such as reinforcing prejudicial attitudes and behaviors, narrowing opportunities for interaction, and reducing the degree to which community life is considered harmonious. Areas of extreme minority isolation often experience poverty and social problems at rates that are disproportionately high. Racial segregation has been linked to diminished employment prospects, poor educational attainment, increased infant and adult mortality rates and increased homicide rates.

The distribution of racial or ethnic groups across a geographic area can be analyzed using an index of dissimilarity. This method allows for comparisons between subpopulations, indicating how much one group is spatially separated from another within a community. The index of dissimilarity is rated on a scale from 0 to 100, in which a score of 0 corresponds to perfect integration and a score of 100 represents total segregation.[2] The index is typically interpreted as the percentage of the minority population (in this instance, the Black population) that would have to move in order for a community or neighborhood to achieve full integration.

Of the 18 cities and towns with populations exceeding 25,000 in Virginia, Chesapeake is one of the most segregated. The City's 2000 dissimilarity index of 52.6 for White persons and Black persons ranks 14th out of 18, and indicates that White and Black persons in Chesapeake are more segregated than in more than 70% of the State's most populated cities and towns. Among the seven cities in the Hampton Roads region, Chesapeake is the third-most segregated. Details are included in the table below.

[2] The index of dissimilarity is a commonly used demographic tool for measuring inequality. For a given geographic area, the index is equal to**1/2 ▯ ABS [(b/B)-(A/a)]**, where b is the subgroup population of a census tract, B is the total subgroup population in a city, a is the majority population of a census tract, and A is the total majority population in the city. ABS refers to the absolute value of the calculation that follows.

Figure 2-4
Virginia Municipal Dissimilarity Index Rankings, 2000

Rank	City	Black Population	White Population	Total Population	Dissimilarity Index
1	Blacksburg Town	1,700	32,869	39,573	**17.5**
2	Harrisonburg	2,266	32,416	40,468	**25.0**
3	Manassas	4,430	23,304	35,135	**29.2**
4	Leesburg Town	2,573	22,761	28,311	**38.0**
5	Virginia Beach	79,092	295,402	425,257	**41.4**
6	Petersburg	26,511	6,131	33,740	**42.6**
7	Alexandria	28,463	68,889	128,283	**46.0**
8	Danville	21,267	25,813	48,411	**46.2**
9	Hampton	64,795	70,963	146,437	**47.4**
10	Newport News	69,538	93,624	180,150	**50.3**
11	Lynchburg	19,288	43,108	65,269	**51.2**
12	Suffolk	27,524	33,940	63,677	**52.0**
13	Charlottesville	9,916	30,825	45,049	**52.4**
14	Chesapeake	56,442	131,200	199,184	**52.6**
15	Norfolk	102,268	110,221	234,403	**57.5**
16	Portsmouth	50,569	45,403	100,565	**62.0**
17	Richmond	112,455	74,506	197,790	**68.3**
18	Roanoke	25,220	65,256	94,911	**68.3**

Source: CensusScope

Dissimilarity index data for all Chesapeake subpopulations appear in the table below. The data indicate that in order to achieve full integration among White persons and Black persons in the City, 52.6% of Black residents would have to move to a different location within Chesapeake.

Figure 2-5
Chesapeake Dissimilarity Indices, 2000

	DI with White Population**	Population	% of Total Population
White	-	131,200	65.9%
Black	52.6	56,442	28.3%
American Indian*	29.0	722	0.4%
Asian	32.9	3,638	1.8%
Hawaiian*	62.5	92	0.0%
Other*	49.1	251	0.1%
Two or more races	26.7	2,763	1.4%
Hispanic***	26.5	4,076	2.0%
TOTAL	-	199,184	100.0%

* In these cases, sample size is too small to reliably interpret the DI. Caution should be exercised in interpreting results for subpopulations of fewer than 1,000.
** Each dissimilarity index indicates the percentage of one of the two population groups compared that would have to move to different geographic areas to create a completely even demographic distribution in Chesapeake.
*** Hispanic ethnicity is counted independently of race
Source: CensusScope

The indices above show that, in addition to a White/Black index of 52.6, Chesapeake has a White/Asian index of 32.9, a White/multi-race index of 26.7, and a White/Hispanic index of 26.5. These numbers indicate that these subpopulations are less segregated than Black residents. Perfect integration

would receive an index score of 0. Indices for the other groups cannot be as reliably interpreted, since their populations are less than 1,000. In cases where subgroup population is small, the dissimilarity index may be high even if the group's members are evenly dispersed.

iii. Race and Income

Household income is one of several factors used to determine a household's eligibility for a home mortgage loan. A review of median household income reveals a stark contrast between races and ethnicity in Chesapeake. The median household incomes for Blacks and Hispanics were equivalent to only 60% and 80%, respectively, of the median household income for Whites, while Asians had a slightly higher income. Significant differences in poverty are evident as well, with Blacks experiencing poverty rates equal to almost five times that of Whites. Data on poverty for Asians and Hispanics were not available.

Figure 2-6
Median Household Income and Poverty Rates by Race/Ethnicity - 2000

	Median Household Income	Poverty Rate
City of Chespeake	$78,958	7.7%
Whites	$86,789	3.6%
Blacks	$52,118	17.4%
Asians*	$88,066	n/a
Hispanics*	$69,363	n/a

Source: U.S. Census Bureau, 2008 American Community Survey (B19013, B19013A, B19013B, B19013D, B19013I)
*The poverty rates for Asians and Hispanics were not available

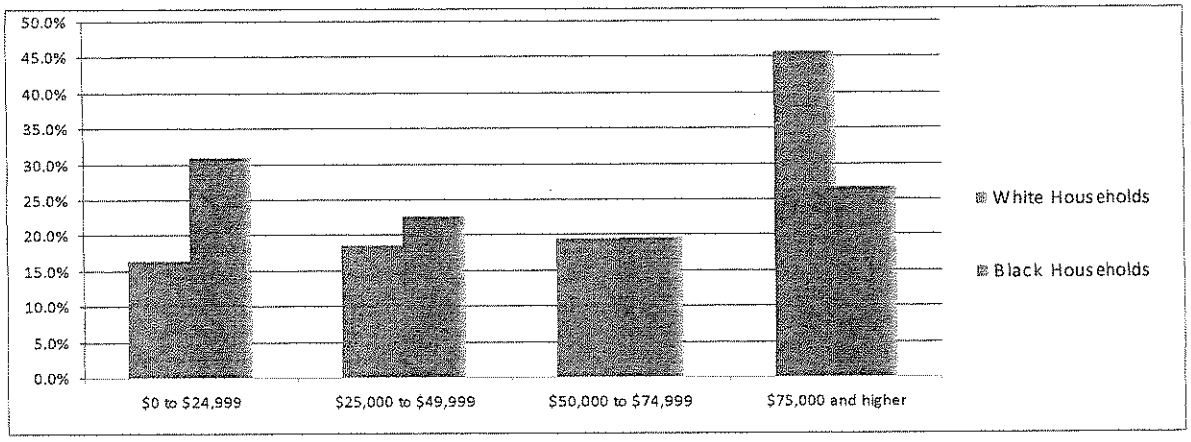
There are also significant differences in income distribution in Chesapeake. In 2000, only 10.4% of White households had incomes below $25,000 compared to almost one-third of all Black households. The middle income ranges were more comparable with 22.6% of Black households having incomes within the $25,000 to $49,999 range compared to 16.3% of White households, and 19.7% of Black households within the $50,000 to $74,999 range compared to 17.9% of White households. On the opposite end of the spectrum, slightly more than one-quarter of Black households earned $75,000 or higher compared to more than half of all White households. Data on household income distribution for Asians and Hispanics were not available.

Figure 2-7
Household Income Distribution by Race, 2008

		$0 to $24,999		$25,000 to $49,999		$50,000 to $74,999		$75,000 and higher	
	Total	#	%	#	%	#	%	#	%
All Households	79,876	13,077	16.4%	14,769	18.5%	15,482	19.4%	36,548	45.8%
White Households	51,084	5,302	10.4%	8,337	16.3%	9,158	17.9%	28,287	55.4%
Black Households	24,815	7,680	30.9%	5,611	22.6%	4,900	19.7%	6,624	26.7%

Source: U.S. Census Bureau, 2008 American Community Survey (C19001, B19001A, B19001B)
*Data for Asian and Hispanic households are not available

Figure 2-8
Household Income Distribution by Race, 2008



HUD data on the percent of low and moderate income persons reveals that there are 34 census block groups where more than 51% of residents meet the criteria for low and moderate income status. Of these, 19 block groups were located within areas of racial concentration.

Figure 2-9
Low and Moderate Income Persons, 2009

Census Tract	Block Group	Low and Moderate Income Persons #	Universe	%	Census Tract	Block Group	Low and Moderate Income Persons #	Universe	%
200.01	1	540	1,576	34.26%	210.07	1	434	2,157	20.12%
200.02	1	373	1,229	30.35%	210.07	2	531	2,481	21.40%
200.02	2	1,350	1,918	70.39%	210.07	3	188	849	22.14%
200.02	3	661	1,278	51.72%	210.07	4	68	1,186	5.73%
200.03	1	1,044	1,653	63.16%	210.07	5	239	2,320	10.30%
200.03	2	381	1,180	32.29%	210.08	1	317	1,193	26.57%
200.03	3	352	898	39.20%	210.08	2	364	1,662	21.90%
200.03	4	194	618	31.39%	210.08	3	248	2,538	9.77%
200.03	5	481	843	57.06%	210.08	4	241	1,832	13.16%
201.00	1	207	247	83.81%	210.08	5	119	2,026	5.87%
201.00	2	2,877	3,747	76.78%	210.09	1	281	1,432	19.62%
201.00	3	364	688	52.91%	210.09	2	244	2,211	11.04%
202.00	1	381	703	54.20%	211.01	1	182	666	27.33%
202.00	2	302	492	61.38%	211.01	2	115	1,074	10.71%
202.00	3	419	739	56.70%	211.01	3	225	1,416	15.89%
202.00	4	681	981	69.42%	211.01	4	330	2,166	15.24%
202.00	5	578	723	79.94%	211.02	1	990	5,061	19.56%
203.00	1	593	963	61.58%	212.00	1	440	1,477	29.79%
203.00	2	541	850	63.65%	212.00	2	464	2,459	18.87%
204.00	1	747	1,228	60.83%	212.00	3	463	1,101	42.05%
204.00	2	497	937	53.04%	213.01	1	391	852	45.89%
204.00	3	401	694	57.78%	213.01	2	273	1,217	22.43%
205.01	1	112	195	57.44%	213.01	1	26	55	47.27%
205.02	1	756	998	75.75%	213.01	2	729	2,126	34.29%
206.00	1	417	1,238	33.68%	213.02	2	203	1,005	20.20%
206.00	2	436	986	44.22%	213.02	1	566	1,806	31.34%
206.00	3	228	906	25.17%	213.02	2	874	4,061	21.52%
206.00	4	502	699	71.82%	214.01	1	618	1,934	31.95%
207.00	1	1,390	2,051	67.77%	214.02	1	451	1,405	32.10%
207.00	2	1,682	2,609	64.47%	214.02	2	115	1,479	7.78%
208.01	1	313	1,213	25.80%	214.02	3	379	1,874	20.22%
208.01	2	1,470	4,410	33.33%	214.02	4	807	1,305	61.84%
208.01	3	673	1,641	41.01%	214.03	1	150	967	15.51%
208.01	4	208	709	29.34%	214.03	2	461	1,156	39.88%
208.04	1	112	202	55.45%	214.03	3	1,560	2,397	65.08%
208.04	2	164	609	26.93%	214.04	3	21	252	8.33%
208.04	1	706	4,342	16.26%	214.04	1	1,163	2,151	54.07%
208.04	2	58	93	62.37%	214.04	2	1,456	4,440	32.79%
208.05	1	295	1,046	28.20%	214.04	3	183	681	26.87%
208.05	2	858	4,093	20.96%	215.01	2	132	1,220	10.82%
208.06	1	1,234	5,246	23.52%	215.01	1	1,898	3,321	57.15%
208.07	1	636	1,349	47.15%	215.01	2	422	3,342	12.63%
208.07	2	1,217	6,211	19.59%	215.02	4	142	227	62.56%
209.01	1	643	2,012	31.96%	215.02	1	456	1,917	23.79%
209.01	2	2,178	5,537	39.34%	215.02	2	92	829	11.10%
209.03	1	1,099	2,137	51.43%	215.02	3	444	2,016	22.02%
209.04	2	936	1,198	78.13%	215.02	4	325	1,408	23.08%
209.04	3	1,383	6,137	22.54%	216.01	1	413	2,295	18.00%
210.04	1	305	1,716	17.77%	216.01	2	127	1,380	9.20%
210.04	2	332	1,092	30.40%	216.01	3	211	1,338	15.77%
210.04	3	406	1,091	37.21%	216.01	4	120	860	13.95%
210.04	4	672	1,166	57.63%	216.01	5	201	1,998	10.06%
210.05	1	406	2,785	14.58%	216.02	1	379	743	51.01%
210.05	2	266	932	28.54%	216.02	2	529	1,012	52.27%
210.06	1	74	326	22.70%	216.02	3	806	2,393	33.68%
210.06	1	935	6,785	13.78%	216.02	4	1,111	2,337	47.54%

Source: U.S. Dept. of Housing & Urban Development, 2009

[MAP TO BE INSERTED]

iv. Disability and Income

The Census Bureau reports disability status for non-institutionalized disabled persons age 5 and over. As defined by the Census Bureau, a disability is a long-lasting physical, mental or emotional condition that can make it difficult for a person to do activities such as walking, climbing stairs, dressing, bathing, learning or remembering. This condition can also impede a person from being able to go outside the home alone or to work at a job or business.

The Fair Housing Act prohibits discrimination based on physical, mental, or emotional handicap, provided reasonable accommodation can be made. Reasonable accommodation may include changes to address the needs of disabled persons, including adaptive structural (e.g., constructing an entrance ramp) or administrative changes (e.g., permitting the use of a service animal). In Chesapeake, 18.4% of the population 5 years and older reported at least one type of disability in 2000.

According to the National Organization on Disabilities, a significant income gap exists for persons with disabilities, given their lower rate of employment. In Chesapeake, persons with disabilities are much more likely than persons without disabilities to live in poverty. In 2000, 11.4% of persons with disabilities lived in poverty compared to 6.2% of persons without disabilities who were living in poverty.[3]

v. Familial Status and Income

The Census Bureau divides households into family and non-family households. Family households are married couple families with or without children, single-parent families and other families made up of related persons. Non-family households are either single persons living alone, or two or more non-related persons living together.

Women have protection under Title VIII of the Civil Rights Act of 1968 against discrimination in housing. Protection for families with children was added in the 1988 amendments to Title VIII. Except in limited circumstances involving elderly housing and owner-occupied buildings of one to four units, it is unlawful to refuse to rent or sell to families with children.

Female-headed households in the City have been slowly but steadily increasing, representing 13.5% of all households in 2000 and 15.2% of all households in 2008. The number of these households with children has been increasing in roughly equal numbers. From 2000 to 2008, the number of female-headed households with children grew by 2,836 households, an increase of 37.7%. In contrast, married couple family households with children have slowly declined over the same period. In 2000, these households made up 30.8% of all households compared to 29.3% by 2008.

[3] U.S. Census Bureau, Census 2000 (SF3, PCT34)

The percentage of men raising children alone has been increasing as well. While these households made up only 2.0% of all households in 2000 and 2.8% of all households in 2008, this increase represents a 62.0% increase in these types of households.

Figure 2-10
Female-Headed Households with Children, 1990-2008

	1990		2000		2008	
	#	%	#	%	#	%
Total Households	52,287	100.0%	69,835	100%	79,876	100%
Family Households	42,032	80.4%	54,267	77.7%	34,483	43.2%
Married-couple family	33,590	64.2%	42,143	60.3%	45,372	56.8%
With Children	17,535	33.5%	21,513	30.8%	23,391	29.3%
Without Children	16,055	30.7%	20,630	29.5%	21,981	27.5%
Female-Headed Households	**6,691**	**12.8%**	**9,432**	**13.5%**	**12,156**	**15.2%**
With Children	**3,935**	**7.5%**	**5,994**	**8.6%**	**8,830**	**11.1%**
Without Children	2,756	5.3%	3,438	4.9%	3,326	4.2%
Male-Headed Household	1,751	3.3%	2,692	3.9%	3,335	4.2%
With Children	871	1.7%	1,396	2.0%	2262	2.8%
Without Children	880	1.7%	1,296	1.9%	1073	1.3%
Non-family and 1-person Households	10,255	19.6%	15,568	22.3%	19,013	23.8%

Sources: U.S. Census Bureau, 1990 (SFT-3, P019), Census 2000 (SF-3, P10); 2008 American Community Survey (B11005)

Female-headed households with children often experience difficulty in obtaining housing, primarily as a result of lower incomes and the unwillingness of landlords to rent their units to families with children. In Chesapeake in 2000, female-headed households accounted for 61.1% of all families living in poverty compared to only 9.9% of all families who were living above the poverty level.[4]

vi. Ancestry and Income

It is illegal to refuse the right to housing based on place of birth or ancestry. Census data on native and foreign-born populations in Chesapeake revealed that 3.6% of Chesapeake residents in 2008 were foreign-born.[5] However, in Chesapeake, families with children who were living with at least one foreign-born parent were far less likely to be living below 200% of the poverty line than families with children of native parents. Only 2.4% of families with children who were living with at least one foreign-born parent had incomes of less than 200% of poverty compared to 23.6% of families with children who were living with native parents.[6]

vii. The Relationship between Protected Class Status and Unemployment

Overall unemployment in Chesapeake was 4.7% in 2008 for the total civilian labor force. This was comparable to Virginia overall. Blacks were more likely to be unemployed than White residents, with an unemployment rate of 6.4% versus 4.3% for Whites. Females and males in Chesapeake had comparable rates of unemployment at 4.7% and 4.6%, respectively. Blacks

[4] U.S. Census Bureau, Census 2000 (SF 3, P90)
[5] U.S. Census Bureau, 2008 American Community Survey (B05002)
[6] U.S. Census Bureau, 2008 American Community Survey (B05010)

had a higher rate of unemployment rate than Whites, at 6.4% and 4.3%. Data on employment for Asians and Hispanics were not available for Chesapeake.

Higher unemployment, whether temporary or permanent, will mean less disposable income for housing expenses.

Figure 2-11
Civilian Labor Force, 2008

	Virginia Total	%	Chesapeake Total	%
Total Civilian Labor Force (CLF)	**4,075,213**	**100%**	**115,935**	**100%**
Employed	3,874,420	95.1%	110,542	95.3%
Unemployed	200,793	4.9%	5,393	4.7%
Male CLF	**2,111,297**	**100.0%**	**58,066**	**100.0%**
Employed	2,006,634	95.0%	55,415	95.4%
Unemployed	104,663	5.0%	2,651	4.6%
Female CLF	**1,963,916**	**100.0%**	**57,869**	**100.0%**
Employed	1,867,786	95.1%	55,127	95.3%
Unemployed	96,130	4.9%	2,742	4.7%
White CLF	**2,916,813**	**100%**	**74,320**	**100%**
Employed	2,799,732	96.0%	71,137	95.7%
Unemployed	117,081	4.0%	3,183	4.3%
Black CLF	**772,382**	**100%**	**33,696**	**100%**
Employed	709,453	91.9%	31,552	93.6%
Unemployed	62,929	8.1%	2,144	6.4%
Asian CLF*	**214,026**	**100%**	**n/a**	**n/a**
Employed	204,543	95.6%	n/a	n/a
Unemployed	9,483	4.4%	n/a	n/a
Hispanic CLF*	**277,742**	**100%**	**n/a**	**n/a**
Employed	261,165	94.0%	n/a	n/a
Unemployed	16,577	6.0%	n/a	n/a

Source: U.S. Census Bureau, 2008 American Community Survey (C23001, C23002A, C23002B, C23002D, C23002I)

*Employment data for Asians and Hispanics in Chesapeake were not available

B. The Housing Market

i. Housing Inventory

The total housing inventory in Chesapeake has grown from 55,743 to 83,549 units, an increase of almost 50% since 1990. Many census tracts outside of the central city area experienced increases of 500 units or more.

Figure 2-12
Trends in Total Housing Units, 1990-2009

	1990		2000		2009		Change 1990-2009	
Census Tract	#	%	#	%	#	%	#	%
Chesapeake	55,743	100.0%	72,672	100.0%	83,549	100.0%	27,806	49.9%
200.01	623	1.1%	636	0.9%	641	0.8%	18	2.9%
200.02	1,784	3.2%	1,734	2.4%	1,813	2.2%	29	1.6%
200.03	2,054	3.7%	2,116	2.9%	2,213	2.6%	159	7.7%
201.00	1,940	3.5%	1,775	2.4%	1,900	2.3%	(40)	-2.1%
202.00	1,473	2.6%	1,447	2.0%	1,571	1.9%	98	6.7%
203.00	683	1.2%	675	0.9%	675	0.8%	(8)	-1.2%
204.00	1,221	2.2%	1,226	1.7%	1,266	1.5%	45	3.7%
205.01	97	0.2%	80	0.1%	87	0.1%	(10)	-10.3%
205.02	437	0.8%	443	0.6%	482	0.6%	45	10.3%
206.00	1,497	2.7%	1,524	2.1%	1,632	2.0%	135	9.0%
207.00	1,686	3.0%	2,278	3.1%	2,723	3.3%	1,037	61.5%
208.01	2,897	5.2%	3,081	4.2%	3,472	4.2%	575	19.8%
208.04	1,063	1.9%	2,004	2.8%	2,568	3.1%	1,505	141.6%
208.05	1,249	2.2%	1,979	2.7%	2,220	2.7%	971	77.7%
208.06	2,078	3.7%	2,186	3.0%	2,936	3.5%	858	41.3%
208.07	1,760	3.2%	2,980	4.1%	3,381	4.0%	1,621	92.1%
209.01	2,349	4.2%	3,303	4.5%	4,220	5.1%	1,871	79.7%
209.03	935	1.7%	811	1.1%	942	1.1%	7	0.7%
209.04	1,378	2.5%	3,186	4.4%	3,732	4.5%	2,354	170.8%
210.04	1329	2.4%	1772	2.4%	2117	2.5%	788	59.3%
210.05	705	1.3%	1307	1.8%	1526	1.8%	821	116.5%
210.06	1171	2.1%	2287	3.1%	2743	3.3%	1,572	134.2%
210.07	1859	3.3%	3081	4.2%	3242	3.9%	1,383	74.4%
210.08	1454	2.6%	2980	4.1%	3548	4.2%	2,094	144.0%
210.09	1304	2.3%	1161	1.6%	1433	1.7%	129	9.9%
211.01	1338	2.4%	1717	2.4%	1750	2.1%	412	30.8%
211.02	1389	2.5%	1694	2.3%	2133	2.6%	744	53.6%
212.00	1385	2.5%	1700	2.3%	1832	2.2%	447	32.3%
213.01	1205	2.2%	1529	2.1%	1781	2.1%	576	47.8%
213.02	811	1.5%	2269	3.1%	3010	3.6%	2,199	271.1%
214.01	624	1.1%	659	0.9%	731	0.9%	107	17.1%
214.02	2026	3.6%	2178	3.0%	2456	2.9%	430	21.2%
214.03	1773	3.2%	1818	2.5%	1892	2.3%	119	6.7%
214.04	2396	4.3%	2602	3.6%	2729	3.3%	333	13.9%
215.01	1722	3.1%	2634	3.6%	3378	4.0%	1,656	96.2%
215.02	2044	3.7%	2486	3.4%	2822	3.4%	778	38.1%
216.01	2221	4.0%	2871	4.0%	3344	4.0%	1,123	50.6%
216.02	1783	3.2%	2463	3.4%	2608	3.1%	825	46.3%

Source: DemographicsNow

Notably, in seven of the 13 census tracts previously identified as areas of racial concentration, very few new housing units were added to the inventory during this period. In some cases, there was a net loss of housing units noted. Of the 27,806 new units added City-wide since 1990, these seven areas of racial concentration accounted for a net increase of only 121 units, equivalent to less than 1% of all new housing development in Chesapeake over an 18-year period.

By comparison, a significant number of new housing units were added in census tracts 207, 208.01, 213.02, 214.04, 215.01, and 216.02, all of which were also identified as areas of racial concentration. Together, a total of 6,625 units were constructed, representing almost one-quarter (24%) of all new development.

[MAP TO BE INSERTED]

ii. Types of Housing Units

Of the 72,672 housing structures in 2000, 80.4% were single family units. Most of the remaining units (16.8%) were in multi-family properties of all sizes. Mobile homes accounted for 2.8% of the housing stock.

Notably, the distribution of housing types is uneven among Chesapeake's census tracts. As shown in the following table, the housing inventory in census tracts 201 and 205.02, both areas of racial concentration, are more than 55% multi-family dwellings. In contrast, 16 census tracts consist of less than 5% multi-family dwellings. Of these 16 tracts, three were noted to be areas of racial concentration.

Figure 2-13
Trends in Housing Units in Structures, 2000

			Multi-family units						
	Total Units	Single-family units (detached and attached)	2 to 4	5 to 9	10 to 19	20 or more	Total	Mobile home	Boat, RV, van, etc
Chesapeake	72,672	58,409	4,819	3,701	1,938	1,765	12,223	2,040	0
200.01	628	628	0	0	0	0	0	0	0
200.02	1,742	1,280	393	14	7	48	462	0	0
200.03	2,116	1,618	237	178	58	18	491	7	0
201.00	1,775	748	504	228	192	103	1,027	0	0
202.00	1,415	1,044	336	7	0	15	358	13	0
203.00	707	381	202	100	24	0	326	0	0
204.00	1,226	804	397	9	16	0	422	0	0
205.01	96	96	0	0	0	0	0	0	0
205.02	408	185	186	11	26	0	223	0	0
206.00	1,543	1,484	44	7	8	0	59	0	0
207.00	2,278	633	256	30	65	553	904	741	0
208.01	3,081	2,647	110	81	113	40	344	90	0
208.04	2,003	1,954	35	14	0	0	49	0	0
208.05	1,979	1,120	169	394	115	45	723	136	0
208.06	2,186	1,473	164	144	258	147	713	0	0
208.07	2,980	2,313	164	418	46	39	667	0	0
209.01	3,303	2,312	193	149	303	202	847	144	0
209.03	812	737	0	0	0	0	0	75	0
209.04	3,186	2,143	179	545	236	83	1,043	0	0
210.04	1,772	1256	294	202	0	20	516	0	0
210.05	1,307	1267	40	0	0	0	40	0	0
210.06	2,287	2253	10	12	0	12	34	0	0
210.07	3,081	3013	18	35	0	15	68	0	0
210.08	2,980	2858	115	7	0	0	122	0	0
210.09	1,161	1153	8	0	0	0	8	0	0
211.01	1,717	1710	0	0	0	0	0	7	0
211.02	1,694	1674	9	11	0	0	20	0	0
212.00	1,700	1611	23	7	0	0	30	59	0
213.01	1,529	1329	32	0	112	0	144	56	0
213.02	2,269	2217	29	0	0	0	29	23	0
214.01	657	585	11	0	0	8	19	53	0
214.02	2,178	1805	43	28	0	0	71	302	0
214.03	1,820	1149	121	340	48	108	617	54	0
214.04	2,602	2143	57	62	33	36	188	271	0
215.01	2,634	2206	18	292	38	80	428	0	0
215.02	2,486	2336	31	39	61	19	150	0	0
216.01	2,871	2648	181	33	0	0	214	9	0
216.02	2,463	1596	210	304	179	174	867	0	0

Source: U.S. Census Bureau, Census 2000 (SF 3, H30)

[MAP TO BE INSERTED]

iii. The Relationship between Protected Class Status and Homeownership

The value in home ownership lies in the accumulation of wealth as the owner's share of equity increases with the property's value. Paying a monthly mortgage instead of rent is an investment in an asset that is likely to appreciate. According to one study, "a family that puts 5 percent down to buy

a house will earn a 100 percent return on the investment every time the house appreciates 5 percent."[7]

In 2000, Whites had the highest rate of homeownership in Chesapeake at 80.8%. Asians had the second-highest rate at 75.9%. Blacks and Hispanics had much lower rates, at 60.8% and 59.6%, respectively. Notably, three tracts, 210.06, 210.09, and 211.01, had homeownership rates of 100% for both Blacks and Hispanics. In addition, there were eight other tracts in which Hispanics had a 100% rate of homeownership.

As discussed previously in this report, median household income is generally lower among minority groups in Chesapeake than among White households. This factor more than likely contributes to the low rates of home ownership among minorities, specifically Blacks and Hispanics, in Chesapeake.

[MAP TO BE INSERTED]

[7] Kathleen C. Engel and Patricia A. McCoy, "From Credit Denial to Predatory Lending: The Challenge of Sustaining Minority Homeownership," in Segregation: The Rising Costs for America, edited by James H. Carr and Nandinee K. Kutty (New York: Routledge 2008) p 82.

Figure 2-14
Home Ownership by Race and Ethnicity of Householder - 2000

	White		Black		Asian*		Hispanic*	
Census Tract	#	%	#	%	#	%	#	%
Chesapeake	39,115	80.8%	11,511	60.8%	752	75.9%	638	59.6%
200.01	506	90.7%	6	42.9%			6	100.0%
200.02	776	76.5%	181	30.0%	0	0.0%	0	0.0%
200.03	1,264	77.0%	52	15.4%			32	71.1%
201.00	92	36.4%	397	28.2%			0	0.0%
202.00	39	58.2%	703	59.1%				
203.00	158	54.3%	47	15.2%	0	0.0%	7	100.0%
204.00	513	60.3%	78	34.8%			0	0.0%
205.01	5	25.0%	29	54.7%				
205.02	113	52.3%	21	12.0%	0	0.0%	0	0.0%
206.00	1,110	86.9%	118	89.4%	6	100.0%	0	0.0%
207.00	628	63.8%	411	37.9%	13	100.0%	9	34.6%
208.01	1,067	73.8%	1,098	77.7%	39	100.0%	32	65.3%
208.04	1,333	90.1%	272	88.9%	75	86.2%	22	66.7%
208.05	729	56.4%	295	61.8%	65	66.3%	53	55.2%
208.06	936	61.7%	324	70.1%	16	64.0%	14	41.2%
208.07	1,648	73.3%	338	66.3%	63	77.8%	59	55.7%
209.01	1,551	68.5%	591	76.0%	0	0.0%	33	43.4%
209.03	67	83.8%	457	69.8%	7	100.0%		
209.04	1,370	76.2%	608	55.1%	48	49.5%	43	50.6%
210.04	1,009	66.3%	69	51.9%	20	74.1%	11	35.5%
210.05	886	88.3%	187	94.9%	25	100.0%	18	69.2%
210.06	1808	91.2%	188	100.0%	24	100.0%	27	100.0%
210.07	2522	91.8%	215	95.1%	30	66.7%	28	100.0%
210.08	2,472	92.8%	161	83.4%	28	100.0%	32	100.0%
210.09	973	93.3%	51	100.0%	25	100.0%	12	100.0%
211.01	1,519	95.4%	82	100.0%	11	100.0%	6	100.0%
211.02	1,276	90.9%	185	82.2%	5	100.0%		
212.00	1,241	84.5%	85	65.9%	22	100.0%	12	60.0%
213.01	961	83.9%	238	76.5%			6	100.0%
213.02	1,131	93.9%	833	95.1%	26	100.0%	43	100.0%
214.01	384	78.0%	115	86.5%			14	63.6%
214.02	1,560	87.5%	220	89.8%			9	100.0%
214.03	906	74.9%	34	7.4%	0	0.0%	8	53.3%
214.04	469	74.2%	1,435	80.5%	47	81.0%	26	100.0%
215.01	1,332	93.2%	488	48.6%	58	100.0%	0	0.0%
215.02	1,817	87.5%	178	75.4%	29	100.0%	21	100.0%
216.01	2,234	90.1%	206	83.1%	40	80.0%	27	79.4%
216.02	710	56.5%	515	52.0%	30	75.0%	28	41.8%

Source: U.S. Census Bureau, Census 2000 (SF 3, H11, H12)

*Cells for tracts in which no members of a racial or ethnic group live are left blank to differentiate them from tracts in which only renters live.

iv. The Tendency of the Protected Classes to Live in Larger Households

Larger families may be at risk for housing discrimination on the basis of race and the presence of children (familial status). A larger household, whether or not children are present, can raise fair housing concerns. If there are policies or programs that restrict the number of persons that can live together in a single housing unit, and members of the protected classes need more bedrooms to accommodate their larger household, there is a fair housing

concern because the restriction on the size of the unit will have a negative impact on members of the protected classes.

In Chesapeake, persons of Some Other Race and Hispanics were most likely to live in families of three or more persons. Larger families were also more prevalent among Black and Asian households than White households. Persons of Two or More Races had the lowest rate of larger families.

Figure 2-15
Families with Three or More Persons, 2000

Race	Percent of Families with 3 or more persons
White	61.3%
Black	70.4%
Asian	70.9%
Some Other Race Alone	81.3%
Two or More Races	50.5%
Hispanic	80.2%

Source: U.S. Census Bureau, Census 2000 (SF 4, PCT17)

To adequately house larger families, a sufficient supply of larger dwelling units consisting of three or more bedrooms is necessary. In Chesapeake, less than 10% of the rental housing stock contained three or more bedrooms in 2000 compared to almost 65% of the owner housing stock.

Figure 2-16
Housing Units by Number of Bedrooms, 2000

	Renter-Occupied Housing Stock		Owner-Occupied Housing Stock	
Size of Housing Units	Number of Units	Percent of Total Housing Units	Number of Units	Percent of Total Housing Units
0-1 bedroom	3,307	4.7%	751	1.1%
2 bedrooms	8,968	12.8%	6,584	9.4%
3 or more bedrooms	5,302	7.6%	44,988	64.4%
Total	17,577	25.1%	52,323	74.9%

Source: U.S. Census Bureau, Census 2000 (SF 3, H42)

v. Cost of Housing

Increasing housing costs are not a direct form of housing discrimination. However, a lack of affordable housing does constrain housing choice. Residents may be limited to a smaller selection of neighborhoods because of a lack of affordable housing in those areas.

a. Rental Housing

The median housing value in Chesapeake has doubled since 1990 after adjusting for inflation.[8] Median gross rent increased 19.0% during the same period. By comparison, real household income increased only 15.5%.

[8] Housing value is the Census respondent's estimate of how much the property (house and lot, mobile home and lot, or condominium unit) would sell for if it were for sale. This differs from the housing sales price which is the actual price that the house sold for.

Figure 2-17
Trends in Housing Value, Rent and Income, 1990-2008

	1990	2000	2008	Change 1990-2008
Median Housing Value				
Actual Dollars	$87,800	$122,300	$292,600	233.3%
2008 Dollars	$144,634	$152,913	$292,600	102.3%
Median Gross Rent				
Actual Dollars	$494	$642	$969	96.2%
2008 Dollars	$814	$803	$969	19.0%
Median Household Income				
Actual Dollars	$35,737	$50,743	$67,996	90.3%
2008 Dollars	$58,870	$63,444	$67,996	15.5%

Sources: U.S. Census Bureau, 1990 Census (STF3-H061A, H043A, P080A), Census 2000 (SF3-H76, H63, P53), 2008 American Community Survey (B25077, B25064, B19013); Calculations by Mullin & Lonergan Associates, Inc.

At the same time that real household income was failing to keep pace with median rents, Chesapeake was also losing affordable rental units. Between 2000 and 2008, the number of affordable rental units renting for less than $500 per month decreased by 1,867 units, or 46.4% of all units in that price range. Units renting for $500 to $699 decreased in number by 4,099 units, or 65.8% of all units in that price range. At the same time, the number of higher-rent units ($700 per month or higher) increased by 11,330.

Figure 2-18
Loss of Affordable Rental Housing Units, 2000-2008

Units Renting for:	2000	2008	Change 2000-2008 #	%
Less than $500	4,024	2,157	-1,867	-46.4%
$500 to $699	6,227	2,128	-4,099	-65.8%
$700 to $999	5,177	7,452	2,275	43.9%
$1,000 or more	1,329	10,384	9,055	681.3%

Sources: U.S. Census Bureau, Census 2000 (SF3, H62), 2008 American Community Survey (B25063)

The National Low Income Housing Coalition provides annual information on the Fair Market Rent (FMR) and affordability of rental housing in counties and cities in the U.S. for 2009. In Chesapeake, the Fair Market Rent (FMR) for a two-bedroom apartment is $904. In order to afford this level of rent and utilities, without paying more than 30% of income on housing, a household must earn $3,013 monthly or $36,160 annually. Assuming a 40-hour work week, 52 weeks per year, this level of income translates into a Housing Wage of $17.38.

In Chesapeake, a minimum wage worker earns an hourly wage of $6.55. In order to afford the FMR for a two-bedroom apartment, a minimum wage earner must work 106 hours per week, 52 weeks per year. Or, a

household must include 2.7 minimum wage earners working 40 hours per week year-round in order to make the two-bedroom FMR affordable.

In Chesapeake, the estimated average wage for a renter is $10.29 an hour. In order to afford the FMR for a two-bedroom apartment at this wage, a renter must work 68 hours per week, 52 weeks per year. Or, working 40 hours per week year-round, a household must include 1.7 workers earning the average renter wage in order to make the two-bedroom FMR affordable.

Monthly Supplemental Security Income (SSI) payments for an individual are $674 in Chesapeake and throughout Virginia. If SSI represents an individual's sole source of income, $202 in monthly rent is affordable, while the FMR for a one-bedroom is $781.

b. Sales Housing

The housing market in Chesapeake has slowed in activity since 2006, coinciding with the beginning of the national housing slump. After peaking at 4,519 units sold in 2005, the local market has fallen off to 2,602 units sold in 2008. The average length of time a house has remained on the market has more than tripled from 25 days to 83 days. Surprisingly, local data provided by the Hampton Roads Realtor Association reveal that the houses that are selling are retaining their value and sellers are getting their asking prices. Since 2000, the median sales price has been comparable to the median list price with both hovering at 100%. In 2003-2004, the median sales price was equivalent to 101% of the median list price.

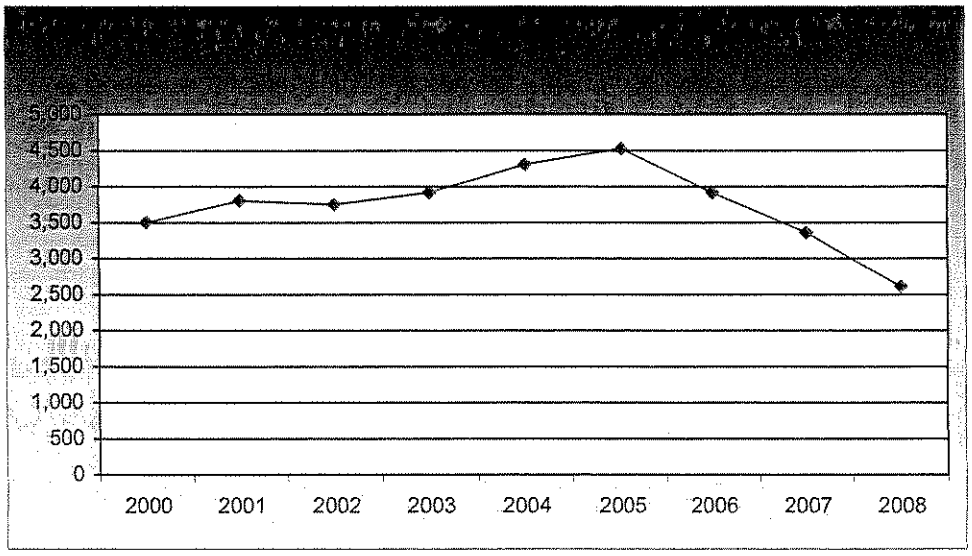
Figure 2-19
Housing Market Sales Trends, 2000-2008

	2000	2001	2002	2003	2004	2005	2006	2007	2008
Single-Family Properties									
Number of units sold	3,491	3,796	3,760	3,929	4,307	4,519	3,922	3,374	2,602
Average No. Days on Market	52	54	38	31	24	25	46	68	83
Median List Price	$119,900	$127,190	$139,900	$157,000	$187,000	$230,000	$250,000	$259,900	$250,000
Median Sale Price	$119,900	$126,900	$139,900	$158,000	$188,758	$230,000	$249,900	$257,000	$249,900
MSP as % MLP*	100%	100%	100%	101%	101%	100%	100%	99%	100%

*Median Sales Price as a percent of Median List Price
Source: Hampton Roads Realtor Association

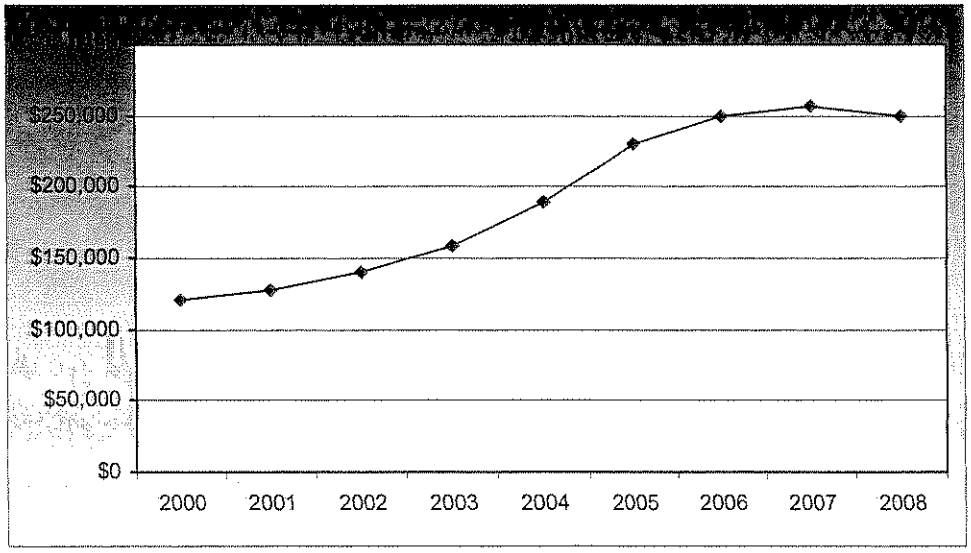
While the market has slowed in Chesapeake as indicated by the longer length of time houses remain on the market and the decrease in the total number of units sold, the median sales price has remained steady at about $250,000 since 2006. This confirms the fact that homes are retaining their value even in a softer market.

Figure 2-20
Number of Housing Units Sold, 2000-2008



Source: Hampton Roads Realtor Association

Figure 2-21
Median Sales Price Trends, 2000-2008



Source: Hampton Roads Realtor Association

vi. The Relationship between Protected Class Status and Housing Problems

Lower income minority households tend to experience housing problems at a higher rate than lower income White households.[9] This pattern generally

[9] HUD defines housing problems as (1) cost burden of 30% or more (i.e., paying more than 30% of gross income on monthly housing expenses) and/or (2) lacking complete kitchen or plumbing facilities, and/or (3) overcrowding of more than 1.01 persons per room.

holds true for homeowners in Chesapeake. Among all owner households with incomes below 80% of the median family income in 2000, 59.2% of White households experienced problems compared to 68.6% of Blacks and 100% of Hispanics.

However, among all renter households of similar income levels, the rate of housing problems among White households was comparable to the rate among Hispanics at about 61%. Among Black renter households, 64.3% experienced housing problems.

Figure 2-22
Lower Income Households with Housing Problems, 2000

	Total Households 0-80% of MFI		Elderly & 1-2 Person Households 0-80% of MFI		Family Households 0-80% of MFI		All Other Households 0-80% of MFI	
	Total	% with a Housing Problem	Total	%	Total	%	Total	%
Renters								
White Non-Hispanic	4,370	61.0%	930	62.4%	2,255	59.2%	1,185	63.3%
Black Non-Hispanic	5,220	64.3%	665	71.4%	3,680	63.6%	875	61.7%
Hispanic	252	60.7%	34	88.2%	194	61.4%	24	16.7%
Total	**9,842**	**62.7%**	**1,629**	**67.1%**	**6,129**	**62.0%**	**2,084**	**62.5%**
Owners								
White Non-Hispanic	7,120	59.2%	3,060	40.3%	3,010	73.3%	1,050	73.8%
Black Non-Hispanic	3,190	68.6%	1,005	52.7%	1,805	74.8%	380	81.6%
Hispanic	68	100.0%	4	100.0%	60	100.0%	4	100.0%
Total	**10,378**	**62.4%**	**4,069**	**44.2%**	**4,875**	**74.3%**	**1,434**	**76.1%**

Source: HUD Comprehensive Housing Affordability Strategy data

3. THE CITY OF HAMPTON

A. The Relationship between Protected Class Status and Income

i. Population Trends

The population of the City of Hampton appears to have leveled off since 2000 with an overall decrease in White residents and a significant increase in minorities. Total population increased 9.5% during the 1990s but has fallen slightly since 2000. The racial composition of the City continues to change.

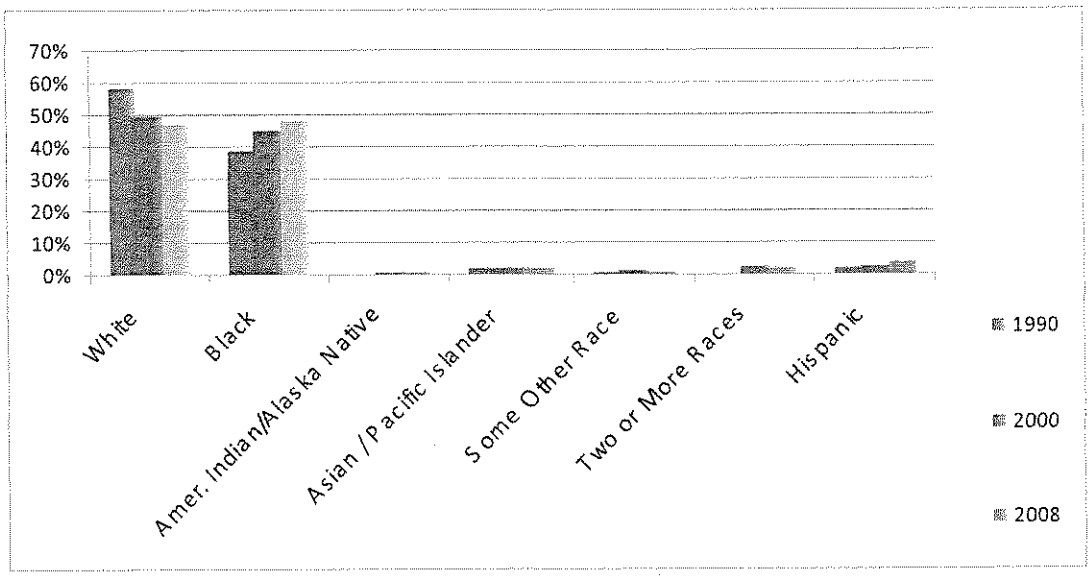
In 1990, Whites accounted for 58.4% of the population; by 2008, they were the minority, comprising 46.9% of the population. During this same period, Blacks grew from 38.9% to 48.4%, becoming the single largest racial group in Hampton. Increases occurred in other racial groups as well. Asians and Pacific Islanders, who comprised the second-largest non-White minority, increased in number by more than a third from 2,339 to 3,124 residents. American Indians and Alaska Natives, although small in number relative to other groups, increased 61.5%. Persons of Some Other Race decreased, as did persons of Two or More Races. Hispanics numbered 2,636 in 1990 and more than doubled to 5,473 by 2008.

Figure 3-1
Population Trends, 1990-2008

	1990		2000		2008		% Change
	#	%	#	%	#	%	1990-2008
City of Hampton	133,793	100.0%	146,437	100.0%	145,494	100.0%	8.7%
White Population	78,149	58.4%	72,556	49.5%	68,243	46.9%	-12.7%
Non-White Population	55,644	41.6%	73,881	50.5%	77,251	53.1%	38.8%
Black	51,981	38.9%	65,428	44.7%	70,388	48.4%	35.4%
Amer. Indian/Alaska Native	392	0.3%	616	0.4%	633	0.4%	61.5%
Asian / Pacific Islander	2,339	1.7%	2,830	1.9%	3,124	2.1%	33.6%
Some Other Race	932	0.7%	1,505	1.0%	520	0.4%	-44.2%
Two or More Races	---	---	3,502	2.4%	2,586	1.8%	-26.2%
Hispanic	2,636	2.0%	4,153	2.8%	5,473	3.8%	107.6%

Source: U.S. Census Bureau

Figure 3-2
Changes in the Racial and Ethnic Characteristics of the Population, 1990-2008



HUD defines areas of racial or ethnic minority concentration as geographical areas where the percentage of a specific minority or ethnic group is 10 percentage points higher than in the City overall. In Hampton, Blacks comprised 49.5% of the population in 2009.[10] Therefore, an area of racial concentration would include any census tract where the percentage of Black residents is 59.5% or higher. There are 12 census tracts which meet these criteria; they are highlighted in the chart below. No other racial minority group meets the criteria for an area of racial concentration.

Hispanic residents represent 3.4% of the total population. An area of ethnic concentration would include a census tract where the percentage of Hispanics is 13.4% of higher. No census tract meets this criterion; however, tract 111 has a significantly higher percentage of Hispanics than elsewhere in the City.

[10] Data from DemographicsNow for 2009 was used for this analysis the data were provided at the census tract level.

Figure 3-3
Census Tract Population by Race and Hispanic Origin, 2009

			Minority Residents		
Census Tract	Total Population	White %	Black %	Asian/Pacific Islander %	Hispanic %
City of Hampton	149,409	44.2%	49.5%	3.1%	3.4%
101.01	6,096	75.3%	20.3%	2.5%	2.3%
101.03	7,786	67.6%	26.5%	3.2%	3.7%
101.04	6,926	39.1%	54.1%	3.2%	4.1%
102.00	4,570	61.1%	32.1%	3.3%	5.3%
103.04	7,499	46.3%	45.0%	4.8%	4.8%
103.05	9,957	41.1%	50.9%	4.4%	5.1%
103.06	8,568	46.6%	43.0%	6.2%	4.5%
103.07	5,832	45.6%	44.9%	7.1%	3.5%
103.08	8,405	56.7%	37.1%	3.3%	3.6%
103.09	4,984	45.6%	47.7%	2.9%	4.0%
103.10	4,319	59.6%	35.3%	2.8%	3.1%
104.00	6,893	18.6%	78.5%	0.9%	1.3%
105.01	5,785	23.5%	72.0%	2.6%	1.3%
105.02	3,391	18.8%	75.7%	2.5%	3.5%
106.01	2,614	21.3%	67.2%	8.4%	2.4%
106.02	3,226	13.2%	84.2%	0.7%	2.5%
107.01	3,788	38.4%	55.1%	2.6%	4.2%
107.02	4,159	64.6%	28.5%	3.0%	3.6%
107.03	2,881	69.3%	25.4%	2.7%	3.5%
108.00	5,786	56.8%	37.4%	3.3%	3.0%
109.00	2,166	12.5%	82.9%	1.8%	2.6%
110.00	6,588	57.2%	36.4%	2.5%	3.5%
111.00	1,223	57.5%	31.8%	2.8%	13.0%
112.00	3,123	64.6%	30.2%	1.8%	3.8%
113.00	2,239	32.6%	61.7%	1.6%	2.9%
114.00	2,031	5.9%	91.2%	0.5%	3.3%
115.00	4,186	76.7%	19.8%	1.6%	2.2%
116.00	2,666	28.9%	66.5%	1.4%	4.0%
118.00	5,332	25.4%	71.1%	0.9%	1.8%
119.00	3,091	3.2%	94.5%	0.8%	1.4%
120.00	3,299	14.4%	83.3%	0.9%	1.0%

Source: DemographicsNow

[MAPTO BE INSERTED]

ii. Residential Segregation Patterns

Residential segregation is a measure of the degree of separation of racial or ethnic groups living in a neighborhood or community. Typically, the pattern of residential segregation involves the existence of predominantly homogenous, White suburban communities and low-income minority inner-city neighborhoods. A potential impediment to fair housing is created where either latent factors, such as attitudes, or overt factors, such as real estate practices, limit the range of housing opportunities for minorities. A lack of racial or ethnic integration in a community creates other problems, such as reinforcing prejudicial attitudes and behaviors, narrowing opportunities for interaction, and reducing the degree to which community life is considered

harmonious. Areas of extreme minority isolation often experience poverty and social problems at rates that are disproportionately high. Racial segregation has been linked to diminished employment prospects, poor educational attainment, increased infant and adult mortality rates and increased homicide rates.

The distribution of racial or ethnic groups across a geographic area can be analyzed using an index of dissimilarity. This method allows for comparisons between subpopulations, indicating how much one group is spatially separated from another within a community. The index of dissimilarity is rated on a scale from 0 to 100, in which a score of 0 corresponds to perfect integration and a score of 100 represents total segregation.11 The index is typically interpreted as the percentage of the minority population (in this instance, the Black population) that would have to move in order for a community or neighborhood to achieve full integration.

Of the 18 cities and towns with populations exceeding 25,000 in Virginia, Hampton demonstrates an average amount of segregation. The City's 2000 dissimilarity index of 47.4 for White persons and Black persons ranks 9th out of 18, and indicates that Whites and Blacks in Hampton are less segregated than they are in 50% of the state's most populated cities and towns. Among the seven cities in the Hampton Roads region, the City of Hampton is the sixth-most integrated. Details are included in the table below.

[11] The index of dissimilarity is a commonly used demographic tool for measuring inequality. For a given geographic area, the index is equal to**1/2 ▯ ABS [(b/B)-(A/a)]**, where b is the subgroup population of a census tract, B is the total subgroup population in a city, a is the majority population of a census tract, and A is the total majority population in the city. ABS refers to the absolute value of the calculation that follows.

Figure 3-4
Virginia Municipal Dissimilarity Index Rankings, 2000

Rank	City	Black Population	White Population	Total Population	Dissimilarity Index
1	Blacksburg Town	1,700	32,869	39,573	**17.5**
2	Harrisonburg	2,266	32,416	40,468	**25.0**
3	Manassas	4,430	23,304	35,135	**29.2**
4	Leesburg Town	2,573	22,761	28,311	**38.0**
5	Virginia Beach	79,092	295,402	425,257	**41.4**
6	Petersburg	26,511	6,131	33,740	**42.6**
7	Alexandria	28,463	68,889	128,283	**46.0**
8	Danville	21,267	25,813	48,411	**46.2**
9	Hampton	64,795	70,963	146,437	**47.4**
10	Newport News	69,538	93,624	180,150	**50.3**
11	Lynchburg	19,288	43,108	65,269	**51.2**
12	Suffolk	27,524	33,940	63,677	**52.0**
13	Charlottesville	9,916	30,825	45,049	**52.4**
14	Chesapeake	56,442	131,200	199,184	**52.6**
15	Norfolk	102,268	110,221	234,403	**57.5**
16	Portsmouth	50,569	45,403	100,565	**62.0**
17	Richmond	112,455	74,506	197,790	**68.3**
18	Roanoke	25,220	65,256	94,911	**68.3**

Source: CensusScope

Dissimilarity index data for all Hampton subpopulations appear in the table below. This table indicates that in order to achieve full integration among Whites and Blacks in the City, 47.4% of Black residents would have to move to a different location.

Figure 3-5
Hampton Dissimilarity Indices, 2000

	DI with White Population**	Population	% of Total Population
White	-	70,963	48.5%
Black	47.4	64,795	44.2%
American Indian*	33.8	574	0.4%
Asian	32.4	2,650	1.8%
Hawaiian*	46.2	114	0.1%
Other*	44.4	248	0.2%
Two or more races	28.8	2,940	2.0%
Hispanic***	26.4	4,153	2.8%
TOTAL	-	146,437	100.0%

* In these cases, sample size is too small to reliably interpret the DI. Caution should be exercised in interpreting results for subpopulations of fewer than 1,000.
** Each dissimilarity index indicates the percentage of one of the two population groups compared that would have to move to different geographic areas to create a completely even demographic distribution in Hampton.
*** Hispanic ethnicity is counted independently of race
Source: CensusScope

The indices above show that, in addition to a White/Black index of 47.4, Hampton has a White/Asian index of 32.4, a White/multi-race index of 28.8, and a White/Hispanic index of 26.4. These numbers indicate that these

subpopulations are all less segregated than Whites and Blacks. Indices for the other groups cannot be as reliably interpreted, since their populations are less than 1,000. In cases where subgroup population is small, the dissimilarity index may be high even if the group's members are evenly dispersed.

iii. Race and Income

Household income is one of several factors used to determine a household's eligibility for a home mortgage loan. A review of median household income reveals strong differences between racial and ethnic groups in Hampton. Asians have by far the highest median household income, at $68,980. Whites have the second-highest at $52,141. The median household income for Black households is only 76% of that of Whites. Hispanics earned slightly more with a median income equivalent to 87% of Whites. Significant differences in poverty are evident as well, with Blacks experiencing poverty rates twice as high as Whites. Data on poverty for Asians and Hispanics were not available.

Figure 3-6
Median Household Income and Poverty Rates by Race/Ethnicity, 2008

	Median Household Income	Poverty Rate
City of Hampton	$47,039	14.0%
Whites	$52,141	9.6%
Blacks	$39,675	19.4%
*Asians	$68,980	n/a
*Hispanics	$45,236	n/a

Source: U.S. Census Bureau, 2008 American Community Survey (B19013, B19013A, B19013B, B19013D, B19013I, B17001, B17001A, B17001B)
*The poverty rates for Asians and Hispanics were not available

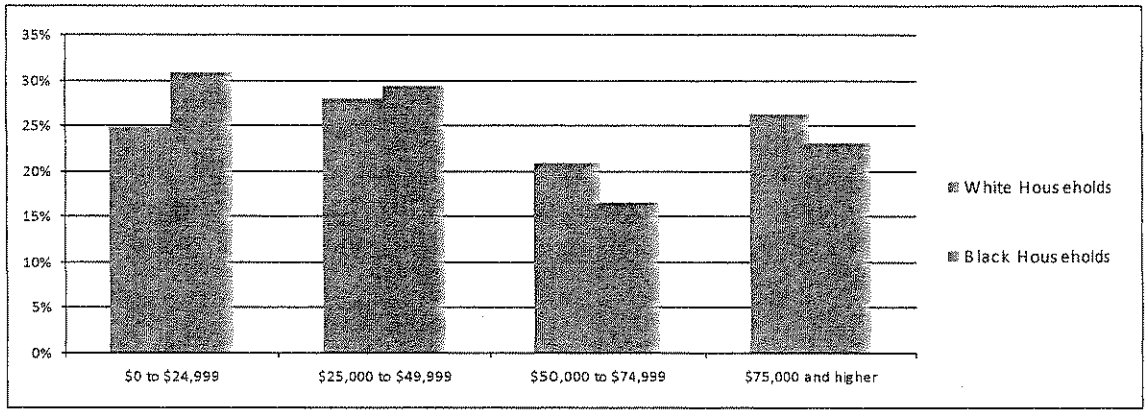
Differences in income distribution are not as severe as that of median household income but are still pronounced. In 2008, only 21.1% of White households had incomes below $25,000 compared to 30.9% of Blacks. Distribution in the $25,000 to $49,999 range is comparable, with 25.4% of White households and 29.4% of Black households falling into this category. Almost 24% of White households and 16.6% of Black households had incomes in the $50,000 to $74,000 range. At the top end of the spectrum, almost 30% of White households and 23.1% of Black Households were in this range. Data on household income distribution for Asians and Hispanics were not available.

Figure 3-7
Household Income Distribution by Race, 2008

		$0 to $24,999		$25,000 to $49,999		$50,000 to $74,999		$75,000 and higher	
	Total	#	%	#	%	#	%	#	%
All Households	54,495	13,508	24.8%	15,294	28.1%	11,368	20.9%	14,325	26.3%
White Households	28,241	5,958	21.1%	7,176	25.4%	6,761	23.9%	8,346	29.6%
Black Households	23,743	7,328	30.9%	6,976	29.4%	3,949	16.6%	5,490	23.1%

Source: U.S. Census Bureau, 2008 American Community Survey (C19001, B19001A, B19001B)

Figure 3-8
Household Income Distribution by Race, 2008



HUD data on the percent of low and moderate income persons reveals that there are 34 census block groups where more than 50% of residents meet the criteria for low and moderate income status. These 34 census areas, known as LMI areas, were previously identified as areas of racial concentration.

Figure 3-9
Household Income Distribution by Race, 2008

Census Tract	Block Group	Low and Moderate Income Persons #	Universe	%	Census Tract	Block Group	Low and Moderate Income Persons #	Universe	%
101.01	1	236	738	31.98%	105.02	2	246	485	50.72%
101.01	2	529	2,353	22.48%	105.02	3	1,633	2,043	79.93%
101.01	3	327	1,055	31.00%	106.01	1	1,139	1,630	69.88%
101.01	4	421	1,597	26.36%	106.01	2	423	850	49.76%
101.03	1	504	1,187	42.46%	106.02	1	1,236	1,821	67.87%
101.03	2	160	1,624	9.85%	106.02	2	912	1,352	67.46%
101.03	3	124	872	14.22%	107.01	1	674	1,609	41.89%
101.03	4	253	1,475	17.15%	107.01	2	1,507	1,988	75.80%
101.03	5	464	1,246	37.24%	107.02	1	959	2,028	47.29%
101.03	6	185	862	21.46%	107.02	2	1,205	1,793	67.21%
101.04	1	210	1,281	16.39%	107.03	1	114	1,080	10.56%
101.04	2	571	1,261	45.28%	107.03	2	357	1,337	26.70%
101.04	3	410	768	53.39%	107.03	3	152	797	19.07%
101.04	4	459	961	47.76%	108.00	1	527	3,133	16.82%
101.04	5	1,517	2,270	66.83%	108.00	2	1,195	2,402	49.75%
102.00	9	335	1,067	31.40%	109.00	1	1,078	2,067	52.15%
103.04	1	2,116	6,716	31.51%	110.00	1	589	1,575	37.40%
103.05	1	198	638	31.03%	110.00	2	871	1,202	72.46%
103.05	2	1,043	1,969	52.97%	110.00	3	1,931	3,695	52.26%
103.05	3	931	1,953	47.67%	111.00	9	583	1,185	49.20%
103.05	4	538	1,565	34.38%	112.00	1	511	1,219	41.92%
103.05	5	710	1,385	51.26%	112.00	2	478	964	49.59%
103.06	1	415	1,420	29.23%	112.00	3	352	809	43.51%
103.06	2	368	1,012	36.36%	113.00	1	777	1,185	65.57%
103.06	3	1,236	2,148	57.54%	113.00	2	741	1,130	65.58%
103.06	4	496	1,730	28.67%	114.00	1	593	686	86.44%
103.07	1	1,157	5,273	21.94%	115.00	1	271	1,188	22.81%
103.08	1	763	3,173	24.05%	115.00	2	157	989	15.87%
103.08	2	830	1,646	50.43%	115.00	3	231	868	26.61%
103.08	3	496	1,638	30.28%	115.00	5	383	1,012	37.85%
103.08	4	282	763	36.96%	116.00	1	466	727	64.10%
103.08	5	211	769	27.44%	116.00	2	534	828	64.49%
103.09	1	1,485	3,293	45.10%	116.00	3	626	1,278	48.98%
103.09	2	442	1,309	33.77%	118.00	1	486	754	64.46%
103.10	1	679	1,850	36.70%	118.00	2	637	1,018	62.57%
103.10	2	248	995	24.92%	118.00	3	611	948	64.45%
103.10	3	320	1,159	27.61%	118.00	4	487	967	50.36%
104.00	1	405	860	47.09%	118.00	5	237	650	36.46%
104.00	2	549	1,184	46.37%	118.00	6	331	830	39.88%
104.00	3	853	1,989	42.89%	119.00	1	626	1,246	50.24%
104.00	4	769	1,343	57.26%	119.00	2	784	1,180	66.44%
104.00	5	565	1,242	45.49%	119.00	3	387	607	63.76%
105.01	1	746	2,566	29.07%	120.00	1	276	609	45.32%
105.01	2	274	525	52.19%	120.00	2	875	1,450	60.34%
105.01	3	1,257	2,261	55.59%	120.00	3	679	1,195	56.82%
105.02	1	335	584	57.36%					

Source: U.S. Dept. of Housing & Urban Development

[MAP TO BE INSERTED]

iv. Disability and Income

The Census Bureau reports disability status for non-institutionalized disabled persons age 5 and over. As defined by the Census Bureau, a disability is a long-lasting physical, mental or emotional condition that can make it difficult for a person to do activities such as walking, climbing stairs, dressing, bathing, learning or remembering. This condition can also impede a person from being able to go outside the home alone or to work at a job or business.

The Fair Housing Act prohibits discrimination based on physical, mental, or emotional handicap, provided "reasonable accommodation" can be made. Reasonable accommodation may include changes to address the needs of disabled persons, including adaptive structural (e.g., constructing an entrance ramp) or administrative changes (e.g., permitting the use of a service animal). In Hampton, 19.5% of the population 5 years and older reported at least one type of disability in 2000.

According to the National Organization on Disabilities, a significant income gap exists for persons with disabilities, given their lower rate of employment. In Hampton, persons with disabilities are more likely than persons without disabilities to live in poverty. In 2000, 15% of persons with disabilities lived in poverty compared to 10.3% of persons without disabilities who were living in poverty.[12]

v. Familial Status and Income

The Census Bureau divides households into family and non-family households. Family households are married couple families with or without children, single-parent families and other families made up of related persons. Non-family households are either single persons living alone, or two or more non-related persons living together.

Women have protection under Title VIII of the Civil Rights Act of 1968 against discrimination in housing. Protection for families with children was added in the 1988 amendments to Title VIII. Except in limited circumstances involving elderly housing and owner-occupied buildings of one to four units, it is unlawful to refuse to rent or sell to families with children.

Figure 3-10
Female-Headed Households and Households with Children

	1990		2000		2008	
	#	%	#	%	#	%
Total Households	49,699	100.0%	53,954	100%	54,495	100%
Family Households	35,322	71.1%	36,245	67.2%	32,385	59.4%
Married-couple family	27,308	54.9%	25,473	47.2%	22,431	41.2%
With Children	12,995	26.1%	11,225	20.8%	10,881	20.0%
Without Children	14,313	28.8%	14,248	26.4%	11,550	21.2%
Female-Headed Households	**6,689**	**13.5%**	**8,852**	**16.4%**	**8,232**	**15.1%**
With Children	**4,018**	**8.1%**	**5,642**	**10.5%**	**5,723**	**10.5%**
Without Children	2,671	5.4%	3,210	5.9%	2,509	4.6%
Male-Headed Household	1325	2.7%	1920	3.6%	1,722	3.2%
With Children	549	1.1%	1041	1.9%	1,074	2.0%
Without Children	776	1.6%	879	1.6%	648	1.2%
Non-family and 1-person Households	14,377	28.9%	17,709	32.8%	22,110	40.6%

Sources: U.S. Census Bureau, 1990 (SFT-3, P019), Census 2000 (SF-3, P10); 2008 American Community Survey (B11005)

Female-headed households increased 32.3% from 1990 to 2000, but then decreased 7% by 2008. They currently comprise 15.1% of all households. The number of female-headed households with children also increased from

[12] U.S. Census Bureau, Census 2000 (SF3, PCT34)

1990 to 2000, but remained constant in 2008, accounting for 10.5% of all households. In contrast, married couple family households with children have declined over the same period from 26.1% of all households to 20% in 2008. Single male households with children also declined from 2000 to 2008, currently standing at 2.0% of all households, or 1,074 households.

Female-headed households with children often experience difficulty in obtaining housing, primarily as a result of lower incomes and the unwillingness of landlords to rent their units to families with children. In Hampton, female-headed households accounted for 64.8% of all families living in poverty compared to only 13.5% of all families who were living above the poverty level in 2000.[13]

vi. Ancestry and Income

It is illegal to refuse the right to housing based on place of birth or ancestry. Census data on native and foreign-born populations in Hampton revealed that 4.3% of Hampton residents in 2008 were foreign-born.[14] Among families with children who were living with one or more foreign-born parents, 44.7% were living in households with incomes of less than 200% of the poverty level. In contrast, 38.6% of those families with children who were living with only native parents had incomes less than 200% of the poverty level.[15]

vii. The Relationship between Protected Class Status and Unemployment

Overall unemployment was 5.3% in Hampton in 2008 for the total civilian labor force. This was higher than the overall unemployment rate of Virginia, which was 4.9%. Blacks were more likely to be unemployed than White residents, with the Black unemployment rate at 6.7% and the White unemployment rate at 4.2%. Females and males in Hampton had comparable rates of unemployment, at 4.9% and 5.0%, respectively. Data on employment for Asians and Hispanics were not available for Hampton.

Higher unemployment, whether temporary or permanent, will mean less disposable income for housing expenses.

[13] U.S. Census Bureau, Census 2000 (SF 3, P90)
[14] U.S. Census Bureau, 2008 American Community Survey (B05002)
[15] U.S. Census Bureau, 2008 American Community Survey (B05010)

Figure 3-11
Civilian Labor Force, 2008

	Virginia Total	%	Hampton Total	%
Total Civilian Labor Force (CLF)	**4,075,213**	**100%**	**72,805**	**100%**
Employed	3,874,420	95.1%	68,919	94.7%
Unemployed	200,793	4.9%	3886	5.3%
Male CLF	**2,111,297**	**100.0%**	**37,276**	**100.0%**
Employed	2,006,634	95.0%	35,328	94.8%
Unemployed	104,663	5.0%	1948	5.2%
Female CLF	**1,963,916**	**100.0%**	**35,529**	**100.0%**
Employed	1,867,786	95.1%	33,591	94.5%
Unemployed	96,130	4.9%	1938	5.5%
White CLF	**2,916,813**	**100%**	**35,987**	**100%**
Employed	2,799,732	96.0%	34,461	95.8%
Unemployed	117,081	4.0%	1,526	4.2%
Black CLF	**772,382**	**100%**	**33,705**	**100%**
Employed	709,453	91.9%	31,456	93.3%
Unemployed	62,929	8.1%	2,249	6.7%
Asian CLF*	**214,026**	**100%**	**n/a**	**n/a**
Employed	204,543	95.6%	n/a	n/a
Unemployed	9,483	4.4%	n/a	n/a
Hispanic CLF*	**277,742**	**100%**	**n/a**	**n/a**
Employed	261,165	94.0%	n/a	n/a
Unemployed	16,577	6.0%	n/a	n/a

Source: U.S. Census Bureau, 2008 American Community Survey (C23001, C23002A, C23002B, C23002D, C23002I)

*Employment data for Asians and Hispanics in Hampton were not available

B. The Housing Market

i. Housing Inventory

The total housing inventory in Hampton increased 12.6% since 1990, adding a net 6,746 housing units. Areas of higher development activity included five census tracts where 500 units or more were added to the inventory in each census tract.

Notably, in 10 of the 12 census tracts previously identified as areas of racial concentration, very few new housing units were added to the inventory during this period. In some cases, there was a net loss of housing units. Of the 6,746 new units added City-wide since 1990, these 10 areas of racial concentration accounted for a net loss of 890 units.

Figure 3-12
Trends in Total Housing Units, 1990-2009

	1990		2000		2009		Change 1990-2009	
Census Tract	#	%	#	%	#	%	#	%
City of Hampton	53,614	100.0%	57,311	100.0%	60,360	100.0%	6,746	12.6%
101.01	2,021	3.8%	2,311	4.0%	2,404	4.0%	383	19.0%
101.03	2,372	4.4%	2,699	4.7%	2,839	4.7%	467	19.7%
101.04	2,048	3.8%	2,315	4.0%	2,396	4.0%	348	17.0%
102.00	686	1.3%	388	0.7%	378	0.6%	-308	-44.9%
103.04	1,253	2.3%	2,506	4.4%	2,738	4.5%	1,485	118.5%
103.05	3,922	7.3%	4,186	7.3%	5,263	8.7%	1,341	34.2%
103.06	2,598	4.8%	2,594	4.5%	3,444	5.7%	846	32.6%
103.07	1,025	1.9%	2,008	3.5%	2,156	3.6%	1,131	110.3%
103.08	2,265	4.2%	3,113	5.4%	3,199	5.3%	934	41.2%
103.09	1,895	3.5%	1,947	3.4%	2,062	3.4%	167	8.8%
103.10	1,799	3.4%	1,810	3.2%	1,919	3.2%	120	6.7%
104.00	2,772	5.2%	2,798	4.9%	2,817	4.7%	45	1.6%
105.01	2,360	4.4%	2,424	4.2%	2,516	4.2%	156	6.6%
105.02	1,820	3.4%	1,322	2.3%	1,427	2.4%	-393	-21.6%
106.01	1,222	2.3%	1,215	2.1%	1,269	2.1%	47	3.8%
106.02	1,431	2.7%	1,413	2.5%	1,418	2.3%	-13	-0.9%
107.01	1,622	3.0%	1,682	2.9%	1,724	2.9%	102	6.3%
107.02	1,560	2.9%	1,603	2.8%	1,685	2.8%	125	8.0%
107.03	1,342	2.5%	1,242	2.2%	1,102	1.8%	-240	-17.9%
108.00	2,275	4.2%	2,398	4.2%	2,448	4.1%	173	7.6%
109.00	853	1.6%	855	1.5%	865	1.4%	12	1.4%
110.00	2,856	5.3%	3,089	5.4%	3,082	5.1%	226	7.9%
111.00	409	0.8%	367	0.6%	364	0.6%	-45	-11.0%
112.00	1,347	2.5%	1,402	2.4%	1,421	2.4%	74	5.5%
113.00	1,039	1.9%	966	1.7%	950	1.6%	-89	-8.6%
114.00	81	0.2%	489	0.9%	476	0.8%	395	487.7%
115.00	1,999	3.7%	1,946	3.4%	1,911	3.2%	-88	-4.4%
116.00	1,602	3.0%	1,220	2.1%	1,114	1.8%	-488	-30.5%
118.00	2,189	4.1%	2,171	3.8%	2,159	3.6%	-30	-1.4%
119.00	1,468	2.7%	1,385	2.4%	1,384	2.3%	-84	-5.7%
120.00	1,483	2.8%	1,447	2.5%	1,430	2.4%	-53	-3.6%

Source: Demographics Now

[MAP TO BE INSERTED]

ii. Types of Housing Units

Of the 57,311 housing structures in 2000, 71.4% were single family units. Most of the remaining units were in multi-family properties of all sizes. Notably, the distribution of housing types is uneven among Hampton's census tracts. As shown in the following table, three census tracts have exceptionally high rates of multi-family units exceeding 69% in each tract. Two of these census tracts are areas of racial concentration.

Mobile homes account for less than 2% of the total inventory.

Figure 3-13
Trends in Housing Units in Structures, 2000

			Multi-family units						
	Total Units	Single-family units (detached and attached)	2 to 4	5 to 9	10 to 19	20 or more	Total	Mobile home	Boat, RV, van, etc
City of Hampton	57,311	40,928	4,020	4,503	3,929	2,928	15,380	1,003	0
101.01	2,311	2,151	26	93	16	25	160	0	0
101.03	2,699	2,570	63	26	40	0	129	0	0
101.04	2,315	1,918	71	131	141	33	376	21	0
102.00	388	315	9	0	6	58	73	0	0
103.04	2,506	1,817	43	143	350	73	609	80	0
103.05	4,186	1,005	177	818	939	965	2,899	282	0
103.06	2,594	1,624	86	270	121	316	793	177	0
103.07	2,008	1,679	198	63	61	7	329	0	0
103.08	3,113	2,502	48	192	296	75	611	0	0
103.09	1,947	1,001	188	312	366	72	938	8	0
103.10	1,810	1,367	151	201	64	27	443	0	0
104.00	2,798	2,378	46	96	175	103	420	0	0
105.01	2,386	1,528	347	187	191	106	831	27	0
105.02	1,360	402	136	242	272	308	958	0	0
106.01	1,247	630	185	260	134	38	617	0	0
106.02	1,428	976	210	149	8	62	429	23	0
107.01	1,667	871	214	445	77	52	788	8	0
107.02	1,596	1,410	57	68	6	25	156	30	0
107.03	1,249	1,059	95	60	0	27	182	8	0
108.00	2,398	1,813	170	182	67	166	585	0	0
109.00	823	652	102	5	26	0	133	38	0
110.00	3,089	2,398	215	106	179	39	539	152	0
111.00	367	133	214	14	6	0	234	0	0
112.00	1,402	1,120	95	55	25	55	230	52	0
113.00	963	698	135	67	24	30	256	9	0
114.00	492	81	40	145	157	54	396	15	0
115.00	1,935	1,779	122	22	12	0	156	0	0
116.00	1,231	790	241	58	89	53	441	0	0
118.00	2,171	1,865	201	54	4	47	306	0	0
119.00	1,385	1,153	54	11	26	85	176	56	0
120.00	1,447	1,243	81	28	51	27	187	17	0

Source: U.S. Census Bureau, Census 2000 (SF 3, H30)

[MAP TO BE INSERTED]

iii. The Relationship between Protected Class Status and Homeownership

The value in home ownership lies in the accumulation of wealth as the owner's share of equity increases with the property's value. Paying a monthly mortgage instead of rent is an investment in an asset that is likely to appreciate. According to one study, "a family that puts 5 percent down to buy a house will earn a 100 percent return on the investment every time the house appreciates 5 percent."[16]

In 2000, Whites had the highest rate of homeownership in Hampton at 67.5%; Asians had the second-highest rate at 53.1%. Blacks had a homeownership rate of 49.3%. Hispanics had the lowest rate at 30.3%.

[16] Kathleen C. Engel and Patricia A. McCoy, "From Credit Denial to Predatory Lending: The Challenge of Sustaining Minority Homeownership," in Segregation: The Rising Costs for America, edited by James H. Carr and Nandinee K. Kutty (New York: Routledge 2008) p 82.

Figure 3-14
Rates of Homeownership by Race, 2000

Census Tract	White		Black		Asian*		Hispanic*	
	#	%	#	%	#	%	#	%
City of Hampton	18,990	67.5%	11,541	49.3%	404	53.1%	281	30.3%
101.01	1,625	84.8%	210	76.4%	0	0.0%	0	0.0%
101.03	1,765	86.8%	373	77.2%	15	100.0%	35	57.4%
101.04	737	69.9%	480	45.9%	36	66.7%	21	40.4%
102.00	16	5.5%	0	0.0%			0	0.0%
103.04	876	66.7%	596	64.0%	84	91.3%	8	14.3%
103.05	478	25.5%	445	25.1%	42	44.2%	9	8.7%
103.06	997	67.0%	412	46.9%	32	43.8%	25	71.4%
103.07	774	71.5%	649	83.5%	39	68.4%	17	68.0%
103.08	1,493	78.4%	584	58.3%	24	46.2%	38	56.7%
103.09	635	64.7%	159	21.4%	0	0.0%	39	33.9%
103.10	959	79.1%	260	55.0%	0	0.0%	8	47.1%
104.00	516	81.8%	1,368	69.4%	8	100.0%	0	0.0%
105.01	478	65.2%	784	52.0%				
105.02	109	36.6%	145	14.8%	9	100.0%	0	0.0%
106.01	163	58.6%	166	23.2%	6	10.2%	0	0.0%
106.02	78	51.3%	492	44.3%				
107.01	468	62.2%	126	20.1%	11	35.5%	10	15.4%
107.02	691	57.1%	117	41.6%	7	100.0%	6	26.1%
107.03	786	80.0%	107	58.5%	23	63.9%	0	0.0%
108.00	1,142	78.8%	422	55.7%	29	61.7%	12	46.2%
109.00	71	64.5%	378	64.7%	11	100.0%	5	100.0%
110.00	987	53.0%	375	51.3%	9	50.0%	15	45.5%
111.00	0	0.0%	6	6.2%	0	0.0%	0	0.0%
112.00	690	69.0%	135	49.8%				
113.00	192	53.3%	159	32.2%	0	0.0%	6	100.0%
114.00	0	0.0%	33	10.0%			0	0.0%
115.00	1,356	85.0%	72	44.7%			13	100.0%
116.00	231	62.3%	300	41.6%	7	100.0%	6	30.0%
118.00	492	75.2%	764	59.9%			0	0.0%
119.00	8	21.1%	753	63.9%	12	100.0%		
120.00	177	72.8%	671	67.2%	0	0.0%	8	47.1%

Source: U.S. Census Bureau, Census 2000 (SF 3, H11, H12)
*Cells for tracts in which no members of a racial or ethnic group live are left blank to differentiate them from tracts in which only renters live

As discussed previously in this report, median household income is generally lower among minority groups in Hampton than among White households. This factor more than likely contributes to the low rates of home ownership among minorities in Hampton.

[MAP TO BE INSERTED]

iv. The Tendency of the Protected Classes to Live in Larger Households

Larger families may be at risk for housing discrimination on the basis of race and the presence of children (familial status). A larger household, whether or not children are present, can raise fair housing concerns. If there are policies or programs that restrict the number of persons that can live together in a

single housing unit, and members of the protected classes need more bedrooms to accommodate their larger household, there is a fair housing concern because the restriction on the size of the unit will have a negative impact on members of the protected classes.

In Hampton, persons of Hispanics were most likely to live in families of three or more persons, with 77% of Hispanic families in Hampton having three or more persons. Whites had the lowest rate, with only 53.8% of families fitting this description.

Figure 3-15
Families with Three or More Persons, 2000

Race	Percent of Families with 3 or more persons
White	53.8%
Black	64.2%
Asian	66.9%
Some Other Race Alone	69.1%
Two or More Races	66.0%
Hispanic	77.0%

Source: U.S. Census Bureau, Census 2000 (SF 4, PCT17)

To adequately house larger families, a sufficient supply of larger dwelling units consisting of three or more bedrooms is necessary. In Hampton, 13.3% of the rental housing stock contained three or more bedrooms in 2000, compared to 47.9% of the owner housing stock.

Figure 3-16
Housing Units by Number of Bedrooms, 2000

	Renter-Occupied Housing Stock		Owner-Occupied Housing Stock	
Size of Housing Units	Number of Units	Percent of Total Housing Units	Number of Units	Percent of Total Housing Units
0-1 bedroom	5,452	10.1%	612	1.1%
2 bedrooms	9,709	18.0%	5,116	9.5%
3 or more bedrooms	7,160	13.3%	25,838	47.9%
Total	22,321	41.4%	31,566	58.6%

Source: U.S. Census Bureau, Census 2000 (SF 3, H42)

v. Cost of Housing

Increasing housing costs are not a direct form of housing discrimination. However, a lack of affordable housing does constrain housing choice. Residents may be limited to a smaller selection of neighborhoods because of a lack of affordable housing in those areas.

a. Rental Housing

The median housing value in Hampton has increased 52% since 1990 after adjusting for inflation.[17] This was in stark contrast to the median gross rent, which increased 13.8% during the same period, and real household income, which decreased 5.3%.

Figure 3-17
Trends in Housing Value, Rent and Income, 1990-2008

	1990	2000	2008	Change 1990-2008
Median Housing Value				
Actual Dollars	$77,500	$91,100	$194,100	150.5%
2008 Dollars	$127,666	$113,903	$194,100	52.0%
Median Gross Rent				
Actual Dollars	$470	$603	$881	87.4%
2008 Dollars	$774	$754	$881	13.8%
Median Household Income				
Actual Dollars	$30,144	$39,532	$47,039	56.0%
2008 Dollars	$49,656	$49,427	$47,039	-5.3%

Sources: U.S. Census Bureau, 1990 Census (STF3-H061A, H043A, P080A), Census 2000 (SF3-H76, H63, P53), 2008 American Community Survey (B25077, B25064, B19013); Calculations by Mullin & Lonergan Associates, Inc.

At the same time that real household income was decreasing, Hampton was also losing affordable rental units. Between 2000 and 2008, the number of affordable rental units renting for less than $500 per month decreased by 3,962 units, or 63.8% of all units in that price range. Units renting for $500 to $699 decreased in number by 4,197 units, or 51.2% of all units in that price range. At the same time, the number of higher-rent units ($700 per month or higher) increased by 9,620.

Figure 3-18
Loss of Affordable Rental Housing Units, 2000-2008

			Change 2000-2008	
Units Renting for:	2000	2008	#	%
Less than $500	6,211	2,249	-3,962	-63.8%
$500 to $699	8,202	4,005	-4,197	-51.2%
$700 to $999	5,544	8,175	2,631	47.5%
$1,000 or more	1,364	8,353	6,989	512.4%

Sources: U.S. Census Bureau, Census 2000 (SF3, H62), 2008 American Community Survey (B25063)

The National Low Income Housing Coalition provides annual information on the Fair Market Rent (FMR) and affordability of rental housing in each county in the U.S. for 2009. In Hampton, the Fair Market Rent (FMR) for a two-bedroom apartment is $904. In order to afford this level of rent and utilities, without paying more than 30% of

[17] Housing value is the Census respondent's estimate of how much the property (house and lot, mobile home and lot, or condominium unit) would sell for if it were for sale. This differs from the housing sales price which is the actual price that the house sold for.

income on housing, a household must earn $3,013 monthly or $36,160 annually. Assuming a 40-hour work week, 52 weeks per year, this level of income translates into a Housing Wage of $17.38.

In the City of Hampton, a minimum wage worker earns an hourly wage of $6.55. In order to afford the FMR for a two-bedroom apartment, a minimum wage earner must work 106 hours per week, 52 weeks per year. Or, a household must include 2.7 minimum wage earners working 40 hours per week year-round in order to make the two bedroom FMR affordable.

In Hampton, the estimated average wage for a renter is $12.18 an hour. In order to afford the FMR for a two-bedroom apartment at this wage, a renter must work 57 hours per week, 52 weeks per year. Or, working 40 hours per week year-round, a household must include 1.4 workers earning the mean renter wage in order to make the two-bedroom FMR affordable.

Monthly Supplemental Security Income (SSI) payments for an individual are $674 in Hampton and throughout Virginia. If SSI represents an individual's sole source of income, $202 in monthly rent is affordable, while the FMR for a one-bedroom is $781.

b. Sales Housing

The housing market in Hampton has slowed in activity since 2005, slightly before the beginning of the national housing slump. After peaking at 2,287 units sold in 2005, the local market has fallen off to 1,407 units sold in 2008. The average length of time a house has remained on the market has increased to 79 days from a low of 29 days at the peak in 2005. Surprisingly, local data provided by the Hampton Roads Realtor Association reveal that the houses that are selling are retaining their value and sellers are getting their asking prices. Since 2000, the median sales price has been comparable to the median list price with both hovering at 100%. In 2003-2004, the median sales price was equivalent to 101% of the median list price.

Figure 3-19
Housing Market Sales Trends, 2000-2008

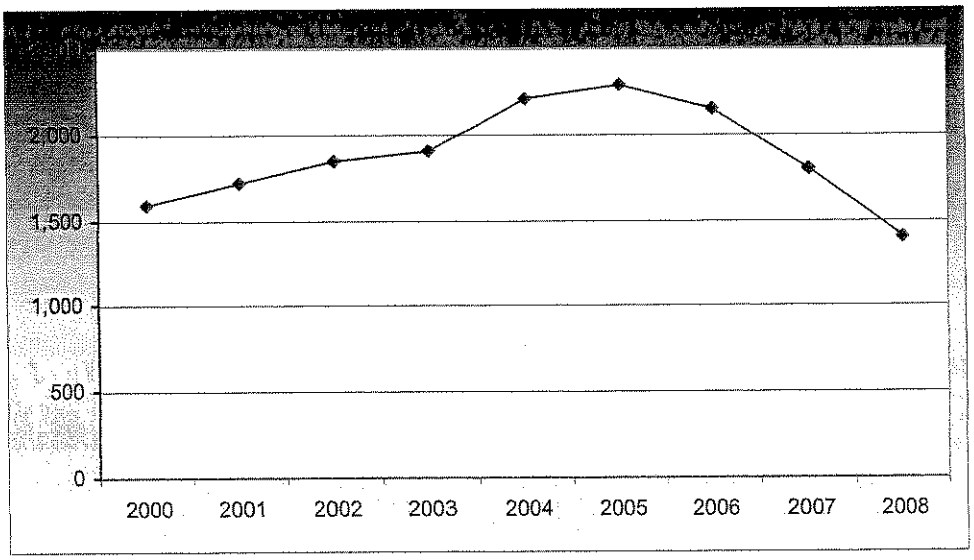
	2000	2001	2002	2003	2004	2005	2006	2007	2008
Single-Family Properties									
Number of units sold	1,587	1,720	1,844	1,905	2,208	2,287	2,155	1,804	1,407
Average No. Days on Market	81	72	63	42	31	29	44	61	79
Median List Price	$119,900	$127,190	$139,900	$157,000	$187,000	$230,000	$250,000	$259,900	$250,000
Median Sale Price	$119,900	$126,900	$139,900	$158,000	$188,758	$230,000	$249,900	$257,000	$249,900
MSP as % MLP*	100%	100%	100%	101%	101%	100%	100%	99%	100%

*Median Sales Price as a percent of Median List Price
Source: Hampton Roads Realtor Association

While the market has slowed in Hampton as indicated by the longer length of time houses remain on the market and the decrease in the total number of units sold, the median sales price has remained steady at

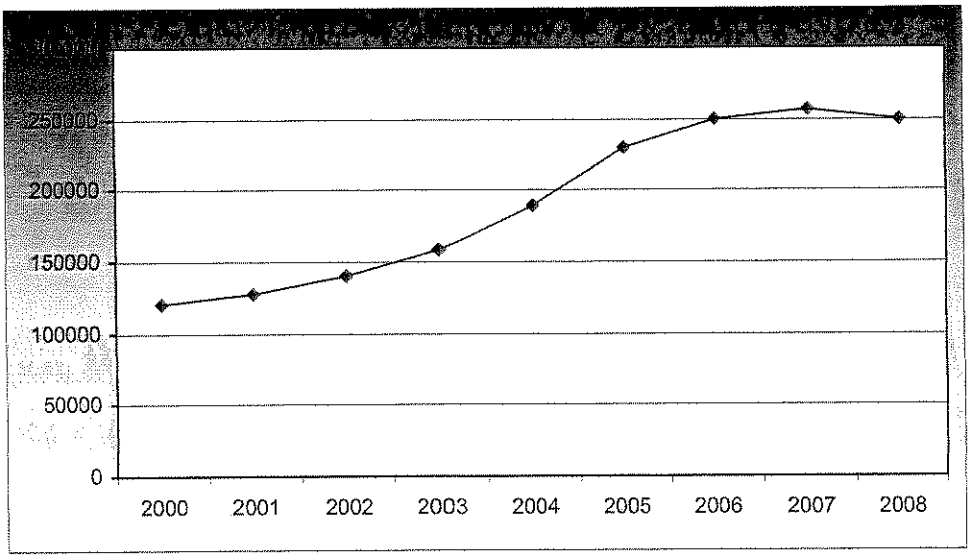
about $250,000 since 2006. This confirms the fact that homes are retaining their value even in a softer market.

Figure 3-20
Number of Housing Units Sold, 2000-2008



Source: Hampton Roads Realtor Association

Figure 3-21
Median Sales Price Trends, 2000-2008



Source: Hampton Roads Realtor Association

vi. The Relationship between Protected Class Status and Housing Problems

Lower income minority households tend to experience housing problems at a higher rate than lower income White households.[18] This pattern generally holds true for homeowners in Hampton. Among all owner households with incomes below 80% of the median family income in 2000, 50.6% of White households experienced problems compared to 63.5% of Blacks and 62.2% of Hispanics.

However, among all renter households of similar income levels, White, Black, and Hispanic households experienced problems at comparable rates of about 59%.

Figure 3-22
Lower Income Households with Housing Problems, 2000

	Total Households 0-80% of MFI		Elderly & 1-2 Person Households 0-80% of MFI		Family Households 0-80% of MFI		All Other Households 0-80% of MFI	
	Total	% with a Housing Problem	Total	%	Total	%	Total	%
Renters								
White Non-Hispanic	4,525	59.5%	660	55.3%	2,225	59.6%	1,640	61.0%
Black Non-Hispanic	8,285	59.6%	810	50.0%	4,565	63.0%	2,910	56.9%
Hispanic	384	58.6%	14	71.4%	240	58.3%	130	57.7%
Total	**13,194**	**59.5%**	**1,484**	**52.8%**	**7,030**	**61.8%**	**4,680**	**58.4%**
Owners								
White Non-Hispanic	4,740	50.6%	2,340	32.3%	1,570	68.5%	830	68.1%
Black Non-Hispanic	3,535	63.5%	1,415	52.3%	1,470	72.8%	650	66.9%
Hispanic	53	62.2%	24	16.7%	25	100.0%	4	100.0%
Total	**8,328**	**56.1%**	**3,779**	**42.1%**	**3,065**	**71.0%**	**1,484**	**67.7%**

Source: HUD Comprehensive Housing Affordability Strategy data

[18] HUD defines housing problems as (1) cost burden of 30% or more (i.e., paying more than 30% of gross income on monthly housing expenses) and/or (2) lacking complete kitchen or plumbing facilities, and/or (3) overcrowding of more than 1.01 persons per room.

4. THE CITY OF NEWPORT NEWS

A. The Relationship between Protected Class Status and Income

i. Population Trends

The population of Newport News grew almost 6% from 170,045 in 1990 to 180,150 in 2000. Since then, a slight dip in the number of residents has occurred, with the population stabilizing at just below 180,000. The real change has occurred in the racial composition of Newport News's residents. Since 1990, Whites residents have decreased almost 15% with a net loss of 15,783 residents. As a result, Whites residents were barely a majority of the population at 50.5% in 2008.

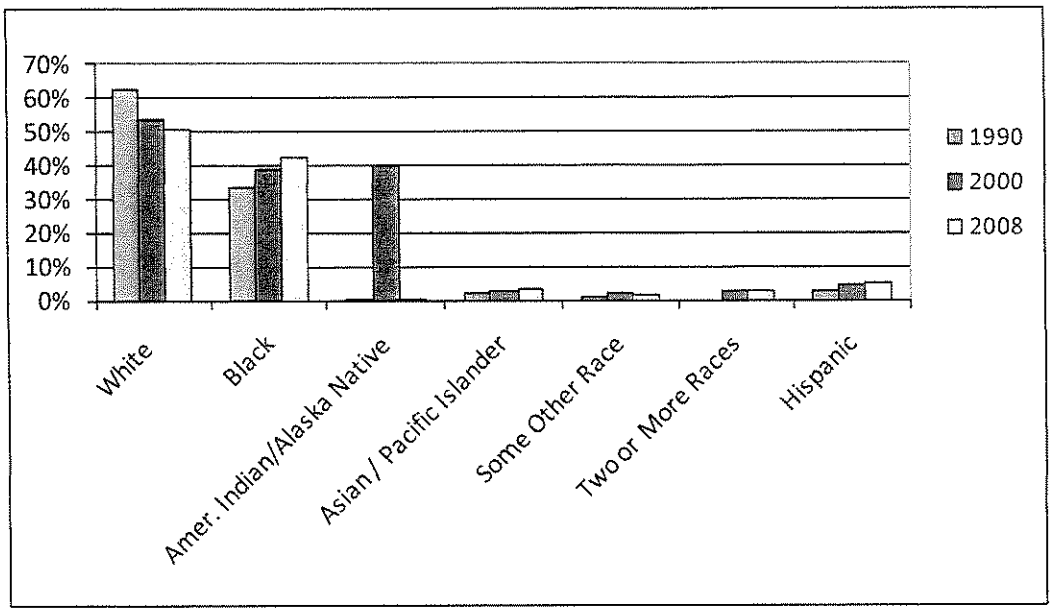
Concurrently, Blacks, Asians, Hispanics and residents of Some Other Race have increased in significant numbers. Between 1990 and 2008, non-White residents increased almost 40% from 63,627 to 88,979 with the number of Blacks surging by over 18,500 and accounting for 73.3% of the increase in non-White residents. Asian and Pacific Islanders increased 43.8%, growing by 1,740 residents. The percentage of persons of Some Other Race increased 35.2% from 2,002 to 2,707. Hispanics, who numbered 4,710 in 1990, more than doubled to 9,500.

Figure 4-1
Population Trends, 1990-2008

	1990		2000		2008		% Change
	#	%	#	%	#	%	1990-2008
City of Newport News	170,045	100.0%	180,150	100.0%	179,614	100.0%	5.6%
White Population	106,418	62.6%	96,383	53.5%	90,635	50.5%	-14.8%
Non-White Population	63,627	37.4%	80,350	44.6%	88,979	49.5%	39.8%
Black	57,077	33.6%	70,388	39.1%	75,657	42.1%	32.6%
Amer. Indian/Alaska Native	579	0.3%	752	0.4%	345	0.2%	-40.4%
Asian / Pacific Islander	3,969	2.3%	4,409	2.4%	5,709	3.2%	43.8%
Some Other Race	2,002	1.2%	3,225	1.8%	2,707	1.5%	35.2%
Two or More Races	---	---	4,993	2.8%	4,561	2.5%	-8.7%
Hispanic	4,710	2.8%	7,595	4.2%	9,500	5.3%	101.7%

Source: U.S. Census Bureau

Figure 4-2
Changes in the Racial and Ethnic Characteristics of the Population, 1990-2008



Source: U.S. Census Bureau

HUD defines areas of racial or ethnic minority concentration as geographical areas where the percentage of a specific minority or ethnic group is 10 percentage points higher than in the City overall. In Newport News, Blacks comprised 43% of the population in 2009.[19] Therefore, an area of racial concentration of Black residents would include any census tract where the percentage of Blacks is 53% or higher. The following ten census tracts met this criterion: 301, 303, 304, 305, 306, 308, 309, 313, 321.24, and 322.12.

Hispanics represented 4.9% of the population in 2009. Therefore, a census tract with a Hispanic population of 14.9% or greater would qualify as an area of ethnic concentration. Only one census tract, 323, met this criterion.

[19] Data from DemographicsNow for 2009 was used for this analysis because the data were provided at the census tract level.

Figure 4-3
Census Tract Population by Race and Ethnicity, 2009

			Minority Residents		
Census Tract	Total Population	White %	Black %	Asian/Pacific Islander %	Hispanic %
City of Newport News	**181,167**	**51.0%**	**43.0%**	**3.2%**	**4.9%**
301.00	5,040	9.5%	88.0%	0.6%	2.2%
303.00	6,207	4.6%	94.0%	0.2%	1.4%
304.00	3,813	1.7%	97.2%	0.2%	1.0%
305.00	2,037	2.7%	96.0%	0.1%	1.0%
306.00	2,689	1.5%	97.1%	0.5%	1.5%
308.00	2,424	0.7%	98.3%	0.0%	0.8%
309.00	2,056	24.9%	72.6%	0.8%	2.1%
311.00	2,685	58.4%	37.6%	1.3%	3.7%
312.00	2,372	50.5%	46.0%	1.4%	3.3%
313.00	4,372	42.5%	54.6%	1.2%	2.2%
314.00	5,788	55.8%	40.2%	1.9%	2.2%
315.00	5,860	76.7%	19.1%	2.0%	3.0%
316.01	5,902	53.3%	42.7%	1.7%	3.5%
316.02	4,165	78.3%	18.5%	1.3%	2.7%
317.00	7,851	70.8%	24.8%	2.6%	2.5%
318.00	3,801	88.9%	8.3%	2.0%	1.5%
319.00	8,101	74.3%	20.6%	2.7%	3.5%
320.01	2,900	78.3%	15.2%	5.1%	1.7%
320.02	6,358	68.6%	24.3%	4.6%	3.2%
320.04	7,197	41.2%	50.8%	4.6%	5.7%
320.05	2,770	73.1%	18.2%	6.0%	4.1%
321.13	3,129	64.8%	28.2%	3.9%	5.9%
321.14	1,740	70.9%	21.0%	5.6%	3.1%
321.15	10,687	55.1%	37.7%	3.5%	6.5%
321.16	8,135	59.9%	31.8%	5.6%	5.0%
321.17	4,446	67.3%	26.4%	3.6%	5.0%
321.23	5,324	42.3%	48.6%	4.7%	7.9%
321.24	3,908	36.3%	54.8%	4.9%	8.0%
321.25	10,427	58.6%	33.9%	4.4%	5.4%
322.11	6,456	67.8%	22.8%	7.0%	3.7%
322.12	3,865	16.1%	73.1%	5.8%	11.6%
322.21	10,833	46.3%	44.6%	5.1%	8.2%
322.22	7,921	40.5%	52.9%	3.0%	7.6%
323.00	6,156	53.7%	36.0%	3.1%	17.1%
324.00	3,752	59.8%	33.9%	2.6%	7.9%

Source: Demographics Now

[MAP TO BE INSERTED]

ii. Residential Segregation Patterns

Residential segregation is a measure of the degree of separation of racial or ethnic groups living in a neighborhood or community. Typically, the pattern of residential segregation involves the existence of predominantly homogenous, White suburban communities and low-income minority inner-city neighborhoods. A potential impediment to fair housing is created where

either latent factors, such as attitudes, or overt factors, such as real estate practices, limit the range of housing opportunities for minorities. A lack of racial or ethnic integration in a community creates other problems, such as reinforcing prejudicial attitudes and behaviors, narrowing opportunities for interaction, and reducing the degree to which community life is considered harmonious. Areas of extreme minority isolation often experience poverty and social problems at rates that are disproportionately high. Racial segregation has been linked to diminished employment prospects, poor educational attainment, increased infant and adult mortality rates and increased homicide rates.

The distribution of racial or ethnic groups across a geographic area can be analyzed using an index of dissimilarity. This method allows for comparisons between subpopulations, indicating how much one group is spatially separated from another within a community. The index of dissimilarity is rated on a scale from 0 to 100, in which a score of 0 corresponds to perfect integration and a score of 100 represents total segregation.[20] The index is typically interpreted as the percentage of the minority population (in this instance, the Black population) that would have to move in order for a community or neighborhood to achieve full integration.

Of the 18 cities and towns with populations exceeding 25,000 in Virginia, Newport News demonstrates an average amount of segregation. The City's 2000 dissimilarity index of 50.3 for White persons and Black persons ranks 10th out of 18, and indicates that White persons and Black persons in Newport News are more segregated than they are in 50% of the state's most populated cities and towns. Among the seven cities in Hampton Roads, Newport News is the fifth most-segregated. Details are included in the table below.

[20] The index of dissimilarity is a commonly used demographic tool for measuring inequality. For a given geographic area, the index is equal to**1/2 ▯ ABS [(b/B)-(A/a)]**, where b is the subgroup population of a census tract, B is the total subgroup population in a city, a is the majority population of a census tract, and A is the total majority population in the city. ABS refers to the absolute value of the calculation that follows.

Figure 4-4
Virginia Municipal Dissimilarity Index Rankings, 2000

Rank	City	Black Population	White Population	Total Population	Dissimilarity Index
1	Blacksburg Town	1,700	32,869	39,573	**17.5**
2	Harrisonburg	2,266	32,416	40,468	**25.0**
3	Manassas	4,430	23,304	35,135	**29.2**
4	Leesburg Town	2,573	22,761	28,311	**38.0**
5	Virginia Beach	79,092	295,402	425,257	**41.4**
6	Petersburg	26,511	6,131	33,740	**42.6**
7	Alexandria	28,463	68,889	128,283	**46.0**
8	Danville	21,267	25,813	48,411	**46.2**
9	Hampton	64,795	70,963	146,437	**47.4**
10	Newport News	69,538	93,624	180,150	**50.3**
11	Lynchburg	19,288	43,108	65,269	**51.2**
12	Suffolk	27,524	33,940	63,677	**52.0**
13	Charlottesville	9,916	30,825	45,049	**52.4**
14	Chesapeake	56,442	131,200	199,184	**52.6**
15	Norfolk	102,268	110,221	234,403	**57.5**
16	Portsmouth	50,569	45,403	100,565	**62.0**
17	Richmond	112,455	74,506	197,790	**68.3**
18	Roanoke	25,220	65,256	94,911	**68.3**

Source: CensusScope

Dissimilarity index data for all Newport News subpopulations appear in the table below. This table indicates that in order to achieve full integration among White persons and Black persons in the City, 50.3% of Black residents would have to move to a different location.

Figure 4-5
Newport News Dissimilarity Indices, 2000

	DI with White Population**	Population	% of Total Population
White	-	93,624	52.0%
Black	50.3	69,538	38.6%
American Indian*	36.7	685	0.4%
Asian	30.3	4,112	2.3%
Hawaiian*	55.7	199	0.1%
Other*	44.3	356	0.2%
Two or more races	30.1	4,041	2.2%
Hispanic***	36.5	7,595	4.2%
TOTAL	-	180,150	100.0%

* In these cases, sample size is too small to reliably interpret the DI. Caution should be exercised in interpreting results for subpopulations of fewer than 1,000.
** Each dissimilarity index indicates the percentage of one of the two population groups compared that would have to move to different geographic areas to create a completely even demographic distribution in Newport News.
*** Hispanic ethnicity is counted independently of race.
Source: CensusScope

The indices above show that, in addition to a White/Black index of 50.3, Newport News has a White/Asian index of 30.3, a White/multi-race index of

30.1, and a White/Hispanic index of 36.5. These numbers indicate that these subpopulations are more integrated than White persons and Black persons. Perfect integration would receive an index score of 0. Indices for the other groups cannot be as reliably interpreted, since their populations are less than 1,000. In cases where subgroup population is small, the dissimilarity index may be high even if the group's members are evenly dispersed.

iii. Race and Income

Household income is one of the several factors used to determine a household's eligibility for a home mortgage loan. A review of median household income reveals a stark contrast between race and ethnicity in Newport News. For all households in 2008, the median income was $49,664. The median household income for Blacks is equivalent to only 59% of the income level for White households. Hispanic households had the second-highest income level, which was equivalent to 93% of the income level for Whites; Asians were slightly lower at 89%.

Trends in poverty rates paralleled income. City-wide, the rate of poverty was 12.5%, but only 6.6% among White households. Black households were three times more likely to be living in poverty than Whites in 2008.

Figure 4-6
Median Household Income and Poverty Rates by Race/Ethnicity, 2008

	Median Household Income	Poverty Rate
City of Newport News	**$49,664**	**12.5%**
Whites	$61,199	6.6%
Blacks	$35,911	19.5%
Asians	$54,694	n/a
Hispanics	$56,611	n/a

Source: U.S. Census Bureau, 2008 American Community Survey (B19013, B19013A, B19013B, B19013D, B19013I)

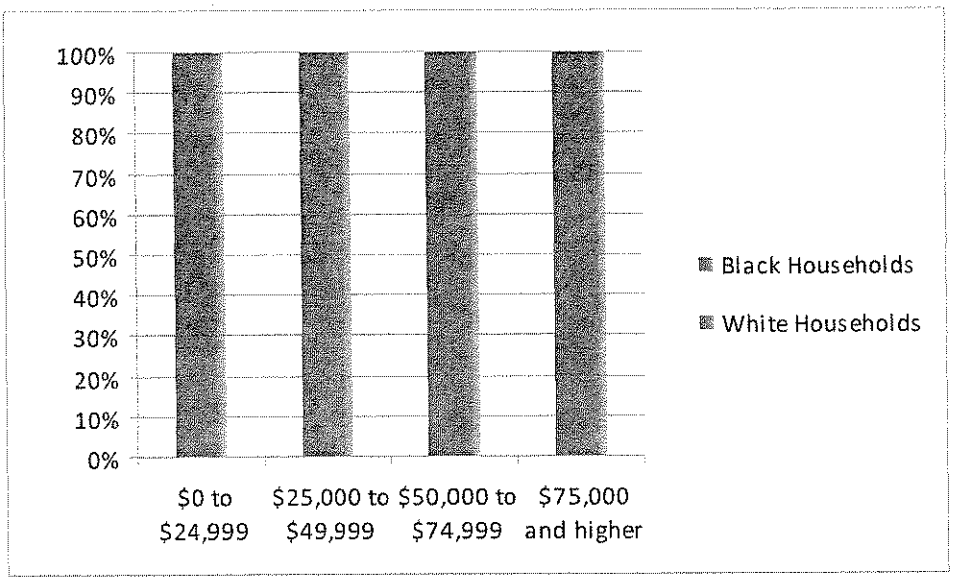
Distribution of household income by race revealed similar patterns with more White households in higher income brackets than Black households. Only 12.8% of White households had incomes less than $25,000 compared to 38.4% of Blacks. Within the $25,000-$49,999 bracket, the rates were comparable. At the opposite end of the spectrum, more than 61% of White households had incomes of $50,000 and higher compared to only 34% of Black households.

Figure 4-7
Household Income Distribution by Race and Ethnicity, 2008

	Total	$0 to $24,999		$25,000 to $49,999		$50,000 to $74,999		$75,000 and higher	
		#	%	#	%	#	%	#	%
All Households	**71,717**	**17,451**	**24.3%**	**18,661**	**26.0%**	**14,549**	**20.3%**	**21,056**	**29.4%**
White Households	37,056	4,746	12.8%	9,490	25.6%	8,670	23.4%	14,150	38.2%
Black Households	31,043	11,906	38.4%	8,579	27.6%	4,968	16.0%	5,590	18.0%
Asian Households	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Hispanic Households	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a

Source: U.S. Census Bureau, 2008 American Community Survey (C19001, B19001A, B19001B, B19001D, B19001I)

Figure 4-8
Household Income Distribution by Race and Ethnicity, 2008



HUD data on the percent of low and moderate income persons reveals that there are 56 census block groups where more than 51% of residents meet the criteria for low and moderate income status. Of these, 33 block groups were located within areas of racial concentration of Black residents and one block group was located within the area of ethnic concentration in Newport News.

Figure 4-9
Low and Moderate Income Persons, 2009

		Low and Moderate Income Persons					Low and Moderate Income Persons		
Census Tract	Block Group	#	Universe	%	Census Tract	Block Group	#	Universe	%
301	1	135	147	91.84%	319	2	126	1358	9.28%
301	2	504	727	69.33%	319	3	467	1919	24.34%
301	3	1576	1598	98.62%	319	4	320	1091	29.33%
301	4	419	569	73.64%	319	5	871	1654	52.66%
301	5	429	487	88.09%	320.01	1	175	1179	14.84%
301	6	684	711	96.20%	320.01	2	203	1773	11.45%
303	1	738	1155	63.90%	320.02	1	418	1355	30.85%
303	2	773	1217	63.52%	320.02	2	961	4285	22.43%
303	3	586	785	74.65%	320.04	1	511	1600	31.94%
303	4	540	799	67.58%	320.04	2	295	606	48.68%
303	5	450	785	57.32%	320.04	3	331	1082	30.59%
303	6	572	1038	55.11%	320.04	4	700	1222	57.28%
303	7	391	673	58.10%	320.04	5	2356	2889	81.55%
304	1	616	646	95.36%	320.05	1	338	1539	21.96%
304	2	437	524	83.40%	320.05	2	494	1397	35.36%
304	3	707	976	72.44%	321.13	1	753	1538	48.96%
304	4	995	1177	84.54%	321.13	2	583	1227	47.51%
304	5	379	587	64.57%	321.14	1	283	1772	15.97%
305	1	659	1128	58.42%	321.15	1	1779	2908	61.18%
305	2	699	876	79.79%	321.15	2	1251	2176	57.49%
306	1	741	873	84.88%	321.15	3	580	687	84.43%
306	2	766	999	76.68%	321.15	4	293	651	45.01%
306	3	600	939	63.90%	321.15	5	1161	2555	45.44%
308	1	663	855	77.54%	321.16	1	1035	6168	16.78%
308	2	705	823	85.66%	321.16	2	1132	1921	58.93%
308	3	831	1002	82.93%	321.17	1	726	1198	60.60%
309	1	315	504	62.50%	321.17	2	851	2090	40.72%
309	2	1139	1509	75.48%	321.17	3	307	756	40.61%
311	1	281	1035	27.15%	321.23	1	789	969	81.42%
311	2	740	1373	53.90%	321.23	2	1381	3842	35.94%
311	3	218	458	47.60%	321.24	1	947	1629	58.13%
312	1	562	821	68.45%	321.24	2	849	2265	37.48%
312	2	852	1423	59.87%	321.25	1	426	948	44.94%
313	1	1483	2550	58.16%	321.25	2	490	1512	32.41%
313	2	733	1024	71.58%	321.25	3	549	3888	14.12%
313	3	445	927	48.00%	321.25	4	552	1034	53.38%
314	1	485	1352	35.87%	321.25	5	99	918	10.78%
314	2	532	1322	40.24%	321.25	6	786	1852	42.44%
314	3	618	1514	40.82%	322.11	1	512	3464	14.78%
314	4	1330	1640	81.10%	322.11	2	427	1954	21.85%
315	1	1405	2342	59.99%	322.11	3	451	1305	34.56%
315	2	673	2062	32.64%	322.12	1	652	1005	64.88%
315	3	291	1722	16.90%	322.12	2	529	1160	45.60%
316.01	1	146	602	24.25%	322.12	3	1560	2078	75.07%
316.01	2	867	2138	40.55%	322.21	1	966	1971	49.01%
316.01	3	1303	1450	89.86%	322.21	2	1863	3838	48.54%
316.01	4	505	1038	48.65%	322.21	3	337	1608	20.96%
316.01	5	389	1041	37.37%	322.21	4	735	1348	54.53%
316.02	1	303	799	37.92%	322.21	5	1031	1655	62.30%
316.02	2	248	744	33.33%	322.22	1	687	1147	59.90%
316.02	3	551	1478	37.28%	322.22	2	1111	1972	56.34%
316.02	4	466	1431	32.56%	322.22	3	3201	4733	67.63%
317	1	1623	4027	40.30%	323	1	2273	3529	64.41%
317	2	1085	2565	42.30%	324	2	8	49	16.33%
318	1	363	2175	16.69%	324	1	785	1981	39.63%
318	2	214	1748	12.24%	324	2	914	1332	68.62%
319	1	438	1810	24.20%					

Source: U.S. Dept. of Housing & Urban Development, 2009

[MAP TO BE INSERTED]

iv. Disability and Income

The Census Bureau reports disability status for non-institutionalized disabled persons age 5 and over. As defined by the Census Bureau, a disability is a long-lasting physical, mental or emotional condition that can make it difficult for a person to do activities such as walking, climbing stairs, dressing, bathing, learning or remembering. This condition can also impede a person from being able to go outside the home alone or to work at a job or business.

The Fair Housing Act prohibits discrimination based on physical, mental or emotional handicap, provided "reasonable accommodation" can be made. Reasonable accommodation may include changes to address the needs of disabled persons, including adaptive structural (e.g., constructing an entrance ramp) or administrative changes (e.g., permitting the use of a service animal). In Newport News, 10.3% of the population 5 years and older reported at least on type of disability in 2000.

According to the National Organization on Disabilities, a significant income gap exists for persons with disabilities, given their lower rate of employment. In Newport News, persons with disabilities were five times more likely to live in poverty than persons without disabilities. In 2000, 20.1% of persons with disabilities lived in poverty compared to only 4.2% of persons without disabilities who were living in poverty.[21]

v. Familial Status and Income

The Census Bureau divides households into family and non-family households. Family households are married couple families with or without children, single-parent families and other families made up of related persons. Non-family households are either single persons living alone, or two or more non-related persons living together.

Women have production under Title VIII of the Civil Rights act of 1968 against discrimination in housing. Protection for families with children was added in the 1988 amendments to Title VIII. Except in limited circumstances involving elderly housing and owner-occupied buildings of one to four units, it is unlawful to refuse to rent or sell to families with children.

Female-headed households have grown steadily from 14.9% to 19.7% of all households in Newport News since 1990. Female-headed households with children also have increased, from 9.7% to 12.3%. In contrast, married couple family households with children have declined from 27.4% to 19%.

Female-headed households with children often experience difficulty in obtaining housing, primarily as a result of lower incomes and the

[21] U.S. Census Bureau, Census 2000 (SF3, PCT34)

unwillingness of landlords to rent their units to families with children. In Newport News, female-headed households with children accounted for 70% of all families living in poverty compared to only 13% of married couples with children.[22]

Figure 4-10
Female-headed Households and Households with Children, 1990-2008

	1990		2000		2008	
	#	%	#	%	#	%
Total Households	**63,940**	**100.0%**	**69,750**	**100%**	**69,750**	**100%**
Family Households	45,912	71.8%	46,755	67.0%	46,755	67.0%
Married-couple family	34,675	54.2%	31,823	45.6%	28,867	41.4%
With Children	17,525	27.4%	15,592	22.4%	13,262	19.0%
Without Children	17,150	26.8%	16,231	23.3%	15,605	22.4%
Female-Headed Households	**9,534**	**14.9%**	**12,172**	**17.5%**	**13,714**	**19.7%**
With Children	**6,213**	**9.7%**	**8,129**	**11.7%**	**8,580**	**12.3%**
Without Children	3,321	5.2%	4,043	5.8%	5,134	7.4%
Male-Headed Household	1703	2.7%	2,760	4.0%	3,185	4.6%
With Children	724	1.1%	1,531	2.2%	1668	2.4%
Without Children	979	1.5%	1,229	1.8%	1517	2.2%
Non-family and 1-person Households	18,028	28.2%	22,995	33.0%	22,995	33.0%

Sources: U.S. Census Bureau, 1990 (SFT-3, DP-1), Census 2000 (SF-3, P-15); 2008 American Community Survey (B11003)

vi. Ancestry and Income

It is illegal to refuse the right to housing based on place of birth or ancestry. Census data on native and foreign-born populations in Newport News revealed that 6.2% of residents were foreign-born.[23]

Among families with children who were living with one or more foreign-born parents, 9.4% were living in households with incomes of less than 200% of the poverty level. Similarly, 9.3% of families with children where one or more parent is foreign-born were living in households with incomes above 200% of the poverty level.[24]

vii. The Relationship between Protected Class Status and Unemployment

The overall unemployment rate in the City in 2008 was only 2.6%. However, residents of Newport News with protected class status experienced a higher rate of unemployment than Whites in the civilian labor force. Unemployment among females and Blacks was 4.3% compared to only 2.9% among Whites. Notably, the unemployment rate among for males was higher than among females. Data were not available for Asian and Hispanic persons within the CLF due to small sample sizes.

[22] U.S. Census Bureau, Census 2000 (SF3, P.90)
[23] U.S. Census Bureau, 2008 American Community Survey (C05002)
[24] U.S. Census Bureau 2008 American Community Survey (C05010)

Figure 4-11
Civilian Labor Force, 2008

	Virginia Total	%	Newport News Total	%
Total Civilian Labor Force (CLF)	**4,124,444**	**100%**	**179,614**	**100%**
Employed	3,936,079	95.4%	136,246	75.9%
Unemployed	188,365	4.6%	4685	2.6%
Male CLF	2,111,297	**100.0%**	**41,356**	**100.0%**
Employed	2,006,634	95.0%	38,681	93.5%
Unemployed	104,663	5.0%	2675	6.5%
Female CLF	**1,963,916**	**100.0%**	**47,208**	**100.0%**
Employed	1,867,786	95.1%	45,198	95.7%
Unemployed	96,130	4.9%	2010	4.3%
White CLF	**2,916,813**	**100%**	**73,019**	**100%**
Employed	2,799,732	96.0%	42,887	58.7%
Unemployed	117,081	4.0%	2,141	2.9%
Black CLF	**772,382**	**100%**	**55,173**	**100%**
Employed	709,453	91.9%	36,269	65.7%
Unemployed	62,929	8.1%	2,350	4.3%
Asian CLF	**214,026**	**100%**	**n/a**	**n/a**
Employed	204,543	95.6%	n/a	n/a
Unemployed	9,483	4.4%	n/a	n/a
Hispanic CLF	**277,742**	**100%**	**n/a**	**n/a**
Employed	261,165	94.0%	n/a	n/a
Unemployed	16,577	6.0%	n/a	n/a

Source: U.S. Census Bureau, 2008 American Community Survey (C23001, C23002A, C23002B, C23002D, C23002I)

B. The Housing Market

i. Housing Inventory

The housing inventory in Newport News consisted of 79,105 units in 2009, which represented an increase of over 9,300 units since 1990. This 13.5% increase was primarily concentrated in the following nine census tracts: 319, 320.02, 321.15, 321.16, 321.23, 321.24, 321.25, 322.21 and 322.22. Only of these areas (census tract 321.24) was identified as an area of minority concentration.

[MAP TO BE INSERTED]

Figure 4-12
Trends in Total Housing Units, 1990-2009

Census Tract	1990		2000		2009		Change 1990-2009	
	#	%	#	%	#	%	#	%
City of Newport News	69,736	100.0%	74,117	100.0%	79,105	100.0%	9,369	13.4%
301.00	2,321	3.3%	2,019	2.7%	2,090	2.6%	(231)	-2.5%
303.00	2,871	4.1%	2,771	3.7%	2,807	3.5%	(64)	-0.7%
304.00	1,762	2.5%	1,591	2.1%	1,682	2.1%	(80)	-0.9%
305.00	1,081	1.6%	914	1.2%	887	1.1%	(194)	-2.1%
306.00	1,416	2.0%	1,334	1.8%	1,349	1.7%	(67)	-0.7%
308.00	1,096	1.6%	1,069	1.4%	1,068	1.4%	(28)	-0.3%
309.00	1,588	2.3%	1,059	1.4%	1,108	1.4%	(480)	-5.1%
311.00	1,670	2.4%	1,444	1.9%	1,447	1.8%	(223)	-2.4%
312.00	999	1.4%	1,221	1.6%	1,339	1.7%	340	3.6%
313.00	2,207	3.2%	2,046	2.8%	2,127	2.7%	(80)	-0.9%
314.00	2,740	3.9%	2,615	3.5%	2,596	3.3%	(144)	-1.5%
315.00	2,962	4.2%	2,814	3.8%	2,825	3.6%	(137)	-1.5%
316.01	2185	3.1%	2,426	3.3%	2,438	3.1%	253	2.7%
316.02	2015	2.9%	1,981	2.7%	1,980	2.5%	(35)	-0.4%
317.00	2976	4.3%	3,128	4.2%	3,521	4.5%	545	5.8%
318.00	1670	2.4%	1,673	2.3%	1,710	2.2%	40	0.4%
319.00	2585	3.7%	3,349	4.5%	3,660	4.6%	1,075	11.5%
320.01	1052	1.5%	1,129	1.5%	1,158	1.5%	106	1.1%
320.02	1574	2.3%	2,009	2.7%	2,302	2.9%	728	7.8%
320.04	2923	4.2%	3,033	4.1%	3,102	3.9%	179	1.9%
320.05	986	1.4%	1,035	1.4%	1,057	1.3%	71	0.8%
321.13	1261	1.8%	1,503	2.0%	1,492	1.9%	231	2.5%
321.14	734	1.1%	761	1.0%	829	1.0%	95	1.0%
321.15	4117	5.9%	4,453	6.0%	5,653	7.1%	1,536	16.4%
321.16	1412	2.0%	3,664	4.9%	3,906	4.9%	2,494	26.6%
321.17	1970	2.8%	1,901	2.6%	2,151	2.7%	181	1.9%
321.23	1439	2.1%	1,860	2.5%	2,251	2.8%	812	8.7%
321.24	782	1.1%	1,472	2.0%	1,548	2.0%	766	8.2%
321.25	3479	5.0%	3,883	5.2%	4,278	5.4%	799	8.5%
322.11	2256	3.2%	2,375	3.2%	2,437	3.1%	181	1.9%
322.12	1628	2.3%	1,733	2.3%	1,688	2.1%	60	0.6%
322.21	3650	5.2%	4,132	5.6%	4,599	5.8%	949	10.1%
322.22	2738	3.9%	3,222	4.3%	3,474	4.4%	736	7.9%
323.00	2233	3.2%	988	1.3%	977	1.2%	(1,256)	-13.4%
324.00	1358	1.9%	1,510	2.0%	1,569	2.0%	211	2.3%

Source: DemographicsNow

Notably, in ten of the areas identified as areas of minority concentration, there were net losses in the housing inventory between 1990 and 2009. Most significantly, there was a loss of 1,256 housing units in census tract 323.

ii. Types of Housing Units

Of the 74,117 structures in 2000, 58.6% were single family units; another 38.5% were multi-family units of all sizes. Census tract 321.25 contained the largest number of single family units while tract 321.15 contained the greatest number of multi-family units.

Figure 4-13
Trends in Housing Units in Structures, 2000

	Total Units	Single-family units (detached and attached)	Multi-family units 2 to 4	5 to 9	10 to 19	20 or more	Total	Mobile home	Boat, RV, van, etc
City of Newport News	74,117	43,455	7,024	9,522	6,059	5,893	28,498	2,134	27
301.00	2,019	242	163	606	153	667	1,589	0	0
303.00	2,771	2,116	281	213	26	42	562	6	0
304.00	1,620	993	207	282	89	72	650	13	0
305.00	885	715	139	27	0	0	166	0	0
306.00	1,358	834	198	135	174	20	527	0	0
308.00	1,093	527	104	236	35	78	453	0	0
309.00	1,011	446	63	390	23	12	488	0	0
311.00	1,443	633	255	142	45	291	733	7	0
312.00	1,222	308	7	247	104	121	479	368	19
313.00	2,046	1,449	44	38	88	157	327	0	0
314.00	2,615	1,846	80	64	106	384	634	0	0
315.00	2,814	1,961	413	196	286	228	1,123	50	0
316.01	2,426	1,572	19	99	251	278	647	0	0
316.02	1,981	1,493	39	110	172	145	466	6	0
317.00	3,128	1,718	247	251	265	479	1,242	0	0
318.00	1,673	1,673	0	0	0	0	0	0	0
319.00	3,346	2,301	146	100	424	345	1,015	0	0
320.01	1,129	1,122	13	0	0	0	13	0	0
320.02	2,009	2,000	95	0	0	9	104	0	0
320.04	3,033	1,543	204	511	605	100	1,420	16	0
320.05	1,038	1,038	30	0		0	30	0	0
321.13	1,527	208	134	391	213	268	1,006	202	0
321.14	789	388	62	49	217	86	414	0	0
321.15	4,429	542	257	933	1,057	715	2,962	683	0
321.16	3,636	2,248	840	453	414	203	1,910	10	8
321.17	1,901	960	30	399	192	121	742	0	0
321.23	1,860	1,161	257	242	181	125	805	10	0
321.24	1,472	849	129	303	99	41	572	19	0
321.25	3,883	2,866	518	497	99	190	1,304	0	0
322.11	2,375	2,349	13	0	10	11	34	0	0
322.12	1,733	628	185	536	204	223	1,148	0	0
322.21	4,132	2,430	501	670	350	222	1,743	0	0
322.22	3,222	1,186	673	734	102	228	1,737	700	0
323.00	988	377	341	281	5	0	627	44	0
324.00	1,510	733	337	387	70	32	826	0	0

Source: U.S. Census Bureau, Census 2000 (SF 3, H30)

[MAP TO BE INSERTED]

iii. The Relationship between Protected Class Status and Homeownership

The Value in home ownership lies in the accumulation of wealth as the owner's share of equity increases with the property's value. Paying a monthly mortgage instead of rent is an investment in an asset that is likely to appreciate. According to one study, "a family that puts 5 percent down to

buy a house will earn a 100 percent return on the investment every time the house appreciates 5 percent."[25]

Historically, minorities tend to have lower home ownership rates than Whites. Among all households in 2000, 52.3% were home owners compared to 47.7% of renter households. Home ownership among Whites was 53.6% but only 35.4% among Black households. For Asians and Hispanics, the rates were far lower at 1.8% and 0.9%, respectively.

Figure 4-14
Home Ownership by Race and Ethnicity, 2000

	White		Black		Asian		Hispanic	
Census Tract	#	%	#	%	#	%	#	%
City of Newport News	39,696	53.6%	26,222	35.4%	1,300	1.8%	663	0.9%
301.00	17	8.1%	80	5.0%	-	0.0%	-	0.0%
303.00	107	64.5%	1,307	57.3%	16	100.0%	16	44.4%
304.00	7	38.9%	570	40.5%	6	50.0%	-	0.0%
305.00	-	0.0%	356	49.9%	-	0.0%	6	100.0%
306.00	-	0.0%	408	36.4%	0	0.0%	-	0.0%
308.00	-	0.0%	268	26.9%	-	0.0%	-	0.0%
309.00	169	72.5%	118	19.6%	-	0.0%	-	0.0%
311.00	540	60.5%	98	29.1%	-	0.0%	6	24.0%
312.00	396	68.4%	38	7.6%	6	100.0%	12	38.7%
313.00	690	77.6%	351	36.4%	15	100.0%	15	68.2%
314.00	1,110	76.0%	285	35.2%	7	38.9%	24	68.6%
315.00	1,444	64.6%	31	8.2%	7	100.0%	-	0.0%
316.01	1083	80.2%	259	27.9%	6	40.0%	0	0.0%
316.02	1218	75.0%	54	21.7%	14	100.0%	15	68.2%
317.00	1335	56.7%	113	18.9%	19	67.9%	6	16.7%
318.00	1511	94.6%	22	84.6%	6	54.5%	29	100.0%
319.00	1876	69.8%	121	27.3%	32	61.5%	7	7.6%
320.01	934	94.4%	93	87.7%	3	100.0%	18	100.0%
320.02	1416	90.7%	251	91.3%	55	100.0%	17	100.0%
320.04	808	64.3%	329	24.1%	66	73.3%	40	32.8%
320.05	752	90.3%	119	100.0%	13	100.0%	22	100.0%
321.13	384	37.1%	47	17.3%	15	30.0%	41	62.1%
321.14	248	50.7%	53	32.1%	20	28.2%	0	0.0%
321.15	798	30.6%	143	10.9%	17	16.2%	18	9.7%
321.16	1610	65.4%	309	37.2%	34	63.0%	26	25.7%
321.17	701	51.8%	151	40.6%	8	12.5%	23	46.9%
321.23	462	53.2%	354	50.4%	52	72.2%	28	36.8%
321.24	290	49.6%	308	42.5%	7	41.2%	25	45.5%
321.25	1660	68.0%	631	61.7%	60	54.5%	29	29.9%
322.11	1641	90.1%	269	80.8%	75	100.0%	54	100.0%
322.12	80	29.1%	410	38.4%	16	23.9%	29	19.5%
322.21	1198	58.7%	622	38.3%	64	55.7%	88	39.5%
322.22	853	62.3%	439	33.4%	54	68.4%	59	38.1%
323.00	38	7.5%	10	3.3%	0	0.0%	10	7.5%
324.00	376	43.0%	143	38.8%	8	29.6%	0	0.0%

Source: U.S. Census Bureau, Census 2000 (SF 3, H11, H12)

[25] Kathleen C. Engel and Patricia A. McCoy, "From Credit Denial to Predatory Lending: The Challenge of Sustaining Minority Homeownership," in Segregation: The Rising Costs for America, edited by James H. Carr and Nandinee K. Kutty (New York: Routledge 2008) p. 82.

As discussed previously in this report, median household income is lower among minority groups in Newport News than among White households. This factor more than likely contributes to the low rates of home ownership among minorities in the City.

[MAP TO BE INSERTED]

iv. The Tendency of the Protected Classes to Live in Larger Households

Larger families may be at risk for housing discrimination on the basis of race and the presence of children (familial status). A larger household, whether or not children are present, can raise fair housing concerns. If there are policies or programs that restrict the number of persons that can live together in a single housing unit, and members of the protected classes need more bedrooms to accommodate their larger household, there is a fair housing concern because the restriction on the size of the unit will have a negative impact on members of the protected classes.

In Newport News, non-White families were far more likely than White families to live in families with three or more persons. Among Hispanics and persons of Some Other Race Alone, more than 83% of families consisted of three or more persons. Larger families were also more common among Asians (72.7%) and Blacks (66.5%), but to a lesser degree. Only persons of Two or More Races tended to live in smaller families than Whites.

Figure 4-15
Families with Three or More Persons, 2000

Race	Percent of Families with 3 or more persons
White	55.9%
Black	66.5%
Asian	72.7%
Some Other Race Alone	83.9%
Two or More Races	47.8%
Hispanic	83.1%

Source: U.S. Census Bureau, Census 2000 (SF 4, PCT17)

To adequately house larger families, a sufficient supply of larger dwelling units consisting of three or more bedrooms is necessary. In Newport News, only 12.3% of the rental housing stock contained three or more bedrooms in 2000, compared to 43.5% of the owner-occupied housing.

Figure 4-16
Housing Units by Number of Bedrooms, 2000

	Renter-Occupied Housing Stock		Owner-Occupied Housing Stock	
Size of Housing Units	Number of Units	Percent of Total Housing Units	Number of Units	Percent of Total Housing Units
0-1 bedroom	9,552	13.7%	853	1.2%
2 bedrooms	15,047	21.6%	5,344	7.7%
3 or more bedrooms	8,559	12.3%	30,331	43.5%
Total	33,158	47.6%	36,528	52.4%

Source: U.S. Census Bureau, Census 2000 (SF3, H42)

v. Cost of Housing

Increasing housing costs are not a direct form of housing discrimination. However, a lack of affordable housing does constrain housing choice. Residents may be limited to a smaller selection of neighborhoods because of a lack of affordable housing in those areas.

a. Rental Housing

The median housing value in Newport News increased almost 80% between 1990 and 2008, after adjusting for inflation.[26] During the same period, median gross rent rose 21.6%. Most notably, median household income rose only 19%, after adjusting for inflation.

Figure 4-17
Trends in Housing Value, Rent and Income, 1990-2008

	1990	2000	2008	Change 1990-2008
Median Housing Value				
Actual Dollars	$72,500	$89,100	$214,500	195.9%
2008 Dollars	$119,430	$111,402	$214,500	79.6%
Median Gross Rent				
Actual Dollars	$428	$569	$857	100.2%
2008 Dollars	$705	$711	$857	21.6%
Median Household Income				
Actual Dollars	$25,344	$35,046	$49,664	96.0%
2008 Dollars	$41,749	$43,818	$49,664	19.0%

Sources: U.S. Census Bureau, 1990 Census (STF3-H061A, H043A, P080A), Census 2000 (SF3-H76, H63, P53), 2008 American Community Survey (B25077, B25064, B19013); Calculations by Mullin & Lonergan Associates, Inc.

Because the rise in income was only slightly less than the increase in gross rents, the rental housing stock should have been comparably affordable in Newport News. However, the number of housing units renting for $500 or less decreased by more than 6,400 as did those units renting for $500 to $699. In contrast, the number of units renting for

[26] Housing value is the Census respondent's estimate of how much the property (house and lot, mobile home and lot, or condominium unit) would sell for it if were for sale. This differs from the housing sales price which is the actual price that the house sold for.

$700 to $999 increased by more than 5,000. Most notably, however, was the increase of 10,400 units renting for $1,000 or more.

Figure 4-18
Loss of Affordable Rental Housing Units, 2000-2008

Units Renting for:	2000	2008	Change 2000-2008 #	Change 2000-2008 %
Less than $500	11,514	5,070	-6,444	-56.0%
$500 to $699	12,118	5,230	-6,888	-56.8%
$700 to $999	6,573	11,591	5,018	76.3%
$1,000 or more	1,292	11,692	10,400	805.0%

Sources: U.S. Census Bureau, Census 2000 (SF3, H62), 2008 American Community Survey (B25063)

The National Low Income Housing Coalition provides annual information on the Fair Market Rent (FMR) and affordability of rental housing in counties and cities in the U.S. for 2009. In Newport News, the Fair Market Rent (FMR) for a two-bedroom apartment is $904. In order to afford this level of rent and utilities, without paying more than 30% of income on housing, a household must earn $3,013 monthly or $36,160 annually. Assuming a 40-hour work week, 52 weeks per year, this level of income translates into a Housing Wage of $17.38.

In Newport News, a minimum wage worker earns an hourly wage of $6.55. In order to afford the FMR for a two-bedroom apartment, a minimum wage earner must work 106 hours per week, 52 weeks per year. Or, a household must include 2.7 minimum wage earners working 40 hours per week year-round in order to make the two-bedroom FMR affordable.

In Newport News, the estimated average wage for a renter is $10.29 an hour. In order to afford the FMR for a two-bedroom apartment at this wage, a renter must work 68 hours per week, 52 weeks per year. Or, working 40 hours per week year-round, a household must include 1.7 workers earning the average renter wage in order to make the two-bedroom FMR affordable.

Monthly Supplemental Security Income (SSI) payments for an individual are $674 in Newport News and throughout Virginia. If SSI represents an individual's sole source of income, $202 in monthly rent is affordable, while the FMR for a one-bedroom is $781.

b. Sales Housing

The housing market in Newport News has slowed in activity since 2006, coinciding with the beginning of the national housing slump. After peaking at 2,902 units sold in 2005, the local market has fallen off to 1,754 units sold in 2008. The average length of time a house has remained on the market has more than doubled from 31 days in 2005 to 79 days in 2008. Surprisingly, local data provided by the Hampton Roads Realtor Association reveal that the houses that are selling are

retaining their value and sellers are getting their asking prices. Since 2000, the median sales price has been comparable to the median list price with both hovering at 100%. In 2003-2004, the median sales price was equivalent to 101% of the median list price.

Figure 4-19
Housing Market Sales Trends, 2000-2008

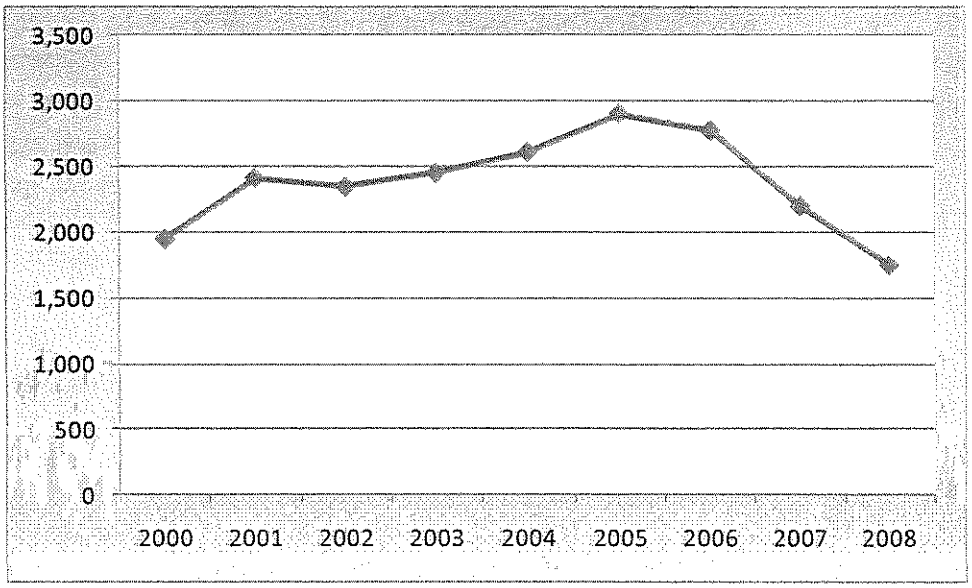
	2000	2001	2002	2003	2004	2005	2006	2007	2008
Single-Family Properties									
Number of units sold	1,950	2,413	2,345	2,454	2,609	2,902	2,773	2,200	1,754
Average No. Days on Market	78	65	53	38	30	31	40	60	79
Median List Price	$119,900	$127,190	$139,900	$157,000	$187,000	$230,000	$250,000	$259,900	$250,000
Median Sale Price	$119,900	$126,900	$139,900	$158,000	$188,758	$230,000	$249,900	$257,000	$249,900
MSP as % MLP*	100%	100%	100%	101%	101%	100%	100%	99%	100%

*Median Sales Price as a percent of Median List Price

Source: Hampton Roads Realtor Association

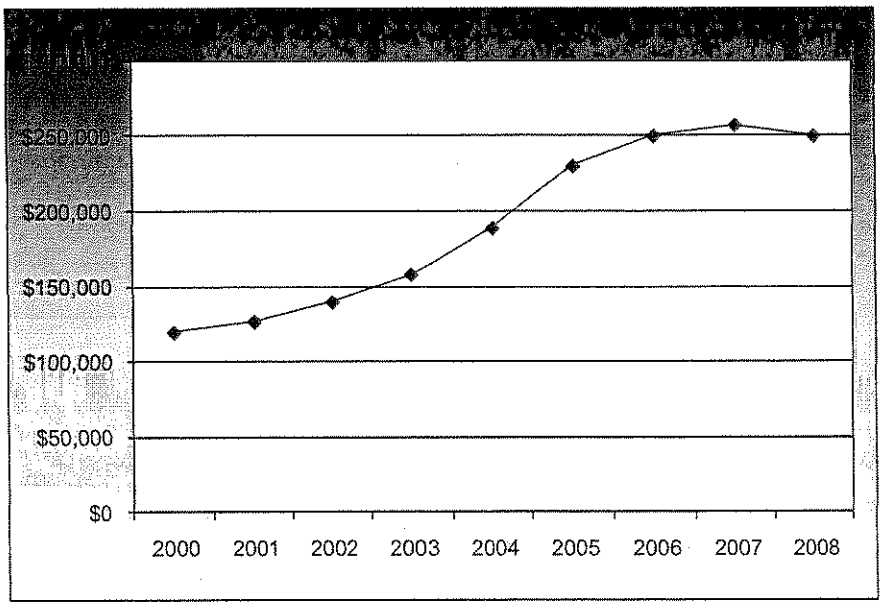
While the market has slowed in Newport News as indicated by the longer length of time houses remain on the market and the decrease in the total number of units sold, the median sales price has remained steady at about $250,000 since 2006. This confirms the fact that homes are retaining their value even in a softer market.

Figure 4-20
Number of Housing Units Sold, 2000-2008



Source: Hampton Roads Realtor Association

Figure 4-21
Median Sales Price Trends, 2000-2008



Source: Hampton Roads Realtor Association

vi. The Relationship between Protected Class Status and Housing Problems

Lower income minority households tend to experience housing problems at a higher rate than lower income white households.[27] Among renters in Newport News, elderly and small Hispanic households experienced a disproportionately higher rate of housing problems than White and Black renters, although the number of Hispanic renters was a small fraction of all other renters analyzed. In 2000, more than 70% of elderly and small households reported housing problems compared to 49.3% of Whites and 46.9% of Blacks. The rates were comparable among family households.

Among home owners, the results varied. Elderly and small Black households had the highest rate of housing problems (57.2%) compared to Whites (44.9%) and Hispanics (42.9%). Among family households, Hispanics reported the highest rate (86%) compared to Whites (76.5%) and Blacks (70.1%). Hispanic home owners were also a small percentage of the overall number of owner households analyzed.

[27] HUD defines housing problems as (1) cost burden of 30% or more (i.e. paying more than 30% of gross income on monthly housing expenses), and/or (2) lacking complete kitchen or plumbing facilities, and/or (3) overcrowding of more than 1.01 persons per room.

Figure 4-22
Lower Income Households with Housing Problems, 2000

	Total Households 0-80% of MFI		Elderly & 1-2 Person Households 0-80% of MFI		Family Households 0-80% of MFI		All Other Households 0-80% of MFI	
	Total	% with a Housing Problem	Total	%	Total	%	Total	%
Renters								
White Non-Hispanic	11,775	58.6%	1,340	49.3%	3,090	59.0%	2,630	69.4%
Black Non-Hispanic	12,400	55.4%	1,305	46.9%	7,465	54.0%	3,630	61.2%
Hispanic	980	65.5%	70	70.8%	650	70.8%	260	54.0%
Total	**25,155**	**57.3%**	**2,715**	**48.7%**	**11,205**	**56.4%**	**6,520**	**64.3%**
Owners								
White Non-Hispanic	5,975	60.9%	2,615	44.9%	2,285	76.5%	1,075	70.8%
Black Non-Hispanic	5,840	64.7%	850	57.2%	4,350	70.1%	640	68.8%
Hispanic	238	81.7%	18	42.9%	180	86.0%	40	66.7%
Total	**12,053**	**63.1%**	**3,483**	**47.9%**	**6,815**	**72.7%**	**1,755**	**69.9%**

Source: HUD Comprehensive Housing Affordability Strategy data

5. THE CITY OF NORFOLK

A. The Relationship between Protected Class Status and Income

i. Population Trends

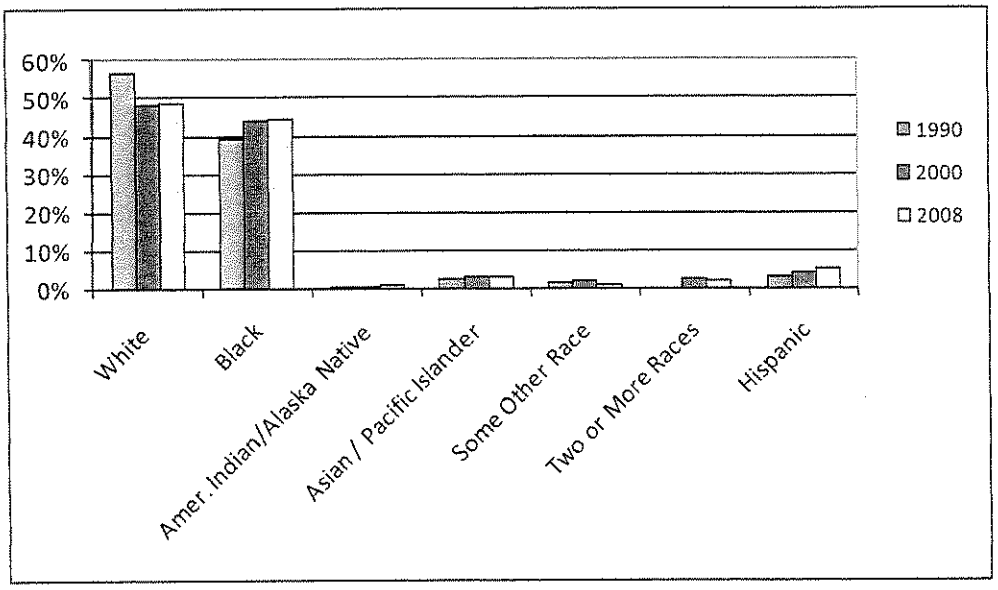
The racial composition of Norfolk is changing significantly. Between 1990 and 2000, the number of Whites fell 24%. Non-Whites increased 7% and became a majority for the first time. Between 2000 and 2008, Whites and Blacks remained relatively stable in number. Asian and Pacific Islanders experienced a modest increase of 4% while Hispanics grew 31%.

Figure 5-1
Population Trends, 1990-2008

	1990		2000		2008		% Change
	#	%	#	%	#	%	1990-2008
City of Norfolk	261,229	100.0%	234,403	100.0%	234,220	100.0%	-10.3%
White Population	148,228	56.7%	113,358	48.4%	113,979	48.7%	-23.1%
Non-White Population	113,001	43.3%	121,045	51.6%	120,241	51.3%	6.4%
Black	102,012	39.1%	103,387	44.1%	104,741	44.7%	2.7%
Amer. Indian/Alaska Native	1,165	0.4%	1,071	0.5%	1,516	0.6%	30.1%
Asian / Pacific Islander	6,815	2.6%	6,844	2.9%	7,126	3.0%	4.6%
Some Other Race	3,009	1.2%	3,923	1.7%	2,390	1.0%	-20.6%
Two or More Races	---	---	5,820	2.5%	4,468	1.9%	-23.2%
Hispanic	7,611	2.9%	8,915	3.8%	11,689	5.0%	53.6%

Source: U.S. Census Bureau

Figure 5-2
Changes in the Racial and Ethnic Characteristics of the Population, 1990-2008



Source: U.S. Census Bureau

HUD defines areas of racial or ethnic minority concentration as geographical areas where the percentage of a specific minority or ethnic group is 10 percentage points higher than in the City overall. In Norfolk, Blacks comprised 42.1% of the population in 2009. Therefore, an area of racial concentration would include any census tract where the percentage of Black residents is 52.1% or higher. There are multiple tracts in Norfolk that meet this criterion. These include tracts 16, 25, 27, 29, 31, 32, 33, 34, 35.01, 35.02, 41, 42, 43, 44, 45, 46, 47, 48, 50, 51, 52, 53, 57.01, 57.02, 59.01, 64, and 70.02.

Asians/Pacific Islanders comprise 3.3% of the City's population. An area of racial concentration would include those census tracts where the percentage of Asians/Pacific Islanders is 13.3% or higher. Census tract 11 in Norfolk has an Asian population of 15.6%, making it an area of racial concentration.

There are no other areas of racial or ethnic concentration in Norfolk.

[MAP TO BE INSERTED]

Figure 5-3
Census Tract Population by Race and Hispanic Origin, 2009

			Minority Residents						Minority Residents		
				Asian/Pacific						Asian/Pacific	
Census Tract	Total Population	White %	Black %	Islander %	Hispanic %	Census Tract	Total Population	White %	Black %	Islander %	Hispanic %
City of Norfolk	250,740	51.7%	42.1%	3.3%	4.5%	41.00	2130	5.7%	92.9%	0.4%	1.3%
1.00	2,642	71.2%	23.0%	2.5%	3.9%	42.00	1829	6.7%	92.1%	0.3%	1.7%
2.01	3,003	64.1%	29.3%	1.9%	7.5%	43.00	3597	6.4%	91.3%	0.5%	1.5%
2.02	4,078	75.5%	17.8%	3.2%	5.3%	44.00	3,312	5.6%	92.9%	0.5%	0.9%
3.00	3,155	75.8%	16.8%	3.6%	6.9%	45.00	1,412	6.0%	92.1%	1.0%	1.5%
4.00	4,062	82.0%	12.7%	1.3%	5.5%	46.00	2,371	7.3%	90.7%	0.5%	1.0%
5.00	3,740	74.4%	16.0%	4.4%	8.0%	47.00	1,887	6.5%	91.5%	0.3%	1.9%
6.00	4,426	62.1%	30.0%	3.4%	6.5%	48.00	1,355	10.7%	87.5%	0.5%	2.0%
7.00	2,872	81.1%	12.6%	3.3%	4.7%	49.00	3,598	60.2%	36.2%	2.5%	2.0%
8.00	2,332	66.7%	21.6%	6.0%	10.2%	50.00	991	7.1%	90.7%	0.5%	2.3%
9.00	20,863	57.6%	33.1%	3.3%	11.9%	51.00	950	8.8%	89.2%	0.5%	0.4%
11.00	3,149	51.0%	26.8%	15.6%	10.0%	52.00	3,677	6.0%	92.3%	0.4%	1.4%
12.00	3,951	71.8%	22.0%	2.7%	5.1%	53.00	2,289	6.4%	92.4%	0.4%	0.4%
13.00	2,799	54.6%	37.5%	2.8%	10.2%	55.00	3,275	63.5%	26.5%	5.2%	5.4%
14.00	1,931	69.3%	25.8%	1.7%	4.8%	56.01	4,113	86.9%	8.7%	2.2%	3.3%
15.00	2,430	76.2%	18.2%	2.5%	5.8%	56.02	3,617	72.7%	21.6%	2.8%	5.1%
16.00	1,613	19.5%	72.7%	4.3%	5.2%	57.01	4,652	27.9%	67.5%	2.2%	2.8%
17.00	2,321	69.4%	26.0%	2.1%	5.8%	57.02	2,692	15.9%	80.6%	1.3%	2.0%
18.00	941	81.7%	15.0%	1.4%	1.1%	58.00	5,603	0.14	0.82	0.02	0.03
19.00	711	88.6%	4.1%	4.5%	2.3%	59.01	4,436	24.3%	68.8%	4.4%	2.7%
20.00	1,388	80.6%	14.5%	2.0%	2.9%	59.02	4,470	57.0%	32.1%	7.7%	3.8%
21.00	1,696	87.6%	8.8%	2.3%	1.8%	59.03	1,678	53.0%	37.1%	7.9%	3.1%
22.00	1,115	97.5%	0.5%	1.1%	1.0%	60.00	3,839	66.4%	26.3%	4.6%	2.8%
23.00	2,456	82.5%	2.7%	12.7%	2.5%	61.00	7,859	48.8%	43.1%	5.1%	4.2%
24.00	3,409	96.5%	0.7%	2.0%	2.0%	62.00	3,759	61.3%	32.1%	4.2%	3.1%
25.00	3,761	31.8%	63.1%	2.8%	3.1%	63.00	4	50.0%	25.0%	0.0%	0.0%
26.00	3,061	49.8%	39.7%	6.0%	3.7%	64.00	3,597	25.6%	71.4%	1.1%	2.0%
27.00	3,052	9.2%	88.6%	0.9%	1.0%	65.01	3,332	59.0%	33.2%	2.5%	6.1%
28.00	4,470	61.3%	34.4%	2.1%	2.5%	65.02	3,619	56.8%	36.9%	2.0%	4.5%
29.00	4,106	9.5%	88.3%	0.8%	1.8%	66.01	909	86.8%	7.6%	4.0%	4.5%
30.00	2,075	66.0%	30.0%	1.6%	3.0%	66.02	2,660	87.6%	6.2%	3.6%	3.7%
31.00	3,089	41.2%	54.6%	1.7%	3.2%	66.03	2,536	82.1%	7.7%	7.0%	4.1%
32.00	2,665	29.0%	68.3%	0.9%	2.9%	66.04	2,576	65.9%	25.9%	4.1%	3.7%
33.00	2,846	18.6%	79.2%	0.7%	1.6%	66.05	2,960	68.9%	22.0%	5.3%	5.2%
34.00	2,105	6.5%	90.8%	1.0%	2.0%	66.06	4,816	58.9%	30.9%	6.3%	7.5%
35.01	2,515	5.5%	93.1%	0.4%	0.7%	66.07	3,038	62.7%	24.2%	11.0%	3.6%
35.02	812	6.0%	92.5%	0.4%	0.1%	67.00	664	73.3%	22.0%	1.7%	3.9%
36.00	1,299	80.8%	14.6%	2.5%	3.9%	68.00	1,763	75.2%	16.3%	6.2%	2.7%
37.00	2,334	85.9%	8.3%	3.2%	4.2%	69.01	3,605	41.6%	49.4%	5.9%	5.4%
38.00	2,665	89.0%	7.5%	1.9%	2.6%	69.02	2,864	74.5%	20.6%	3.0%	3.8%
39.00	723	86.5%	9.0%	2.5%	4.2%	70.01	1,737	42.6%	51.3%	2.3%	10.0%
40.01	1,182	85.4%	5.9%	6.7%	3.7%	70.02	3,932	35.6%	60.1%	2.0%	2.9%
40.02	2,894	88.7%	6.2%	3.4%	2.2%	*Source: Demographics Now*					

ii. Residential Segregation Patterns

Residential segregation is a measure of the degree of separation of racial or ethnic groups living in a neighborhood or community. Typically, the pattern of residential segregation involves the existence of predominantly homogenous, White suburban communities and low-income minority inner-city neighborhoods. A potential impediment to fair housing is created where either latent factors, such as attitudes, or overt factors, such as real estate practices, limit the range of housing opportunities for minorities. A lack of racial or ethnic integration in a community creates other problems, such as reinforcing prejudicial attitudes and behaviors, narrowing opportunities for interaction, and reducing the degree to which community life is considered harmonious. Areas of extreme minority isolation often experience poverty

and social problems at rates that are disproportionately high. Racial segregation has been linked to diminished employment prospects, poor educational attainment, increased infant and adult mortality rates and increased homicide rates.

The distribution of racial or ethnic groups across a geographic area can be analyzed using an index of dissimilarity. This method allows for comparisons between subpopulations, indicating how much one group is spatially separated from another within a community. The index of dissimilarity is rated on a scale from 0 to 100, in which a score of 0 corresponds to perfect integration and a score of 100 represents total segregation.[28] The index is typically interpreted as the percentage of the minority population (in this instance, the Black population) that would have to move in order for a community or neighborhood to achieve full integration.

Of the 18 cities and towns with populations exceeding 25,000 in Virginia, Norfolk is among the most segregated. The City's 2000 dissimilarity index of 57.5 for White persons and Black persons ranks 15th out of 18, and indicates that White persons and Black persons in Norfolk are less segregated than they are in more than 77% of the state's most populated cities and towns. Among the seven cities in the Hampton Roads region, Norfolk is the second-most segregated. Details are included in the following below.

[28] The index of dissimilarity is a commonly used demographic tool for measuring inequality. For a given geographic area, the index is equal to**1/2 ▯ ABS [(b/B)-(A/a)]**, where b is the subgroup population of a census tract, B is the total subgroup population in a city, a is the majority population of a census tract, and A is the total majority population in the city. ABS refers to the absolute value of the calculation that follows.

Figure 5-4
Virginia Municipal Dissimilarity Index Rankings, 2000

Rank	City	Black Population	White Population	Total Population	Dissimilarity Index
1	Blacksburg Town	1,700	32,869	39,573	**17.5**
2	Harrisonburg	2,266	32,416	40,468	**25.0**
3	Manassas	4,430	23,304	35,135	**29.2**
4	Leesburg Town	2,573	22,761	28,311	**38.0**
5	Virginia Beach	79,092	295,402	425,257	**41.4**
6	Petersburg	26,511	6,131	33,740	**42.6**
7	Alexandria	28,463	68,889	128,283	**46.0**
8	Danville	21,267	25,813	48,411	**46.2**
9	Hampton	64,795	70,963	146,437	**47.4**
10	Newport News	69,538	93,624	180,150	**50.3**
11	Lynchburg	19,288	43,108	65,269	**51.2**
12	Suffolk	27,524	33,940	63,677	**52.0**
13	Charlottesville	9,916	30,825	45,049	**52.4**
14	Chesapeake	56,442	131,200	199,184	**52.6**
15	Norfolk	102,268	110,221	234,403	**57.5**
16	Portsmouth	50,569	45,403	100,565	**62.0**
17	Richmond	112,455	74,506	197,790	**68.3**
18	Roanoke	25,220	65,256	94,911	**68.3**

Source: CensusScope

Dissimilarity index data for all Norfolk subpopulations appears in the table below. This table indicates that in order to achieve full integration among White persons and Black persons in the City, 57.5% of Black residents would have to move to a different location.

Figure 5-5
Norfolk Dissimilarity Indices, 2000

	DI with White Population**	Population	% of Total Population
White	-	110,221	47.0%
Black	57.5	102,268	43.6%
American Indian*	36.9	971	0.4%
Asian	33.0	6,477	2.8%
Hawaiian*	52.1	220	0.1%
Other*	46.3	483	0.2%
Two or more races	29.1	4,848	2.1%
Hispanic***	33.3	8,915	3.8%
TOTAL	-	234,403	100.0%

* In these cases, sample size is too small to reliably interpret the DI. Caution should be exercised in interpreting results for subpopulations of fewer than 1,000.
** Each dissimilarity index indicates the percentage of one of the two population groups compared that would have to move to different geographic areas to create a completely even demographic distribution in Norfolk.
*** Hispanic ethnicity is counted independently of race
Source: CensusScope

The indices above show that, in addition to a White/Black index of 57.5, Norfolk has a White/Asian index of 33.0, a White/multi-race index of 29.1,

and a White/Hispanic index of 33.3. These numbers indicate that these subpopulations are more integrated than Whites and Blacks in Norfolk. Perfect integration would receive an index score of 0. Indices for the other groups cannot be as reliably interpreted, since their populations are less than 1,000. In cases where subgroup population is small, the dissimilarity index may be high even if the group's members are evenly dispersed.

iii. Race and Income

Household income is one of the several factors used to determine a household's eligibility for a home mortgage loan. A review of median household income reveals a stark contrast between race and ethnicity in Norfolk.

The median household income in Norfolk was $40,416 for all households in 2000. Among Blacks, however, the median income was only $27,487, equivalent to 53% of the median income for Whites ($51,600). Hispanics had the second-highest income at $46,063, which was still only 89% of the income for Whites, while the income for Asians was equivalent to 82% of the income for Whites.

Higher poverty rates among non-White households reflected the lower income levels. The poverty rate for Blacks was twice the rate for Whites. Data were not available for Asians and Hispanics due to small sample sizes.

Figure 5-6
Median Household Income and Poverty Rates by Race/Ethnicity, 2000

	Median Household Income	Poverty Rate
City of Norfolk	$40,416	18.9%
Whites	$51,600	13.0%
Blacks	$27,487	26.2%
Asians	$42,228	n/a
Hispanics	$46,063	n/a

Source: U.S. Census Bureau, 2008 American Community Survey (B19013, B19013A, B19013B, B19013D, B19013I)

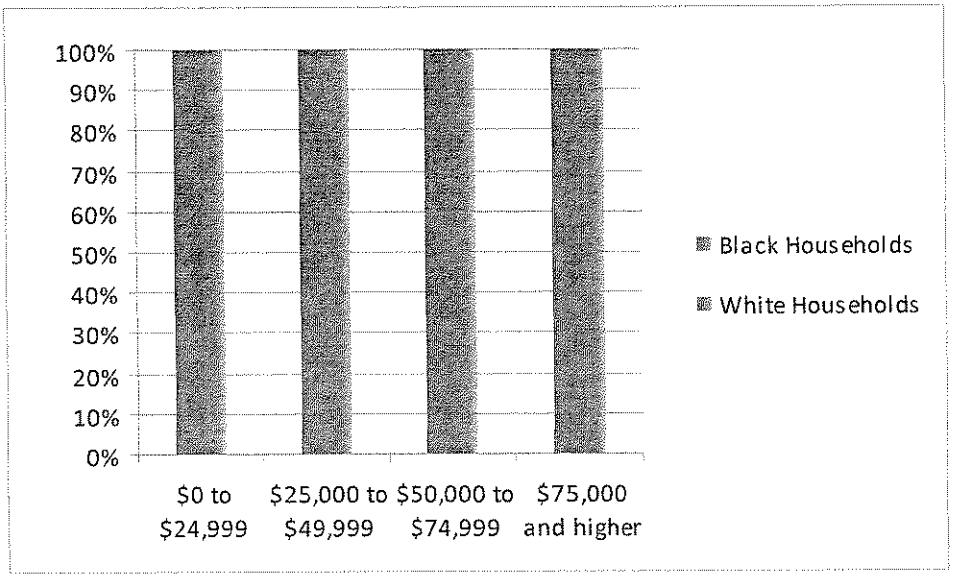
Distribution of household income by race and ethnicity is comparable to the trends described above. Approximately one-fifth of White households had incomes below $25,000 compared to almost one-half of Black households. Above $50,000, more than half of all White households were in this income bracket compared to less than one-fourth of all Black households.

Figure 5-7
Household Income Distribution by Race and Ethnicity, 2008

		$0 to $24,999		$25,000 to $49,999		$50,000 to $74,999		$75,000 and higher	
	Total	#	%	#	%	#	%	#	%
All Households	**84,860**	**26,906**	**31.7%**	**24,916**	**29.4%**	**14,037**	**16.5%**	**19,001**	**22.4%**
White Households	42,513	8,986	21.1%	11,279	26.5%	8,081	19.0%	14,167	33.3%
Black Households	38,187	17,293	45.3%	12,037	31.5%	4,864	12.7%	3,993	10.5%
Asian Households	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Hispanic Households	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a

Source: U.S. Census Bureau, 2008 American Community Survey (C19001, B19001A, B19001B, B19001D, B19001I)

Figure 5-8
Household Income Distribution by Race and Ethnicity, 2008



HUD data on the percent of low and moderate income persons reveal that there are 103 census block groups where more than 51% of residents meet the criteria for low and moderate income status. Of these, 53 block groups were located within areas previously identified as areas of minority concentration.

[CHART TO BE REPLACED BY MAP]

Figure 5-9
Low and Moderate Income Persons, 2009

		Low and Moderate Income Persons					Low and Moderate Income Persons		
Census Tract	Block Group	#	Universe	%	Census Tract	Block Group	#	Universe	%
1.00	1	393	1,061	37.04%	40.02	1	396	1,096	36.13%
1.00	2	605	1,358	44.55%	40.02	2	297	616	48.21%
2.01	1	570	1,339	42.57%	40.02	3	316	970	32.58%
2.01	2	1,191	1,749	68.10%	41.00	1	1,959	2,033	96.36%
2.02	1	377	869	43.38%	42.00	1	553	628	88.06%
2.02	2	443	1,098	40.35%	42.00	2	763	768	99.35%
2.02	3	481	941	51.12%	43.00	1	734	790	92.91%
2.02	4	560	952	58.82%	43.00	2	984	1,166	84.39%
3.00	1	345	1,135	30.40%	43.00	3	509	682	74.63%
3.00	2	552	784	70.41%	43.00	4	464	678	68.44%
3.00	3	521	962	54.16%	44.00	1	1,207	1,230	98.13%
4.00	1	704	1,410	49.93%	44.00	2	1,260	1,310	96.18%
4.00	2	422	782	53.96%	44.00	3	258	638	40.44%
4.00	3	993	1,742	57.00%	45.00	1	438	1,095	40.00%
5.00	1	451	684	65.94%	46.00	1	327	456	71.71%
5.00	2	546	849	64.31%	46.00	2	1,573	1,762	89.27%
5.00	3	576	1,213	47.49%	47.00	1	0	0	0.00%
5.00	4	351	723	48.55%	47.00	2	490	550	89.09%
6.00	1	1,261	1,757	71.77%	48.00	1	1,214	1,285	94.47%
6.00	2	143	309	46.28%	49.00	1	256	1,046	24.47%
6.00	3	448	788	56.85%	49.00	2	40	244	16.39%
6.00	4	422	929	45.43%	50.00	1	721	999	72.17%
7.00	1	230	599	38.40%	51.00	1	588	898	65.48%
7.00	2	645	1,286	50.16%	52.00	1	1,669	1,816	91.91%
7.00	3	356	1,009	35.28%	52.00	2	804	949	84.72%
8.00	1	409	972	42.08%	52.00	3	547	736	74.32%
8.00	2	848	1,128	75.18%	53.00	1	786	1,116	70.43%
9.00	1	3,262	4,625	70.53%	53.00	2	758	984	77.03%
11.00	1	1,123	1,794	62.60%	55.00	1	674	1,256	53.66%
11.00	2	606	1,070	56.64%	55.00	2	555	750	74.00%
12.00	1	262	1,346	19.47%	55.00	3	598	894	66.89%
12.00	2	1,346	2,326	57.87%	56.01	1	185	614	30.13%
13.00	1	544	760	71.58%	56.01	2	248	632	39.24%
13.00	2	1,125	1,738	64.73%	56.01	3	594	1,141	52.06%
14.00	1	780	962	81.08%	56.01	4	788	1,536	51.30%
14.00	2	447	742	60.24%	56.02	1	571	1,351	42.26%
15.00	1	245	737	33.24%	56.02	2	721	1,169	61.68%
15.00	2	535	1,382	38.71%	56.02	3	366	913	40.09%
16.00	1	676	986	68.56%	57.01	1	1,576	2,294	68.70%
16.00	2	665	993	66.97%	57.01	2	413	839	49.23%
17.00	1	326	793	41.11%	57.01	3	898	1,285	69.88%
17.00	2	787	1,240	63.47%	57.02	1	681	1,120	60.80%
18.00	1	197	866	22.75%	57.02	2	735	1,454	50.55%
19.00	1	95	623	15.25%	58.00	1	2,576	3,820	67.43%
20.00	1	273	598	45.65%	58.00	2	616	1,055	58.39%
20.00	2	213	722	29.50%	59.01	1	824	1,548	53.23%
21.00	1	308	1,274	24.18%	59.01	2	978	1,426	68.58%
22.00	1	163	1,002	16.27%	59.01	3	1,038	1,378	75.33%
23.00	1	168	1,177	14.27%	59.02	1	266	725	36.69%
23.00	2	611	1,061	57.59%	59.02	2	599	1,188	50.42%
24.00	1	103	1,290	7.98%	59.02	3	440	849	51.83%
24.00	2	117	1,031	11.35%	59.02	4	590	1,177	50.13%
24.00	3	254	1,030	24.66%	59.03	1	560	866	64.67%
25.00	1	528	789	66.92%	59.03	2	370	781	47.38%
25.00	2	813	1,076	75.56%	60.00	1	354	870	40.69%
25.00	3	849	915	92.79%	60.00	2	421	1,242	33.90%
26.00	1	793	1,068	74.25%	60.00	3	784	1,535	51.07%
26.00	2	471	668	70.51%	61.00	1	939	1,650	56.91%
27.00	1	423	577	73.31%	61.00	2	1,068	1,870	57.11%
27.00	2	775	973	79.65%	61.00	3	567	1,221	46.44%
27.00	3	918	1,285	71.44%	61.00	4	1,419	1,904	74.53%
28.00	1	179	757	23.65%	61.00	5	462	857	53.91%
28.00	2	299	567	52.73%	62.00	1	576	1,482	38.87%
28.00	3	335	1,189	28.17%	62.00	2	797	1,754	45.44%
28.00	4	556	1,477	37.64%	63.00	1	0	0	0.00%
29.00	1	642	1,040	61.73%	64.00	1	505	1,526	33.09%
29.00	2	274	367	74.66%	64.00	2	1,243	1,927	64.50%
29.00	3	615	682	90.18%	65.01	1	957	1,379	69.40%
29.00	4	698	811	86.07%	65.01	2	1,084	1,508	71.88%
29.00	5	723	917	78.84%	65.02	1	1,000	1,586	63.05%
30.00	1	611	1,310	46.64%	65.02	2	1,275	1,579	80.75%
30.00	2	131	641	20.44%	66.01	1	107	487	21.97%
31.00	1	669	1,035	64.64%	66.02	1	233	710	32.82%
31.00	2	541	801	67.54%	66.02	2	843	1,819	46.34%
31.00	3	660	1,197	55.14%	66.03	1	455	1,322	34.42%
32.00	1	655	915	71.58%	66.03	2	432	1,160	37.24%
32.00	2	293	637	46.00%	66.04	1	1,382	2,359	58.58%
32.00	3	644	1,036	62.16%	66.05	1	1,176	2,757	42.66%
33.00	1	798	1,357	58.81%	66.06	1	1,561	2,860	54.58%
33.00	2	798	1,183	67.46%	66.06	2	140	974	14.37%
34.00	1	627	968	64.77%	66.06	3	272	702	38.75%
34.00	2	717	1,055	67.96%	66.07	1	351	1,140	30.79%
35.01	1	760	1,095	69.41%	66.07	2	224	896	25.00%
35.01	2	453	679	66.72%	66.07	3	402	881	45.63%
35.01	3	663	788	84.14%	67.00	1	61	85	71.76%
35.02	1	486	745	65.23%	68.00	1	568	1,616	35.15%
36.00	1	226	587	38.50%	69.01	1	654	1,383	47.29%
37.00	1	221	684	32.31%	69.01	2	513	815	62.94%
37.00	2	451	927	48.65%	69.01	3	585	1,063	55.03%
37.00	3	211	569	37.08%	69.02	1	262	581	45.09%
38.00	1	338	1,183	28.57%	69.02	2	685	1,952	35.09%
38.00	2	228	1,208	18.87%	70.01	1	1,003	1,684	59.56%
39.00	1	79	270	29.26%	70.02	1	959	2,016	47.57%
40.01	1	186	1,185	15.70%	70.02	2	432	1,428	30.25%

Source: U.S. Dept. of Housing & Urban Development

iv. Disability and Income

As defined by the Census Bureau, a disability is a long-lasting physical, mental, or emotional condition that can make it difficult for a person to do activities such as walking, climbing stairs, dressing, bathing, learning, or remembering. This condition can also impede a person from being able to go outside the home alone or to work at a job or business.

The Fair Housing Act prohibits discrimination based on physical, mental or emotional handicap, provided "reasonable accommodation" can be made. Reasonable accommodation may include changes to address the needs of disabled persons, including adaptive structural (e.g., constructing an entrance ramp) or administrative changes (e.g., permitting the use of a service animal). In Norfolk, 12.4% of the population 5 years and older reported at least on type of disability in 2000.

According to the National Organization on Disabilities, a significant income gap exists for persons with disabilities, given their lower rate of employment. In Norfolk, persons with disabilities are much more likely than persons without disabilities to live in poverty. In 2000, 23.8% of persons with disabilities lived in poverty compared to 18.2% of persons without disabilities who were living in poverty.[29]

v. Familial Status and Income

The Census Bureau divides households into family and non-family households. Family households are married couple families with or without children, single-parent families and other families made up of related persons. Non-family households are either single persons living alone, or two or more non-related persons living together.

Women have production under Title VIII of the Civil Rights act of 1968 against discrimination in housing. Protection for families with children was added in the 1988 amendments to Title VIII. Except in limited circumstances involving elderly housing and owner-occupied buildings of one to four units, it is unlawful to refuse to rent or sell to families with children.

Female-headed households in Norfolk have increased modestly from 16.1% in 1990 up to 18.6% in 2008. Female-headed households with children have also increased but at a slower pace, from 11.2% to 12.5%. In contrast, married couple family households with children declined from 21.7% to 13.6%.

Female-headed households with children often experience difficulty in obtaining housing, primarily as a result of lower incomes and the unwillingness of landlords to rent their units to families with children. In Norfolk, female-headed households with children accounted for 67.2% of all

[29] U.S. Census Bureau, Census 2000 (SF3, PCT34)

families living in poverty compared to only 13.6% of married couples with children.[30]

Figure 5-10
Female-headed Households and Households with Children, 1990-2008

	1990		2000		2008	
	#	%	#	%	#	%
Total Households	**89,478**	**100.0%**	**86,210**	**100%**	**84,860**	**100%**
Family Households	57,640	64.4%	52,268	60.6%	49,839	58.7%
Married-couple family	40,091	44.8%	32,517	37.7%	30,580	36.0%
With Children	19,459	21.7%	14,688	17.0%	11,542	13.6%
Without Children	20,632	23.1%	17,829	20.7%	19,038	22.4%
Female-Headed Households	**14,388**	**16.1%**	**16,085**	**18.7%**	**15,802**	**18.6%**
With Children	**10,037**	**11.2%**	**10,298**	**11.9%**	**10,637**	**12.5%**
Without Children	4,351	4.9%	5,787	6.7%	5,165	6.1%
Male-Headed Household	3161	3.5%	3,666	4.3%	3,457	4.1%
With Children	1500	1.7%	1,847	2.1%	1506	1.8%
Without Children	1661	1.9%	1,819	2.1%	1951	2.3%
Non-family and 1-person Households	7,889	8.8%	7,904	9.2%	34,847	41.1%

Sources: U.S. Census Bureau, 1990 (SFT-3, DP-1), Census 2000 (SF-3, H16); 2008 American Community Survey (B11003)

vi. Ancestry and Income

It is illegal to refuse the right to housing based on place of birth or ancestry. Census data on native and foreign-born populations in Norfolk revealed that 5.6% of residents are foreign-born.[31]

Among families with children who were living with one or more foreign-born parents, 8.9% were living in households with incomes of less than 200% of the poverty level. Similarly, 10.9% of families with children where one or more parent is foreign-born were living in households with incomes above 200% of the poverty level.[32]

vii. The Relationship between Protected Class Status and Unemployment

Minorities were more likely to be unemployed than White residents in Norfolk. Overall unemployment was 7.2% in 2008. This was substantially higher than the state of Virginia (4.9%). White residents had the lowest unemployment rate at 6.2%. Notably, unemployment among females was significantly lower (7.8%) than among males (10.3%). Blacks had the highest unemployment rate among minorities at 12.9%; Hispanics were lower at 9.6%. Data for Asians were not available.

Higher employment, whether temporary or permanent, will mean less disposable income for housing expenses.

[30] U.S. Census Bureau, Census 2000 (SF3, P.90)
[31] U.S. Census Bureau, 2008 American Community Survey (C05002)
[32] U.S. Census Bureau, 2008 American Community Survey (C05010)

Figure 5-11
Civilian Labor Force, 2008

	Virginia Total	%	Norfolk Total	%
Total Civilian Labor Force (CLF)	**1,963,916**	**100%**	**175,132**	**100%**
Employed	1,867,786	95.1%	162,610	92.8%
Unemployed	96,130	4.9%	12522	7.2%
Male CLF	**2,916,813**	**100.0%**	**45,973**	**100.0%**
Employed	2,799,732	96.0%	41,217	89.7%
Unemployed	117,081	4.0%	4756	10.3%
Female CLF	**1,373,600**	**100.0%**	**52,380**	**100.0%**
Employed	1,318,372	96.0%	48,290	92.2%
Unemployed	55,228	4.0%	4090	7.8%
White CLF	**1,543,213**	**100%**	**47,276**	**100%**
Employed	1,481,360	96.0%	44,356	93.8%
Unemployed	61,853	4.0%	2,920	6.2%
Black CLF	**772,382**	**100%**	**44,994**	**100%**
Employed	709,453	91.9%	39,199	87.1%
Unemployed	62,929	8.1%	5,795	12.9%
Asian CLF	**214,026**	**100%**	**3,373**	**100%**
Employed	204,543	95.6%	3,373	100.0%
Unemployed	9,483	4.4%	n/a	n/a
Hispanic CLF	**277,742**	**100%**	**3,659**	**100%**
Employed	261,165	94.0%	3,309	90.4%
Unemployed	16,577	6.0%	350	9.6%

Source: U.S. Census Bureau, 2008 American Community Survey (C23001, C23002A, C23002B, C23002D, C23002I)

B. The Housing Market

i. Housing Inventory

The housing inventory in Norfolk experienced a net loss of over 6,600 units between 1990 and 2009, a decrease of 6.7% of its stock. Only 20 of the 81 census tracts experienced inventory growth since 1990.

Figure 5-12
Trends in Total Housing Units, 1990-2009

	1990		2000		2009		Change 1990-2009			1990		2000		2009		Change 1990-2009	
Census Tract	#	%	#	%	#	%	#	%	Census Tract	#	%	#	%	#	%	#	%
City of Norfolk	98,761	100.0%	94,416	100.0%	92,115	100.0%	(6,646)	-6.7%	41.00	745	3.2%	772	3.3%	838	3.5%	93	12.5%
1.00	1,354	5.7%	1,267	5.3%	1,217	5.0%	(137)	-10.1%	42.00	656	2.8%	650	2.7%	674	2.8%	18	2.7%
2.01	1,811	7.7%	1,648	6.9%	1,475	6.1%	(336)	-18.6%	43.00	1,757	7.5%	1,416	6.0%	1,409	5.8%	(348)	-19.8%
2.02	1,640	7.0%	1,643	6.9%	1,579	6.5%	(61)	-3.7%	44.00	1,107	4.7%	1,100	4.6%	1,032	4.3%	(75)	-6.8%
3.00	1,895	8.0%	1,677	7.1%	1,604	6.6%	(291)	-15.4%	45.00	246	1.0%	466	2.0%	521	2.1%	275	111.8%
4.00	2,342	9.9%	2,455	10.3%	2,325	9.6%	(17)	-0.7%	46.00	878	3.7%	833	3.5%	804	3.3%	(74)	-8.4%
5.00	1,493	6.3%	1,491	6.3%	1,407	5.8%	(86)	-5.8%	47.00	461	2.0%	244	1.0%	227	0.9%	(234)	-50.8%
6.00	1,869	7.9%	1,648	6.9%	1,742	7.2%	(127)	-6.8%	48.00	471	2.0%	465	2.0%	432	1.8%	(39)	-8.3%
7.00	1,222	5.2%	1,215	5.1%	1,085	4.5%	(137)	-11.2%	49.00	853	3.6%	1,042	4.4%	1,423	5.9%	570	66.8%
8.00	962	4.1%	975	4.1%	907	3.7%	(55)	-5.7%	50.00	510	2.2%	390	1.6%	376	1.6%	(134)	-26.3%
9.00	2,083	8.8%	1,530	6.4%	1,423	5.9%	(660)	-31.7%	51.00	438	1.9%	398	1.7%	370	1.5%	(68)	-15.5%
11.00	803	3.4%	1,273	5.4%	1,300	5.4%	497	61.9%	52.00	1,315	5.6%	1,225	5.2%	1,181	4.9%	(134)	-10.2%
12.00	1,752	7.4%	1,792	7.6%	1,693	7.0%	(59)	-3.4%	53.00	900	3.8%	878	3.7%	833	3.4%	(67)	-7.4%
13.00	1243	5.3%	1241	5.2%	1237	5.1%	(6)	-0.5%	55.00	1193	5.1%	1213	5.1%	1228	5.1%	35	2.9%
14.00	922	3.9%	1085	4.6%	1052	4.3%	130	14.1%	56.01	1669	7.1%	1659	7.0%	1565	6.5%	(104)	-6.2%
15.00	946	4.0%	949	4.0%	1012	4.2%	66	7.0%	56.02	1369	5.8%	1390	5.9%	1319	5.4%	(50)	-3.7%
16.00	870	3.7%	873	3.7%	636	2.6%	(234)	-26.9%	57.01	2559	10.9%	2190	9.2%	2037	8.4%	(522)	-20.4%
17.00	1058	4.5%	1147	4.8%	1202	5.0%	144	13.6%	57.02	1082	4.6%	1078	4.5%	1014	4.2%	(68)	-6.3%
18.00	418	1.8%	415	1.7%	393	1.6%	(25)	-6.0%	58.00	2093	8.9%	2033	8.6%	2078	8.6%	(15)	-0.7%
19.00	261	1.1%	283	1.2%	272	1.1%	11	4.2%	59.01	1540	6.5%	1738	7.3%	1610	6.6%	70	4.5%
20.00	529	2.2%	529	2.2%	503	2.1%	(26)	-4.9%	59.02	1609	6.8%	1656	7.0%	1670	6.9%	61	3.8%
21.00	522	2.2%	616	2.6%	731	3.0%	209	40.0%	59.03	658	2.8%	659	2.8%	622	2.6%	(36)	-5.5%
22.00	433	1.8%	439	1.9%	413	1.7%	(20)	-4.6%	60.00	1479	6.3%	1514	6.4%	1432	5.9%	(47)	-3.2%
23.00	1074	4.6%	1074	4.5%	1013	4.2%	(61)	-5.7%	61.00	3058	13.0%	3051	12.9%	2873	11.9%	(185)	-6.0%
24.00	1301	5.5%	1312	5.5%	1238	5.1%	(63)	-4.8%	62.00	1316	5.6%	1295	5.5%	1237	5.1%	(79)	-6.0%
25.00	1200	5.1%	1024	4.3%	1081	4.5%	(119)	-9.9%	63.00	1	0.0%	3	0.0%	3	0.0%	2	200.0%
26.00	1272	5.4%	1020	4.3%	1141	4.7%	(131)	-10.3%	64.00	1393	5.9%	1412	6.0%	1322	5.5%	(71)	-5.1%
27.00	1347	5.7%	1161	4.9%	1102	4.5%	(245)	-18.2%	65.01	2260	9.6%	1708	7.2%	1726	7.1%	(534)	-23.6%
28.00	1953	8.3%	1915	8.1%	1810	7.5%	(143)	-7.3%	65.02	2833	12.0%	1616	6.8%	1694	7.0%	(1,139)	-40.2%
29.00	2344	9.9%	1822	7.7%	1710	7.1%	(634)	-27.0%	66.01	607	2.6%	239	1.0%	364	1.5%	(243)	-40.0%
30.00	904	3.8%	895	3.8%	845	3.5%	(59)	-6.5%	66.02	1012	4.3%	1007	4.2%	971	4.0%	(41)	-4.1%
31.00	1169	5.0%	1331	5.6%	1192	4.9%	23	2.0%	66.03	976	4.1%	977	4.1%	910	3.8%	(66)	-6.8%
32.00	1102	4.7%	1100	4.6%	1044	4.3%	(58)	-5.3%	66.04	1068	4.5%	1130	4.8%	1092	4.5%	24	2.2%
33.00	1055	4.5%	1018	4.3%	977	4.0%	(78)	-7.4%	66.05	1128	4.8%	1139	4.8%	1099	4.5%	(29)	-2.6%
34.00	995	4.2%	933	3.9%	905	3.7%	(90)	-9.0%	66.06	1883	8.0%	1886	8.0%	1780	7.3%	(103)	-5.5%
35.01	1222	5.2%	1057	4.5%	935	3.9%	(287)	-23.5%	66.07	1150	4.9%	1142	4.8%	1074	4.4%	(76)	-6.6%
35.02	494	2.1%	327	1.4%	321	1.3%	(173)	-35.0%	67.00	49	0.2%	53	0.2%	50	0.2%	1	2.0%
36.00	393	1.7%	382	1.6%	713	2.9%	320	81.4%	68.00	633	2.7%	642	2.7%	610	2.5%	(23)	-3.6%
37.00	1361	5.8%	1363	5.7%	1293	5.3%	(68)	-5.0%	69.01	1388	5.9%	1353	5.7%	1330	5.5%	(58)	-4.2%
38.00	1250	5.3%	1242	5.2%	1177	4.9%	(73)	-5.8%	69.02	1044	4.4%	1078	4.5%	1014	4.2%	(30)	-2.9%
39.00	187	0.8%	188	0.8%	400	1.7%	213	113.9%	70.01	586	2.5%	579	2.4%	542	2.2%	(44)	-7.5%
40.01	614	2.6%	611	2.6%	569	2.3%	(45)	-7.3%	70.02	1374	5.8%	1379	5.8%	1411	5.8%	37	2.7%
40.02	1749	7.4%	1752	7.4%	1644	6.8%	(105)	-6.0%	*Source: DemographicsNow*								

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ii. Types of Housing Units

Of the 94,416 housing structures in 2000, 54.6% were single family units. Most of the remaining units were in multi-family properties of all sizes.

Figure 5-13
Trends in Housing Units in Structures, 2000

		Single-family units	Multi-family units					Boat, RV, van, etc			Single-family units	Multi-family units					Boat, RV, van, etc
Census Tract	Total Units	(detached and attached)	2 to 4	5 to 9	10 to 19	20 or more	Total	Mobile home		Census Tract	Total Units	(detached and attached)	2 to 4	5 to 9	10 to 19	20 or more	Total	Mobile home	
City of Norfolk	94,416	51,612	16,015	10,976	6,712	8,260	41,963	802	39	41.00	763	307	26	174	198	58	456	0	0
1.00	1,263	486	338	349	55	35	777	0	0	42.00	659	198	38	173	116	134	461	0	0
2.01	1,652	431	399	349	326	147	1,221	0	0	43.00	1,416	491	334	249	184	158	925	0	0
2.02	1,607	1,102	335	34	81	55	505	0	0	44.00	1,100	627	136	269	21	47	473	0	0
3.00	1,713	683	362	178	91	399	1,030	0	0	45.00	461	347	36	6	6	66	114	0	0
4.00	2,493	651	752	481	436	153	1,822	0	20	46.00	836	467	131	199	32	7	369	0	0
5.00	1,491	852	295	142	154	48	639	0	0	47.00	246	128	74	6	38	0	118	0	0
6.00	1,648	936	251	227	104	130	712	0	0	48.00	434	240	31	107	29	27	194	0	0
7.00	1,215	884	42	85	110	94	331	0	0	49.00	1,071	108	46	75	116	726	963	0	0
8.00	937	493	314	52	17	61	444	0	0	50.00	393	188	156	27	22	0	205	0	0
9.00	1,568	1,000	187	370	11	0	568	0	0	51.00	397	299	46	23	23	0	92	6	0
11.00	1,289	493	149	177	339	126	791	0	5	52.00	1,233	727	160	291	5	50	506	0	0
12.00	1,741	611	273	287	274	291	1,125	5	0	53.00	870	541	144	76	13	96	329	0	0
13.00	1276	391	705	146	21	13	885	0	0	55.00	1213	862	87	230	23	11	351	0	0
14.00	1085	239	196	36	54	553	839	7	0	56.01	1659	1523	34	22	68	12	136	0	0
15.00	949	565	100	224	23	37	384	0	0	56.02	1390	1029	221	53	46	41	361	0	0
16.00	876	419	123	119	34	181	457	0	0	57.01	2152	822	427	284	167	356	1,234	96	0
17.00	1182	348	265	412	41	116	834	0	0	57.02	1078	1048	21	0	0	3	24	0	6
18.00	399	369	30	0	0	0	30	0	0	58.00	2033	932	307	439	28	318	1,092	9	0
19.00	261	234	15	6	0	0	21	6	0	59.01	1738	624	389	182	343	191	1,105	9	0
20.00	534	534	0	0	0	0	0	0	0	59.02	1649	1107	184	80	89	175	528	14	0
21.00	623	459	0	7	6	144	157	7	0	59.03	666	465	64	14	52	71	201	0	0
22.00	427	397	12	0	18	0	30	0	0	60.00	1514	1222	180	61	13	24	278	14	0
23.00	1062	580	282	100	44	56	482	0	0	61.00	3051	2130	728	85	22	41	876	45	0
24.00	1324	1248	70	6	0	0	76	0	0	62.00	1296	992	153	43	54	41	291	13	0
25.00	1104	521	394	45	48	96	583	0	0	63.00	2	0	2	0	0	0	2	0	0
26.00	940	372	287	30	132	119	568	0	0	64.00	1412	930	164	162	151	5	482	0	0
27.00	1161	590	380	167	20	4	571	0	0	65.01	1715	489	461	304	361	100	1,226	0	0
28.00	1915	1068	318	61	134	334	847	0	0	65.02	1609	334	594	364	174	129	1,261	14	0
29.00	1822	490	719	273	235	105	1,332	0	0	66.01	262	200	12	0	24	26	62	0	0
30.00	851	657	179	0	0	15	194	0	0	66.02	984	933	0	0	0	5	5	46	0
31.00	1362	821	210	26	35	264	535	6	0	66.03	1007	1005	2	0	0	0	2	0	0
32.00	1113	922	149	12	17	7	185	6	0	66.04	1100	447	275	5	58	8	346	299	8
33.00	1021	843	162	16	0	0	178	0	0	66.05	1139	706	245	75	39	74	433	0	0
34.00	930	709	163	52	6	0	221	0	0	66.06	1886	979	67	649	12	141	869	38	0
35.01	1074	541	315	47	57	114	533	0	0	66.07	1138	1040	12	0	22	53	87	11	0
35.02	328	120	97	84	13	14	208	0	0	67.00	57	0	7	37	13	0	57	0	0
36.00	364	202	7	7	14	134	162	0	0	68.00	607	590	11	0	0	6	17	0	0
37.00	1363	254	277	321	355	156	1,109	0	0	69.01	1388	677	105	339	27	109	580	131	0
38.00	1248	520	152	130	304	142	728	0	0	69.02	1078	867	37	30	110	34	211	0	0
39.00	182	23	60	8	31	60	159	0	0	70.01	597	268	74	181	30	44	329	0	0
40.01	626	286	46	109	63	122	340	0	0	70.02	1361	1025	51	46	69	150	316	20	0
40.02	1737	354	333	441	211	398	1,383	0	0										

Source: U.S. Census Bureau, Census 2000 (SF 3, H30)

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iii. The Relationship between Protected Class Status and Home ownership

The value The Value in home ownership lies in the accumulation of wealth as the owner's share of equity increases with the property's value. Paying a monthly mortgage instead of rent is an investment in an asset that is likely to appreciate. According to one study, "a family that puts 5 percent down to buy a house will earn a 100 percent return on the investment every time the house appreciates 5 percent."[33]

Historically, minorities tend to have lower home ownership rates than Whites. Among Blacks in 2000, the rate of home ownership was nearly half the ownership rate among Whites while 45.9% of Asians were home owners. Only 26.1% of Hispanics owned their home.

[33] Kathleen C. Engel and Patricia A. McCoy, "From Credit Denial to Predatory Lending: The Challenge of Sustaining Minority Homeownership," in Segregation: The Rising Costs for America, edited by James H. Carr and Nandinee K. Kutty (New York: Routledge 2008) p. 82.

Figure 5-14
Home Ownership by Race and Ethnicity, 2000

Census Tract	White #	White %	Black #	Black %	Asian #	Asian %	Hispanic #	Hispanic %	Census Tract	White #	White %	Black #	Black %	Asian #	Asian %	Hispanic #	Hispanic %
City of Norfolk	26,515	58.0%	10,906	30.9%	972	45.9%	585	26.1%	41.00	6	42.9%	19	2.6%	0	0.0%	0	0.0%
1.00	369	45.8%	11	4.5%	14	70.0%	6	25.0%	42.00	0	0.0%	41	6.5%	0	0.0%	0	0.0%
2.01	314	36.0%	35	8.9%	4	12.9%	14	20.0%	43.00	0	0.0%	264	20.7%	0	0.0%	0	0.0%
2.02	751	64.6%	49	18.4%	36	100.0%	27	57.4%	44.00	0	0.0%	220	21.0%	0	0.0%	0	0.0%
3.00	581	48.5%	16	8.7%	0	0.0%	17	22.4%	45.00	6	100.0%	292	67.9%	0	0.0%	0	0.0%
4.00	540	30.7%	19	8.3%	0	0.0%	0	0.0%	46.00	0	0.0%	246	33.2%	0	0.0%	0	0.0%
5.00	529	50.6%	33	14.5%	18	100.0%	22	29.7%	47.00	0	0.0%	48	24.9%	0	0.0%	0	0.0%
6.00	608	63.7%	27	6.5%	27	57.4%	32	38.1%	48.00	0	0.0%	7	1.7%	0	0.0%	0	0.0%
7.00	669	68.1%	30	27.3%	27	84.4%	14	31.1%	49.00	280	34.0%	0	0.0%	0	0.0%	7	33.3%
8.00	351	57.1%	7	4.2%	0	0.0%	15	18.8%	50.00	0	0.0%	145	44.6%	0	0.0%	0	0.0%
9.00	8	1.5%	27	4.9%	0	0.0%	0	0.0%	51.00	14	63.6%	228	64.8%	0	0.0%	6	100.0%
11.00	236	33.9%	35	11.3%	52	41.3%	0	0.0%	52.00	0	0.0%	215	19.2%	0	0.0%	0	0.0%
12.00	756	63.9%	11	3.4%	0	0.0%	8	7.1%	53.00	0	0.0%	333	41.1%	0	0.0%	0	0.0%
13.00	190	34.1%	12	2.3%	10	27.0%	39	47.0%	55.00	472	69.0%	71	23.3%	20	33.3%	14	53.8%
14.00	188	27.3%	0	0.0%	5	41.7%	6	23.1%	56.01	1,110	80.4%	45	36.9%	18	100.0%	8	42.1%
15.00	413	59.8%	20	10.5%	12	100.0%	0	0.0%	56.02	680	70.5%	41	13.9%	22	75.9%	13	30.2%
16.00	25	10.5%	237	45.5%	23	60.5%	0	0.0%	57.01	220	47.8%	363	26.9%	17	65.4%	7	14.6%
17.00	300	49.1%	0	0.0%	0	0.0%	0	0.0%	57.02	89	81.7%	684	79.3%	6	100.0%	0	0.0%
18.00	252	81.0%	21	47.7%	0	0.0%	0	0.0%	58.00	20	8.6%	593	39.7%	19	36.5%	0	0.0%
19.00	209	94.1%	7	50.0%	11	100.0%	0	0.0%	59.01	90	23.7%	301	27.7%	28	52.8%	5	11.9%
20.00	384	85.1%	50	84.7%	12	100.0%	6	100.0%	59.02	645	69.9%	147	31.3%	44	52.4%	11	19.0%
21.00	364	73.4%	40	52.6%	13	100.0%	0	0.0%	59.03	223	67.6%	67	27.8%	37	64.9%	0	0.0%
22.00	372	93.5%	0	0.0%	0	0.0%	0	0.0%	60.00	726	75.2%	211	65.1%	28	45.9%	10	43.5%
23.00	473	57.7%	7	17.5%	0	0.0%	0	0.0%	61.00	1,080	73.9%	419	36.4%	55	55.0%	19	39.6%
24.00	1033	81.6%	0	0.0%	6	30.0%	13	100.0%	62.00	587	76.5%	139	35.6%	25	83.3%	7	53.8%
25.00	19	7.4%	192	28.2%	0	0.0%	0	0.0%	63.00	0	0.0%	0	0.0%	0	0.0%	0	0.0%
26.00	114	28.6%	43	17.3%	0	0.0%	0	0.0%	64.00	276	82.4%	513	52.1%	7	100.0%	6	46.2%
27.00	28	73.7%	358	39.0%	5	31.3%	0	0.0%	65.01	254	30.9%	10	2.6%	0	0.0%	10	21.3%
28.00	706	65.9%	268	48.8%	12	22.2%	0	0.0%	65.02	330	39.7%	14	4.1%	0	0.0%	0	0.0%
29.00	27	41.5%	341	25.4%	0	0.0%	6	40.0%	66.01	203	90.6%	0	0.0%	3	100.0%	0	0.0%
30.00	442	82.9%	103	45.0%	0	0.0%	25	100.0%	66.02	717	83.8%	27	67.5%	39	100.0%	4	23.5%
31.00	333	62.0%	242	35.1%	5	100.0%	22	71.0%	66.03	729	88.7%	42	72.4%	28	100.0%	30	100.0%
32.00	251	82.3%	365	59.9%	6	40.0%	0	0.0%	66.04	385	58.4%	40	16.5%	18	41.9%	17	50.0%
33.00	116	66.3%	478	64.5%	0	0.0%	0	0.0%	66.05	509	65.7%	21	8.7%	17	45.9%	7	24.1%
34.00	5	100.0%	381	50.3%	9	100.0%	6	100.0%	66.06	704	65.2%	164	27.6%	39	65.0%	32	33.7%
35.01	0	0.0%	269	28.8%	0	0.0%	15	100.0%	66.07	621	87.0%	160	58.4%	77	87.5%	5	100.0%
35.02	0	0.0%	70	25.7%	0	0.0%	0	0.0%	67.00	0	0.0%	0	0.0%	0	0.0%	0	0.0%
36.00	169	58.1%	14	35.0%	0	0.0%	11	61.1%	68.00	412	88.8%	69	100.0%	26	100.0%	0	0.0%
37.00	370	33.2%	12	11.0%	0	0.0%	0	0.0%	69.01	364	67.7%	210	32.6%	37	60.7%	14	28.6%
38.00	606	56.2%	7	18.9%	0	0.0%	20	48.8%	69.02	611	77.1%	92	46.0%	13	68.4%	8	32.0%
39.00	61	38.1%	0	0.0%	0	0.0%	0	0.0%	70.01	10	4.2%	0	0.0%	0	0.0%	0	0.0%
40.01	275	52.3%	6	26.1%	23	43.4%	0	0.0%	70.02	331	66.6%	562	71.9%	14	60.9%	21	46.7%
40.02	374	26.2%	0	0.0%	5	8.9%	0	0.0%									

Source: U.S. Census Bureau, Census 2000 [SF 3, H11, H12]

[CHART TO BE REPLACED WITH MAP]

iv. The Tendency of the Protected Classes to Live in Larger Households

Larger families may be at risk for housing discrimination on the basis of race and the presence of children (familial status). A larger household, whether or not children are present, can raise fair housing concerns. If there are policies or programs that restrict the number of persons that can live together in a single housing unit, and members of the protected classes need more bedrooms to accommodate their larger household, there is a fair housing concern because the restriction on the size of the unit will have a negative impact on members of the protected classes.

In Norfolk, persons of Some Other Race Alone and Hispanics were most likely to live in families of three or more persons with comparable rates of 72.8% and 72.2%, respectively. Both Asians and Blacks follow closely

behind with 69.3% and 68.2%, respectively. Whites had the lowest rate at 5.6%.

Figure 5-15
Families with Three or More Persons, 2000

Race	Percent of Families with 3 or more persons
White	52.6%
Black	68.2%
Asian	69.3%
Some Other Race Alone	72.8%
Two or More Races	64.3%
Hispanic	72.2%

Source: U.S. Census Bureau, Census 2000 (SF 2, PCT17)

To adequately house larger families, a sufficient supply of larger dwelling units consisting of three or more bedrooms is necessary. In Norfolk, less than 13% of the rental housing stock contained three or more bedrooms in 2000 compared to nearly 35% of the owner-occupied housing stock.

Figure 5-16
Housing Units by Number of Bedrooms, 2000

	Renter-Occupied Housing Stock		Owner-Occupied Housing Stock	
Size of Housing Units	Number of Units	Percent of Total Housing Units	Number of Units	Percent of Total Housing Units
0-1 bedroom	15,948	18.5%	1,054	1.2%
2 bedrooms	20,507	23.8%	8,286	9.6%
3 or more bedrooms	10,484	12.2%	29,931	34.7%
Total	**46,939**	**54.4%**	**39,271**	**45.6%**

Source: U.S. Census Bureau, Census 2000 (SF 3, H42)

v. Cost of Housing

Increasing housing costs are not a direct form of housing discrimination. However, a lack of affordable housing does constrain housing choice. Residents may be limited to a smaller selection of neighborhoods because of a lack of affordable housing in those areas.

a. Rental Housing

The median housing value in Norfolk increased almost 81% between 1990 and 2008, after adjusting for inflation.[34] This was in stark contrast to the median gross rent which only increased 8.8% during the same time period. In comparison, real housing income increased only 4.1%.

[34] Housing value is the Census respondent's estimate of how much the property (house and lot, mobile home and lot, or condominium unit) would sell for it if were for sale. This differs from the housing sales price which is the actual price that the house sold for.

Figure 5-17
Trends in Housing Value, Rent and Income, 1990-2008

	1990	2000	2008	Change 1990-2008
Median Housing Value				
Actual Dollars	$73,500	$88,400	$219,000	198.0%
2008 Dollars	$121,077	$110,527	$219,000	80.9%
Median Gross Rent				
Actual Dollars	$438	$538	$785	79.2%
2008 Dollars	$722	$673	$785	8.8%
Median Household Income				
Actual Dollars	$23,563	$31,815	$40,416	71.5%
2008 Dollars	$38,815	$39,779	$40,416	4.1%

Sources: U.S. Census Bureau, 1990 Census (STF3-H061A, H043A, P080A), Census 2000 (SF3-H76, H63, P53), 2008 American Community Survey (B25077, B25064, B19013); Calculations by Mullin & Lonergan Associates, Inc.

At the same time that real household income was failing to keep pace with median rents, Norfolk was also losing affordable rental units. Between 2000 and 2008, the number of affordable units renting for less than $500 per mo nth decreased by more than 12,000, or 65.3% of all units in that price range. Units renting for $500 to $699 decreased in number by almost 8,000, or 46.9% of all units in that price range. At the same time, the number of higher-rent units ($700 per month or higher) increased by over 18,800 units.

Figure 5-18
Loss of Affordable Rental Housing Units, 2000-2008

Units Renting for:	2000	2008	Change 2000-2008 #	%
Less than $500	18,814	6,533	-12,281	-65.3%
$500 to $699	16,845	8,941	-7,904	-46.9%
$700 to $999	8,100	16,945	8,845	109.2%
$1,000 or more	1,653	11,641	9,988	604.2%

Sources: U.S. Census Bureau, Census 2000 (SF3, H62), 2008 American Community Survey (B25063)

The National Low Income Housing Coalition provides annual information on the Fair Market Rent (FMR) and affordability of rental housing in counties and cities in the U.S. for 2009. In Norfolk, the Fair Market Rent (FMR) for a two-bedroom apartment is $904. In order to afford this level of rent and utilities, without paying more than 30% of income on housing, a household must earn $3,013 monthly or $36,160 annually. Assuming a 40-hour work week, 52 weeks per year, this level of income translates into a Housing Wage of $17.38.

In Norfolk, a minimum wage worker earns an hourly wage of $6.55. In order to afford the FMR for a two-bedroom apartment, a minimum wage earner must work 106 hours per week, 52 weeks per year. Or, a

household must include 2.7 minimum wage earners working 40 hours per week year-round in order to make the two-bedroom FMR affordable.

In Norfolk, the estimated average wage for a renter is $10.29 an hour. In order to afford the FMR for a two-bedroom apartment at this wage, a renter must work 68 hours per week, 52 weeks per year. Or, working 40 hours per week year-round, a household must include 1.7 workers earning the average renter wage in order to make the two-bedroom FMR affordable.

Monthly Supplemental Security Income (SSI) payments for an individual are $674 in Norfolk and throughout Virginia. If SSI represents an individual's sole source of income, $202 in monthly rent is affordable, while the FMR for a one-bedroom is $781.

b. Sales Housing

The housing market in Norfolk has slowed in activity since 2005, coinciding with the beginning of the national housing slump. After peaking at 3,380 units sold in 2005, the local market has fallen off to 1,983 units sold in 2008. The average length of time a house has remained on the market has more than doubled from 35 days to 84 days. Surprisingly, local data provided by the Hampton Roads Realtor Association reveal that the houses that are selling are retaining their value and sellers are getting their asking prices. Since 2000, the median sales price has been comparable to the median list price with both hovering at 100%. In 2003-2004, the median sales price was equivalent to 101% of the median list price.

Figure 5-19
Housing Market Sales Trends, 2000-2008

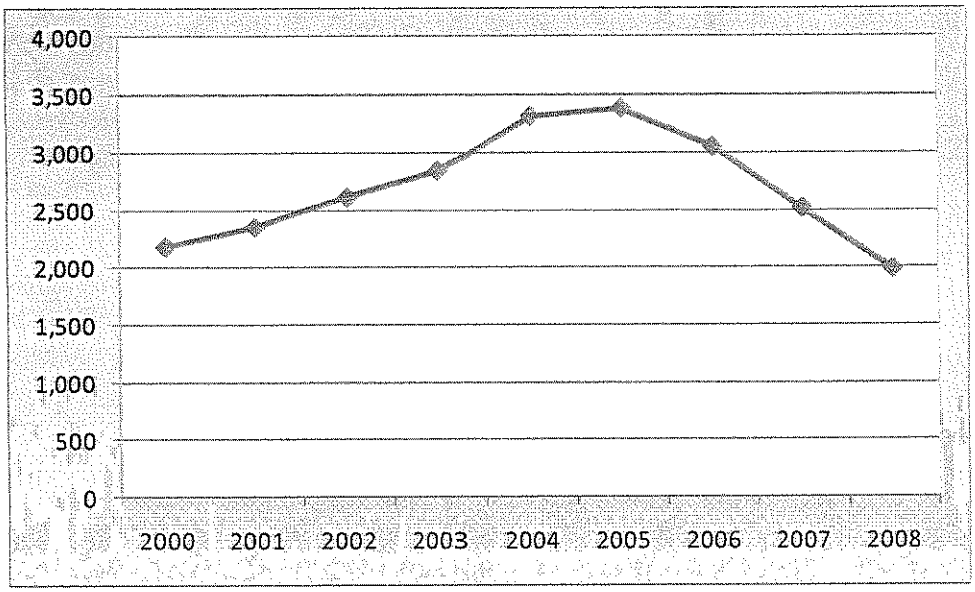
	2000	2001	2002	2003	2004	2005	2006	2007	2008
Single-Family Properties									
Number of units sold	2,178	2,352	2,606	2,836	3,311	3,380	3,043	2,514	1,983
Average No. Days on Marke	77	78	57	49	36	35	54	66	84
Median List Price	$119,900	$127,190	$139,900	$157,000	$187,000	$230,000	$250,000	$259,900	$250,000
Median Sale Price	$119,900	$126,900	$139,900	$158,000	$188,758	$230,000	$249,900	$257,000	$249,900
MSP as % MLP*	100%	100%	100%	101%	101%	100%	100%	99%	100%

*Median Sales Price as a percent of Median List Price

Source: Hampton Roads Realtor Association

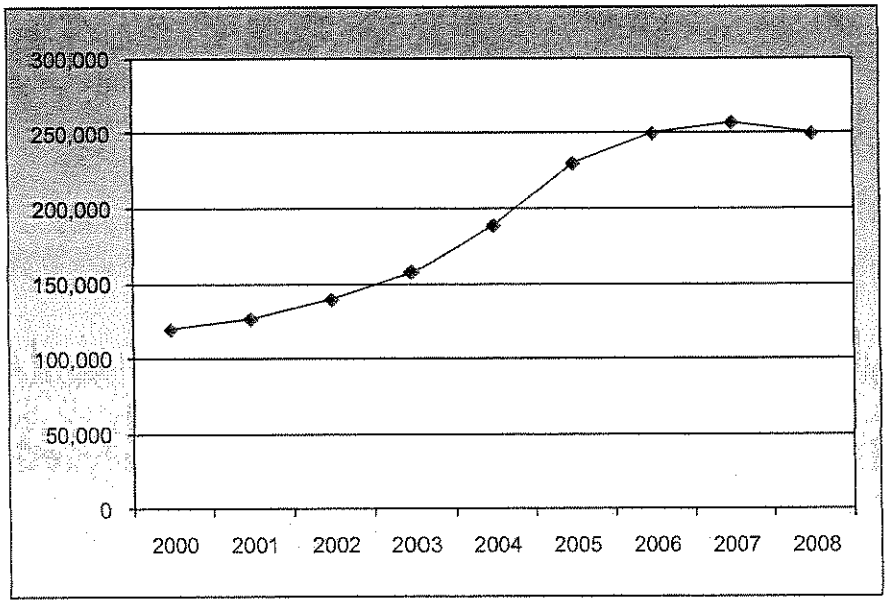
While the market has slowed in Norfolk as indicated by the longer length of time houses remain on the market and the decrease in the total number of units sold, the median sales price has remained steady at about $250,000 since 2006. This confirms the fact that homes are retaining their value even in a softer market.

Figure 5-20
Number of Housing Units Sold, 2000-2008



Source: Hampton Roads Realtor Association

Figure 5-21
Median Sales Price Trends, 2000-2008



Source: Hampton Roads Realtor Association

vi. The Relationship between Protected Class Status and Housing Problems

Lower income minority households tend to experience housing problems at a higher rate than lower income white households.[35] In Norfolk, however, this is not always the case.

Among renters in Norfolk, elderly and small Hispanic households experienced a disproportionately higher rate of housing problems than White and Black renters, although the number of Hispanic renters was a small fraction of all other renters analyzed. More notably, White renters experienced a higher degree of housing problems than Blacks in these same household groups. Among all other renter household types, Whites (68.1%) were more likely to report housing problems than Hispanics (65.2%) or Blacks (61.8%).

Among home owners, the results also varied. Elderly and small Hispanic households had the highest rate of housing problems (93%) compared to Whites (49.5%) and Blacks (57.9%). Among family households, Hispanics reported the highest rate (85.6%) compared to Whites (76.2%) and Blacks (75.5%). Hispanic home owners were also a small percentage of the overall number of owner households analyzed.

Figure 5-22
Lower Income Households with Housing Problems, 2000

	Total Households 0-80% of MFI		Elderly & 1-2 Person Households 0-80% of MFI		Family Households 0-80% of MFI		All Other Households 0-80% of MFI	
	Total	% with a Housing Problem	Total	%	Total	%	Total	%
Renters								
White Non-Hispanic	10,475	65.7%	1,495	58.9%	3,990	66.9%	4,990	68.1%
Black Non-Hispanic	18,770	57.2%	2,725	44.8%	10,875	58.2%	5,170	61.8%
Hispanic	1,173	72.7%	53	66.8%	685	77.9%	435	65.2%
Total	**30,418**	**60.7%**	**4,273**	**50.0%**	**15,550**	**61.3%**	**10,595**	**64.9%**
Owners								
White Non-Hispanic	7,080	62.1%	3,490	49.5%	2,310	76.2%	1,280	73.5%
Black Non-Hispanic	4,850	68.8%	1,790	57.9%	2,380	75.5%	680	74.8%
Hispanic	197	87.0%	33	93.0%	135	85.6%	29	33.3%
Total	**12,127**	**65.2%**	**5,313**	**52.6%**	**4,825**	**76.1%**	**1,989**	**73.3%**

Source: HUD Comprehensive Housing Affordability Strategy data

[35] HUD defines housing problems as (1) cost burden of 30% or more (i.e. paying more than 30% of gross income on monthly housing expenses), and/or (2) lacking complete kitchen or plumbing facilities, and/or (3) overcrowding of more than 1.01 persons per room.

6. THE CITY OF PORTSMOUTH

A. The Relationship between Protected Class Status and Income

i. Population Trends

Since 1990, the racial composition of Portsmouth has shifted from being a White majority to a Black majority city. Overall, the City's population is shrinking. Total population has fallen about 3%, from 103,907 residents in 1990 to 100,577 in 2008. Between 1990 and 2008, the number of minority residents increased from 50,685 to 57,092. The share of minority residents also grew significantly from 48.8% to 56.8%.

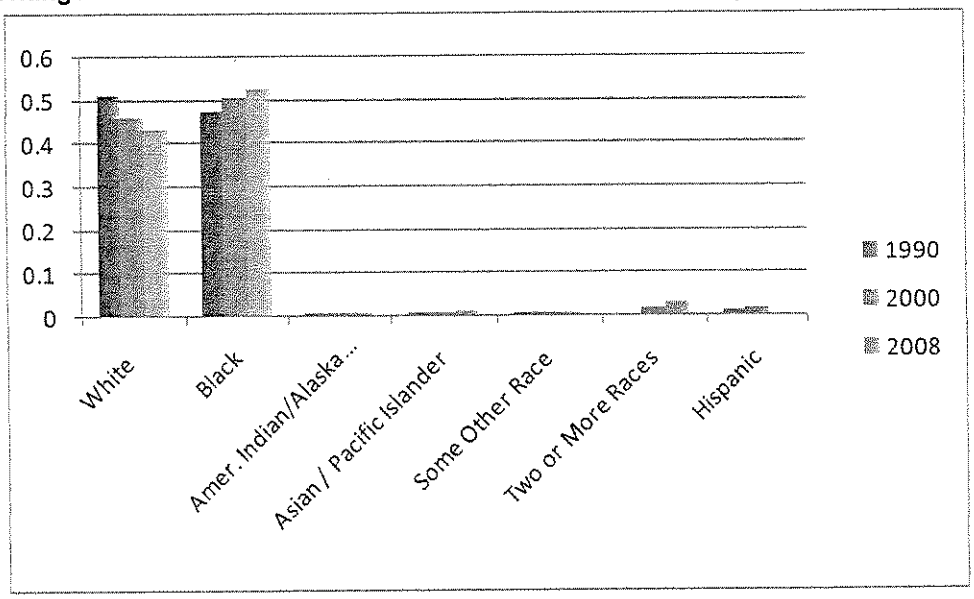
Figure 6-1
Population Trends – 1990-2008

	1990		2000		2008		% Change
	#	%	#	%	#	%	1990-2008
City of Portsmouth	103,907	100%	100,565	100%	100,577	100%	-3.2%
White Population	53,212	51.2%	46,096	45.8%	43,485	43.2%	-18.3%
Non-White Population	50,695	48.8%	54,469	54.2%	57,092	56.8%	12.6%
Black	49,180	47.3%	50,899	50.6%	52,467	52.2%	6.7%
Amer. Indian/Alaska Native	303	0.3%	478	0.5%	294	0.3%	-3.0%
Asian / Pacific Islander	827	0.8%	842	0.8%	944	0.9%	14.1%
Some Other Race	385	0.4%	618	0.6%	588	0.6%	52.7%
Two or More Races	---	---	1,632	1.6%	2,799	2.8%	71.5%
Hispanic	1,364	1.3%	1,748	1.7%	2,548	2.5%	86.8%

Source: U.S. Census Bureau

The minority population in Portsmouth continues to be predominately Black. Hispanic and persons of Two or More Races have experienced rapid growth since 1990, at 86.8% and 71.5%, respectively. Nonetheless, they still only represent about 5% of the total population. The Black population remains the largest minority group within the City, and in 2008 represented 52.2% of the total population.

Figure 6-2
Changes in the Racial and Ethnic Characteristics of the Population, 1990-2008



HUD defines areas of racial or ethnic minority concentration as geographical areas where the percentage of a specific minority group or ethnic group is 10 percentage points higher than in the City overall. In 2009, Blacks comprised 46.0% of the total population.[36] Therefore, an area of racial concentration would include any census tract where the percentage of Black residents is 56.0% or higher. In Portsmouth, fourteen census tracts fit this criterion: 105, 107, 111, 114, 117, 118, 119, 120, 121, 126, 127.01, 127.02, 131.01, and 131.04. No other racial minority group fits the criterion for an area of concentration.

Hispanics comprise 2.3% of the total population in Portsmouth. An area of ethnic concentration would include a census tract of 12.3% or higher. Only one census tract – 108 – fits this criterion.

[36] Data from DemographicsNow for 2009 was used for this analysis because the data were provided at the census tract level.

Figure 6-3
Census Tract Population by Race and Hispanic Origin, 2009

			Minority Residents		
Census Tract	Total Population	White %	Black %	Asian/Pacific Islander %	Hispanic %
City of Portsmouth	103,198	44.5%	46.0%	0.8%	2.3%
102.00	2,538	69.9%	21.8%	0.4%	2.0%
103.00	2,290	62.8%	29.9%	0.3%	1.8%
104.00	1,458	72.6%	19.3%	1.0%	1.7%
105.00	1,718	17.5%	72.5%	0.2%	0.5%
106.00	1,834	57.9%	29.9%	0.3%	2.3%
107.00	1,958	23.7%	67.6%	0.5%	2.1%
108.00	126	38.9%	25.4%	5.6%	19.1%
109.00	3,501	53.2%	35.9%	1.5%	3.5%
111.00	1,603	12.9%	78.0%	0.6%	2.1%
114.00	1,255	9.3%	83.8%	0.2%	1.0%
115.00	1,787	54.4%	34.1%	0.3%	2.0%
116.00	4,208	74.9%	16.0%	1.0%	1.4%
117.00	3,134	16.3%	77.3%	0.4%	1.0%
118.00	3,524	10.8%	84.2%	0.2%	0.8%
119.00	2,185	11.4%	83.4%	0.4%	1.0%
120.00	2,202	10.5%	82.8%	0.2%	0.7%
121.00	1,900	11.4%	84.2%	0.2%	1.6%
122.00	20	80.0%	15.0%	5.0%	0.0%
123.00	4,825	61.9%	23.9%	0.8%	3.2%
124.00	3,761	38.5%	49.5%	0.6%	3.9%
125.00	2,235	60.2%	32.8%	0.7%	2.5%
126.00	2,839	34.5%	57.2%	0.2%	1.6%
127.01	6,149	11.5%	81.8%	0.3%	0.7%
127.02	3,789	10.0%	84.4%	0.2%	1.2%
128.00	7,506	62.3%	29.3%	1.0%	1.9%
129.00	5,450	82.9%	9.0%	0.6%	1.2%
130.01	7,601	63.0%	24.6%	2.0%	5.0%
130.02	4,408	74.0%	19.1%	1.5%	2.1%
131.01	5,785	28.5%	58.8%	1.0%	3.7%
131.03	7,275	52.8%	33.4%	1.3%	3.7%
131.04	4,334	30.1%	58.3%	0.9%	2.8%

Source: Demographics Now

ii. Residential Segregation Patterns

Residential segregation is a measure of the degree of separation of racial or ethnic groups living in a neighborhood or community. Typically, the pattern of residential segregation involves the existence of predominantly homogenous, White suburban communities and low-income minority inner-city neighborhoods. A potential impediment to fair housing is created where either latent factors, such as attitudes, or overt factors, such as real estate practices, limit the range of housing opportunities for minorities. A lack of racial or ethnic integration in a community creates other problems, such as reinforcing prejudicial attitudes and behaviors, narrowing opportunities for interaction, and reducing the degree to which community life is considered harmonious. Areas of extreme minority isolation often experience poverty

and social problems at rates that are disproportionately high. Racial segregation has been linked to diminished employment prospects, poor educational attainment, increased infant and adult mortality rates and increased homicide rates.

In Portsmouth, White residents are in the minority. To enable comparisons with other cities in the Hampton Roads region, however, this analysis will make dissimilarity calculations against the White population. The City's minority population accounted for 54.2% of its total population in 2000. Black residents represent the largest minority group, comprising 50.5% of all residents.

The distribution of racial or ethnic groups across a geographic area can be analyzed using an index of dissimilarity. This method allows for comparisons between subpopulations, indicating how much one group is spatially separated from another within a community. The index of dissimilarity is rated on a scale from 0 to 100, in which a score of 0 corresponds to perfect integration and a score of 100 represents total segregation.[37] The index is typically interpreted as the percentage of the minority population (in this instance, the Black population) that would have to move in order for a community or neighborhood to achieve full integration.

Of the 18 cities and towns with populations exceeding 25,000 in Virginia, Portsmouth is among the most segregated. The City's 2000 dissimilarity index of 62.0 for White persons and Black persons ranks 16^{h} out of 18, and indicates that White persons and Black persons in Portsmouth are more segregated than they are in more than 83% of the state's most populated cities and towns. Among the seven cities in the Hampton Roads region, Portsmouth is the most segregated. Details are included in the table below.

[37] The index of dissimilarity is a commonly used demographic tool for measuring inequality. For a given geographic area, the index is equal to**1/2 ▯ ABS [(b/B)-(A/a)]**, where b is the subgroup population of a census tract, B is the total subgroup population in a city, a is the majority population of a census tract, and A is the total majority population in the city. ABS refers to the absolute value of the calculation that follows.

Figure 6-4
Virginia Municipal Dissimilarity Index Rankings, 2000

Rank	City	Black Population	White Population	Total Population	Dissimilarity Index
1	Blacksburg Town	1,700	32,869	39,573	**17.5**
2	Harrisonburg	2,266	32,416	40,468	**25.0**
3	Manassas	4,430	23,304	35,135	**29.2**
4	Leesburg Town	2,573	22,761	28,311	**38.0**
5	Virginia Beach	79,092	295,402	425,257	**41.4**
6	Petersburg	26,511	6,131	33,740	**42.6**
7	Alexandria	28,463	68,889	128,283	**46.0**
8	Danville	21,267	25,813	48,411	**46.2**
9	Hampton	64,795	70,963	146,437	**47.4**
10	Newport News	69,538	93,624	180,150	**50.3**
11	Lynchburg	19,288	43,108	65,269	**51.2**
12	Suffolk	27,524	33,940	63,677	**52.0**
13	Charlottesville	9,916	30,825	45,049	**52.4**
14	Chesapeake	56,442	131,200	199,184	**52.6**
15	Norfolk	102,268	110,221	234,403	**57.5**
16	Portsmouth	50,569	45,403	100,565	**62.0**
17	Richmond	112,455	74,506	197,790	**68.3**
18	Roanoke	25,220	65,256	94,911	**68.3**

Source: CensusScope

Dissimilarity index data for all Portsmouth subpopulations appear in the table below. The data indicate that in order to achieve full integration among White persons and Black persons in the City, 62.0% of Black residents would have to move to a different location.

Figure 6-5
Portsmouth Dissimilarity Indices, 2000

	DI with White Population**	Population	% of Total Population
White	-	45,403	45.1%
Black	62.0	50,569	50.3%
American Indian*	36.9	449	0.4%
Asian*	32.2	762	0.8%
Hawaiian*	53.5	60	0.1%
Other*	55.9	113	0.1%
Two or more races	33.9	1,461	1.5%
Hispanic***	36.1	1,748	1.7%
TOTAL	-	100,565	100.0%

* In these cases, sample size is too small to reliably interpret the DI. Caution should be exercised in interpreting results for subpopulations of fewer than 1,000.
** Each dissimilarity index indicates the percentage of one of the two population groups compared that would have to move to different geographic areas to create a completely even demographic distribution in Portsmouth.
*** Hispanic ethnicity is counted independently of race
Source: CensusScope

The indices above show that, in addition to a White/Black index of 62.0, Portsmouth has a White/Asian index of 32.2, a White/multi-race index of 33.9, and a White/Hispanic index of 36.1. These numbers indicate that these subpopulations are more integrated than Whites and Blacks. Perfect integration would receive an index score of 0. Indices for the other groups cannot be as reliably interpreted, since their populations are less than 1,000. In cases where subgroup population is small, the dissimilarity index may be high even if the group's members are evenly dispersed.

iii. Race and Income

Household income is one of several factors used to determine a household's eligibility for home mortgage loan. Median household income in Portsmouth shows a significant difference between White and Black populations. Black median income is equivalent to only 57% of the median income for Whites, and about 73% of the City's overall median income. Blacks also have a poverty rate almost five times that of Whites. Asians, on the other hand, are at a slight advantage, with median incomes higher than Whites. Hispanics in Portsmouth show a high median income, however there is great variance among households, with margin of error of $46,549, thereby making the data less reliable. Data on poverty for Asians and Hispanics were not available due to small sample sizes.

Figure 6-6
Median Household Income and Poverty Rates by Race/Ethnicity, 2008

	Median Household Income	Poverty Rate
City of Portsmouth	$47,813	18.5%
Whites	$60,777	5.8%
Blacks	$34,724	27.3%
Asians	$65,951	n/a
Hispanics	$75,512	n/a

Source: U.S. Census Bureau, 2008 American Community Survey (B19013, B19013A, B19013B, B19013D, B19013I, C17001A, C17001B)

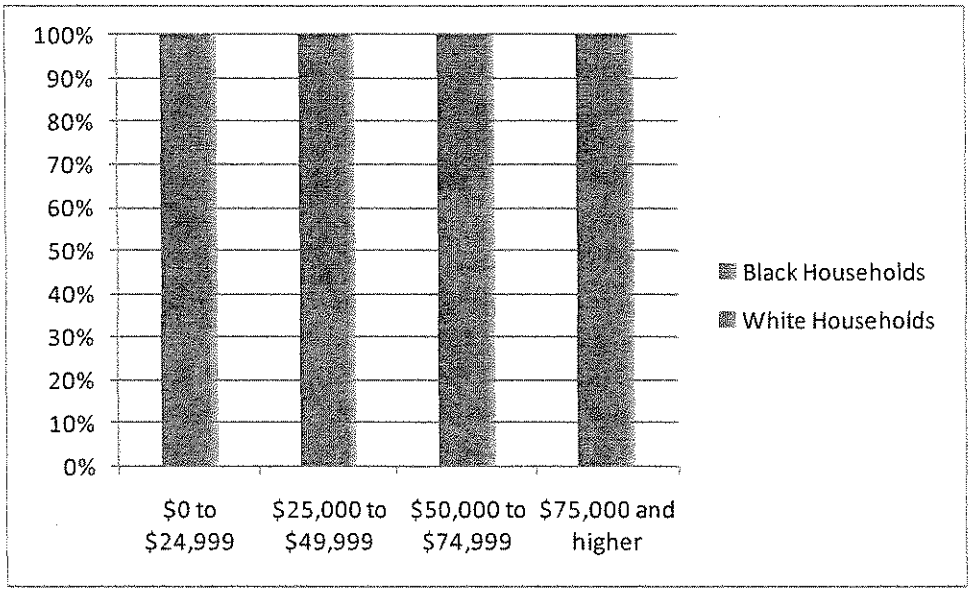
A review of household income distribution also shows stark differences between the Black and White populations in Portsmouth. In 2008, 35.1% of Black households earned less than $25,000, compared to 16.4% of White households. The higher income ranges also show disparities between the races. While 33.5% of White households had incomes above $75,000, only 17.7% of Black households were in the same income range.

Figure 6-7
Household Income Distribution by Race and Ethnicity, 2008

		$0 to $24,999		$25,000 to $49,999		$50,000 to $74,999		$75,000 and higher	
	Total	#	%	#	%	#	%	#	%
All Households	36,363	9,483	26.1%	10,076	27.7%	7,597	20.9%	9,207	25.3%
White Households	17,554	2882	16.4%	4,078	23.2%	4,722	26.9%	5,872	33.5%
Black Households	18,809	6,601	35.1%	5,998	31.9%	2,875	15.3%	3,335	17.7%

Source: U.S. Census Bureau, 2008 American Community Survey (C19001, B19001A, B19001B)

Figure 6-8
Household Income Distribution by Race and Ethnicity, 2008



HUD data on the percent of low and moderate income persons reveals that there are 44 census block groups where more than 51% of residents meet the criteria for low and moderate income status. Of these, 25 block groups were located within areas of racial concentration.

Figure 6-9
Low and Moderate Income Persons, 2009

		Low and Moderate Income Persons					Low and Moderate Income Persons		
Census Tract	Block Group	#	Universe	%	Census Tract	Block Group	#	Universe	%
102.00	1	385	906	42.49%	121.00	2	779	1104	70.56%
102.00	2	780	1420	54.93%	122.00	1	0	23	0.00%
103.00	1	189	754	25.07%	123.00	1	1044	1375	75.93%
103.00	2	381	542	70.30%	123.00	2	525	952	55.15%
103.00	3	332	914	36.32%	123.00	3	651	1204	54.07%
104.00	1	377	1368	27.56%	123.00	4	808	1131	71.44%
105.00	1	1466	1740	84.25%	124.00	1	681	985	69.14%
106.00	1	466	931	50.05%	124.00	2	854	1451	58.86%
106.00	2	413	818	50.49%	124.00	3	799	1010	79.11%
107.00	1	587	1247	47.07%	125.00	1	1124	2132	52.72%
107.00	2	329	591	55.67%	126.00	1	492	865	56.88%
108.00	1	0	0	0.00%	126.00	2	527	816	64.58%
109.00	1	798	1853	43.07%	126.00	3	169	169	100.00%
109.00	2	578	1093	52.88%	126.00	4	855	1009	84.74%
111.00	1	174	360	48.33%	127.01	1	1005	1384	72.62%
111.00	2	330	496	66.53%	127.01	2	409	849	48.17%
114.00	1	686	1006	68.19%	127.01	3	922	3177	29.02%
114.00	2	1294	1353	95.64%	127.02	1	711	1678	42.37%
115.00	1	297	570	52.11%	127.02	2	1119	2069	54.08%
115.00	2	682	1062	64.22%	128.00	1	1976	3215	61.46%
116.00	1	322	699	46.07%	128.00	2	687	1948	35.27%
116.00	2	357	792	45.08%	128.00	3	297	1179	25.19%
116.00	3	431	750	57.47%	128.00	4	370	1104	33.51%
116.00	4	215	828	25.97%	129.00	1	268	855	31.35%
116.00	5	389	961	40.48%	129.00	2	743	1266	58.69%
117.00	1	652	1004	64.94%	129.00	3	249	696	35.78%
117.00	2	611	1100	55.55%	129.00	4	220	609	36.12%
117.00	3	604	879	68.71%	129.00	5	505	1851	27.28%
118.00	1	593	602	98.50%	130.01	1	576	2167	26.58%
118.00	2	449	655	68.55%	130.01	2	603	2870	21.01%
118.00	3	726	983	73.86%	130.01	3	169	318	53.14%
118.00	4	211	456	46.27%	130.02	1	77	721	10.68%
118.00	5	654	706	92.63%	130.02	2	419	1364	30.72%
119.00	1	1116	1417	78.76%	130.02	3	460	2087	22.04%
119.00	2	495	728	67.99%	131.01	1	2592	3941	65.77%
120.00	1	676	1016	66.54%	131.01	3	1066	1317	80.94%
120.00	2	439	532	82.52%	131.03	1	1241	3038	40.85%
120.00	3	504	608	82.89%	131.03	2	1242	4156	29.88%
121.00	1	663	697	95.12%	131.04	1	936	3208	29.18%

Source: U.S. Dept. of Housing & Urban Development, 2009

[CHART TO BE REPLACED WITH MAP]

iv. Disability and Income

The Census Bureau reports disability status for non-institutionalized disabled persons. As defined by the Census Bureau, a disability is a long-lasting physical, mental or emotional condition that can make it difficult for a person to do activities such as walking, climbing stairs, dressing, bathing, learning or remembering. This condition can also impede a person from being able to go outside the home alone or to work at a job or business.

The Fair Housing Act prohibits discrimination based on physical, mental or emotional handicap, provided "reasonable accommodation" can be made. Reasonable accommodation may include changes to address the needs of disabled persons, including adaptive structural (e.g., constructing an entrance ramp) or administrative changes (e.g., permitting the use of a service animal). In Portsmouth, 13.8% of the population reported At least one disability in 2008.

According to the National Organization on Disabilities, a significant income gap exists for person with disabilities, given their lower rate of employment. In Portsmouth, persons with disabilities are more likely than persons without disabilities to live in poverty. In 2000, 18.5% of persons with disabilities lived in poverty, compared to 14.5% of persons without disabilities who were living in poverty.[38]

v. Familial Status and Income

The Census Bureau divides households into family and non-family households. Family households are married couple families with or without children, single-parent families and other families made up of related persons. Non-family households are either single persons living alone, or two or more non-related persons living together.

Women have protection under Title VIII of the Civil Rights Act of 1968 against discrimination in housing. Protection for families with children was added in the 1988 amendments to Title VIII. Except in limited circumstances involving elderly housing and owner-occupied buildings of one to four units, it is unlawful to refuse to rent or sell to families with children.

Female-headed households increased from 18.9% to 21.5% between 1990 and 2000, and remained relatively constant through 2008. The percentage of female-headed households with children increased from 11.2% to 12.2% before falling to 11.7% in 2008. The number of married-couple families with children, however, has shrunk dramatically from 21.1% in 1990 to 12.2% in 2008.

Female-headed households with children often experience difficulty in obtaining housing, primarily as a result of lower incomes and the unwillingness of landlords to rent their units to families with children. In 2008, female-headed households with children accounted for 72.8% of all families living under the poverty level, compared to 26.9% of all families living above the poverty level.[39]

[38] U.S. Census Bureau, 2008 American Community Survey (C18130)
[39] U.S. Census Bureau, 2008 American Community Survey (C17017)

Figure 6-10
Female-Headed Households and Households with Children

	1990		2000		2008	
	#	%	#	%	#	%
Total Households	**38,831**	**100.0%**	**38,137**	**100.0%**	**37,492**	**100.0%**
Family Households	27,726	71.4%	25,628	67.2%	23,067	61.5%
Married-couple family	18,915	48.7%	15,813	41.5%	13,204	35.2%
With Children	8,182	21.1%	6,467	17.0%	4,574	12.2%
Without Children	10,733	27.6%	9,346	24.5%	8,630	23.0%
Female-Headed Households	**7,330**	**18.9%**	**8,188**	**21.5%**	**7,874**	**21.0%**
With Children	**4,339**	**11.2%**	**4,635**	**12.2%**	**4,395**	**11.7%**
Without Children	2,991	7.7%	3,553	9.3%	3,479	9.3%
Male-Headed Household	1,481	3.8%	1627	4.3%	1,989	5.3%
With Children	573	1.5%	795	2.1%	1,039	2.8%
Without Children	908	2.3%	832	2.2%	950	2.5%
Non-family and 1-person Households	11,105	28.6%	12,509	32.8%	14,425	38.5%

Sources: U.S. Census Bureau, 1990 (SFT-3, P019), Census 2000 (SF-3, P10); 2008 American Community Survey (C11005)

vi. Ancestry and Income

It is illegal to refuse the right to housing based on place on birth or ancestry. Census data on native and foreign born populations in Portsmouth showed that 2.2% of City residents were foreign-born.[40]

In 2008, families with children living with one or more foreign-born parents accounted for 1.1% of all families living below 200% of the poverty level. By comparison, families with children living with one or more foreign-born parents accounted for 9% of all families living above 200% of the poverty level.[41]

vii. The Relationship between Protected Class Status and Unemployment

Overall unemployment in Portsmouth was 5.1%, which was slightly higher than Virginia's overall unemployment rate of 4.9% in 2008. Females and males had comparable unemployment rates, at 5.1% and 5.0%, respectively. Blacks were almost three times more likely to be unemployed than Whites in Portsmouth. While Whites had an unemployment rate of 2.7%, Blacks had an unemployment rate of 7.1%.

Higher unemployment, whether temporary or permanent, will mean less disposable income for housing expenses.

[40] U.S. Census Bureau, 2008 American Community Survey (C05002)
[41] U.S. Census Bureau, 2008 American Community Survey (C05010)

Figure 6-11
Civilian Labor Force, 2008

	Virginia Total	%	Portsmouth Total	%
Total Civilian Labor Force (CLF)	**4,075,213**	**100%**	**49,075**	**100%**
Employed	3,874,420	95.1%	46,589	94.9%
Unemployed	200,793	4.9%	2486	5.1%
Male CLF	**2,111,297**	**100.0%**	**25,334**	**100.0%**
Employed	2,006,634	95.0%	24,060	95.0%
Unemployed	104,663	5.0%	1274	5.0%
Female CLF	**1,963,916**	**100.0%**	**23,741**	**100.0%**
Employed	1,867,786	95.1%	22,529	94.9%
Unemployed	96,130	4.9%	1212	5.1%
White CLF	**2,916,813**	**100%**	**21,391**	**100%**
Employed	2,799,732	96.0%	20,809	97.3%
Unemployed	117,081	4.0%	582	2.7%
Black CLF	**772,382**	**100%**	**26,041**	**100%**
Employed	709,453	91.9%	24,188	92.9%
Unemployed	62,929	8.1%	1,853	7.1%
Asian CLF	**214,026**	**100%**	**n/a**	**n/a**
Employed	204,543	95.6%	n/a	n/a
Unemployed	9,483	4.4%	n/a	n/a
Hispanic CLF	**277,742**	**100%**	**n/a**	**n/a**
Employed	261,165	94.0%	n/a	n/a
Unemployed	16,577	6.0%	n/a	n/a

Source: U.S. Census Bureau, 2008 American Community Survey (C23001, C23002A, C23002B, C23002D, C23002I)

B. The Housing Market

i. Housing Inventory

Total housing inventory has remained relatively stable since 1990. Between 1990 and 2008, total housing stock grew by 697 units, an average of about 39 units per year. The largest increase has been in census tract 131.04, which more than doubled its number of units since 1990. Significant increases also occurred in census tracts 130.01, 131.01, and 131.03. Census tracts 111, 114, and 126 experienced the greatest losses in total housing units between 1990 and 2008.

Figure 6-12
Trends in Housing Inventory, 1990-2008

	1990		2000		2009		Change 1990-2009	
Census Tract	#	%	#	%	#	%	#	%
City of Portsmouth	**42,282**	**100.0%**	**41,605**	**100.0%**	**42,979**	**100.0%**	**697**	**1.6%**
102.00	1,212	2.9%	1,209	2.9%	1,238	2.9%	26	2.1%
103.00	1,059	2.5%	956	2.3%	1,033	2.4%	(26)	-2.5%
104.00	754	1.8%	763	1.8%	777	1.8%	23	3.1%
105.00	772	1.8%	752	1.8%	760	1.8%	(12)	-1.6%
106.00	828	2.0%	821	2.0%	829	1.9%	1	0.1%
107.00	801	1.9%	715	1.7%	722	1.7%	(79)	-9.9%
108.00	20	0.0%	0	0.0%	0	0.0%	(20)	-100.0%
109.00	1,988	4.7%	2,077	5.0%	2,128	5.0%	140	7.0%
111.00	1,195	2.8%	331	0.8%	675	1.6%	(520)	-43.5%
114.00	995	2.4%	983	2.4%	600	1.4%	(395)	-39.7%
115.00	782	1.8%	763	1.8%	717	1.7%	(65)	-8.3%
116.00	1,790	4.2%	1,824	4.4%	1,865	4.3%	75	4.2%
117.00	1,555	3.7%	1,456	3.5%	1,492	3.5%	(63)	-4.1%
118.00	1,531	3.6%	1,427	3.4%	1,457	3.4%	(74)	-4.8%
119.00	965	2.3%	887	2.1%	889	2.1%	(76)	-7.9%
120.00	1,053	2.5%	903	2.2%	917	2.1%	(136)	-12.9%
121.00	839	2.0%	784	1.9%	800	1.9%	(39)	-4.6%
122.00	32	0.1%	23	0.1%	23	0.1%	(9)	-28.1%
123.00	2,181	5.2%	2,167	5.2%	2,223	5.2%	42	1.9%
124.00	1,548	3.7%	1,408	3.4%	1,515	3.5%	(33)	-2.1%
125.00	1,071	2.5%	952	2.3%	965	2.2%	(106)	-9.9%
126.00	1,735	4.1%	1,143	2.7%	1,151	2.7%	(584)	-33.7%
127.01	1,930	4.6%	1,955	4.7%	1,957	4.6%	27	1.4%
127.02	1,419	3.4%	1,414	3.4%	1,415	3.3%	(4)	-0.3%
128.00	3,345	7.9%	3,384	8.1%	3,380	7.9%	35	1.0%
129.00	2,309	5.5%	2,332	5.6%	2,393	5.6%	84	3.6%
130.01	1,781	4.2%	2,251	5.4%	2,483	5.8%	702	39.4%
130.02	1,826	4.3%	1,956	4.7%	2,014	4.7%	188	10.3%
131.01	2,035	4.8%	2,137	5.1%	2,336	5.4%	301	14.8%
131.03	2,274	5.4%	2,778	6.7%	2,791	6.5%	517	22.7%
131.04	657	1.6%	1,054	2.5%	1,434	3.3%	777	118.3%

Source: DemographicsNow

[MAP TO BE INSERTED]

ii. Types of Housing Units

Of the 41,605 housing structures in 2008, 71.1% were single family units. Most of the remaining were multi-family units of all sizes. Multi-family homes were most prominent in census tracts 109, 128, and 131.01. It is also notable that census tract 129 had no multifamily units, and multifamily units represented less than 2% of total units in census tracts 127.02 and 131.04.

Figure 6-13
Trends in Housing Units in Structures, 2000

			Multi-family units						
	Total Units	Single-family units (detached and attached)	2 to 4	5 to 9	10 to 19	20 or more	Total	Mobile home	Boat, RV, van, etc
City of Portsmouth	41,605	29,572	4,747	4,084	1,221	1,778	11,830	165	38
102.00	1,198	608	401	75	70	6	552	0	38
103.00	967	794	76	78	13	6	173	0	0
104.00	723	447	77	148	30	21	276	0	0
105.00	792	302	123	324	6	37	490	0	0
106.00	824	652	154	18	0	0	172	0	0
107.00	712	500	197	11	4	0	212	0	0
108.00	0	0	0	0	0	0	0	0	0
109.00	2,042	475	507	288	127	645	1,567	0	0
111.00	366	242	60	64	0	0	124	0	0
114.00	1,019	491	211	283	14	20	528	0	0
115.00	727	543	103	62	7	12	184	0	0
116.00	1,824	1509	222	38	24	31	315	0	0
117.00	1,456	1337	113	6	0	0	119	0	0
118.00	1,427	971	266	99	68	23	456	0	0
119.00	893	675	126	85	0	7	218	0	0
120.00	901	669	177	31	9	15	232	0	0
121.00	768	215	184	148	30	191	553	0	0
122.00	35	28	0	0	0	7	7	0	0
123.00	2,167	1383	408	226	40	21	695	89	0
124.00	1,408	589	227	341	189	62	819	0	0
125.00	947	889	0	0	0	0	0	58	0
126.00	1,148	1053	42	21	7	25	95	0	0
127.01	1,955	1754	41	105	7	37	190	11	0
127.02	1,414	1398	8	0	0	8	16	0	0
128.00	3,384	1995	227	686	93	383	1,389	0	0
129.00	2,332	2273	48	0	11	0	59	0	0
130.01	2,251	1963	73	88	100	27	288	0	0
130.02	1,904	1749	120	25	10	0	155	0	0
131.01	2,137	882	292	746	110	107	1,255	0	0
131.03	2,778	2101	264	88	252	66	670	7	0
131.04	1,106	1085	0	0	0	21	21	0	0

Source: U.S. Census Bureau, Census 2000 (SF 3, H30)

[MAP TO BE INSERTED]

iii. Relationship between Protected Class Status and Home Ownership

The value in home ownership lies in the accumulation of wealth as the owner's share of equity increases with the property's value. Paying a monthly mortgage instead of rent is an investment in an asset that is likely to appreciate. According to one study, "a family that puts five percent down to buy a house will earn a 100 percent return on the investment every time the house appreciates five percent."[42]

[42] Kathleen C. Engel and Patricia A. McCoy, "From Credit Denial to Predatory Lending: The Challenge of Sustaining Minority Home ownership," in Segregation: The Rising Costs for America, edited by James H. Carr and Nandinee K. Kutty (New York: Routledge 2008) p. 82.

Historically, minorities tend to have lower home ownership rates than Whites. In 2000, Whites and Asians had significantly higher levels of home ownership than Blacks and Hispanics. While about 70% of Whites and Asians owned their homes, only 45.9% of Blacks and 42.7% of Hispanics owned their homes. In a number of census tracts, Blacks and Hispanics achieved 100% homeownership rates. These included census tract 129 for Blacks, and census tracts 107, 127.01, 127.02, 130.02, and 131.04 for Hispanics.

Figure 6-14
Home Ownership by Race and Ethnicity of Householder, 2000

	White		Black		Asian		Hispanic	
Census Tract	#	%	#	%	#	%	#	%
City of Portsmouth	13,537	70.4%	8,212	45.9%	165	70.5%	196	42.7%
102.00	439	53.9%	61	33.3%	0	0.0%	0	0.0%
103.00	490	72.8%	139	66.5%	0	0.0%	0	0.0%
104.00	408	73.4%	0	0.0%	0	0.0%	5	38.5%
105.00	7	6.5%	185	29.6%	0	0.0%	0	0.0%
106.00	400	73.3%	62	37.3%	0	0.0%	7	46.7%
107.00	68	61.8%	228	51.8%	0	0.0%	10	100.0%
108.00	0	0.0%	0	0.0%	0	0.0%	0	0.0%
109.00	457	40.3%	103	19.6%	0	0.0%	0	0.0%
111.00	23	46.0%	71	28.3%	0	0.0%	0	0.0%
114.00	0	0.0%	305	32.5%	0	0.0%	0	0.0%
115.00	309	71.0%	60	33.0%	0	0.0%	0	0.0%
116.00	1,146	76.0%	43	24.6%	0	0.0%	0	0.0%
117.00	83	79.0%	703	61.5%	0	0.0%	0	0.0%
118.00	7	26.9%	574	46.9%	0	0.0%	0	0.0%
119.00	0	0.0%	341	44.7%	0	0.0%	0	0.0%
120.00	6	100.0%	389	52.4%	0	0.0%	0	0.0%
121.00	14	43.8%	145	20.5%	0	0.0%	0	0.0%
122.00	0	0.0%	0	0.0%	0	0.0%	0	0.0%
123.00	782	60.1%	86	20.7%	30	100.0%	7	36.8%
124.00	312	56.6%	71	10.3%	0	0.0%	6	16.2%
125.00	485	81.6%	115	51.6%	8	100.0%	14	70.0%
126.00	240	56.2%	62	10.5%	0	0.0%	0	0.0%
127.01	0	0.0%	1,424	76.5%	9	100.0%	6	100.0%
127.02	6	100.0%	1,155	85.6%	0	0.0%	7	100.0%
128.00	1,492	66.8%	132	14.1%	0	0.0%	0	0.0%
129.00	1,778	83.2%	9	100.0%	17	100.0%	31	81.6%
130.01	1,516	88.6%	246	72.6%	46	100.0%	24	70.6%
130.02	1,376	88.0%	110	47.6%	10	50.0%	19	100.0%
131.01	208	34.3%	359	27.5%	10	27.8%	0	0.0%
131.03	1,182	71.9%	477	53.0%	35	83.3%	12	27.3%
131.04	303	90.2%	557	84.1%	0	0.0%	48	100.0%

Source: U.S. Census Bureau, Census 2000 (SF 3, H11, H12)

iv. The Tendency of the Protected Classes to Live in Larger Households

Larger families may be at risk for housing discrimination on the basis of race and the presence of children (familial status). A larger household, whether or not children are present, can raise fair housing concerns. If there are policies

or programs that restrict the number of persons that can live together in a single housing unit, and members of the protected classes need more bedrooms to accommodate their larger household, there is a fair housing concern because the restriction on the size of the unit will have a negative impact on members of the protected classes.

In Portsmouth, Whites were significantly less likely to live in families of three or more persons than minorities. Asian families were the most likely to live in families of three or more persons, with 81.1% of families falling into this category.

Figure 6-15
Families with Three or More Persons, 2000

Race	Percent of Families with 3 or more persons
White	52.7%
Black	66.0%
Asian	81.1%
Some Other Race Alone	68.6%
Two or More Races	64.3%
Hispanic	62.7%

Source: U.S. Census Bureau, Census 2000 (SF 4, PCT17)

To adequately house larger families, a sufficient supply of larger dwelling units consisting of three or more bedrooms is necessary. In Portsmouth, only 27.1% of the rental housing stock contained three or more bedrooms compared to 74.8% of the owner housing stock.

Figure 6-16
Housing Units by Number of Bedrooms, 2000

	Renter-Occupied Housing Stock		Owner-Occupied Housing Stock	
Size of Housing Units	Number of Units	Percent of Total Housing Units	Number of Units	Percent of Total Housing Units
0-1 bedroom	3,613	22.8%	475	2.1%
2 bedrooms	7,915	50.0%	5,148	23.0%
3 or more bedrooms	4,295	27.1%	16,724	74.8%
Total	15,823	100.0%	22,347	100.0%

Source: U.S. Census Bureau, Census 2000 (SF 3, H42)

v. Cost of Housing

Increasing housing costs are not a direct form of housing discrimination. However, a lack of affordable housing does constrain housing choice. Residents may be limited to a smaller selection of neighborhoods because of a lack of affordable housing in those areas.

a. Rental Housing

The median housing value in Portsmouth increased 78.5% between 1990 and 2008, after adjusting for inflation. Median gross rent grew 24.8% during the same person. In contrast, real household income increased only 18.0% during the same period.

Figure 6-17
Trends in Housing Value, Rent, and Income, 1990-2008

	1990	2000	2008	Change 1990-2008
Median Housing Value				
Actual Dollars	$66,600	$81,300	$195,800	194.0%
2008 Dollars	$109,711	$101,650	$195,800	78.5%
Median Gross Rent				
Actual Dollars	$416	$540	$855	105.5%
2008 Dollars	$685	$675	$855	24.8%
Median Household Income				
Actual Dollars	$24,601	$33,742	$47,813	94.4%
2008 Dollars	$40,525	$42,188	$47,813	18.0%

Sources: U.S. Census Bureau, 1990 Census (STF3-H061A, H043A, P080A), Census 2000 (SF3-H76, H63, P53), 2008 American Community Survey (B25077, B25064, B19013); Calculations by Mullin & Lonergan Associates, Inc.

At the same time that real household income was failing to keep pace with median rents, Portsmouth was losing affordable rental units. Between 2000 and 2008, the number of affordable rental units renting for less than $500 per month decreased by 4,340 units, or 71% of all units in that price range. Units renting for $500 to $699 per month decreased in number by 4,168, or 67.8% of all units in that price range. In contrast, the number of higher-rent units ($700 and higher) increased 6,623 units.

Figure 6-18
Loss of Affordable Rental Housing Units, 2000-2008

Units Renting for:	2000	2008	Change 2000-2008 #	Change 2000-2008 %
Less than $500	6,112	1,772	-4,340	-71.0%
$500 to $699	6,148	1,980	-4,168	-67.8%
$700 to $999	2,398	4,954	2,556	106.6%
$1,000 or more	592	4,659	4,067	687.0%

Sources: U.S. Census Bureau, Census 2000 (SF3, H62), 2008 American Community Survey (B25063)

The National Low Income Housing Coalition provides annual information on the Fair Market Rent (FMR) and affordability of rental housing in each county in the U.S. for 2009. In Portsmouth, the Fair Market Rent (FMR) for a two-bedroom apartment is $904. In order to afford this level of rent and utilities, without paying more than 30% of income on housing, a household must earn $3,013 monthly or $36,160

annually. Assuming a 40-hour work week, 52 weeks per year, this level of income translates into a Housing Wage of $17.38.

In Portsmouth, a minimum wage worker earns an hourly wage of $6.55. In order to afford the FMR for a two-bedroom apartment, a minimum wage earner must work 106 hours per week, 52 weeks per year. Or, a household must include 2.7 minimum wage earners working 40 hours per week year-round in order to make the two-bedroom FMR affordable.

In Portsmouth, the estimated average wage for a renter is $11.94 an hour. In order to afford the FMR for a two-bedroom apartment at this wage, a renter must work 58 hours per week, 52 weeks per year. Or, working 40 hours per week year-round, a household must include 1.5 workers earning the mean renter wage in order to make the two-bedroom FMR affordable.

Monthly Supplemental Security Income (SSI) payments for an individual are $674 in Portsmouth and throughout Virginia. If SSI represents an individual's sole source of income, $202 in monthly rent is affordable, while the FMR for a one-bedroom unit is $781.

b. Sales Housing

The housing market in Portsmouth has slowed in activity since 2005, slightly before the beginning of the national housing slump. After peaking at 1,651 units sold in 2005, the local market has fallen off to 1,034 units sold in 2008. The average length of time a house has remained on the market has increased to 80 days from a low of 32 days at the peak in 2005. Surprisingly, local data provided by the Hampton Roads Realtor Association reveal that the houses that are selling are retaining their value and sellers are getting their asking prices. Since 2000, the median sales price has been comparable to the median list price with both hovering at 100%. In 2003-2004, the median sales price was equivalent to 101% of the median list price.

Figure 6-19
Housing Market Sales Trends, 2000-2008

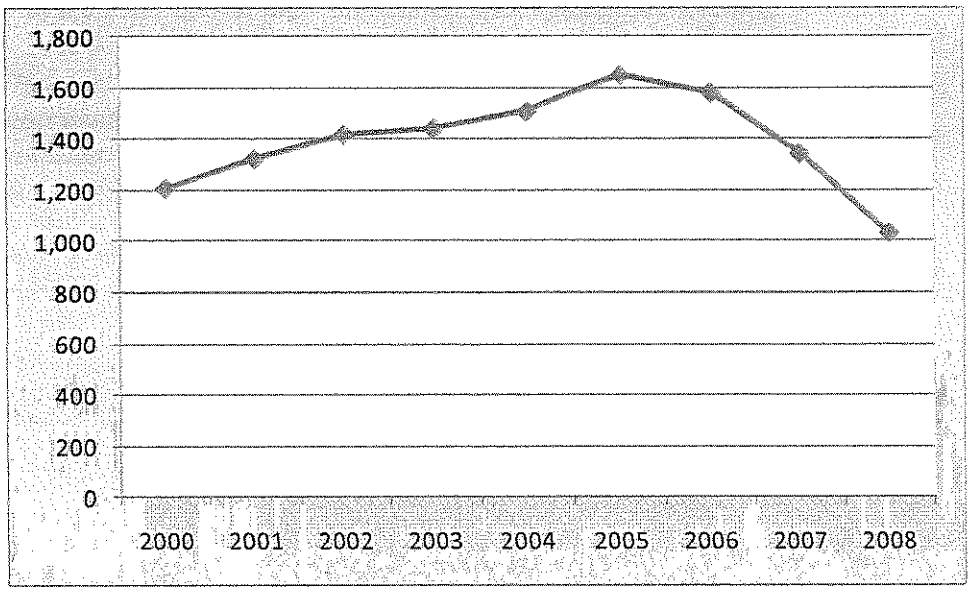
	2000	2001	2002	2003	2004	2005	2006	2007	2008
Single-Family Properties									
Number of units sold	1,208	1,325	1,421	1,442	1,509	1,651	1,582	1,345	1,034
Average No. Days on Market	78	69	58	46	37	32	47	63	80
Median List Price	$119,900	$127,190	$139,900	$157,000	$187,000	$230,000	$250,000	$259,900	$250,000
Median Sale Price	$119,900	$126,900	$139,900	$158,000	$188,758	$230,000	$249,900	$257,000	$249,900
MSP as % MLP*	100%	100%	100%	101%	101%	100%	100%	99%	100%

*Median Sales Price as a percent of Median List Price

Source: Hampton Roads Realtor Association

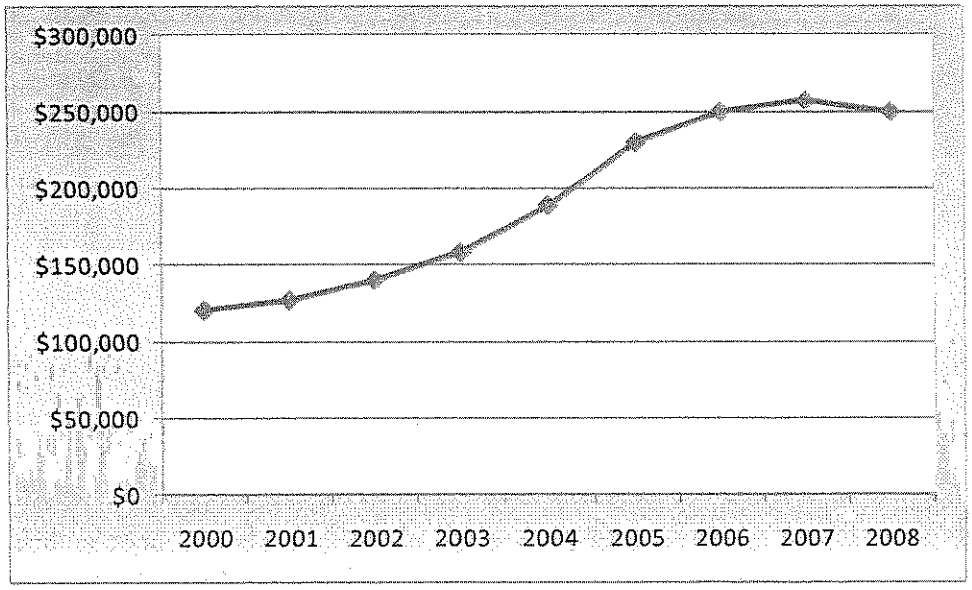
While the market has slowed in Portsmouth as indicated by the longer length of time houses remain on the market and the decrease in the total number of units sold, the median sales price has remained steady at about $250,000 since 2006. This confirms the fact that homes are retaining their value even in a softer market.

Figure 6-20
Number of Housing Units Sold, 2000-2008



Source: Hampton Roads Realtor Association

Figure 6-21
Median Sales Price Trends, 2000-2008



Source: Hampton Roads Realtor Association

vi. The Relationship between Protected Class Status and Housing Problems

Lower income minority households tend to experience housing problems at a higher rate than lower income White households.[43] Overall, this is true among owners in Portsmouth, but not among renter households. Among all renter households, Blacks are slightly less likely to have housing problems (60.1%) than Whites (61.5%). Among elderly and small households, Whites are significantly more likely than Blacks to have housing problems.

Among owners, White households were less likely than Blacks to experience housing problems, with the gap being most pronounced among elderly and small households.

Figure 6-22
Lower Income Households with Housing Problems, 2000

	Total Households 0-80% of MFI		Elderly & 1-2 Person Households 0-80% of MFI		Family Households 0-80% of MFI		All Other Households 0-80% of MFI	
	Total	% with a Housing Problem	Total	%	Total	%	Total	%
Renters								
White Non-Hispanic	3,205	61.5%	660	65.9%	1,295	56.0%	1,250	64.8%
Black Non-Hispanic	7,355	60.1%	1,145	56.8%	4,540	57.4%	1,670	69.5%
Total	**10,560**	**60.5%**	**1,805**	**60.1%**	**5,835**	**57.1%**	**2,920**	**67.5%**
Owners								
White Non-Hispanic	4,130	52.3%	2,045	39.6%	1,450	60.3%	635	74.8%
Black Non-Hispanic	3,270	59.6%	1,560	56.4%	1,360	62.2%	350	64.3%
Total	**7,400**	**55.5%**	**3,605**	**46.9%**	**2,810**	**61.2%**	**985**	**71.1%**

Source: HUD Comprehensive Housing Affordability Strategy data

[43] HUD defines housing problems as (1) cost burden of 30% or more (i.e. playing more than 30% of gross income on monthly housing expenses), and/or (2) lacking complete kitchen or plumbing facilities, and or (3) overcrowding of more than 1.01 persons per room.

7. THE CITY OF SUFFOLK

A. The Relationship between Protected Class Status and Income

i. Population Trends

The racial composition of Suffolk has remained relative constant since 1990. White residents continue to comprise about 55% of the population and Blacks represent approximately 40%. Residents of all other races account for the remaining 5% of the total population. By the numbers, however, the population is increasing at a relatively rapid pace.

During the 1990s, Whites increased by 5,760 residents but actually decreased as a percentage of total population from 54.7% to 53.8%. The rate of growth was even more significant between 2000 and 2008: another 10,054 persons were living in the City, and this segment of the total population inched upwards to 54.6%.

Black residents increased by 4,473 during the 1990s, and by another 5,279 persons between 2000 and 2008. Although the net increase in persons was significant, as a segment of the population, Blacks decreased from 44.6% in 1990 to 40.6% in 2008.

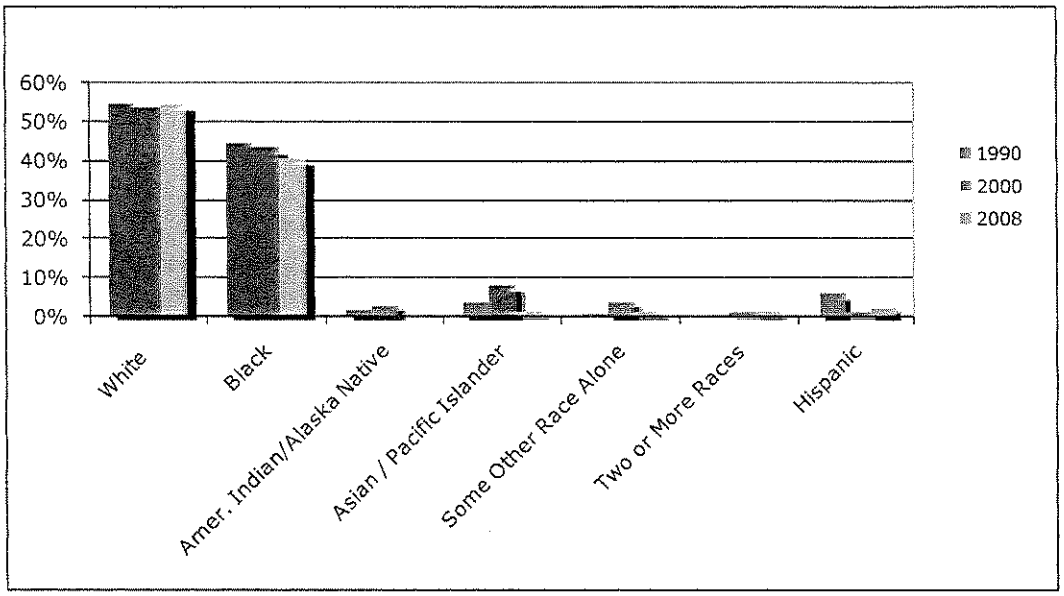
As the population figures show, diversity among all other minority groups is increasing. Together, these residents comprise slightly less than 5% of the total population but their numbers continue to grow. For example, Asians/Pacific Islanders increased almost fivefold between 1990 and 2008. Persons of Some Other Race Alone increased dramatically from 73 to 1,295 residents. Hispanics also increased almost fivefold during this period.

Figure 7-1
Population Trends, 1990-2008

	1990		2000		2008 Estimate		% Change
	#	%	#	%	#	%	1990-2008
City of Suffolk	**52,141**	**100.0%**	**63,677**	**100.0%**	**81,188**	**100.0%**	**55.7%**
White Population	28,511	54.7%	34,271	53.8%	44,325	54.6%	55.5%
Non-White Population	23,630	45.3%	29,406	46.2%	36,863	45.4%	56.0%
Black	23,245	44.6%	27,718	43.5%	32,997	40.6%	42.0%
Amer. Indian/Alaska Native	112	0.2%	191	0.3%	199	0.2%	77.7%
Asian / Pacific Islander	200	0.4%	506	0.8%	1,128	1.4%	464.0%
Some Other Race	73	0.1%	233	0.4%	1,295	1.6%	1674.0%
Two or More Races	---	---	758	1.2%	1,244	1.5%	---
Hispanic	319	0.6%	809	1.3%	2,028	2.5%	535.7%

Source: U.S. Census Bureau

Figure 7-2
Changes in the Racial and Ethnic Characteristics of the Population, 1990-2008



Source: U.S. Census Bureau

HUD defines areas of racial or ethnic minority concentration as geographical areas where the percentage of a specific minority or ethnic group is 10 percentage points higher than in the City overall. In Suffolk, Blacks compromised 41.2% of the population according to 2009 estimates.[44] Therefore, an area of racial concentration would include any census tract with a percentage of Black residents of 51.2% and higher. In Suffolk, there are five census tracts that meet this criterion: 651, 653, 654, 655, and 756. No other minority concentrations were noted.

[MAP TO BE INSERTED]

[44] Data from DemographicsNow for 2009 was used for this analysis because the data were provided at the census tract level.

Figure 7-3
Census Tract Population by Race and Hispanic Origin, 2009

Census Tract	Total Population	White %	Minority Residents: Black %	Asian/Pacific Islander %	Hispanic %
City of Suffolk	**81,737**	**52.2%**	**41.2%**	**1.6%**	**2.8%**
Tract 651	2,255	11.8%	84.9%	0.2%	3.0%
Tract 652	2,260	69.5%	25.7%	0.5%	1.7%
Tract 653	3,379	42.4%	52.8%	0.9%	1.9%
Tract 654	3,979	10.8%	84.9%	0.4%	1.4%
Tract 655	2,547	3.9%	93.1%	0.2%	2.1%
Tract 751	12,402	43.7%	43.7%	3.8%	5.4%
Tract 752	12,053	65.2%	27.5%	2.2%	2.5%
Tract 753	4,271	70.1%	25.4%	2.0%	0.6%
Tract 754	12,918	64.5%	28.9%	2.2%	3.2%
Tract 755	8,549	51.3%	41.9%	0.9%	3.9%
Tract 756	4,753	30.2%	65.4%	0.1%	1.1%
Tract 757	6,369	71.6%	24.5%	0.7%	1.3%
Tract 758	6,002	65.5%	30.7%	0.4%	1.9%

Source: Demographics Now

ii. Residential Segregation Patterns

Residential segregation is a measure of the degree of separation of racial or ethnic groups living in a neighborhood or community. Typically, the pattern of residential segregation involves the existence of predominantly homogenous, White suburban communities and low-income minority inner-city neighborhoods. A potential impediment to fair housing is created where either latent factors, such as attitudes, or overt factors, such as real estate practices, limit the range of housing opportunities for minorities. A lack of racial or ethnic integration in a community creates other problems, such as reinforcing prejudicial attitudes and behaviors, narrowing opportunities for interaction, and reducing the degree to which community life is considered harmonious. Areas of extreme minority isolation often experience poverty and social problems at rates that are disproportionately high. Racial segregation has been linked to diminished employment prospects, poor educational attainment, increased infant and adult mortality rates and increased homicide rates.

Suffolk's total minority population accounted for 46.3% of its total population in 2000. Black residents represented the largest minority group, comprising 43.4% of all residents. As previously stated, five of the City's 13 census tracts had rates of Black residents at least 10 percentage points higher than the City-wide percentage, meeting the HUD criteria for areas of racial concentration.

The distribution of racial or ethnic groups across a geographic area can be analyzed using an index of dissimilarity. This method allows for comparisons between subpopulations, indicating how much one group is spatially separated from another within a community. The index of

dissimilarity is rated on a scale from 0 to 100, in which a score of 0 corresponds to perfect integration and a score of 100 represents total segregation.[45] The index is typically interpreted as the percentage of the minority population that would have to move in order for a community or neighborhood to achieve full integration.

Of the 18 cities and towns with populations exceeding 25,000 in Virginia, Suffolk is among the most segregated. The City's 2000 dissimilarity index of 52.0 for White persons and Black persons ranks 12th out of 18, and indicates that White persons and Black persons in Suffolk are more segregated than they are in more than 60% of the state's most populated cities and towns. Among the seven cities in the Hampton Roads region, Suffolk is the fourth most-segregated. Details are included in the table below.

Figure 7-4
Virginia Municipal Dissimilarity Index Rankings, 2000

Rank	City	Black Population	White Population	Total Population	Dissimilarity Index
1	Blacksburg Town	1,700	32,869	39,573	**17.5**
2	Harrisonburg	2,266	32,416	40,468	**25.0**
3	Manassas	4,430	23,304	35,135	**29.2**
4	Leesburg Town	2,573	22,761	28,311	**38.0**
5	Virginia Beach	79,092	295,402	425,257	**41.4**
6	Petersburg	26,511	6,131	33,740	**42.6**
7	Alexandria	28,463	68,889	128,283	**46.0**
8	Danville	21,267	25,813	48,411	**46.2**
9	Hampton	64,795	70,963	146,437	**47.4**
10	Newport News	69,538	93,624	180,150	**50.3**
11	Lynchburg	19,288	43,108	65,269	**51.2**
12	Suffolk	27,524	33,940	63,677	**52.0**
13	Charlottesville	9,916	30,825	45,049	**52.4**
14	Chesapeake	56,442	131,200	199,184	**52.6**
15	Norfolk	102,268	110,221	234,403	**57.5**
16	Portsmouth	50,569	45,403	100,565	**62.0**
17	Richmond	112,455	74,506	197,790	**68.3**
18	Roanoke	25,220	65,256	94,911	**68.3**

Source: CensusScope

Dissimilarity index data for all Suffolk subpopulations appear in the table below. The data indicate that in order to achieve full integration among White persons and Black persons in the City, 52.0% of Black residents would have to move to a different location.

[45] The index of dissimilarity is a commonly used demographic tool for measuring inequality. For a given geographic area, the index is equal to**1/2 ▯ ABS [(b/B)-(A/a)]**, where b is the subgroup population of a census tract, B is the total subgroup population in a city, a is the majority population of a census tract, and A is the total majority population in the city. ABS refers to the absolute value of the calculation that follows.

Figure 7-5
Suffolk Dissimilarity Indices, 2000

	DI with White Population**	Population	% of Total Population
White	-	33,940	53.3%
Black	52.0	27,524	43.2%
American Indian*	28.8	185	0.3%
Asian*	40.2	487	0.8%
Hawaiian*	60.5	15	0.0%
Other*	54.5	64	0.1%
Two or more races*	37.4	653	1.0%
Hispanic* & ***	39.1	809	1.3%
TOTAL	-	63,677	100.0%

* In these cases, sample size is too small to reliably interpret the DI. Caution should be exercised in interpreting results for subpopulations of fewer than 1,000.
** Each dissimilarity index indicates the percentage of one of the two population groups compared that would have to move to different geographic areas to create a completely even demographic distribution in Suffolk.
*** Hispanic ethnicity is counted independently of race
Source: CensusScope

The indices above show that, in addition to a White/Black index of 52.0, Suffolk has a White/Asian index of 40.2, a White/multi-race index of 37.4, and a White/Hispanic index of 39.1. These numbers indicate that these subpopulations are more integrated than Whites and Blacks. Perfect integration would receive an index score of 0. Indices for the other groups cannot be as reliably interpreted, since their populations are less than 1,000. In cases where subgroup population is small, the dissimilarity index may be high even if the group's members are evenly dispersed.

iii. Race and Income

Household income is one of several factors used to determine a household's eligibility for a home mortgage loan. A review of median household income reveals a stark contrast between races and ethnicity in Suffolk. The median household income for Blacks was equivalent to only 55% of the median household income for Whites. Hispanics fared much better but also had a lower income, which was equivalent to only 93% of the income for Whites. Asians had the highest median household income than any other group. Significant differences in poverty are evident as well with Blacks and Hispanics experiencing poverty rates more than four times that of Whites. Poverty among Asian households was also significantly higher at 14.6%, which was notable given the overall higher median household income for this group.

Figure 7-6
Median Household Income and Poverty Rates by Race/Ethnicity, 2000

	Median Household Income	Poverty Rate
City of Suffolk	$41,115	13.2%
Whites	$50,755	4.8%
Blacks	$27,931	23.4%
Asians	$61,023	14.6%
Hispanics	$47,159	20.6%

Source: U.S. Census Bureau, Census 2000, (SF3-P-53, P152A, P152B, P152D, P152H, P87, P159A, P159B, P159D, P159H)

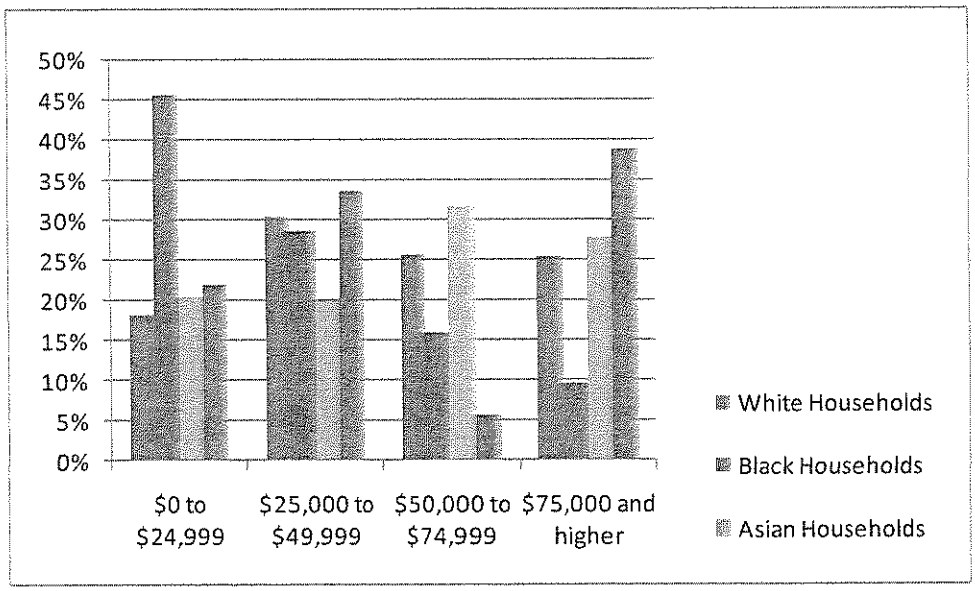
Household income is fairly evenly distributed among most residents excluding Blacks in Suffolk city. In 2000, 18.2% of White households had incomes below $25,000 compared to 45.6% of Blacks and 21.8% of Hispanics. Within the $25,000 to $49,000 income range, however Blacks accounted for 28.7% of the households, as did a comparable percentage of Hispanics while Whites accounted for 29.7% of the households. Rates were also comparable in the $50,000 to $74,999 range with the exception of Asian households. At the upper end of the spectrum, Hispanic households represented 38.9% of households with incomes at $75,000 and higher.

Figure 7-7
Household Income Distribution by Race and Ethnicity, 2000

	Total	$0 to $24,999		$25,000 to $49,999		$50,000 to $74,999		$75,000 and higher	
	Households	#	%	#	%	#	%	#	%
All Households	23,175	6,947	30.0%	6,873	29.7%	4,957	21.4%	4,398	19.0%
White Households	12,823	2,338	18.2%	3,912	30.5%	3,298	25.7%	3,275	25.5%
Black Households	9,908	4,515	45.6%	2,841	28.7%	1,578	15.9%	974	9.8%
Asian Households	215	44	20.5%	43	20.0%	68	31.6%	60	27.9%
Hispanic Households	229	50	21.8%	77	33.6%	13	5.7%	89	38.9%

Source: U.S. Census Bureau, Census 2000, (SF3-P-53, P151A, P151B, P151D, P151H)

Figure 7-8
Household Income Distribution by Race, 2008



HUD data on the percent of low and moderate income persons reveals that there are 15 census block groups where more than 51% of residents meet the criteria for low and moderate income status. Of these, 11 block groups were located within areas of racial concentration.

[MAP TO BE INSERTED]

Figure 7-9
Low and Moderate Income Persons, 2009

		Low and Moderate Income Persons		
Census Tract	Block Group	#	Universe	%
651	1	42	42	100.00%
651	2	619	884	70.02%
651	3	1,054	1,344	78.42%
652	1	367	928	39.55%
652	2	415	1,096	37.86%
653	1	561	610	91.97%
653	2	967	1,516	63.79%
653	3	394	707	55.73%
653	4	304	709	42.88%
654	1	1,995	2,874	69.42%
654	2	825	1,067	77.32%
655	1	867	1,314	65.98%
655	2	1,065	1,314	81.05%
751	1	12	78	15.38%
751	2	34	38	89.47%
751	1	181	994	18.21%
751	2	1,604	6,283	25.53%
752	1	98	602	16.28%
752	2	56	110	50.91%
752	1	1,132	4,583	24.70%
752	2	963	1,721	55.96%
753	1	1,166	4,201	27.76%
754	1	552	2,180	25.32%
754	2	336	1,542	21.79%
754	1	1,529	3,974	38.48%
754	2	38	87	43.68%
755	1	630	2,212	28.48%
755	2	614	871	70.49%
755	3	1,369	3,197	42.82%
756	1	813	1,733	46.91%
756	2	1,711	2,625	65.18%
757	1	414	1,373	30.15%
757	2	316	767	41.20%
757	1	650	917	70.88%
757	2	647	2,697	23.99%
758	1	561	1,680	33.39%
758	2	955	2,181	43.79%
758	3	714	1,661	42.99%

Source: U.S. Dept. of Housing & Urban Development, 2009

iv. Disability and Income

The Census Bureau reports disability status for non-institutionalized disabled persons. As defined by the Census Bureau, a disability is a long-lasting physical, mental or emotional condition that can make it difficult for a person to do activities such as walking, dressing, bathing, climbing stairs, learning or remembering. This condition can also impede a person from going outside the home alone or to work at a job or business.

The Fair Housing Act prohibits discrimination based on physical, mental or emotional handicap, provided "reasonable accommodation" can be made.

Reasonable accommodation may include changes to address the needs of disabled persons, including adaptive structural (e.g. constructing an entrance ramp) or administrative changes (e.g. allowing the use of a service animal). In Suffolk, 23.2% of the population reported at least one disability in 2000.

According to the National Organization on Disabilities, a significant income gaps exists for persons with disabilities, given their lower rate of employment. In Suffolk, persons with disabilities are more likely than persons without disabilities to live in poverty. In 2000, 19.1% of persons with disabilities lived in poverty compared to 11.3% of persons without disabilities who were living in poverty.[46]

v. Familial Status and Income

The Census Bureau divides households into family and non-family households. Family households are married couple families with or without children, single-parent families and other families made up of related persons. Non-family households are either single persons living alone, or two or more non-related persons living together.

Women have protection under Title VIII of the Civil Rights Act of 1968 against discrimination in housing. Protection for families with children was added in the 1988 amendments to Title VIII. Except in limited circumstances involving elderly housing and owner-occupied buildings of one to four units, it is unlawful to refuse to rent or sell to families with children.

Female-headed households have remained relatively constant at about 17% of all households since 1990. Female-headed households with children accounted for 11.7% of all households in 1990 and dropped to 9.6% in 2000 before increasing to 11.8% in 2008. In contrast, married-couple family households with children decreased from 28.1% to 25% of all households.

Female-headed households with children often experience difficulty in obtaining housing, primarily as a result of lower incomes and the unwillingness of landlords to rent their units to families with children. In Suffolk in 2000, female-headed households with children represented 73% of all families living in poverty compared to only 16% of all families who were living above the level of poverty.[47]

[46] U.S. Census Bureau, 2008 American Community Survey
[47] U.S. Census Bureau, Census 2000 (SF-3, P90)

Figure 7-10
Female-headed Households and Households with Children

	1990		2000		2008	
	#	%	#	%	#	%
Total Households	**18,516**	**100.0%**	**23,283**	**100%**	**30,667**	**100%**
Family Households	14,168	76.5%	17,730	76.1%	23,178	75.6%
Married-couple family	10,344	55.9%	12,833	55.1%	16,189	52.8%
With Children	5,205	28.1%	5,824	25.0%	7,673	25.0%
Without Children	5,139	27.8%	7,009	30.1%	8,516	27.8%
Female-Headed Households	**3,162**	**17.1%**	**3,908**	**16.8%**	**5,184**	**16.9%**
With Children	**2,166**	**11.7%**	**2,240**	**9.6%**	**3,613**	**11.8%**
Without Children	996	5.4%	1,668	7.2%	1,571	5.1%
Male-Headed Household	662	3.6%	989	4.2%	1,805	5.9%
With Children	305	1.6%	462	2.0%	1346	4.4%
Without Children	357	1.9%	527	2.3%	459	1.5%
Non-family and 1-person Households	3,778	20.4%	4,696	20.2%	6,811	22.2%

Sources: U.S. Census Bureau, 1990 (SFT-3, DP-1), Census 2000 (SF-3, H16); DemographicsNow

vi. Ancestry and Income

It is illegal to refuse the right to housing based on place of birth or ancestry. Census data on native and foreign-born residents in Suffolk show that approximately 3% of City residents were foreign-born.[48]

Among families who were living with one or more foreign-born parents, 1.4% were living in households with incomes of less than 200% of the poverty level. This is in contrast to the 5.3% of families with one or more foreign-born parents who were living in households with incomes above 200% of the poverty level.[49]

vii. The Relationship between Protected Class Status and Unemployment

The unemployment rate in Suffolk in 2008 was 5%, which was comparable to the State unemployment rate of 4.9%. (Data were available for males and females but were not available for non-White minorities.) Females were almost twice as likely to be unemployed than males.

Higher unemployment, whether temporary or permanent, will mean less disposable income for housing expenses.

[48] U.S. Census Bureau, 2008 American Community Survey (C05002)
[49] U.S. Census Bureau, 2008 American Community Survey (C05010)

Figure 7-11
Civilian Labor Force, 2008

	Virginia Total	%	Suffolk Total	%
Total Civilian Labor Force (CLF)	**4,075,213**	**100%**	**40,375**	**100%**
Employed	3,874,420	95.1%	38,370	95.0%
Unemployed	200,793	4.9%	2,005	5.0%
Male CLF	**2,111,297**	**100.0%**	**20,188**	**100.0%**
Employed	2,006,634	95.0%	19,459	96.4%
Unemployed	104,663	5.0%	729	3.6%
Female CLF	**1,963,916**	**100.0%**	**20,187**	**100.0%**
Employed	1,867,786	95.1%	18,911	93.7%
Unemployed	96,130	4.9%	1,276	6.3%
White CLF	**2,916,813**	**100%**	**23,303**	**100%**
Employed	2,799,732	96.0%	22,137	95.0%
Unemployed	117,081	4.0%	1,166	5.0%
Black CLF	**772,382**	**100%**	**n/a**	**n/a**
Employed	709,453	91.9%	n/a	n/a
Unemployed	62,929	8.1%	n/a	n/a
Asian CLF	**214,026**	**100%**	**n/a**	**n/a**
Employed	204,543	95.6%	n/a	n/a
Unemployed	9,483	4.4%	n/a	n/a
Hispanic CLF	**277,742**	**100%**	**n/a**	**n/a**
Employed	261,165	94.0%	n/a	n/a
Unemployed	16,577	6.0%	n/a	n/a

Source: U.S. Census Bureau, 2008 American Community Survey (C23001, C23002A, C23002B, C23002D, C23002I)

B. The Housing Market

i. Housing Inventory

Between 1990 and 2009, the City's housing stock increased by a net of 13,823 units, equivalent to an annual average increase of 727 units over the last 19 years. The majority of new home development occurred in census tracts 751, 752, 754 and 755. Marginal new housing development occurred in five tracts, four of which were previously identified as areas of racial concentration.

Figure 7-12
Trends in the Housing Inventory, 1990-2009

	1990		2000		2009		Change 1990-2009	
Census Tract	#	%	#	%	#	%	#	%
City of Suffolk	**20,011**	**100.0%**	**24,704**	**100.0%**	**33,834**	**100.0%**	**13,823**	**57.0%**
Tract 651	996	5.0%	952	3.9%	1,000	3.0%	4	0.0%
Tract 652	959	4.8%	977	4.0%	1,015	3.0%	56	0.2%
Tract 653	1,711	8.6%	1,667	6.7%	1,755	5.2%	44	0.2%
Tract 654	1,670	8.3%	1,613	6.5%	1,764	5.2%	94	0.4%
Tract 655	1,072	5.4%	1,093	4.4%	1,142	3.4%	70	0.3%
Tract 751	1,147	5.7%	2,553	10.3%	4,648	13.7%	3,501	14.4%
Tract 752	1,740	8.7%	2,649	10.7%	4,887	14.4%	3,147	13.0%
Tract 753	1,621	8.1%	1,692	6.8%	1,858	5.5%	237	1.0%
Tract 754	1,707	8.5%	2,946	11.9%	4,982	14.7%	3,275	13.5%
Tract 755	1,496	7.5%	2,348	9.5%	3,413	10.1%	1,917	7.9%
Tract 756	1,630	8.1%	1,670	6.8%	1,986	5.9%	356	1.5%
Tract 757	2,125	10.6%	2,337	9.5%	2,793	8.3%	668	2.8%
Tract 758	2,137	10.7%	2,207	8.9%	2,591	7.7%	454	1.9%

Source: DemographicsNow

[MAP TO BE INSERTED]

ii. Types of Housing Units

Of the 24,704 housing structures in 2000, 82.3% were single-family units. Most of the remaining units were in multi-family units of all sizes. Notably, the distribution of housing types is uneven throughout most of the City's census tracts. As shown in the following table, single-family units (as a percentage of all units) are more predominant in census tracts 751, 753, and 758.

Figure 7-13
Trends in the Housing Units in Structures, 2000

			Multi-family units						
	Total Units	Single-family units (detached and attached)	2 to 4	5 to 9	10 to 19	20 or more	Total	Mobile home	Boat, RV, van, etc
City of Suffolk	**24,704**	**20,335**	**1,761**	**864**	**265**	**404**	**3,294**	**1,069**	**6**
Tract 651	952	684	159	18	30	58	266	4	0
Tract 652	977	823	95	5	0	9	108	46	0
Tract 653	1,667	835	528	88	27	170	813	12	6
Tract 654	1,613	1,098	440	60	6	6	512	0	0
Tract 655	1,093	948	125	0	0	7	131	14	0
Tract 751	2,553	2,344	171	33	0	10	214	0	0
Tract 752	2,649	2,305	32	114	0	0	146	199	0
Tract 753	1,692	1,626	7	41	0	7	54	14	0
Tract 754	2,946	2,545	44	65	147	27	283	118	0
Tract 755	2,348	1,817	52	122	9	23	207	324	0
Tract 756	1,670	1,359	0	167	25	38	230	82	0
Tract 757	2,337	1,949	77	150	21	47	294	91	0
Tract 758	2,207	2,006	33	0	0	0	33	168	0

Source: U.S. Census Bureau, Census 2000 (SF 3, H30)

iii. The Relationship between Protected Class Status and Homeownership

The value in home ownership lies in the accumulation of wealth as the owner's share of equity increases with the property's value. Paying a monthly mortgage instead of rent is an investment in an asset that is likely to appreciate. According to one study, "a family that puts 5 percent down to buy a house will earn a 100 percent return on the investment every time the house appreciates 5 percent."[50]

Historically, minorities tend to have lower home ownership rates than Whites. The home ownership rate among White households was 85.2% in 2000 compared to only 54.9% among Blacks. However, Asians had the highest rate at 91.6% but also the lowest number of home owners. Home ownership among Hispanics was also relatively high at 79.6%; this group of home owners was also very small.

Figure 7-14
Home Ownership by Race and Ethnicity of Householder, 2000

	White		Black		Asian		Hispanic	
Census Tract	#	%	#	%	#	%	#	%
City of Suffolk	11,059	85.2%	5,363	54.9%	163	91.6%	176	79.6%
Tract 651	57	58.2%	250	34.3%	0	0.0%	0	0.0%
Tract 652	587	81.3%	61	41.2%	0	0.0%	0	0.0%
Tract 653	371	52.0%	165	20.8%	0	0.0%	11	100.0%
Tract 654	113	61.1%	424	34.5%	0	0.0%	0	0.0%
Tract 655	9	100.0%	443	45.6%	0	0.0%	0	0.0%
Tract 751	1,105	88.8%	723	67.6%	62	100.0%	64	100.0%
Tract 752	1,724	94.6%	423	68.7%	38	100.0%	23	100.0%
Tract 753	1,092	90.5%	269	70.1%	12	100.0%	0	0.0%
Tract 754	1,872	87.2%	450	69.7%	9	53.0%	57	100.0%
Tract 755	1,115	89.3%	644	70.5%	12	100.0%	8	42.0%
Tract 756	394	84.2%	783	70.2%	13	100.0%	13	100.0%
Tract 757	1,422	83.8%	250	49.0%	17	70.8%	0	0.0%
Tract 758	1,198	84.6%	478	72.8%	0	0.0%	0	0.0%

Source: U.S. Census Bureau, Census 2000 (SF 3, H11, H12)

[MAP TO BE INSERTED]

iv. The Tendency of the Protected Classes to Live in Larger Households

Larger families may be at risk for housing discrimination on the basis of race and the presence of children (familial status). A larger household, whether or not children are present, can raise fair housing concerns. If there are policies or programs that restrict the number of persons that can live together in a single housing unit, and members of the protected classes need more

[50] Kathleen C. Engel and Patricia A. McCoy, "From Credit Denial to Predatory Lending: The Challenge of Sustaining Minority Homeownership," in Segregation: The Rising Costs for America, edited by James H. Carr and Nandinee K. Kutty (New York: Routledge 2008) p. 82.

bedrooms to accommodate their larger household, there is a fair housing concern because the restriction on the size of the unit will have a negative impact on members of the protected classes.

In Suffolk, non-White minorities were much more likely to live in families of three or more persons than Whites. For example, 84.4% of Hispanic families consisted of three or more members living together in the same housing unit. The rate was also high among Asians at 76.2%. Sixty-eight percent of Blacks lived in families with three or more persons. Although the rates were high among persons of Two or More Races and Some Other Race Alone, the total number of families in these groups were very small (110 and 93, respectively).

Figure 7-15
Families with Three or More Persons, 2000

Race	Percent of Families with 3 or more persons
White	54.3%
Black	68.4%
Asian	76.2%
Some Other Race Alone	100.0%
Two or More Races	67.0%
Hispanic	84.4%

Source: U.S. Census Bureau, Census 2000 (SF4, PCT17)

To adequately house larger families, a sufficient supply of larger dwelling units consisting of three or more bedrooms is necessary. In Suffolk, less than 41% of the rental housing stock contained three or more bedrooms in 2000, compared to almost 84% of the owner housing stock.

Figure 7-16
Housing Units by Number of Bedrooms, 2000

	Renter-Occupied Housing Stock		Owner-Occupied Housing Stock	
Size of Housing Units	Number of Units	Percent of Total Housing Units	Number of Units	Percent of Total Housing Units
0-1 bedroom	996	15.4%	306	1.8%
2 bedrooms	2,873	44.4%	2,406	14.3%
3 or more bedrooms	2,600	40.2%	14,102	83.9%
Total	6,469	100.0%	16,814	100.0%

Source: U.S. Census Bureau, Census 2000 (SF3, H42)

v. Cost of Housing

Increasing housing costs are not a direct form of housing discrimination. However, a lack of affordable housing does constrain housing choice. Residents may be limited to a smaller selection of neighborhoods because of a lack of affordable housing in those areas.

a. Rental Housing

The median housing value in Suffolk more than tripled between 1990 and 2008, after adjusting for inflation.[51] Median gross rent also more than tripled during the same period. Real household income more than doubled during the same period.

Figure 7-17
Trends in Housing Value, Rent and Income, 1990-2008

	1990	2000	2008	Change 1990-2008
Median Housing Value				
Actual Dollars	$70,473	$105,495	$229,900	226.2%
2008 Dollars	$116,091	$131,901	$229,900	98.0%
Median Gross Rent				
Actual Dollars	$250	$390	$814	225.6%
2008 Dollars	$412	$488	$814	97.6%
Median Household Income				
Actual Dollars	$25,988	$41,197	$59,431	128.7%
2008 Dollars	$42,810	$51,509	$59,431	38.8%

Sources: DemographicsNow for 1990 and 2000 date; U.S. Census Bureau, 2008 American Community Survey (B19013, B25064, B25077)

At the same time that real median household income was failing to keep pace with median rents, Suffolk was also losing affordable rental units. Between 2000 and 2008, the number of affordable rental units renting for less than $500 per month decreased by 1,194; units renting for $500 to $699 remained relatively unchanged. At the same time, the number of higher-rent units ($700 per month or higher) increased by 1,912.

Figure 7-18
Loss of Affordable Rental Housing Units, 2000-2008

Units Renting for:	2000	2008	Change 2000-2008 #	%
Less than $500	2,902	1,708	-1,194	-41.1%
$500 to $699	1,921	1,919	-2	-0.1%
$700 to $999	1,917	2,212	295	15.4%
$1,000 or more	196	2,108	1,912	975.5%

Sources: U.S. Census Bureau, Census 2000 (SF3, H62), 2008 American Community Survey (B25063)

The National Low Income Housing Coalition provides annual information on the Fair Market Rent (FMR) and affordability of rental housing in each county in the U.S. for 2009. In Suffolk, the Fair Market Rent (FMR) for a two-bedroom apartment is $904. In order to afford this level of rent and utilities, without paying more than 30% of income on

[51] Housing value is the Census respondent's estimate of how much the property (house and lot, mobile home and lot, or condominium unit) would sell for if it were for sale. This differs from the housing sales price, which is the actual price that the house is sold for.

housing, a household must earn $3,013 monthly or $36,160 annually. Assuming a 40-hour workweek, 52 weeks per year, this level of income translates into a Housing Wage of $17.38.

In Suffolk, a minimum wage worker earns an hourly wage of $6.55. In order to afford the FMR for a two-bedroom apartment, a minimum wage earner must work 106 hours per week, 52 weeks per year. Or, a household must include 2.7 minimum wage earners working 40 hours per week year-round in order to make the two-bedroom FMR affordable.

In Suffolk, the estimated average wage for a renter is $9.46 an hour. In order to afford the FMR for a two-bedroom apartment at this wage, a renter must work 73 hours per week, 52 weeks per year. Or, working 40 hours per week year-round, a household must include 1.8 workers earning the average renter wage in order to make the two-bedroom FMR affordable.

Monthly Supplemental Security Income (SSI) payments for an individual are $674 in Suffolk and throughout Virginia. If SSI represents an individual's sole source of income, $202 in monthly rent is affordable, while the FMR for a one-bedroom unit is $781.

b. Sales Housing

The housing market in Suffolk has slowed in activity since 2005, slightly before the beginning of the national housing slump. After peaking at 1,959 units sold in 2005, the local market has fallen off to 1,085 units sold in 2008. The average length of time a house has remained on the market has almost tripled from 32 days to 95 days. Surprisingly, local data provided by the Hampton Roads Realtor Association reveal that the houses that are selling are retaining their value and sellers are getting their asking prices. Since 2000, the median sales price has been comparable to the median list price with both hovering at 100%. In 2003-2004, the median sales price was equivalent to 101% of the median list price.

Figure 7-19
Housing Market Sales Trends, 2000-2008

	2000	2001	2002	2003	2004	2005	2006	2007	2008
Single-Family Properties									
Number of units sold	1,130	1,449	1,594	1,711	1,796	1,959	1,697	1,460	1,085
Average No. Days on Market	72	60	54	42	26	32	53	75	95
Median List Price	$119,900	$127,190	$139,900	$157,000	$187,000	$230,000	$250,000	$259,900	$250,000
Median Sale Price	$119,900	$126,900	$139,900	$158,000	$188,758	$230,000	$249,900	$257,000	$249,900
MSP as % MLP*	100%	100%	100%	101%	101%	100%	100%	99%	100%

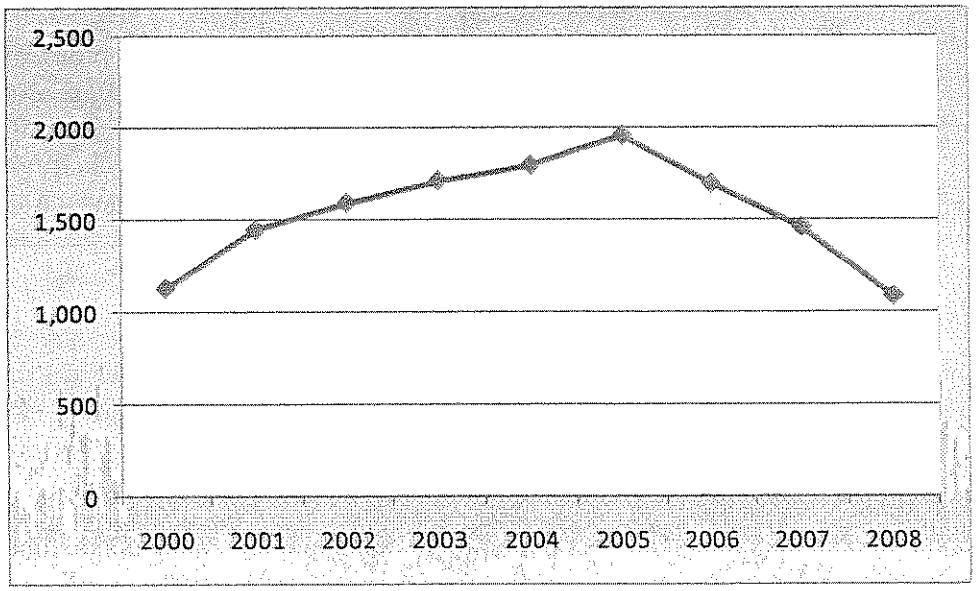
*Median Sales Price as a percent of Median List Price

Source: Hampton Roads Realtor Association

While the market has slowed in Suffolk as indicated by the longer length of time houses remain on the market and the decrease in the total number of units sold, the median sales price has remained steady at about

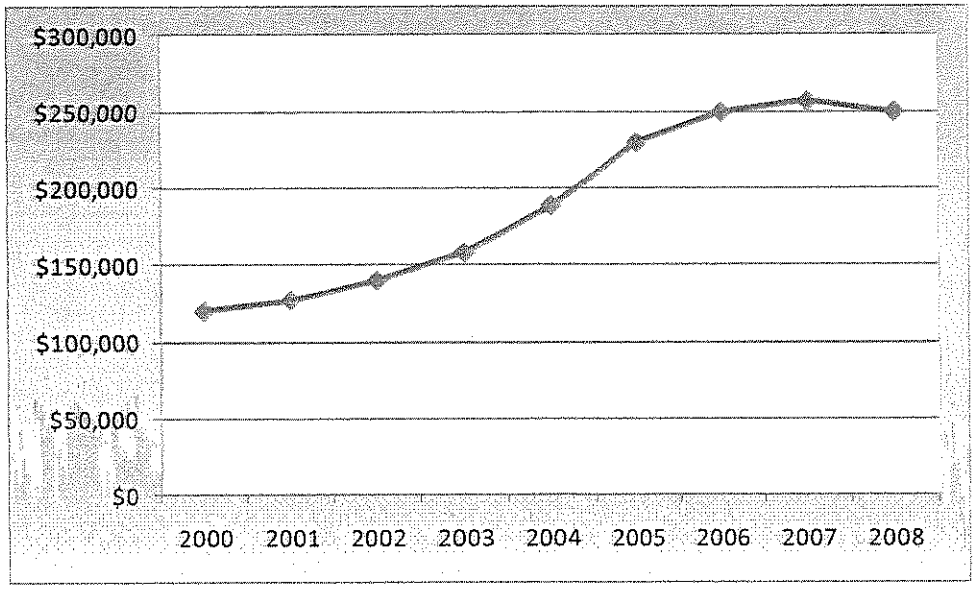
$250,000 since 2006. This confirms the fact that homes are retaining their value even in a softer market.

Figure 7-20
Number of Housing Units Sold, 2000-2008



Source: Hampton Roads Realtor Association

Figure 7-21
Median Sales Price Trends, 2000-2008



Source: Hampton Roads Realtor Association

vi. The Relationship between Protected Class Status and Housing Problems

Lower income minority households tend to experience housing problems at a higher rate than lower income White households.[52] In Suffolk, the data reveal varied results.

Among renters, the rates of housing problems are comparable among all households below 80% of median family income. (Data are only available for non-Hispanic Whites and non-Hispanic Blacks.) Among elderly and small households, Whites experienced a higher degree of housing problems (66%) than Blacks (56.8%), while All Other Black households were more severely impacted (69.5%) than All Other White households (64.8%). Rates were comparable among family households of both races.

The rates of housing problems also varied among owners. Elderly and small Black households experienced a higher degree of housing problems (56.4%) compared to White households of the same type (42.8%). Rates were comparable among family households of both races. All Other White households had a higher rate (74.8%) than All Other Black households (64.3%). Consequently, there is no clear discernible pattern of disproportionate impact based on race.

Figure 7-22
Lower Income Households with Housing Problems, 2000

	Total Households 0-80% of MFI		Elderly & 1-2 Person Households 0-80% of MFI		Family Households 0-80% of MFI		All Other Households 0-80% of MFI	
	Total	% with a Housing Problem	Total	%	Total	%	Total	%
Renters								
White Non-Hispanic	3,205	61.5%	660	66.0%	1,295	56.0%	1,250	64.8%
Black Non-Hispanic	7,355	60.1%	1,145	56.8%	4,540	57.4%	1,670	69.5%
Total	10,560	60.5%	1,805	60.2%	5,835	57.1%	2,920	67.5%
Owners								
White Non-Hispanic	4,130	52.3%	2,045	42.8%	1,450	60.3%	635	74.8%
Black Non-Hispanic	3,270	59.6%	1,560	56.4%	1,360	62.1%	350	64.3%
Total	7,400	55.5%	3,605	48.7%	2,810	61.2%	985	71.1%

Source: HUD Comprehensive Housing Affordability Strategy data

[52] HUD defines housing problems as (1) cost burden of 30% or more (i.e. playing more than 30% of gross income on monthly housing expenses), and/or (2) lacking complete kitchen or plumbing facilities, and or (3) overcrowding of more than 1.01 persons per room.

8. THE CITY OF VIRGINIA BEACH

A. The Relationship between Protected Class Status and Income

i. Population Trends

The population of Virginia Beach is steadily increasing, reaching 433,746 in 2008. Since 1990, the population has increased 10.3%, or by 40,677 persons. The racial composition has changed dramatically since 1990. Black, Asian, and Hispanic residents are moving into Virginia Beach while White households are leaving the community, although the out-migration appears to have stabilized since 2000.

Between 1990 and 2008, the total number of racial minority residents increased 70% from 76,661 to 130,355 persons.

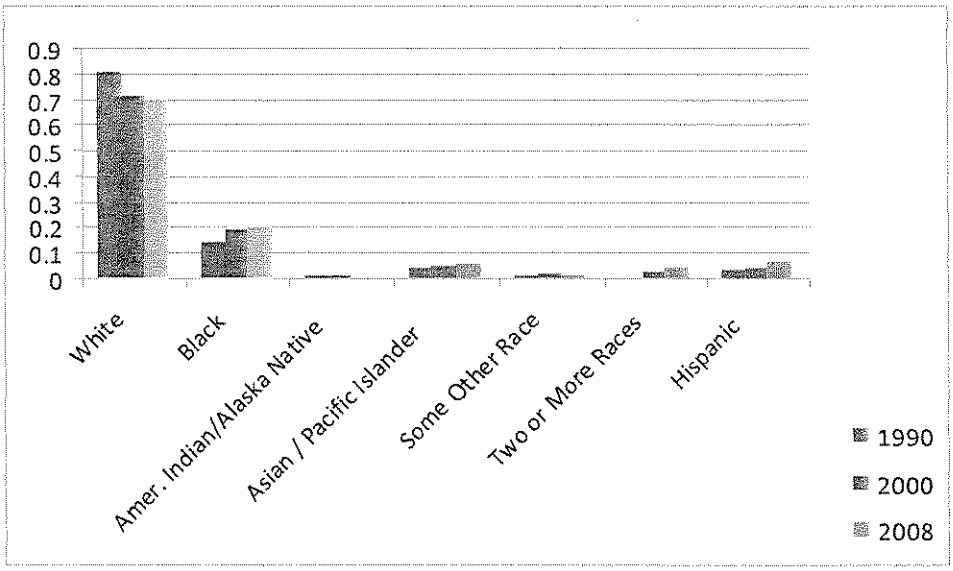
Figure 8-1
Population Trends, 1990-2008

	1990		2000		2008		% Change
	#	%	#	%	#	%	1990-2008
City of Virginia Beach	393,069	100.0%	425,257	100.0%	433,746	100.0%	10.3%
White Population	316,408	80.5%	303,681	71.4%	303,391	69.9%	-4.1%
Non-White Population	76,661	19.5%	121,576	28.6%	130,355	30.1%	70.0%
Black	54,671	13.9%	80,593	19.0%	83,915	19.3%	53.5%
Amer. Indian/Alaska Native	1,384	0.4%	1,619	0.4%	1,147	0.3%	-17.1%
Asian / Pacific Islander	17,025	4.3%	21,285	5.0%	24,724	5.7%	45.2%
Some Other Race	3,581	0.9%	6,402	1.5%	4,740	1.1%	32.4%
Two or More Races	—	—	11,677	2.7%	15,829	3.6%	35.6%
Hispanic	12,137	3.1%	17,770	4.2%	25,691	5.9%	111.7%

Source: U.S. Census Bureau

While the number of Blacks, Asians, Hispanics, and those of Two or More Races are increasing, these groups show different growth patterns. The Black population increased 47.4%, or 25,922 persons, during the 1990s. From 2000 to 2008, this growth slowed to 4.1%, equivalent to 3,322 residents. Asians have showed a more even rate of growth but this too has slowed. From 1990 to 2000, the population increased by 4,260 people and from 2000 to 2008 by 3,439 people. In contrast to Blacks and Asians, growth among the Hispanic population has increased significantly in the last decade. The number of Hispanics in Virginia Beach has increased by almost 50% each decade. From 1990 to 2000, the population increased by 5,663 persons and from 2000 to 2008, by 7,921 persons.

Figure 8-2
Changes in the Racial and Ethnic Characteristics of the Population, 1990-2008



Sources: U.S. Census Bureau, Demographics Now

HUD defines areas of racial or ethnic minority concentration as geographical areas where the percentage of a specific minority or ethnic group is 10 percentage points higher than in the City overall. In Virginia Beach, Blacks comprised 21.4% of the population in 2009.[53] Therefore, an area of racial concentration would include any census tract where the percentage of Black residents is 31.4% or higher. There are 16 census tracts which meet this criterion: 402, 404.02, 406, 408.02, 432, 442, 448.06, 454.06, 454.14, 458.06, 458.09, 458.10, 460.12, 460.13, 462.05, and 462.13. There were also three census tracts in which there was a racial concentration of Asians, that is, where the concentration of Asians is 15.6% or higher. These three tracts included 462.16, 462.17, and 462.19.

Hispanic residents represent 4.2% of the total population. An area of ethnic concentration would include a census tract where the percentage of Hispanics is 14.2% or higher. Only one census tract, 432.00, meets this criterion.

[53] Data from DemographicsNow for 2009 was used for this analysis because the data were provided at the census tract level.

Figure 8-3
Census Tract Population by Race and Hispanic Origin, 2009

			Minority Residents						Minority Residents		
				Asian/Pacific						Asian/Pacific	
Census Tract	Total Population	White %	Black %	Islander %	Hispanic %	Census Tract	Total Population	White %	Black %	Islander %	Hispanic %
City Total	**433,228**	**68.4%**	**21.4%**	**5.6%**	**4.2%**	454.07	3,130	60.3%	27.0%	6.6%	7.0%
400.00	5,285	59.9%	28.8%	3.2%	11.7%	454.08	6,914	72.2%	18.0%	3.2%	9.8%
402.00	4,416	29.2%	62.9%	2.4%	6.9%	454.10	13,371	73.6%	18.0%	4.7%	5.7%
404.02	6,560	26.3%	65.3%	3.1%	7.4%	454.12	1,768	94.1%	2.6%	1.1%	2.9%
404.03	3,747	62.1%	26.4%	7.1%	6.1%	454.14	6,324	55.7%	31.5%	5.0%	9.6%
404.04	6,149	71.2%	16.1%	9.9%	4.2%	454.15	1,998	70.0%	19.3%	4.8%	6.5%
406.00	5,829	32.1%	59.0%	2.7%	7.3%	454.16	7,909	71.0%	17.2%	7.9%	4.9%
408.01	3,998	70.3%	20.8%	3.5%	6.9%	454.17	8,516	82.1%	11.2%	3.2%	4.5%
408.02	4,575	55.8%	34.6%	4.5%	6.2%	454.18	8,911	76.8%	15.2%	3.1%	6.5%
410.02	1,913	76.3%	14.7%	4.0%	5.8%	454.19	9,073	77.0%	13.7%	3.7%	7.3%
410.03	3,432	76.7%	16.3%	3.5%	4.9%	454.20	5,299	86.8%	8.7%	2.2%	3.9%
410.04	3,704	66.0%	23.5%	4.6%	6.4%	456.01	2,655	84.2%	11.0%	2.3%	4.1%
412.00	5,942	85.5%	8.4%	3.0%	3.5%	456.02	7,940	61.0%	29.9%	3.4%	7.0%
414.00	4,854	81.6%	10.2%	4.6%	4.4%	458.01	4,387	70.1%	17.9%	6.4%	6.8%
416.00	3,269	84.8%	6.0%	5.7%	2.8%	458.03	3,081	73.0%	16.3%	6.3%	5.1%
418.01	4,198	75.0%	15.5%	3.1%	8.4%	458.05	1,316	71.6%	21.1%	2.9%	4.0%
418.02	5,206	91.1%	4.3%	1.9%	2.5%	458.06	4,048	57.2%	32.4%	5.6%	5.4%
420.00	3,354	90.9%	4.0%	3.4%	1.7%	458.07	1,470	66.9%	23.0%	5.0%	6.7%
422.01	3,496	90.8%	4.8%	2.5%	3.8%	458.08	2,673	61.2%	29.9%	4.0%	6.3%
422.02	4,149	89.7%	5.7%	1.9%	3.5%	458.09	6,247	52.5%	33.1%	8.8%	9.5%
424.00	4,893	77.0%	16.2%	2.9%	5.3%	458.10	2,020	29.6%	51.2%	12.0%	6.4%
426.00	2,243	79.5%	13.4%	2.9%	4.8%	460.02	4,859	79.1%	13.3%	4.9%	2.8%
428.01	5,651	70.8%	21.9%	2.9%	5.9%	460.05	7,327	69.4%	21.9%	3.8%	6.1%
428.02	4,347	58.1%	30.9%	4.2%	7.8%	460.06	4,283	82.4%	8.5%	6.5%	4.1%
430.01	8,824	92.4%	3.0%	2.7%	2.6%	460.08	12,891	57.9%	25.2%	11.5%	7.4%
430.02	4,155	90.3%	4.8%	3.2%	2.4%	460.09	4,837	80.1%	13.0%	4.0%	2.9%
432.00	1,352	41.7%	46.0%	2.4%	18.2%	460.10	2,976	70.9%	21.2%	4.2%	4.2%
434.00	2,056	94.3%	2.4%	1.6%	1.7%	460.11	1,377	68.9%	19.2%	7.6%	4.9%
436.00	1,600	93.3%	2.7%	1.7%	1.9%	460.12	7,034	47.5%	34.9%	11.6%	8.3%
438.00	3,576	94.4%	3.0%	1.3%	1.3%	460.13	4,678	51.8%	34.0%	7.6%	8.9%
440.01	5,324	77.8%	13.5%	2.8%	7.8%	462.04	4,344	81.7%	13.1%	3.1%	1.8%
440.02	7,116	87.1%	7.4%	1.8%	3.2%	462.05	8,842	44.9%	47.2%	3.0%	6.3%
442.00	6,368	54.2%	38.9%	1.8%	5.6%	462.06	5,197	64.3%	18.1%	13.5%	5.2%
444.01	3,406	92.2%	3.2%	2.6%	2.7%	462.07	6,756	64.7%	21.6%	8.1%	8.1%
444.02	5,948	82.1%	12.1%	2.9%	4.6%	462.11	2,999	75.3%	13.4%	8.3%	3.7%
446.00	5,867	92.9%	4.1%	1.4%	1.6%	462.12	4,351	72.2%	14.1%	10.2%	2.6%
448.05	3,532	67.1%	23.0%	3.7%	10.3%	462.13	6,175	51.8%	32.2%	10.6%	7.0%
448.06	4,965	58.7%	32.8%	2.1%	8.3%	462.14	5,254	61.4%	23.7%	10.8%	4.6%
448.07	5,577	72.1%	19.2%	3.1%	10.6%	462.15	9,004	53.6%	28.4%	12.8%	6.4%
448.08	3,901	73.7%	19.7%	2.6%	5.6%	462.16	5,608	57.9%	22.0%	15.9%	6.1%
450.00	2,627	64.9%	22.4%	2.7%	13.7%	462.17	4,115	56.5%	19.3%	19.6%	4.3%
452.00	4,199	64.1%	23.9%	3.0%	11.4%	462.18	8,509	69.2%	15.6%	11.3%	4.5%
454.05	4,669	55.4%	30.5%	7.9%	8.6%	462.19	3,683	47.8%	26.9%	20.1%	6.5%
454.06	8,307	49.6%	32.8%	10.8%	9.9%	464.00	4,500	87.6%	9.6%	0.7%	1.1%

Source: DemographicsNow

[TABLE TO BE REPLACED WITH MAP]

ii. Residential Segregation Patterns

Residential segregation is a measure of the degree of separation of racial or ethnic groups living in a neighborhood or community. Typically, the pattern of residential segregation involves the existence of predominantly homogenous, White suburban communities and low-income minority inner-city neighborhoods. A potential impediment to fair housing is created where either latent factors, such as attitudes, or overt factors, such as real estate practices, limit the range of housing opportunities for minorities. A lack of racial or ethnic integration in a community creates other problems, such as reinforcing prejudicial attitudes and behaviors, narrowing opportunities for interaction, and reducing the degree to which community life is considered harmonious. Areas of extreme minority isolation often experience poverty and social problems at rates that are disproportionately high. Racial segregation has been linked to diminished employment prospects, poor educational attainment, increased infant and adult mortality rates and increased homicide rates.

The distribution of racial or ethnic groups across a geographic area can be analyzed using an index of dissimilarity. This method allows for comparisons between subpopulations, indicating how much one group is spatially separated from another within a community. The index of dissimilarity is rated on a scale from 0 to 100, in which a score of 0 corresponds to perfect integration and a score of 100 represents total segregation.[54] The index is typically interpreted as the percentage of the minority population that would have to move in order for a community or neighborhood to achieve full integration.

Of the 18 cities and towns with populations exceeding 25,000 in Virginia, Virginia Beach is among the most integrated. The City's 2000 dissimilarity index of 41.4 for White persons and Black persons ranks fifth out of 18, and indicates that White persons and Black persons in Virginia Beach are less segregated than they are in more than 72% of the state's most populated cities and towns. Among the seven cities in the Hampton Roads region, Virginia Beach is the least segregated. Details are included in the table below.

[54] The index of dissimilarity is a commonly used demographic tool for measuring inequality. For a given geographic area, the index is equal to**1/2 ▯ ABS [(b/B)-(A/a)]**, where b is the subgroup population of a census tract, B is the total subgroup population in a city, a is the majority population of a census tract, and A is the total majority population in the city. ABS refers to the absolute value of the calculation that follows.

Figure 8-4
Virginia Municipal Dissimilarity Index Rankings, 2000

Rank	City	Black Population	White Population	Total Population	Dissimilarity Index
1	Blacksburg Town	1,700	32,869	39,573	**17.5**
2	Harrisonburg	2,266	32,416	40,468	**25.0**
3	Manassas	4,430	23,304	35,135	**29.2**
4	Leesburg Town	2,573	22,761	28,311	**38.0**
5	Virginia Beach	79,092	295,402	425,257	**41.4**
6	Petersburg	26,511	6,131	33,740	**42.6**
7	Alexandria	28,463	68,889	128,283	**46.0**
8	Danville	21,267	25,813	48,411	**46.2**
9	Hampton	64,795	70,963	146,437	**47.4**
10	Newport News	69,538	93,624	180,150	**50.3**
11	Lynchburg	19,288	43,108	65,269	**51.2**
12	Suffolk	27,524	33,940	63,677	**52.0**
13	Charlottesville	9,916	30,825	45,049	**52.4**
14	Chesapeake	56,442	131,200	199,184	**52.6**
15	Norfolk	102,268	110,221	234,403	**57.5**
16	Portsmouth	50,569	45,403	100,565	**62.0**
17	Richmond	112,455	74,506	197,790	**68.3**
18	Roanoke	25,220	65,256	94,911	**68.3**

Source: CensusScope

Dissimilarity index data for all Virginia Beach subpopulations appears in the table below. The data indicate that in order to achieve full integration among White persons and Black persons in the City, 41.4% of Black residents would have to move to a different location.

Figure 8-5
Virginia Beach Dissimilarity Indices, 2000

	DI with White Population**	Population	% of Total Population
White	-	295,402	69.5%
Black	41.4	79,092	18.6%
American Indian	36.9	1,448	0.3%
Asian	40.0	20,618	4.8%
Hawaiian*	56.8	356	0.1%
Other*	47.1	913	0.2%
Two or more races	27.3	9,658	2.3%
Hispanic ***	30.9	17,770	4.2%
TOTAL	-	425,257	100.0%

* In these cases, sample size is too small to reliably interpret the DI. Caution should be exercised in interpreting results for subpopulations of fewer than 1,000.
** Each dissimilarity index indicates the percentage of one of the two population groups compared that would have to move to different geographic areas to create a completely even demographic distribution in Suffolk.
*** Hispanic ethnicity is counted independently of race
Source: CensusScope

The indices above show that, in addition to a White/Black index of 41.4, Virginia Beach has a White/Asian index of 40.0, a White/multi-race index of

27.3, and a White/Hispanic index of 30.9. These numbers indicate that these subpopulations are all more integrated than White persons and Black persons. Perfect integration would receive an index score of 0. Indices for the other groups cannot be as reliably interpreted, since their populations are less than 1,000. In cases where subgroup population is small, the dissimilarity index may be high even if the group's members are evenly dispersed.

iii. Race and Income

Household income is one of several factors used to determine a household's eligibility for a home mortgage loan. A review of median household income reveals differences by race and ethnicity in Virginia Beach. For all households in the City, the median household income was $65,776 in 2000. Asians had the highest income of $80,232, which was almost $10,000 more than the next highest group, Hispanics. Whites, at $69,776, had a slightly lower median household income than Hispanics. Blacks had the lowest median income at $47,404, equivalent to only 68% of the income level for Whites. Consequently, Blacks had the highest poverty rate at 14.1%, more than three times that of Whites and twice the rate of the City. Data on poverty for Asians and Hispanics were not available.

Figure 8-6
Median Household Income and Poverty Rates by Race/Ethnicity, 2000

	Median Household Income	Poverty Rate
City of Virginia Beach	$65,776	6.5%
Whites	$69,799	4.4%
Blacks	$47,404	14.1%
Asians*	$80,232	n/a
Hispanics*	$71,827	n/a

Source: U.S. Census Bureau, 2008 American Community Survey (B19013, B19013A, B19013B, B19013D, B19013I, B17001, B17001A, B17001B)

*The poverty rate for Asians and Hispaics is not available

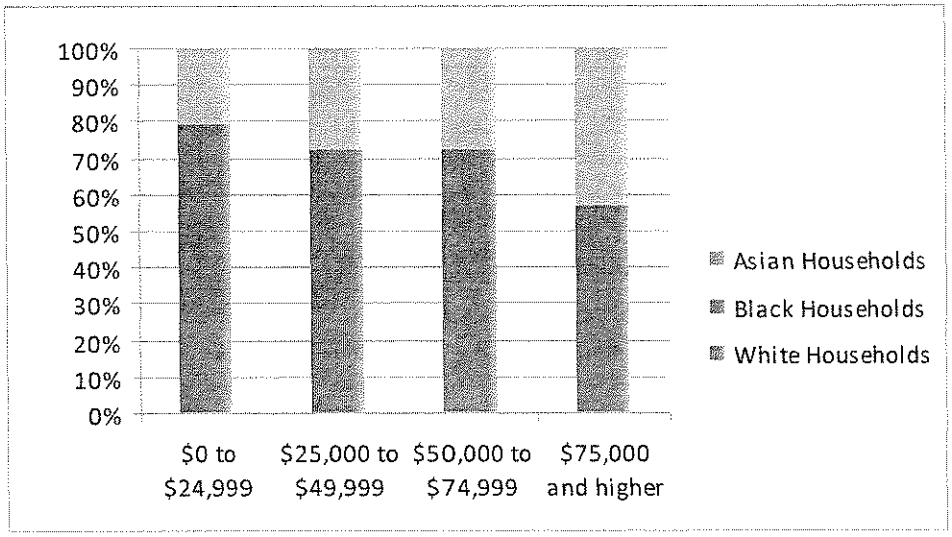
There are also significant differences in income distribution by race in Virginia Beach. In 2008, only one-tenth of White households and 8.1% of Asian households had incomes below $25,000 compared to one-fifth of Black households. The highest income range also displayed a strong difference. Only 23.7% of Black households earned $75,000 or higher, compared to 45.9% of White households and 53.5% of Asian households. Data on income distribution for Hispanics were not available.

Figure 8-7
Household Income Distribution by Race - 2008

		$0 to $24,999		$25,000 to $49,999		$50,000 to $74,999		$75,000 and higher	
	Total	#	%	#	%	#	%	#	%
All Households	**162,366**	**19,725**	**12.1%**	**37,509**	**23.1%**	**37,052**	**22.8%**	**68,080**	**41.9%**
White Households	119,049	12,150	10.2%	24,990	21.0%	27,225	22.9%	54,684	45.9%
Black Households	30,332	6,230	20.5%	9,611	31.7%	7,292	24.0%	7,199	23.7%
Asian Households	7,970	642	8.1%	1,623	20.4%	1,443	18.1%	4,262	53.5%

Source: U.S. Census Bureau, 2008 American Community Survey (C19001, B19001A, B19001B, B19001D)
*Data for Hispanic households is not available

Figure 8-8
Household Income Distribution by Race



HUD data on the percent of low and moderate income persons reveals that there are 45 census block groups where more than 51% of residents meet the criterion for low and moderate income status. Of these, 22 block groups were located within areas of minority concentration.

Figure 8-9
Low and Moderate Income Persons, 2009

		Low and Moderate Income Persons		
Census Tract	Block Group	#	Universe	%
400.00	1	1342	2182	61.50%
402.00	1	885	1323	66.89%
402.00	2	1318	2202	59.85%
402.00	4	577	767	75.23%
404.02	1	1387	2043	67.89%
404.02	2	1298	2000	64.90%
404.02	4	619	1212	51.07%
404.03	1	739	1342	55.07%
404.03	3	679	1195	56.82%
406.00	1	2871	4415	65.03%
406.00	2	919	1367	67.23%
408.01	1	831	1161	71.58%
410.02	2	474	834	56.83%
410.03	2	537	967	55.53%
410.04	2	559	775	72.13%
418.01	3	1186	1833	64.70%
424.00	2	718	1249	57.49%
426.00	2	992	1469	67.53%
432.00	1	438	642	68.22%
440.01	1	964	1568	61.48%
440.01	2	539	1032	52.23%
440.01	3	1278	2476	51.62%
442.00	1	848	977	86.80%
442.00	2	1935	2435	79.47%
448.05	1	668	1242	53.78%
448.06	1	1459	2118	68.89%
448.06	2	566	998	56.71%
448.07	2	1509	2404	62.77%
448.07	3	1152	1817	63.40%
452.00	9	1927	2966	64.97%
454.06	1	727	1313	55.37%
454.08	1	2593	4453	58.23%
454.14	3	1306	2058	63.46%
454.14	4	635	1206	52.65%
456.02	2	633	1201	52.71%
456.02	3	1262	2383	52.96%
456.02	4	1198	1748	68.54%
458.10	1	1510	2153	70.13%
456.05	1	1036	1705	60.76%
460.13	2	929	1720	54.01%
460.13	3	479	847	56.55%
462.05	4	864	1573	54.93%
462.05	5	782	1270	61.57%
462.07	4	393	558	70.43%
462.13	1	885	1644	53.83%

Source: U. S. Dept. of Housing & Urban Development, 2009

[MAP TO BE INSERTED]

iv. Disability and Income

The Census Bureau reports disability status for non-institutionalized disabled persons age 5 and over. As defined by the Census Bureau, a disability is a long-lasting physical, mental or emotional condition that can make it difficult for a person to do activities such as walking, climbing stairs, dressing, bathing, learning or remembering. This condition can also impede a person from being able to go outside the home alone or to work at a job or business.

The Fair Housing Act prohibits discrimination based on physical, mental, or emotional handicap, provided "reasonable accommodation" can be made. Reasonable accommodation may include changes to address the needs of disabled persons, including adaptive structural (e.g., constructing an entrance ramp) or administrative changes (e.g., permitting the use of a service animal). In Virginia Beach, 9.2% of the civilian non-institutionalized population reported at least one type of disability in 2008.

According to the National Organization on Disabilities, a significant income gap exists for persons with disabilities, given their lower rate of employment. In Virginia, persons with disabilities are more likely than persons without disabilities to live in poverty. In 2000, 9.6% of persons with disabilities lived in poverty compared to 6.1% of persons without disabilities who were living in poverty.[55]

v. Familial Status and Income

The Census Bureau divides households into family and non-family households. Family households are married couple families with or without children, single-parent families and other families made up of related persons. Non-family households are either single persons living alone, or two or more non-related persons living together.

Women have protection under Title VIII of the Civil Rights Act of 1968 against discrimination in housing. Protection for families with children was added in the 1988 amendments to Title VIII. Except in limited circumstances involving elderly housing and owner-occupied buildings of one to four units, it is unlawful to refuse to rent or sell to families with children.

[55] U.S. Census Bureau, Census 2000 (SF3, PCT34)

Female-headed households have been steadily increasing, representing 9.1% of all households in 1990 and 13.1% of all households in 2008. The number of these households with children has also been increasing, though at a slower rate. Between 1990 and 2008, the number of female-headed households increased by 9,002, while the number of female-headed households with children increased by 5,575. In contrast, married couple family households with children have slowly declined over the same period from 35.2% of all households to 23.5%.

Female-headed households with children often experience difficulty in obtaining housing, primarily as a result of lower incomes and the unwillingness of landlords to rent their units to families with children. In Virginia Beach in 2000, female-headed households accounted for 55% of all families living in poverty compared to only 9.8% of all families who were living above the poverty level.[56]

Figure 8-10
Female-Headed Households and Households with Children

	1990		2000		2008	
	#	%	#	%	#	%
Total Households	**135,736**	**100.0%**	**154,635**	**100%**	**162,366**	**100%**
Family Households	102,963	75.9%	112,127	72.5%	113,810	70.1%
Married-couple family	86,595	63.8%	88,102	57.0%	86,573	53.3%
With Children	47,835	35.2%	46,026	29.8%	38,195	23.5%
Without Children	38,760	28.6%	42,076	27.2%	48,378	29.8%
Female-Headed Households	**12,287**	**9.1%**	**18,160**	**11.7%**	**21,289**	**13.1%**
With Children	**7,668**	**5.6%**	**12,102**	**7.8%**	**13,243**	**8.2%**
Without Children	4,619	3.4%	6,058	3.9%	8,046	5.0%
Male-Headed Household	4081	3.0%	5,865	3.8%	5,948	3.7%
With Children	2150	1.6%	3,462	2.2%	2,997	1.8%
Without Children	1931	1.4%	2,403	1.6%	2,951	1.8%
Non-family and 1-person Households	32,773	24.1%	42,508	27.5%	48,556	29.9%

Sources: U.S. Census Bureau, 1990 (SFT-3, P019), Census 2000 (SF-3, P10); 2008 American Community Survey (B11001, B11003)

vi. Ancestry and Income

It is illegal to refuse the right to housing based on place of birth or ancestry. Census data on native and foreign-born populations in Virginia Beach revealed that 8.5% of residents in 2007 were foreign-born.[57]

Among families with children who were living with one or more foreign-born parents, 21.4% were living in households with incomes of less than 200% of the poverty level. In contrast, 26.7% of those families with children who were

[56] U.S. Census Bureau, Census 2000 (SF 3, P90)
[57] U.S. Census Bureau, 2008 American Community Survey (C05002)

living with only native parents had incomes less than 200% of the poverty level.[58]

vii. The Relationship between Protected Class Status and Unemployment

Overall unemployment in both Virginia Beach and the state of Virginia was 4.9% in 2008. Blacks and Asians were more likely to be unemployed than White residents, with an unemployment rate of 7.7% and 7.0%, respectively versus 3.9% for Whites. Hispanics had the lowest rate of unemployment at 1.4%. This is lower than the state-wide unemployment rate for Hispanics, at 6.0%. Men have a higher unemployment rate than women, at 5.2% versus 4.5% for women.

Higher unemployment, whether temporary or permanent, will mean less disposable income for housing expenses.

Figure 8-11
Civilian Labor Force, 2008

	Virginia Total	%	Virginia Beach Total	%
Total Civilian Labor Force (CLF)	**4,075,213**	**100%**	**217,481**	**100%**
Employed	3,874,420	95.1%	206,902	95.1%
Unemployed	200,793	4.9%	10,579	4.9%
Male CLF	**2,111,297**	**100.0%**	**106,227**	**100.0%**
Employed	2,006,634	95.0%	100,676	94.8%
Unemployed	104,663	5.0%	5,551	5.2%
Female CLF	**1,963,916**	**100.0%**	**111,254**	**100.0%**
Employed	1,867,786	95.1%	106,226	95.5%
Unemployed	96,130	4.9%	5,028	4.5%
White CLF	**2,916,813**	**100%**	**152,879**	**100%**
Employed	2,799,732	96.0%	146,966	96.1%
Unemployed	117,081	4.0%	5,913	3.9%
Black CLF	**772,382**	**100%**	**43,755**	**100%**
Employed	709,453	91.9%	40,368	92.3%
Unemployed	62,929	8.1%	3,387	7.7%
Asian CLF	**214,026**	**100%**	**14,299**	**100%**
Employed	204,543	95.6%	13,298	93.0%
Unemployed	9,483	4.4%	1,001	7.0%
Hispanic CLF	**277,742**	**100%**	**11,708**	**100%**
Employed	261,165	94.0%	11,543	98.6%
Unemployed	16,577	6.0%	165	1.4%

Source: U.S. Census Bureau, 2008 American Community Survey (C23001, C23002A, C23002B, C23002D, C23002I)

[58] U.S. Census Bureau, 2005-2007 American Community Survey 3-Year Estimates (C05010)

B. The Housing Market

i. Housing Inventory

The total housing inventory has increased 20.5% since 1990. The total number of units in 2009 was 177,229 compared to 147,042 in 1990. Areas of greater rates of development include census tracts 454.10, 454.16, 454.20, 462.16, and 462.19. All of these tracts have increased to over twice their size from 1990. Notably, census tract 450.00 has decreased from 643 units in 1990 to 100 units in 2009.

Figure 8-12
Trends in Total Housing Units, 1990-2009

	1990		2000		2009		Change 1990-2009	
Census Tract	#	%	#	%	#	%	#	%
City Total	147,042	100.0%	162,277	100.0%	177,229	100.0%	30,187	20.5%
400.00	472	0.3%	514	0.3%	507	0.3%	35	7.4%
402.00	1,981	1.3%	1,884	1.2%	1,914	1.1%	-67	-3.4%
404.02	2,701	1.8%	2,815	1.7%	2,918	1.6%	217	8.0%
404.03	1,715	1.2%	1,732	1.1%	1,777	1.0%	62	3.6%
404.04	1,564	1.1%	2,134	1.3%	2,723	1.5%	1159	74.1%
406.00	2,042	1.4%	2,433	1.5%	2,595	1.5%	553	27.1%
408.01	1,684	1.1%	1,722	1.1%	1,718	1.0%	34	2.0%
408.02	1,563	1.1%	1,486	0.9%	1,798	1.0%	235	15.0%
410.02	916	0.6%	895	0.6%	885	0.5%	-31	-3.4%
410.03	1,451	1.0%	1,404	0.9%	1,420	0.8%	-31	-2.1%
410.04	1,570	1.1%	1,550	1.0%	1,535	0.9%	-35	-2.2%
412.00	2,561	1.7%	2,832	1.7%	2,906	1.6%	345	13.5%
414.00	1,468	1.0%	1,910	1.2%	1,971	1.1%	503	34.3%
416.00	1,317	0.9%	1,404	0.9%	1,407	0.8%	90	6.8%
418.01	2,195	1.5%	2,033	1.3%	2,129	1.2%	-66	-3.0%
418.02	2,606	1.8%	2,819	1.7%	2,903	1.6%	297	11.4%
420.00	1,126	0.8%	1,210	0.7%	1,254	0.7%	128	11.4%
422.01	1,470	1.0%	1,462	0.9%	1,454	0.8%	-16	-1.1%
422.02	1,595	1.1%	1,662	1.0%	1,694	1.0%	99	6.2%
424.00	1,885	1.3%	1,883	1.2%	1,872	1.1%	-13	-0.7%
426.00	1,133	0.8%	1,124	0.7%	1,116	0.6%	-17	-1.5%
428.01	2,068	1.4%	2,059	1.3%	2,090	1.2%	22	1.1%
428.02	1,873	1.3%	2,069	1.3%	2,081	1.2%	208	11.1%
430.01	3,198	2.2%	4,349	2.7%	5,029	2.8%	1831	57.3%
430.02	1,181	0.8%	1,396	0.9%	1,546	0.9%	365	30.9%
432.00	190	0.1%	192	0.1%	190	0.1%	0	0.0%
434.00	1,439	1.0%	1,497	0.9%	1,541	0.9%	102	7.1%
436.00	1,010	0.7%	1,029	0.6%	1,031	0.6%	21	2.1%
438.00	2,158	1.5%	2,237	1.4%	2,261	1.3%	103	4.8%
440.01	2,742	1.9%	2,749	1.7%	3,150	1.8%	408	14.9%
440.02	4,363	3.0%	4,524	2.8%	4,571	2.6%	208	4.8%
442.00	2,956	2.0%	2,924	1.8%	3,044	1.7%	88	3.0%
444.01	1,384	0.9%	1,390	0.9%	1,385	0.8%	1	0.1%
444.02	2,287	1.6%	2,615	1.6%	2,724	1.5%	437	19.1%
446.00	2,088	1.4%	2,465	1.5%	2,339	1.3%	251	12.0%
448.05	1,741	1.2%	1,716	1.1%	1,813	1.0%	72	4.1%
448.06	2,212	1.5%	2,212	1.4%	2,236	1.3%	24	1.1%
448.07	2,717	1.8%	2,558	1.6%	2,667	1.5%	-50	-1.8%
448.08	1,768	1.2%	1,913	1.2%	1,972	1.1%	204	11.5%
450.00	643	0.4%	101	0.1%	100	0.1%	-543	-84.4%
452.00	832	0.6%	868	0.5%	874	0.5%	42	5.0%
454.05	1,833	1.2%	1,811	1.1%	1,876	1.1%	43	2.3%
454.06	1,857	1.3%	2,923	1.8%	3,400	1.9%	1543	83.1%
454.07	1,089	0.7%	1,025	0.6%	1,022	0.6%	-67	-6.2%
454.08	2,057	1.4%	2,231	1.4%	2,618	1.5%	561	27.3%
454.10	755	0.5%	2,712	1.7%	4,213	2.4%	3,458	458.0%
454.12	1,205	0.8%	1,395	0.9%	1,492	0.8%	287	23.8%
454.14	2,145	1.5%	2,213	1.4%	2,306	1.3%	161	7.5%
454.15	772	0.5%	664	0.4%	665	0.4%	-107	-13.9%
454.16	1,067	0.7%	2,576	1.6%	2,734	1.5%	1,667	156.2%
454.17	1,770	1.2%	2,418	1.5%	3,084	1.7%	1,314	74.2%
454.18	1,854	1.3%	2,897	1.8%	3,399	1.9%	1,545	83.3%
454.19	2,109	1.4%	2,700	1.7%	3,063	1.7%	954	45.2%
454.20	844	0.6%	1,358	0.8%	1,801	1.0%	957	113.4%
456.01	1,136	0.8%	1,146	0.7%	1,156	0.7%	20	1.8%
456.02	3,346	2.3%	3,371	2.1%	4,060	2.3%	714	21.3%
458.01	1,523	1.0%	1,615	1.0%	1,694	1.0%	171	11.2%
458.03	1,427	1.0%	1,460	0.9%	1,446	0.8%	19	1.3%
458.05	494	0.3%	492	0.3%	501	0.3%	7	1.4%
458.06	1,476	1.0%	1,476	0.9%	1,508	0.9%	32	2.2%
458.07	762	0.5%	758	0.5%	761	0.4%	-1	-0.1%
458.08	858	0.6%	831	0.5%	1,051	0.6%	193	22.5%
458.09	1,883	1.3%	2,026	1.2%	2,561	1.4%	678	36.0%
458.10	799	0.5%	757	0.5%	748	0.4%	-51	-6.4%
460.02	1,906	1.3%	1,928	1.2%	1,958	1.1%	52	2.7%
460.05	2,905	2.0%	3,123	1.9%	3,356	1.9%	451	15.5%
460.06	1,636	1.1%	1,619	1.0%	1,622	0.9%	-14	-0.9%
460.08	2,775	1.9%	3,588	2.2%	4,206	2.4%	1,431	51.6%
460.09	1,900	1.3%	1,888	1.2%	1,912	1.1%	12	0.6%
460.10	1,158	0.8%	1,143	0.7%	1,179	0.7%	21	1.8%
460.11	484	0.3%	611	0.4%	614	0.3%	130	26.9%
460.12	2,106	1.4%	1,568	1.0%	2,688	1.5%	582	27.6%
460.13	1,669	1.1%	1,820	1.1%	1,945	1.1%	276	16.5%
462.04	1,611	1.1%	1,821	1.1%	1,863	1.1%	252	15.6%
462.05	3,245	2.2%	3,412	2.1%	3,654	2.1%	409	12.6%
462.06	1,604	1.1%	1,746	1.1%	1,942	1.1%	338	21.1%
462.07	1,669	1.1%	1,779	1.1%	2,586	1.5%	917	54.9%
462.11	1,078	0.7%	1,113	0.7%	1,107	0.6%	29	2.7%
462.12	1,471	1.0%	1,471	0.9%	1,475	0.8%	4	0.3%
462.13	2,202	1.5%	2,592	1.6%	2,639	1.5%	437	19.8%
462.14	1,977	1.3%	1,654	1.0%	1,744	1.0%	-233	-11.8%
462.15	2,416	1.6%	2,990	1.8%	3,092	1.7%	676	28.0%
462.16	881	0.6%	1,656	1.0%	1,958	1.1%	1,077	122.2%
462.17	668	0.5%	603	0.4%	1,321	0.7%	653	97.8%
462.18	2,555	1.7%	2,594	1.6%	2,945	1.7%	390	15.3%
462.19	591	0.4%	1,181	0.7%	1,223	0.7%	632	106.9%
464.00	1,609	1.1%	1,751	1.1%	1,901	1.1%	292	18.1%

Source: DemographicsNow

[CHART TO BE REPLACED WITH MAP]

ii. Types of Housing Units

Of the 72,672 housing structures in 2000, 74.5% were single family units. Most of the remaining units were in multi-family properties of all sizes.

There were also 2,316 mobile homes in Virginia Beach in 2000. These were largely concentrated in seven census tracts, as highlighted in the table below. Census tracts 402.00, 410.02, 442.00, 454.06, 454.08, 460.05, and 464.00 accounted for 86.3% of all mobile homes in Virginia Beach.

Figure 8-13
Trends in Housing Units in Structures, 2000

		Single-family units		Multi-family units					
	Total Units	(detached and attached)	2 to 4	5 to 9	10 to 19	20 or more	Total	Mobile home	Boat, RV, van, etc
City Total	162,277	120,891	12,056	12,728	6,091	8,091	38,966	2,316	104
400.00	514	407	84	0	12	11	107	0	0
402.00	1,884	968	193	384	88	95	760	156	0
404.02	2,815	1,492	379	530	269	125	1,303	20	0
404.03	1,732	1,027	106	345	90	164	705	0	0
404.04	2,134	1,843	49	107	0	115	271	20	0
406.00	2,433	1,413	139	598	144	199	1,020	0	0
408.01	1,722	1,057	293	152	76	117	638	27	0
408.02	1,486	1,441	18	22	0	5	45	0	0
410.02	917	499	30	57	26	6	119	299	0
410.03	1,404	1,093	51	137	46	69	303	8	0
410.04	1,550	1,149	33	318	26	24	401	0	0
412.00	2,832	2,323	137	222	87	55	501	8	0
414.00	1,888	1,849	6	15	16	0	39	0	0
416.00	1,404	1,088	97	58	136	25	316	0	0
418.01	2,033	832	442	343	230	186	1,201	0	0
418.02	2,819	2,062	505	53	0	199	757	0	0
420.00	1,210	1,199	0	0	5	0	5	6	0
422.01	1,462	1,161	88	171	16	26	301	0	0
422.02	1,662	1,560	36	0	0	66	102	0	0
424.00	1,883	1,468	31	223	22	139	415	0	0
426.00	1,106	627	170	267	29	13	479	0	0
428.01	2,059	2,052	0	0	7	0	7	0	0
428.02	2,069	695	168	672	389	145	1,374	0	0
430.01	4,349	2,017	440	227	442	1,223	2,332	0	0
430.02	1,417	1,404	13	0	0	0	13	0	0
432.00	189	121	40	28	0	0	68	0	0
434.00	1,492	1,070	404	18	0	0	422	0	0
436.00	1,034	792	242	0	0	0	242	0	0
438.00	2,237	1,298	124	50	66	693	933	0	6
440.01	2,749	523	591	834	408	384	2,217	9	0
440.02	4,524	2,300	873	405	503	443	2,224	0	0
442.00	2,924	1,222	645	499	140	132	1,416	286	0
444.01	1,390	1,381	9	0	0	0	9	0	0
444.02	2,615	1,701	206	271	186	251	914	0	0
446.00	2,465	2,111	26	0	63	254	343	11	0
448.05	1,734	445	239	320	437	293	1,289	0	0
448.06	2,212	1,267	596	185	70	82	933	12	0
448.07	2,558	1,201	497	323	124	413	1,357	0	0
448.08	1,919	1,368	204	160	43	82	489	56	0
450.00	83	35	0	0	0	0	0	48	0
452.00	868	563	21	229	40	9	299	6	0
454.05	1,811	1,213	194	256	38	110	598	0	0
454.06	2,923	1,572	200	277	189	400	1,066	285	0
454.07	998	975	8	0	0	0	8	15	0
454.08	2,231	1,390	198	243	92	28	561	280	0
454.10	2,712	2,700	12	0	0	0	12	0	0
454.12	1,422	1,370	0	0	0	0	0	11	41
454.14	2,213	1,842	89	208	41	33	371	0	0
454.15	646	646	0	0	0	0	0	0	0
454.16	2,594	2,566	11	8	9	0	28	0	0
454.17	2,418	2,408	0	10	0	0	10	0	0
454.18	2,897	2,543	160	73	0	79	312	24	18
454.19	2,700	2,679	12	0	9	0	21	0	0
454.20	1,358	1,358	0	0	0	0	0	0	0
456.01	1,146	1,127	19	0	0	0	19	0	0
456.02	3,371	1,002	1,098	605	386	280	2,369	0	0
458.01	1,615	1,237	196	134	31	17	378	0	0
458.03	1,460	1,001	28	138	185	108	459	0	0
458.05	515	515	0	0	0	0	0	0	0
458.06	1,476	1,394	10	65	0	0	75	7	0
458.07	715	318	165	171	24	30	390	0	7
458.08	851	620	148	67	16	0	231	0	0
458.09	2,035	1,582	54	145	114	140	453	0	0
458.10	748	479	95	149	9	16	269	0	0
460.02	1,928	1,853	62	13	0	0	75	0	0
460.05	3,123	2,242	93	172	8	61	334	547	0
460.06	1,619	1,592	0	22	5	0	27	0	0
460.08	3,588	3,353	181	36	10	8	235	0	0
460.09	1,888	1,737	29	109	0	13	151	0	0
460.10	1,141	1,015	64	58	0	4	126	0	0
460.11	613	507	98	8	0	0	106	0	0
460.12	1,568	1,354	13	54	125	16	208	6	0
460.13	1,820	1,415	85	88	124	108	405	0	0
462.04	1,821	1,705	20	33	24	33	110	6	0
462.05	3,412	2,077	122	654	189	365	1,330	5	0
462.06	1,746	1,707	34	5	0	0	39	0	0
462.07	1,779	1,571	63	131	9	0	203	5	0
462.11	1,158	1,151	7	0	0	0	7	0	0
462.12	1,426	1,414	6	6	0	0	12	0	0
462.13	2,592	1,720	177	345	185	150	857	7	8
462.14	1,654	1,643	0	11	0	0	11	0	0
462.15	2,990	2,853	20	117	0	0	137	0	0
462.16	1,642	1,488	48	83	12	11	154	0	0
462.17	617	617	0	0	0	0	0	0	0
462.18	2,594	2,594	0	0	0	0	0	0	0
462.19	1,181	1,051	0	11	21	98	130	0	0
464.00	1,751	1,571	10	0	0	0	10	146	24

Source: U.S. Census Bureau, Census 2000 (SF3, H30)

[CHART TO BE REPLACED WITH MAP]

iii. The Relationship between Protected Class Status and Homeownership

The value in home ownership lies in the accumulation of wealth as the owner's share of equity increases with the property's value. Paying a monthly mortgage instead of rent is an investment in an asset that is likely to appreciate. According to one study, "a family that puts 5 percent down to buy a house will earn a 100 percent return on the investment every time the house appreciates 5 percent."[59]

[59] Kathleen C. Engel and Patricia A. McCoy, "From Credit Denial to Predatory Lending: The Challenge of Sustaining Minority Homeownership," in Segregation: The Rising Costs for America, edited by James H. Carr and Nandinee K. Kutty (New York: Routledge 2008) p 82.

In 2000, Whites and Asians had the highest rate of homeownership in Virginia Beach with 69.7% and 72.8%, respectively. Blacks and Hispanics had much lower rates, at 48.8% and 48.0%, respectively.

Figure 8-14
Home Ownership by Race and Ethnicity of Householder, 2000

	White		Black*		Asian*		Hispanic*	
Census Tract	#	%	#	%	#	%	#	%
City Total	81,723	69.7%	12,954	48.8%	4,169	72.8%	2,341	48.0%
400.00	0	0.0%	13	8.3%	0	0.0%	6	25.0%
402.00	273	43.1%	328	31.4%	0	0.0%	21	41.2%
404.02	288	30.9%	423	26.4%	37	48.7%	12	11.2%
404.03	654	58.9%	65	16.3%	33	35.1%	7	10.4%
404.04	1,303	80.5%	184	77.3%	97	78.2%	42	89.4%
406.00	421	47.1%	401	34.6%	40	70.2%	6	8.2%
408.01	735	59.8%	81	27.3%	27	58.7%	12	24.5%
408.02	723	78.8%	190	52.6%	84	100.0%	38	70.4%
410.02	504	73.0%	25	19.7%	6	42.9%	22	43.1%
410.03	780	68.6%	67	37.2%	17	70.8%	18	72.0%
410.04	741	68.5%	150	54.5%	54	62.8%	5	18.5%
412.00	1,980	78.6%	73	52.5%	22	42.3%	9	22.5%
414.00	1,550	92.2%	74	85.1%	51	100.0%	49	81.7%
416.00	938	73.6%	30	81.1%	22	73.3%	30	83.3%
418.01	527	33.0%	11	4.8%	10	19.6%	0	0.0%
418.02	1,562	62.4%	30	54.5%	33	100.0%	15	78.9%
420.00	1,075	96.7%	20	100.0%	45	100.0%	5	100.0%
422.01	1,063	75.2%	8	50.0%	0	0.0%	19	59.4%
422.02	1,346	87.1%	25	49.0%	30	100.0%	30	100.0%
424.00	1,131	74.9%	46	23.1%	20	64.5%	14	27.5%
426.00	459	49.0%	0	0.0%	8	34.8%	0	0.0%
428.01	1,338	85.3%	302	84.8%	23	100.0%	40	70.2%
428.02	455	34.9%	144	30.9%	19	40.4%	7	8.6%
430.01	2,525	66.1%	25	55.6%	0	0.0%	33	40.2%
430.02	1,264	97.3%	46	100.0%	37	100.0%	14	70.0%
432.00	0	0.0%	0	0.0%			0	0.0%
434.00	626	58.7%			13	72.2%		
436.00	604	78.0%	0	0.0%	0	0.0%	6	100.0%
438.00	1,270	71.0%	0	0.0%	0	0.0%	6	21.4%
440.01	437	20.1%	32	9.9%	0	0.0%	0	0.0%
440.02	1,921	54.6%	38	24.7%	26	38.2%	9	10.7%
442.00	932	51.9%	255	30.4%	0	0.0%	29	34.1%
444.01	1,262	94.2%	29	100.0%	6	100.0%	31	100.0%
444.02	1,580	69.9%	27	15.6%	9	23.1%	32	41.6%
446.00	1,980	86.7%	0	0.0%	17	100.0%	28	68.3%
448.05	42	3.3%	0	0.0%	0	0.0%	0	0.0%
448.06	559	41.3%	130	19.9%	7	100.0%	16	16.0%
448.07	825	42.5%	41	9.9%	17	65.4%	45	29.8%
448.08	947	63.0%	93	31.4%	0	0.0%	20	38.5%
450.00	70	84.3%					8	100.0%
452.00	215	37.2%	6	4.0%	0	0.0%	8	17.0%
454.05	584	54.2%	256	60.5%	82	50.6%	32	45.1%
454.06	765	46.4%	350	51.2%	122	67.8%	57	30.3%
454.07	555	86.6%	191	70.5%	35	74.5%	8	100.0%
454.08	1,090	67.0%	98	37.5%	35	34.7%	60	46.9%
454.10	2,026	93.1%	275	100.0%	105	100.0%	70	86.4%
454.12	537	74.6%	0	0.0%	5	100.0%		
454.14	851	65.1%	233	42.1%	71	56.8%	65	56.0%
454.15	404	83.0%	63	100.0%	23	100.0%	47	69.1%
454.16	1,824	91.3%	260	89.0%	131	100.0%	70	100.0%
454.17	1,870	92.2%	175	100.0%	63	100.0%	52	83.9%
454.18	1,799	77.7%	195	59.8%	55	77.5%	60	60.0%
454.19	1,952	88.6%	240	87.0%	43	82.7%	93	90.3%
454.20	1,191	95.9%	76	100.0%	14	100.0%	28	100.0%
456.01	899	91.7%	71	67.6%	19	100.0%	11	64.7%
456.02	520	23.3%	132	17.3%	6	6.6%	15	11.5%
458.01	866	73.3%	135	50.2%	69	82.1%	16	64.0%
458.03	679	61.6%	112	56.0%	6	8.7%	24	51.1%
458.05	341	82.2%	36	48.0%	8	100.0%		
458.06	750	83.0%	251	61.5%	24	100.0%	25	67.6%
458.07	183	33.5%	66	53.7%	0	0.0%	0	0.0%
458.08	299	59.6%	175	71.7%	11	50.0%	0	0.0%
458.09	659	60.8%	373	56.3%	102	66.2%	36	53.7%
458.10	231	68.1%	76	25.2%	10	14.9%	0	0.0%
460.02	1,366	86.5%	138	68.3%	64	74.4%	22	100.0%
460.05	1,772	76.2%	320	66.9%	52	85.2%	67	64.4%
460.06	1,272	90.2%	64	87.7%	80	100.0%	27	52.9%
460.08	1,857	83.2%	655	77.8%	248	87.9%	132	82.5%
460.09	1,312	83.5%	134	58.3%	24	100.0%		
460.10	685	84.2%	58	28.0%	33	100.0%	14	48.3%
460.11	392	80.7%	53	57.0%	9	100.0%	12	100.0%
460.12	684	76.1%	331	77.0%	107	68.6%	55	59.1%
460.13	673	63.4%	276	53.6%	74	74.0%	43	43.4%
462.04	1,376	89.1%	127	67.9%	12	52.2%	16	64.0%
462.05	851	50.7%	557	38.9%	68	75.6%	27	24.1%
462.06	1,083	87.1%	222	83.5%	160	90.4%	40	76.9%
462.07	848	69.3%	240	72.7%	112	88.2%	61	58.7%
462.11	826	86.7%	118	100.0%	52	100.0%	11	100.0%
462.12	1,019	95.8%	150	77.7%	114	87.7%	32	100.0%
462.13	833	55.5%	275	45.3%	113	63.8%	86	46.5%
462.14	923	84.6%	277	85.2%	136	90.7%	32	64.0%
462.15	1,410	81.0%	623	77.3%	264	96.7%	77	74.8%
462.16	998	89.1%	243	80.2%	172	100.0%	44	100.0%
462.17	272	80.0%	154	91.1%	103	100.0%	18	100.0%
462.18	1,750	89.7%	321	88.4%	164	91.1%	33	71.7%
462.19	475	75.9%	267	91.4%	159	86.9%	25	78.1%
464.00	1,266	84.1%	100	90.1%			6	37.5%

Source: U.S. Census Bureau, Census 2000 (SF 3, H11, H12)
*Cells for tracts in which no members of a racial or ethnic group live are left blank to differentiate them from tracts in which only renters live

[CHART TO BE REPLACED WITH MAP]

As discussed previously in this report, median household income is generally lower among minority groups in Virginia Beach than among White households. This factor more than likely contributes to the low rates of home ownership among minorities in Virginia Beach.

iv. The Tendency of the Protected Classes to Live in Larger Households

Larger families may be at risk for housing discrimination on the basis of race and the presence of children (familial status). A larger household, whether or not children are present, can raise fair housing concerns. If there are policies

or programs that restrict the number of persons that can live together in a single housing unit, and members of the protected classes need more bedrooms to accommodate their larger household, there is a fair housing concern because the restriction on the size of the unit will have a negative impact on members of the protected classes.

In Virginia Beach, persons of Some Other Race were most likely to live in families of three or more persons. Racial and ethnic minorities also had a higher percentage of these types of families than Whites.

Figure 8-15
Families with Three or More Persons, 2000

Race	Percent of families with 3 or more persons
White	60.4%
Black	74.0%
Asian	75.0%
Some Other Race Alone	76.9%
Two or More Races	74.4%
Hispanic	74.5%

Source: U.S. Census Bureau, Census 2000 (SF 4, PCT17)

To adequately house larger families, a sufficient supply of larger dwelling units consisting of 3 or more bedrooms is necessary. In Virginia Beach, only 12% of the rental housing stock contained three or more bedrooms in 2000 compared to 56.3% of the owner housing stock.

Figure 8-16
Housing Units by Number of Bedrooms, 2000

	Renter-Occupied Housing Stock		Owner-Occupied Housing Stock	
Size of Housing Units	Number of Units	Percent of Total Housing Units	Number of Units	Percent of Total Housing Units
0-1 bedroom	11,872	7.7%	1,485	1.0%
2 bedrooms	22,736	14.7%	12,780	8.3%
3 or more bedrooms	**18,582**	**12.0%**	**87,000**	**56.3%**
Total	**53,190**	**34.4%**	**101,265**	**65.6%**

Source: U.S. Census Bureau, Census 2000 (SF 3, H42)

v. Cost of Housing

Increasing housing costs are not a direct form of housing discrimination. However, a lack of affordable housing does constrain housing choice. Residents may be limited to a smaller selection of neighborhoods because of a lack of affordable housing in those areas.

a. Rental Housing

The median housing value in Virginia Beach has increased 81% since 1990, after adjusting for inflation.[60] Median gross rent increased 19.2% during the same period. In contrast, real household income increased by only 10.1%.

Figure 8-17
Trends in Housing Value, Rent and Income, 1990-2008

	1990	2000	2008	Change 1990-2008
Median Housing Value				
Actual Dollars	$96,000	$123,200	$286,200	198.1%
2008 Dollars	$158,141	$154,038	$286,200	81.0%
Median Gross Rent				
Actual Dollars	$577	$734	$1,134	96.5%
2008 Dollars	$951	$918	$1,134	19.2%
Median Household Income				
Actual Dollars	$36,271	$48,705	$65,776	81.3%
2008 Dollars	$59,749	$60,896	$65,776	10.1%

Sources: U.S. Census Bureau, 1990 Census (STF3-H061A, H043A, P080A), Census 2000 (SF3-H76, H63, P53), 2008 American Community Survey (B25077, B25064, B19013); Calculations by Mullin & Lonergan Associates, Inc.

At the same time that real household income was failing to keep pace with median rents, Virginia Beach was also losing affordable rental units. Between 2000 and 2008, the number of affordable rental units renting for less than $500 per month decreased by 3,049 units, or 69.6% of all units in that price range. Units renting for $500 to $699 suffered an even larger decrease of 14,820 units, or 89.0% of all units in that price range. At the same time, the number of higher-rent units ($1,000 per month or higher) increased by 28,310.

Figure 8-18
Loss of Affordable Rental Housing Units, 2000-2008

Units Renting for:	2000	2008	Change 2000-2008 #	Change 2000-2008 %
Less than $500	4,381	1,332	-3,049	-69.6%
$500 to $699	16,649	1,829	-14,820	-89.0%
$700 to $999	23,534	15,262	-8,272	-35.1%
$1,000 or more	6,349	34,659	28,310	445.9%

Sources: U.S. Census Bureau, Census 2000 (SF3, H62), 2008 American Community Survey (B25063)

The National Low Income Housing Coalition provides annual information on the Fair Market Rent (FMR) and affordability of rental

[60] Housing value is the Census respondent's estimate of how much the property (house and lot, mobile home and lot, or condominium unit) would sell for if it were for sale. This differs from the housing sales price which is the actual price that the house sold for.

housing in counties and cities in the U.S. for 2009. In Virginia Beach, the Fair Market Rent (FMR) for a two-bedroom apartment is $904. In order to afford this level of rent and utilities, without paying more than 30% of income on housing, a household must earn $3,013 monthly or $36,160 annually. Assuming a 40-hour work week, 52 weeks per year, this level of income translates into a Housing Wage of $17.38.

In Virginia Beach, a minimum wage worker earns an hourly wage of $6.55. In order to afford the FMR for a two-bedroom apartment, a minimum wage earner must work 106 hours per week, 52 weeks per year. Or, a household must include 2.7 minimum wage earners working 40 hours per week year-round in order to make the two-bedroom FMR affordable.

In Virginia Beach, the estimated average wage for a renter is $11.99 an hour. In order to afford the FMR for a two-bedroom apartment at this wage, a renter must work 58 hours per week, 52 weeks per year. Or, working 40 hours per week year-round, a household must include 1.5 workers earning the average renter wage in order to make the two-bedroom FMR affordable.

Monthly Supplemental Security Income (SSI) payments for an individual are $674 in Virginia Beach and throughout Virginia. If SSI represents an individual's sole source of income, $202 in monthly rent is affordable, while the FMR for a one-bedroom is $781.

b. Sales Housing

The housing market in Virginia Beach has slowed in activity since 2004, well before the beginning of the national housing slump. After peaking at 9,084 units sold in 2004, the local market has fallen off to 5,488 units sold in 2008. The average length of time a house has remained on the market has more than tripled from 19 days to 71 days. Surprisingly, local data provided by the Hampton Roads Realtor Association reveal that the houses that are selling are retaining their value and sellers are getting their asking prices. Since 2000, the median sales price has been comparable to the median list price with both hovering at 100%. In 2003-2004, the median sales price was equivalent to 101% of the median list price.

Figure 8-19
Housing Market Sales Trends, 2000-2008

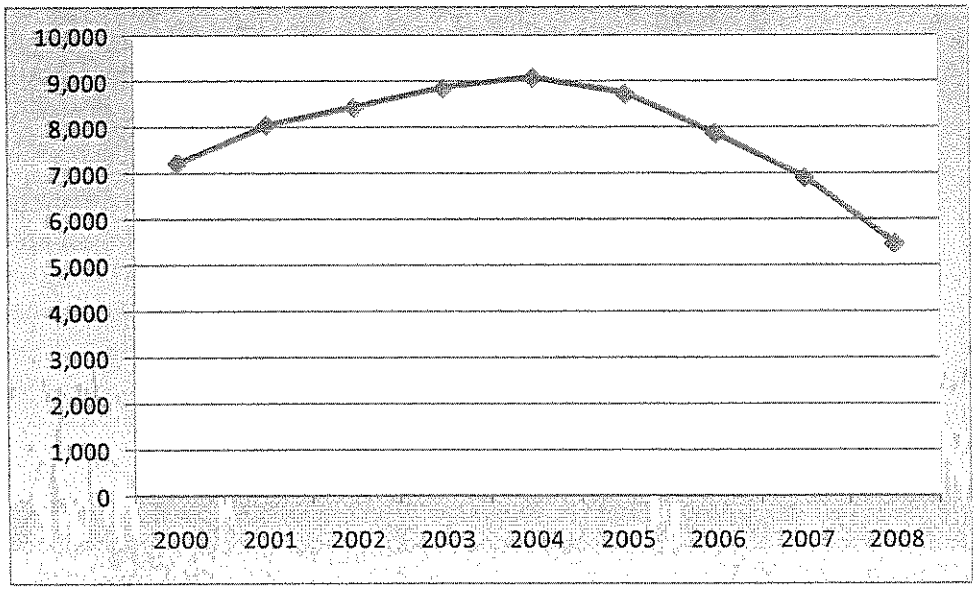
	2000	2001	2002	2003	2004	2005	2006	2007	2008
Single-Family Properties									
Number of units sold	7,233	8,061	8,444	8,869	9,084	8,742	7,886	6,921	5,488
Average No. Days on Market	53	48	32	26	19	24	45	60	71
Median List Price	$119,900	$127,190	$139,900	$157,000	$187,000	$230,000	$250,000	$259,900	$250,000
Median Sale Price	$119,900	$126,900	$139,900	$158,000	$188,758	$230,000	$249,900	$257,000	$249,900
MSP as % MLP*	100%	100%	100%	101%	101%	100%	100%	99%	100%

*Median Sales Price as a percent of Median List Price

Source: Hampton Roads Realtor Association

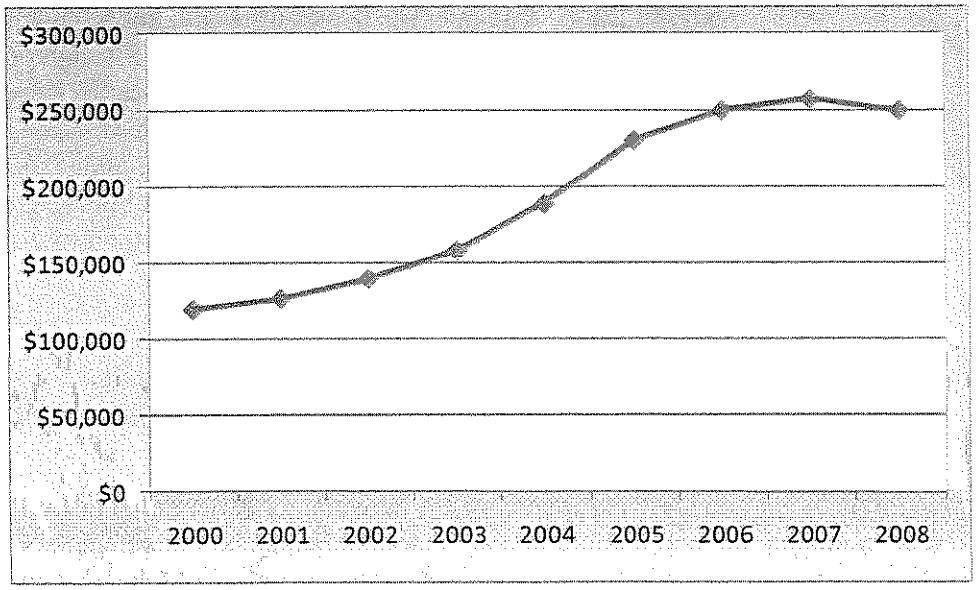
While the market has slowed in Virginia Beach as indicated by the longer length of time houses remain on the market and the decrease in the total number of units sold, the median sales price has remained steady at about $250,000 since 2006. This confirms the fact that homes are retaining their value even in a softer market.

Figure 8-20
Number of Housing Units Sold, 2000-2008



Source: Hampton Roads Realtor Association

Figure 8-21
Median Sales Price Trends, 2000-2008



Source: Hampton Roads Realtor Association

vi. The Relationship between Protected Class Status and Housing Problems

Lower income minority households tend to experience housing problems at a higher rate than lower income White households.[61] This pattern only partially holds true in Virginia Beach. Among all owner households with incomes below 80% of the median family income in 2000, 67.8% of White households experienced problems compared to 74.3% of Blacks and 73.4% of Hispanics.

However, among all renter households of similar income levels, White households had the highest rate of housing problems, 71.3%. More than 67% of Black renter households experienced housing problems, as did 68.7% of Hispanic renter households.

Figure 8-22
Lower Income Households with Housing Problems, 2000

	Total Households 0-80% of MFI		Elderly & 1-2 Person Households 0-80% of MFI		Family Households 0-80% of MFI		All Other Households 0-80% of MFI	
	Total	% with a Housing Problem	Total	%	Total	%	Total	%
Renters								
White Non-Hispanic	15,425	71.3%	2,590	78.5%	7,670	66.4%	5,165	75.0%
Black Non-Hispanic	7,520	67.2%	560	60.7%	5,185	66.7%	1,775	71.0%
Hispanic	1,340	68.7%	50	60.0%	975	63.1%	315	87.3%
Total	**24,285**	**69.9%**	**3,200**	**75.8%**	**13,830**	**66.3%**	**7,255**	**74.7%**
Owners								
White Non-Hispanic	14,375	67.8%	4,605	49.7%	7,070	76.6%	2,700	75.4%
Black Non-Hispanic	3,800	74.3%	660	54.5%	2,470	78.4%	670	79.1%
Hispanic	634	73.4%	114	61.4%	440	81.8%	80	43.8%
Total	**18,809**	**69.3%**	**5,379**	**50.7%**	**9,980**	**77.3%**	**3,450**	**75.7%**

Source: HUD Comprehensive Housing Affordability Strategy data

[61] HUD defines housing problems as (1) cost burden of 30% or more (i.e., paying more than 30% of gross income on monthly housing expenses) and/or (2) lacking complete kitchen or plumbing facilities, and/or (3) overcrowding of more than 1.01 persons per room.

SUPPORT FILE # 8
CITY OF VIRGINIA BEACH
2010 ANNUAL AGENCY PLAN
AND FIVE YEAR PLAN:

ANALYSIS OF COMPREHENSIVE HOUSING AFFORDABILITY STRATEGY (CHAS) DATA FOR THE CONSOLIDATED PLAN

Analysis of Comprehensive Housing Affordability Strategy (CHAS) Data for the Consolidated Strategy and Plan – FFY 2010

City of Virginia Beach Department of Housing and Neighborhood Preservation

It must be noted that the data received by HUD and the Census Bureau are estimates. Not all calculations round exactly and some calculations produce different results based on the underlying data. While there are some differences that show up in the data, the general magnitude of the data is consistent. To avoid the confusion of these changing numbers, we have chosen to array most of our data in charts that show percentages of the total. When appropriate, we show the base number that the percentages are derived from.

Consolidated Plan/ CHAS 2000 Data

The U. S. Department of Housing and Urban Development (HUD) has received from the U.S. Census Bureau a special tabulation of Census 2000 data that are largely not available through standard Census products. These "special tabulation" data are used by local governments for housing planning as part of the Consolidated Planning process. HUD also uses some of these data in allocation formulas for distributing funds to local jurisdictions.

The CHAS 2000 data reflect HUD's attempt to balance a desire to have data comparable with the 1990 CHAS Data, in order to measure change, against the need to request only those variables that are appear to have been of only minimal value to HUD, grantees, and the general public.

Total Households in CHAS Data Used for this Analysis within the City of Virginia Beach

The Department of Housing and Urban Development (HUD) has updated the CHAS data available to entitlement communities. This data is updated through the American Community Survey strategy that HUD and the Census Bureau has created to update jurisdictions with timely and meaningful data relevant to HUD funding. The information contained in this analysis was created to assist in the Housing and Homeless Needs Assessment which is part of the requirement for the Consolidated Strategy and Plan (CONPLAN) process. This section will be organized into analysis and a presentation of the data from HUD.

The next slide is a summary of the needs that we face in the City of Virginia Beach.

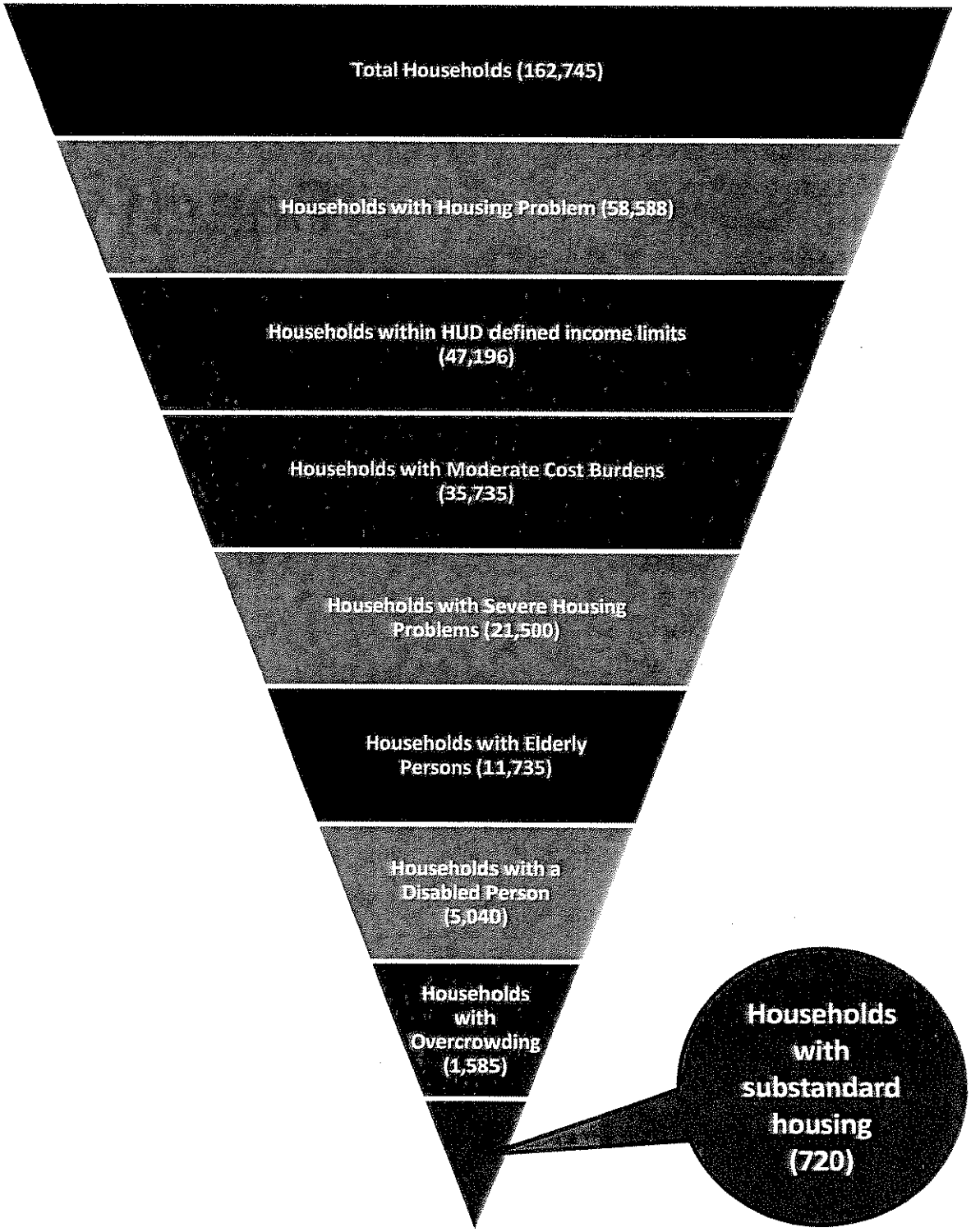
The slides following the summary are the foundational information utilized to create the summary.

City of Virginia Beach

Households in Survey

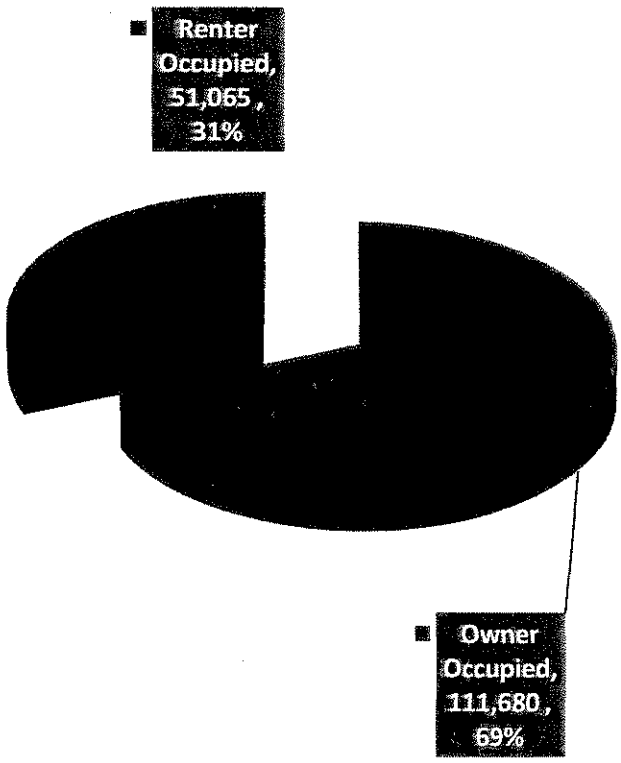
162,745

City of Virginia Beach
Housing Pyramid of Needs



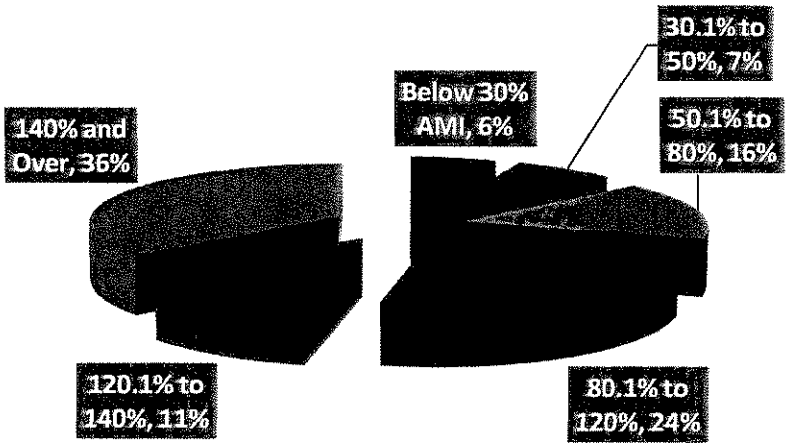
Households by Tenure

The first and primary division among households is that of tenure. Tenure is comprised of owner-occupied households and renter-occupied households. Owner-occupied housing is slightly higher than the national average for home ownership at this point in Virginia Beach. Of the approximate 50,000 rental housing units, almost forty-five percent are units in managed apartment complexes. The balance of the rental units are privately owned and individually managed. Virginia Beach does not have a housing authority so there are no public housing units included in the rental housing unit count.



Households by Income Distribution

The primary discriminator among all federal programs is household income. Household incomes are generally described in terms of a percentage of Area Median Income (AMI). Currently the AMI in the City of Virginia Beach is $69,700 per household.



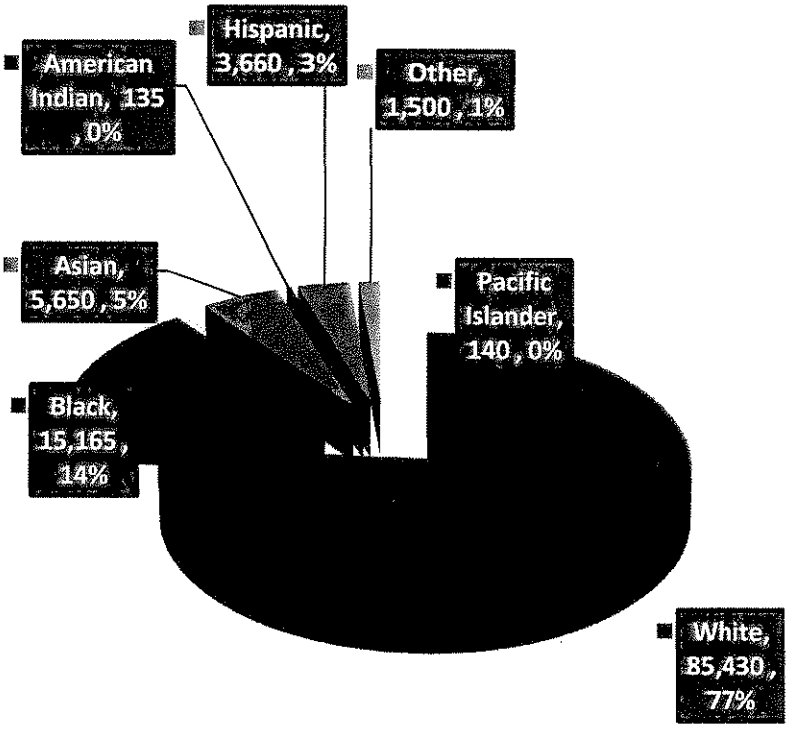
To keep in context the percentages with actual dollars, the table below is shown.

The total population for most of our HUD programs (up to 80%) is 29 percent or approximately 47,196 households.

% of AMI	Maximum Income
Less than 30%	Less Than $20,910
30% to 50%	Up to $34,850
50% to 80%	Up to $55,760
80% to 95%	Up to $66,215
95% to 120%	Up to $83,640
120% to 140%	Up to $97,580
Greater than 140%	$97,581 and Higher

Racial Composition of Households

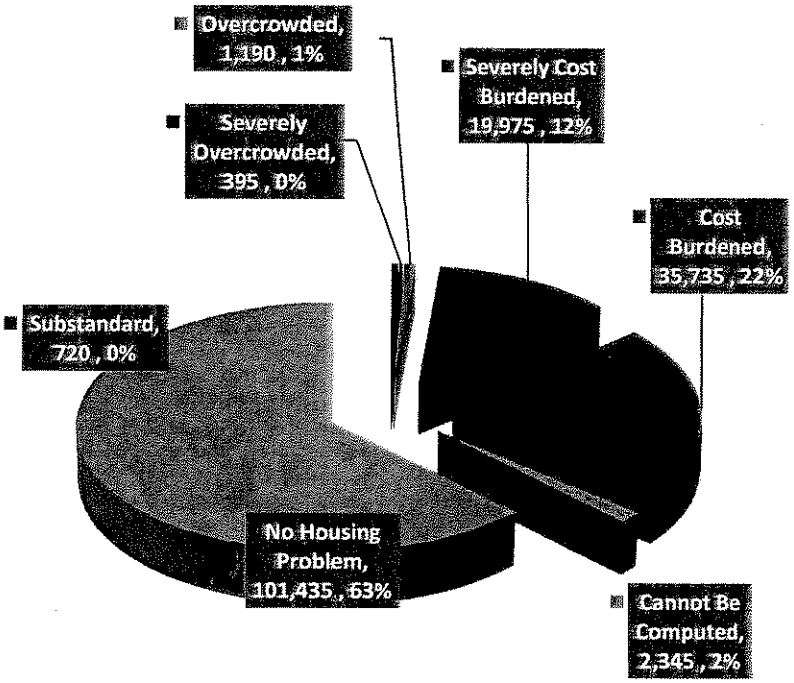
The distribution of race by households is shown as a baseline for data that will follow. As an entitlement community Virginia Beach is required to analyze variances to the norm when evaluating housing needs. Therefore, we will be utilizing these percentages as the population norm when evaluating racial distribution in other programmatic data.



Housing Problem Severity

The various problems that appear in housing are shown with their intensity. Interestingly, the HUD data indicates that there are no substandard units represented in this category. This estimate is generally borne out by data created by our Code Enforcement Division through their daily inspections of housing throughout the city.

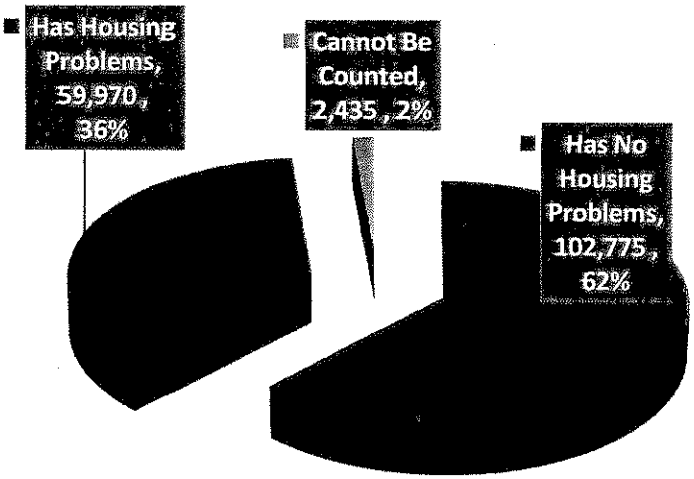
Of the characteristics previously described for Housing Problems, the lack of complete kitchens and plumbing facilities have been minimized. Overcrowding is not a significant contributing factor with slightly over 1 percent of the households. However, cost burden and severe cost burden households dominate. This observation will surface in almost all categories of evaluation.



Households by Housing Problems

Virginia Beach is a relatively young city along the eastern seaboard of the United States. Of the 162,475 households in Virginia Beach, sixty-two percent have no housing problems. Two percent are listed as "Cannot Be Computed" (HUD defines this category as households that either have no income or pay no cash rent). The remaining 36 percent of the households have a housing problem as defined below. This is 59,970 households. A household by definition has a housing problem if a least one or more of the four following conditions exist:

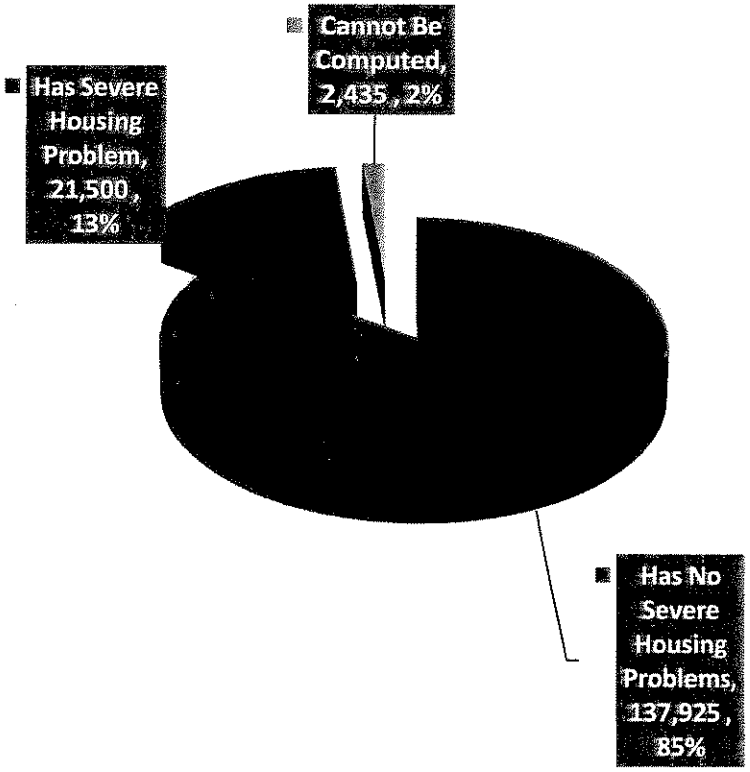
1. Lacks complete kitchen facilities
2. Lacks complete plumbing facilities
3. More than 1 person per room
4. Cost burden over 30%



Households by Severe Housing Problems

A subset of households with housing problems are households with **SEVERE** housing problems. Only 21,500 households have severe housing problems. Severe housing problems are defined as a household that has one or more of the four characteristics:

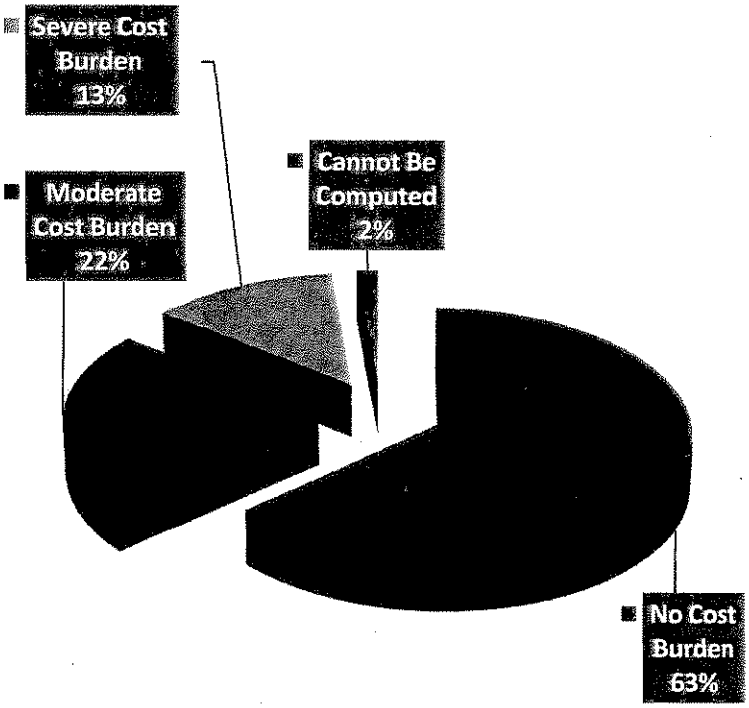
1. Lacks complete kitchen facilities
2. Lacks complete plumbing facilities
3. More than 1.5 persons per room
4. Cost Burden over 50%



Households With a Cost Burden

Housing cost burden is the major cause of housing problems within the City of Virginia Beach at this time.

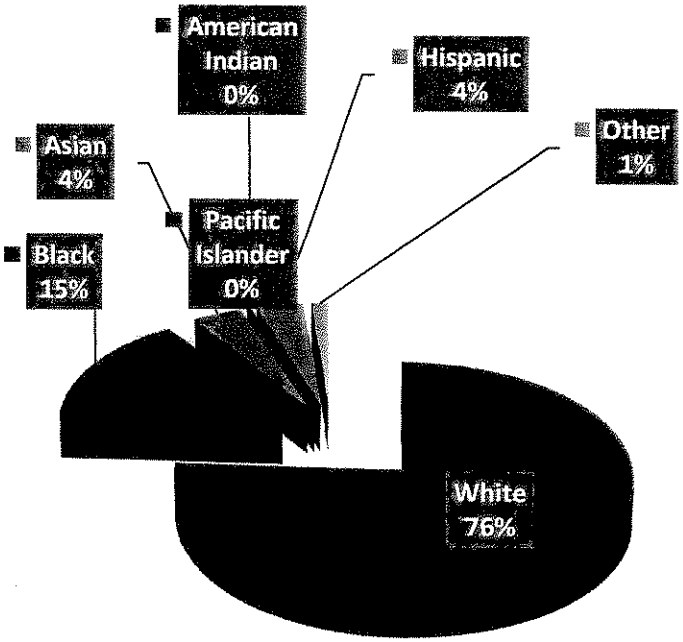
The table below shows the number of households by category.



Category	# of Households
No Cost Burden	102,529
Cannot Be Computed	3,255
Moderate Cost Burden	35,735
Severe Cost Burden	19,975

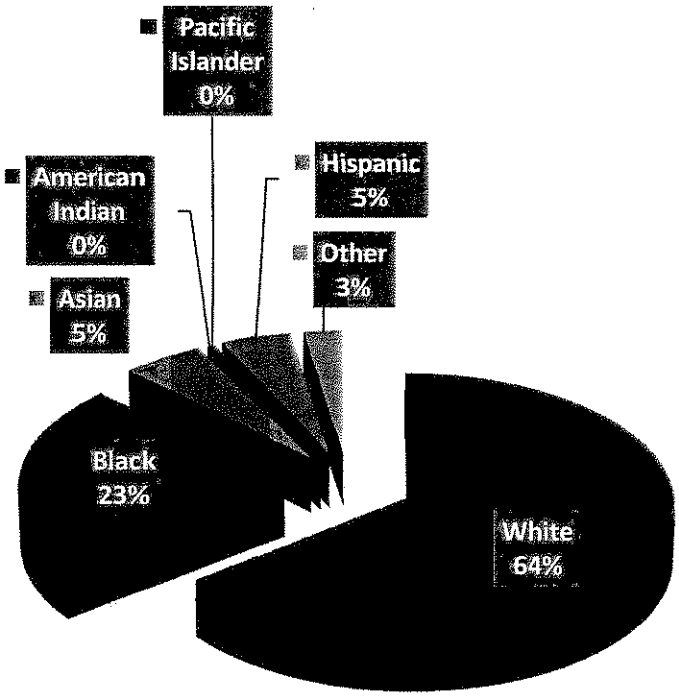
There are 55,710 Households that have a cost burden or severe cost burden. This is 35% of all HH's in Virginia Beach.

Households with No Cost Burdens by Race



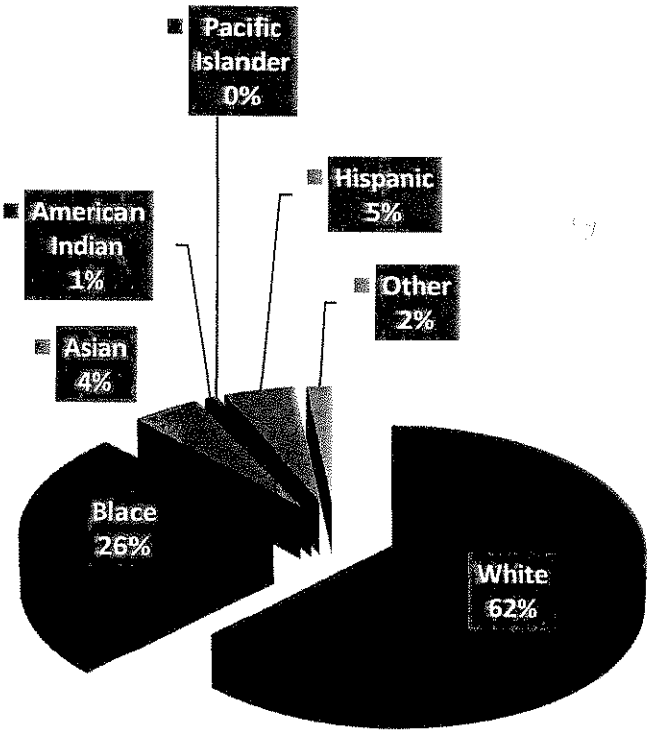
Category	Percent of Households	Percentage with No Cost Burden	Variance
White	77%	76%	-1%
Black	14%	15%	+1%
Asian	5%	4%	-1%
American Indian	0%	0%	NC
Pacific Islander	0%	0%	NC
Hispanic	3%	4%	+1%
Other	1%	1%	NC

Households with Moderate Cost Burden by Race



Categories	Percent of Households	Percentage with Moderate Cost Burden	Variance
White	77%	64%	-13%
Black	14%	23%	+9%
Asian	5%	5%	NC
American Indian	0%	0%	NC
Pacific Islander	0%	0%	NC
Hispanic	3%	5%	+2%
Other	1%	3%	+2%

Households with Severe Cost Burdens by Race

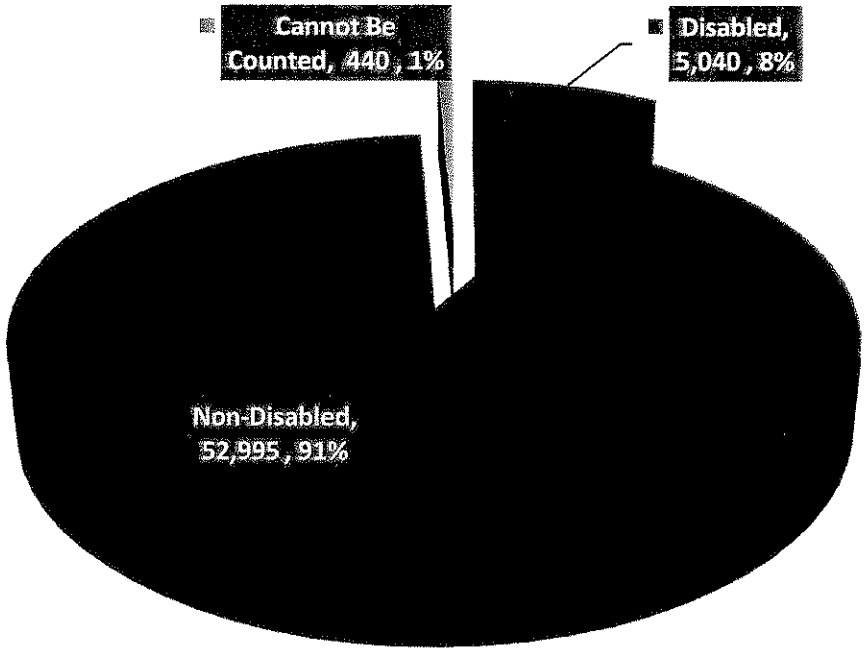


Category	Percent of Households	Percentage with Severe Cost Burden	Variance
White	77%	62%	-15%
Black	14%	26%	+12%
Asian	5%	4%	-1%
American Indian	0%	1%	+1%
Pacific Islander	0%	0%	NC
Hispanic	3%	5%	+2%
Other	1%	2%	+1%

Households with Housing Needs for the Disabled

Disabled as defined by HUD for this data is any housing that contains 1 or more persons with mobility or self-care limitations.

This is slightly under 5,000 households that have housing problems.



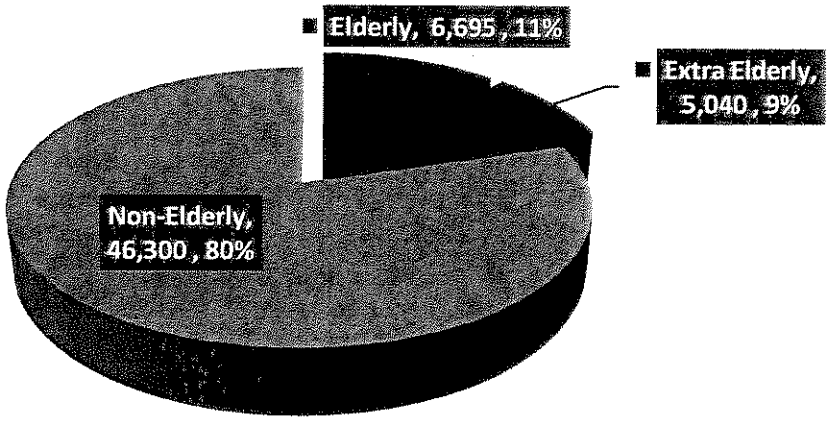
Households for the Elderly with Housing Problems

Households with elderly persons are also displayed by HUD data.

Elderly is described as a household that contains 1 or more persons age 62-74; no persons age 75 years or older.

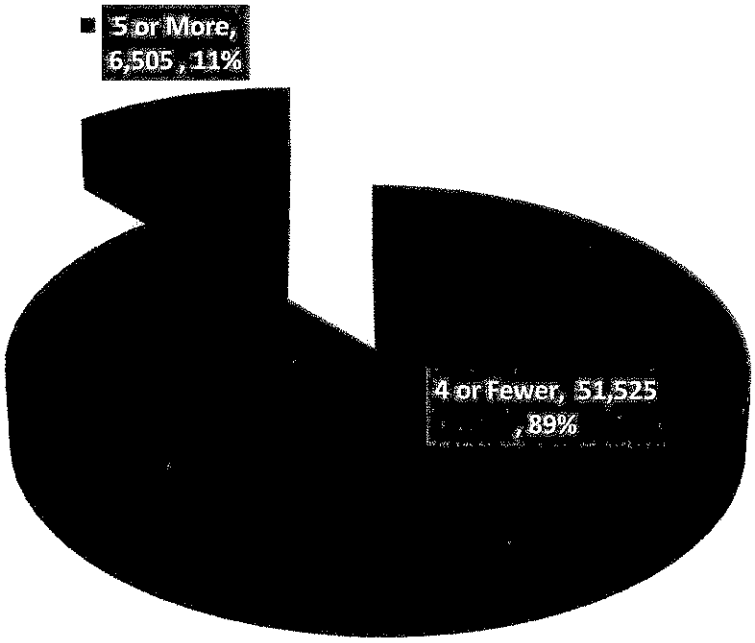
Extra-Elderly is a household that contains 1 or more persons that are age 75 or older.

Twenty percent of the households that have housing problems are either elderly or extra elderly. This is about 7 percent of the total households in the data.



Households with Housing Problems by Family Size (58,030 HH's)

The data is also subdivided into family size. Household sizes have been declining over the past two decades. This data seems consistent with those trends.



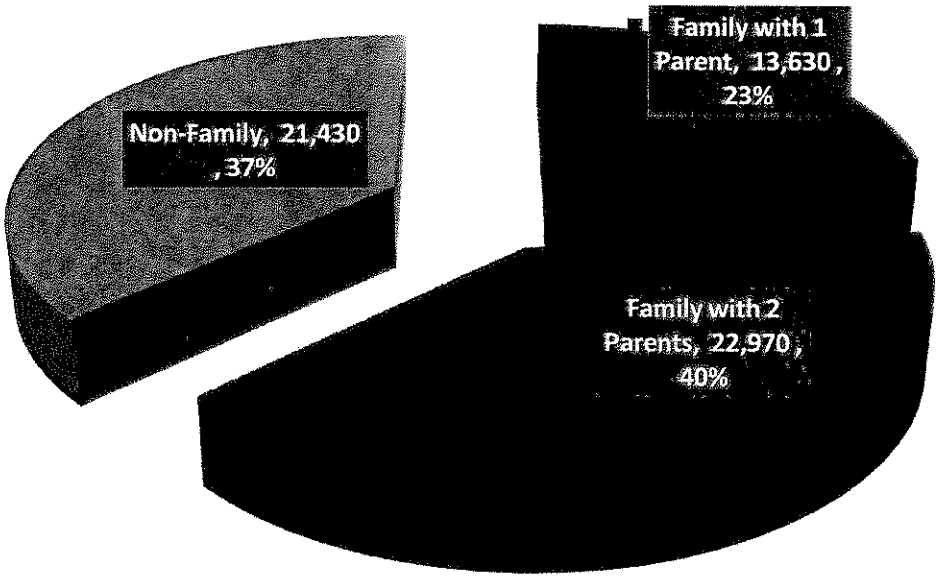
Households by Family Type with Housing Problems (58,030 HH's)

HUD further delineates the calculations into specific family data. These are defined as:

•Family – 1 Parent: Single parent family household- other family, male householder, no wife present or female householder, no husband present

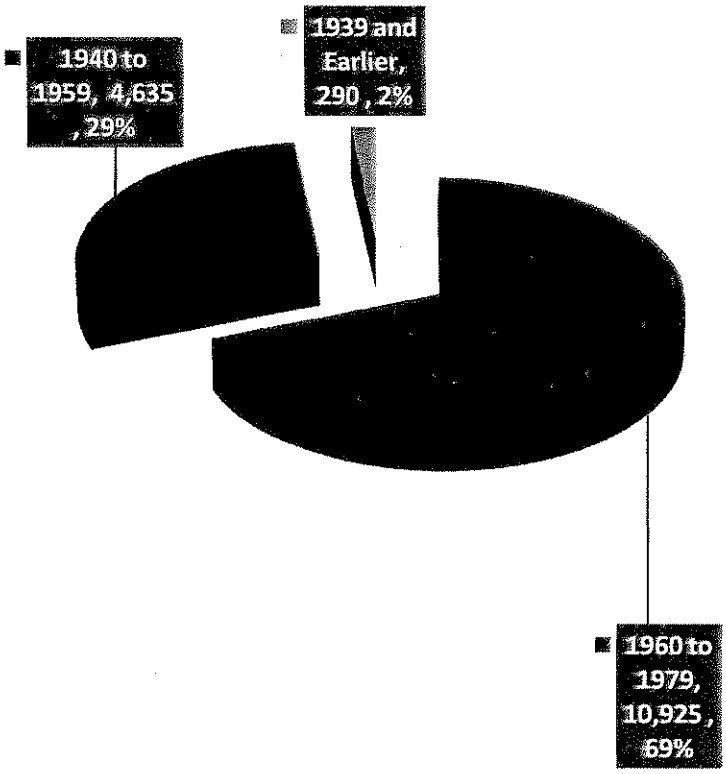
•Family - 2 Parents: Married couple family households

•Non-family: Persons living together not related by blood



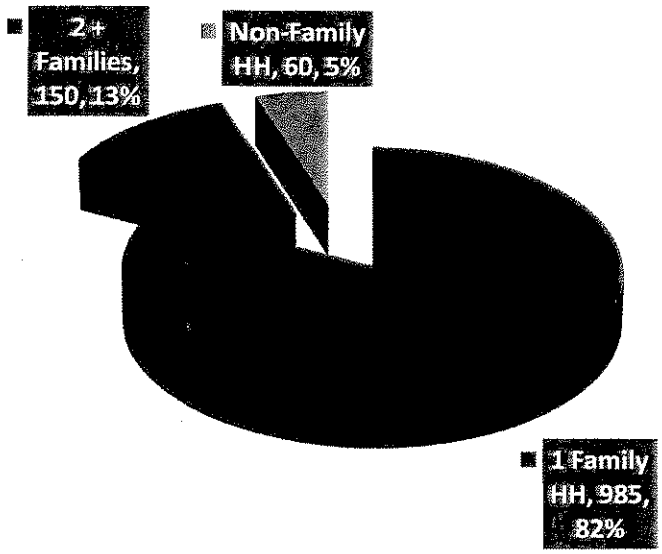
Households with Children by Year Structure was Built (Potential Lead Based Paint Hazards – 30,905 HH's)

Part of our CONPLAN is describing how we address potential hazards in manage housing units that may have lead based paint remaining in them. Lead based paint was prohibited after 1978. The HUD data was created to incorporate age of housing with households that had children under a certain age based on how the lead paint could be ingested by small children. Households with children age 6 years or younger are included in this data set.



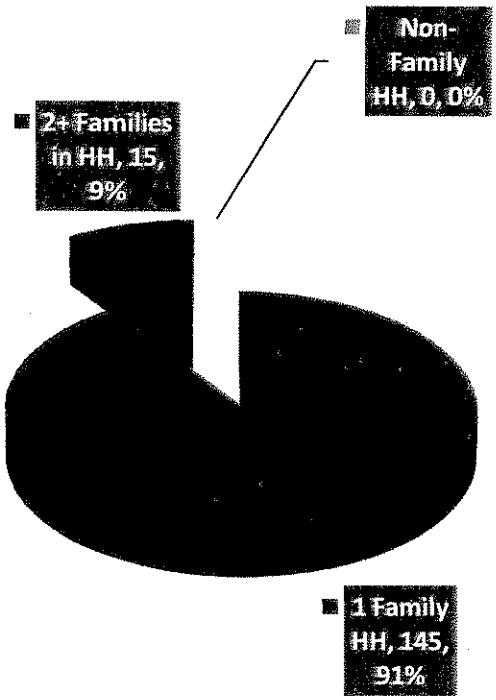
Households with Moderate Overcrowding and Homeless Risk (1,195 HH's)

HUD estimates that there are 1,195 households in Virginia Beach that are overcrowded and pose a potential risk for the families to become homeless. This number pales in comparison to the number of households that could face homelessness based upon cost burdens.



Households with Severe Overcrowding and Homelessness Risk (395 HH's)

There are an estimated 395 households with a severe overcrowding. Again, this is a relatively small number of households within the City of Virginia Beach.



Households with Income Less Than 30% of Area Median Income ($20,910) "Very Low Income"

10,645

Demographic Basics

How many households in the City of Virginia Beach fall into this category?

10, 645 Households

What is the maximum household income for households in this category?

Household incomes less than $20,910

How Many Households in this category have a housing problem?

Category	Owner-Occupied	Renter-Occupied	TOTAL
Has a Housing Problem	3,235	4,805	8,040
Has No Housing Problem	290	1,170	1,460
Cannot Be Computed	445	700	1,145
TOTAL	3,970	6,675	1,145

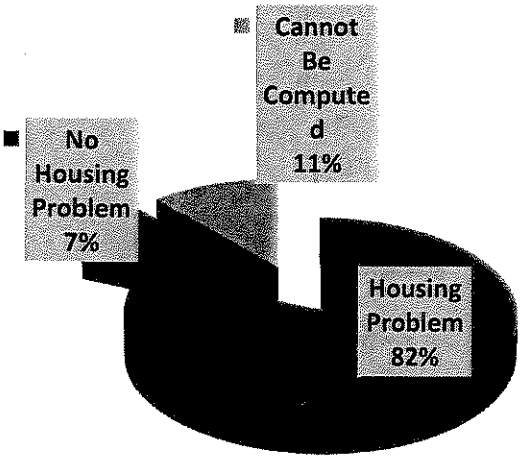
NOTE 1: A Housing Problem is defined as follows:

- Lacks complete kitchen facilities
- Lacks complete plumbing facilities
- Has more than 1 person per room
- Has a cost burden above 30% of income

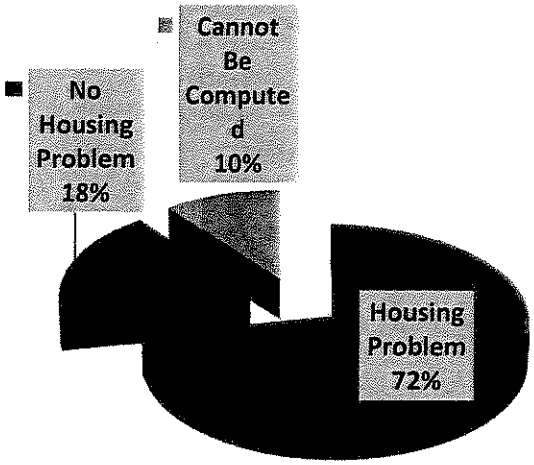
NOTE 2: Cannot Be Computed applies to households That pay no cash rent or no income. The housing unit Has none of the other three problems listed above.

Comparison of Owner-Occupied and Renter-Occupied Households

Owner-Occupied



Renter-Occupied



Comparison of Housing Problems by Tenure and Racial Composition

Category	Owner-Occupied	% of O/O	Renter Occupied	% of R/O	TOTAL	% OF Total
White	2,130	65.9	2,305	48.0	4,435	55.2
Black	645	19.9	1,915	39.9	2,560	31.8
Asian	115	3.6	175	3.6	290	3.6
American Indian	0	0.0	30	0.6	30	0.4
Pacific Islander	0	0.0	0	0.0	0	0.0
Hispanic	195	6.0	200	4.2	395	4.9
Other	150	4.6	180	3.7	330	4.1
TOTAL	3,235	100.0	4,805	100.0	8,040	100.0

How Many Households in this category have a Severe Housing problem?

Category	Owner-Occupied	Renter-Occupied	TOTAL
Has a Severe Housing Problem	2,695	4,410	7,105
Has No Housing Problem	845	950	1,795
Cannot Be Computed	445	725	1,170
TOTAL	3,985	6,085	10,070

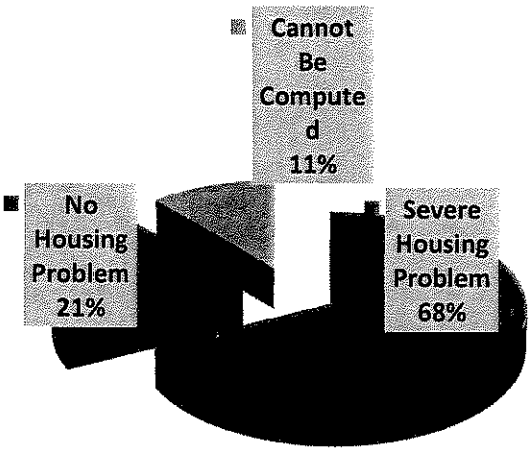
NOTE 1: A Housing Problem is defined as follows:

- Lacks complete kitchen facilities
- Lacks complete plumbing facilities
- Has more than 1.5 person per room
- Has a cost burden above 50% of income

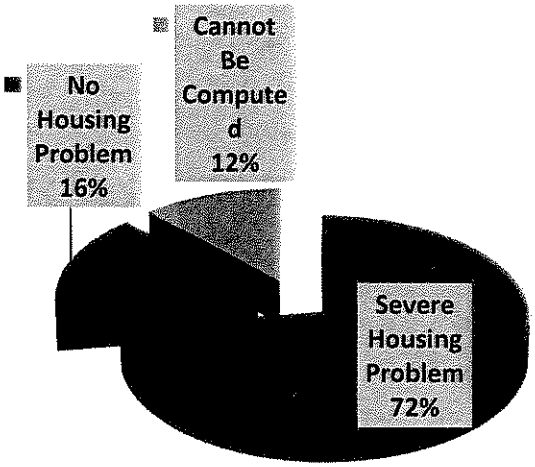
NOTE 2: Cannot Be Computed applies to households That pay no cash rent or no income. The housing unit Has none of the other three problems listed above.

Comparison of Owner-Occupied and Renter-Occupied Households

Owner-Occupied



Renter-Occupied



Comparison of Severe Housing Problems by Tenure and Racial Composition

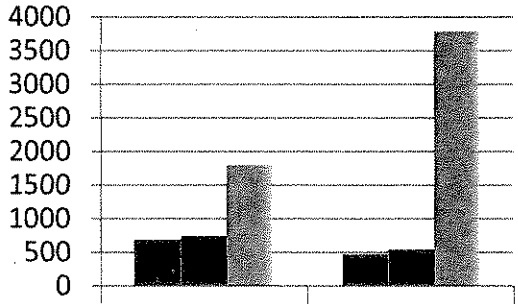
Category	Owner-Occupied	% of O/O	Renter Occupied	% of R/O	TOTAL	% OF Total
White	1,750	64.9	2,135	48.4	3,885	54.8
Black	570	21.2	1,720	39.0	2,290	32.2
Asian	115	4.3	165	3.7	280	3.9
American Indian	0	0.0	30	0.7	30	0.4
Pacific Islander	0	0.0	0	0.0	0	0.0
Hispanic	195	7.2	180	4.1	375	5.3
Other	65	2.4	180	4.1	245	3.4
TOTAL	2,695	100.0	4,410	100.0	7,105	100.0

Comparison of Housing Problem Severity by Tenure

Category	Owner-Occupied	% of O/O	Renter Occupied	% of R/O	TOTAL	% OF Total
Sub-standard	0	0.0	105	1.7	1.0	54.8
Severely Over-Crowded	20	0.5	0	0.0	0.2	32.2
Over-Crowded	25	0.6	170	2.8	1.9	3.9
Severely Cost Burdened	2,640	66.6	4,155	68.4	67.7	0.4
Cost Burdened	550	13.9	365	6.0	9.1	0.0
Cannot Be Computed	440	11.1	700	11.5	11.4	5.3
No Housing Problem	290	7.3	585	9.6	8.7	3.4
TOTAL	3,695	100.0	6,080	100.0	100.0	100.0

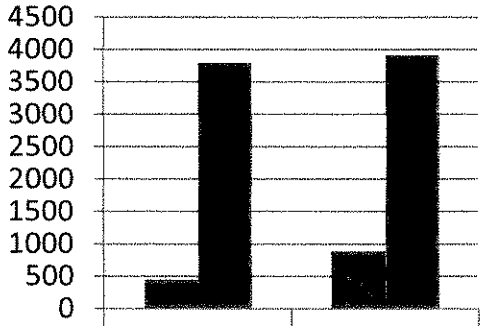
Special Needs Profiles

Elderly with Housing Problems



	Owner-Occupied	Renter-Occupied
Elderly	690	470
Extra Elderly	740	540
Non-Elderly	1805	3790

Disabled with Housing Problems



	Owner-Occupied	Renter-Occupied
Disabled	450	890
Not-Disabled	3790	3910

Households with Income Greater than 30% and up to 50% of Area Median Income ($20,911 to $34,850)
" Low Income"

12,015

Demographic Basics

How many households in the City of Virginia Beach fall into this category?

12,015 Households

What is the household income for households in this category?

Household incomes greater than $20,911 up to $34,850

How Many Households in this category have a housing problem?

Category	Owner-Occupied	Renter-Occupied	TOTAL
Has a Housing Problem	3,625	6,080	9,705
Has No Housing Problem	1,480	665	2,145
Cannot Be Computed	0	160	160
TOTAL	5,105	6,910	12,015

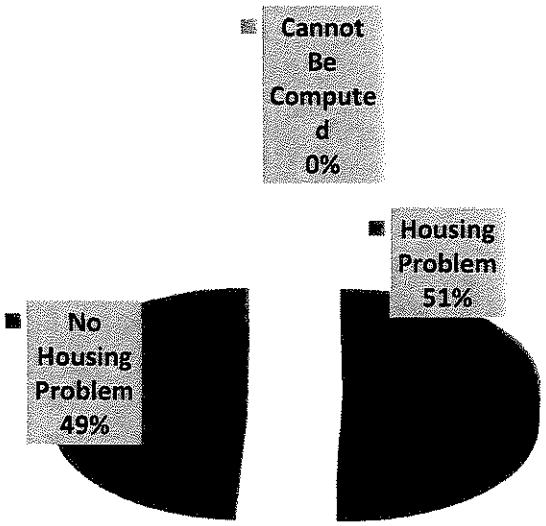
NOTE 1: A Housing Problem is defined as follows:

- Lacks complete kitchen facilities
- Lacks complete plumbing facilities
- Has more than 1 person per room
- Has a cost burden above 30% of income

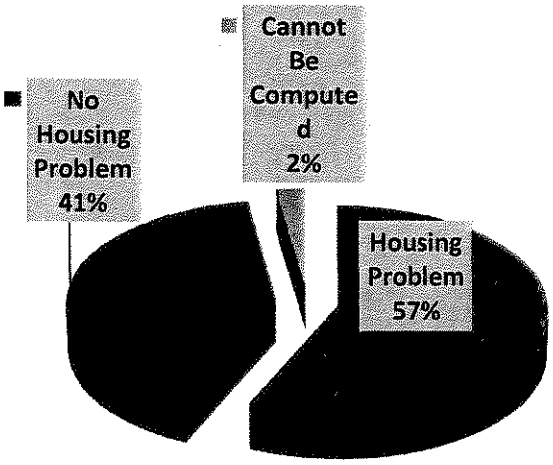
NOTE 2: Cannot Be Computed applies to households That pay no cash rent or no income. The housing unit Has none of the other three problems listed above.

Comparison of Owner-Occupied and Renter-Occupied Households

Owner-Occupied



Renter-Occupied



Comparison of Housing Problems by Tenure and Racial Composition

Category	Owner-Occupied	% of O/O	Renter Occupied	% of R/O	TOTAL	% OF Total
White	2,565	70.7	3,025	49.7	5,590	57.7
Black	740	20.4	2,170	35.6	2,910	30.0
Asian	115	3.2	180	3.0	295	2.9
American Indian	25	0.7	65	1.1	90	0.9
Pacific Islander	0	0.0	0	0.0	0	0.0
Hispanic	140	3.9	515	8.5	655	6.8
Other	40	1.1	125	2.1	165	1.7
TOTAL	3,625	100.0	6,080	100.0	9,705	100.0

How Many Households in this category have a Severe Housing problem?

Category	Owner-Occupied	Renter-Occupied	TOTAL
Has a Severe Housing Problem	2,590	3,905	6,495
Has No Housing Problem	2,515	2,840	5,355
Cannot Be Computed	0	155	155
TOTAL	5,105	6,900	12,005

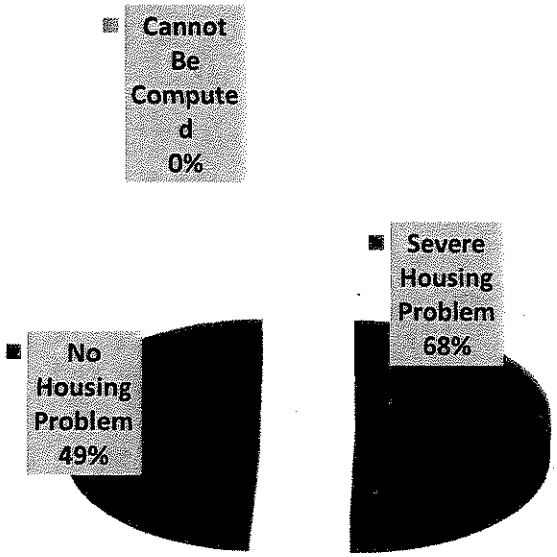
NOTE 1: A Housing Problem is defined as follows:

- Lacks complete kitchen facilities
- Lacks complete plumbing facilities
- Has more than 1.5 person per room
- Has a cost burden above 50% of income

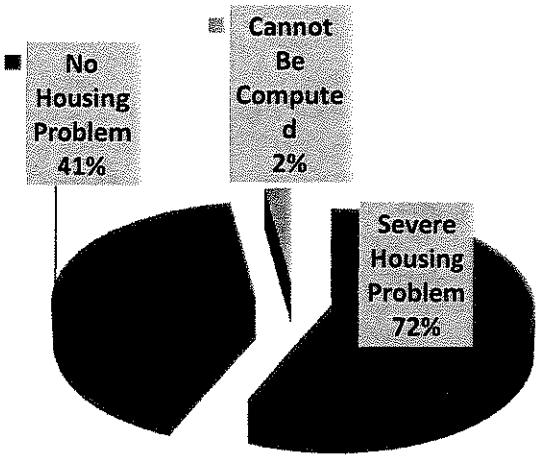
NOTE 2: Cannot Be Computed applies to households That pay no cash rent or no income. The housing unit Has none of the other three problems listed above.

Comparison of Owner-Occupied and Renter-Occupied Households

Owner-Occupied



Renter-Occupied



Comparison of Severe Housing Problems by Tenure and Racial Composition

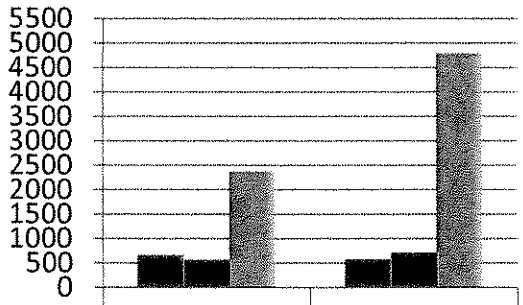
Category	Owner-Occupied	% of O/O	Renter Occupied	% of R/O	TOTAL	% OF Total
White	1,770	68.3	2,170	55.5	3,940	60.6
Black	595	22.9	1,295	33.2	1,890	29.1
Asian	90	3.5	135	3.5	225	3.5
American Indian	25	1.0	65	1.7	90	1.4
Pacific Islander	0	0.0	0	0.0	0	0.0
Hispanic	85	3.3	200	5.1	285	4.4
Other	25	1.0	40	1.0	65	1.0
TOTAL	2,590	100.0	3,905	100.0	6,495	100.0

Comparison of Housing Problem Severity by Tenure

Category	Owner-Occupied	% of O/O	Renter Occupied	% of R/O	TOTAL	% OF Total
Sub-standard	40	0.9	0	0.0	40	0.5
Severely Over-Crowded	0	0.0	0	0.0	0	0.0
Over-Crowded	0	0.0	65	1.6	65	0.8
Severely Cost Burdened	1,335	30.9	880	22.0	2,215	26.7
Cost Burdened	1,765	40.9	2,615	65.5	4,380	52.6
Cannot Be Computed	0	0.0	175	4.4	175	2.1
No Housing Problem	1,175	27.3	260	6.5	1,435	17.3
TOTAL	4,315	100.0	3,995	100.0	8,310	100.0

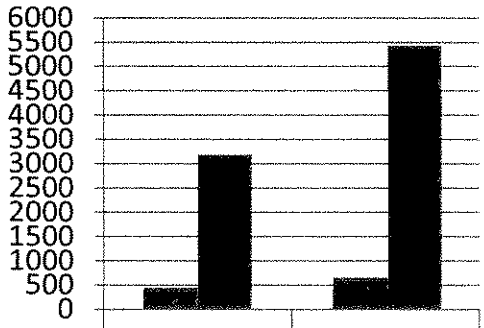
Special Needs Profiles

Elderly with Housing Problems



	Owner-Occupied	Renter-Occupied
Elderly	665	580
Extra Elderly	570	710
Non-Elderly	2385	4795

Disabled with Housing Problems



	Owner-Occupied	Renter-Occupied
Disabled	445	660
Not-Disabled	3180	5425

Households with Income Greater than 50% and up to 80% of Area Median Income ($34,851 to $55,760) " Low-Moderate Income"

25,770

Demographic Basics

How many households in the City of Virginia Beach fall into this category?

25,770 Households

What is the household income for households in this category?

Household incomes greater than $34,851 up to $55,770

How Many Households in this category have a housing problem?

Category	Owner-Occupied	Renter-Occupied	TOTAL
Has a Housing Problem	8,565	8,810	17,375
Has No Housing Problem	5,850	2,755	8,605
Cannot Be Computed	0	425	425
TOTAL	14,415	11,990	26,765

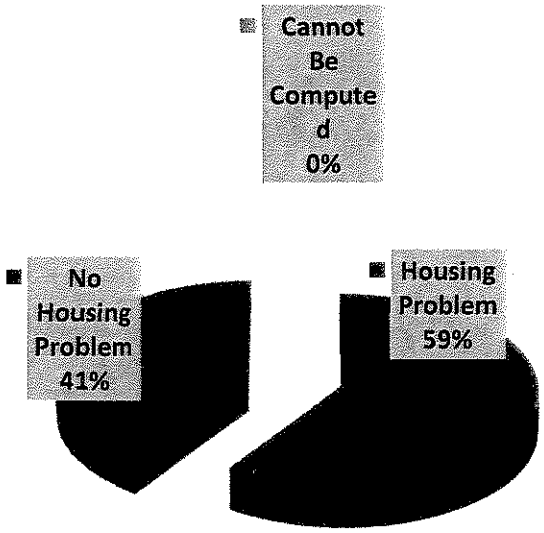
NOTE 1: A Housing Problem is defined as follows:

- Lacks complete kitchen facilities
- Lacks complete plumbing facilities
- Has more than 1 person per room
- Has a cost burden above 30% of income

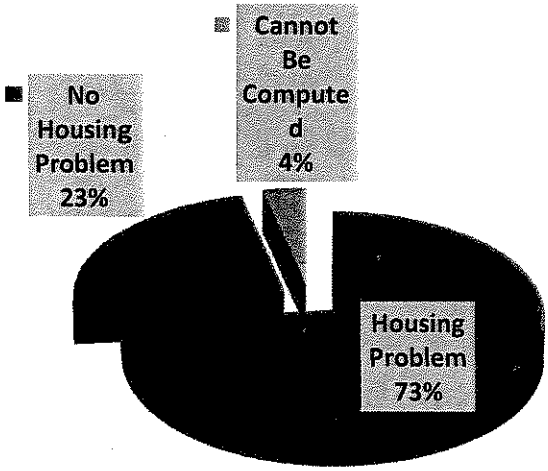
NOTE 2: Cannot Be Computed applies to households That pay no cash rent or no income. The housing unit Has none of the other three problems listed above.

Comparison of Owner-Occupied and Renter-Occupied Households

Owner-Occupied



Renter-Occupied



Comparison of Housing Problems by Tenure and Racial Composition

Category	Owner-Occupied	% of O/O	Renter Occupied	% of R/O	TOTAL	% OF Total
White	5,740	67.0	4,840	54.9	10,580	60.8
Black	1,785	20.9	2,900	32.9	4,685	27.0
Asian	625	7.3	160	1.9	785	4.5
American Indian	10	0.1	35	0.4	45	0.3
Pacific Islander	0	0.0	0	0.0	0	0.0
Hispanic	290	3.4	575	6.5	865	5.0
Other	115	1.3	300	3.4	415	2.4
TOTAL	8,565	100.0	8,810	100.0	17,375	100.0

How Many Households in this category have a Severe Housing problem?

Category	Owner-Occupied	Renter-Occupied	TOTAL
Has a Severe Housing Problem	3,335	1,375	4,710
Has No Housing Problem	10,440	10,200	20,640
Cannot Be Computed	0	445	445
TOTAL	13,775	12,020	25,795

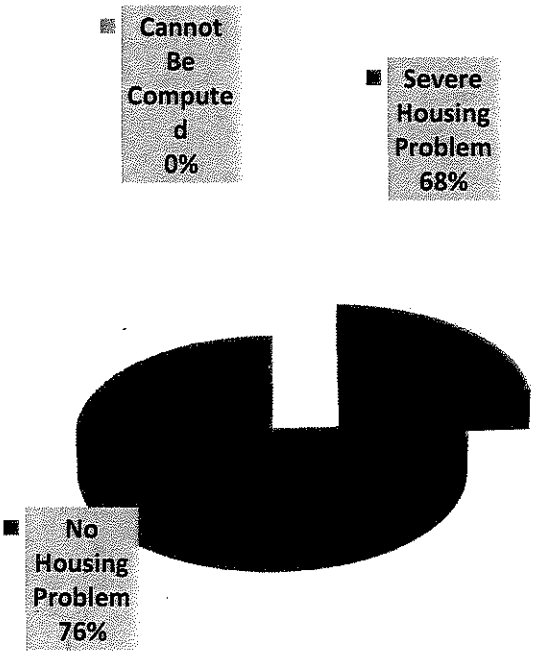
NOTE 1: A Housing Problem is defined as follows:

- Lacks complete kitchen facilities
- Lacks complete plumbing facilities
- Has more than 1.5 person per room
- Has a cost burden above 50% of income

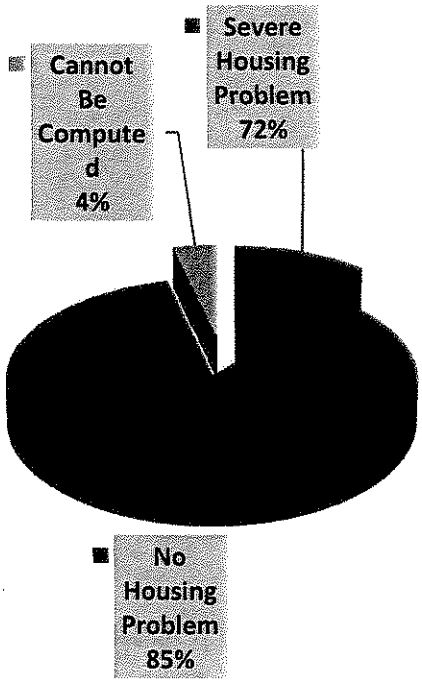
NOTE 2: Cannot Be Computed applies to households That pay no cash rent or no income. The housing unit Has none of the other three problems listed above.

Comparison of Owner-Occupied and Renter-Occupied Households

Owner-Occupied



Renter-Occupied



Comparison of Severe Housing Problems by Tenure and Racial Composition

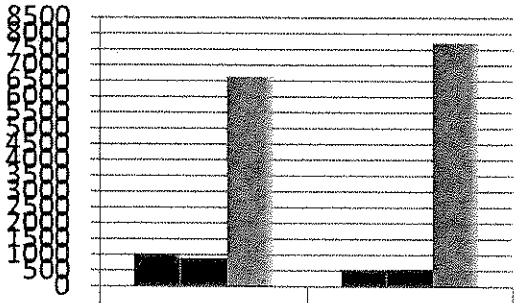
Category	Owner-Occupied	% of O/O	Renter Occupied	% of R/O	TOTAL	% OF Total
White	2,185	65.5	1,120	81.5	3,305	70.1
Black	645	19.4	135	9.8	16.6	16.6
Asian	330	9.9	20	1.5	7.4	7.4
American Indian	10	0.3	35	2.5	1.0	1.0
Pacific Islander	0	0.0	0	0.0	0.0	0.0
Hispanic	145	4.3	40	2.9	3.9	3.9
Other	20	0.6	25	1.8	1.0	1.0
TOTAL	3,335	100.0	1,375	100.0	4,710	100.0

Comparison of Housing Problem Severity by Tenure

Category	Owner-Occupied	% of O/O	Renter Occupied	% of R/O	TOTAL	% OF Total
Sub-standard	100	0.7	40	0.3	140	0.5
Severely Over-Crowded	15	0.1	20	0.1	35	0.1
Over-Crowded	85	0.6	235	2.0	320	1.2
Severely Cost Burdened	3,180	23.1	1,2758	10.7	4,455	17.3
Cost Burdened	5,185	37.6	7,240	60.5	12,425	48.3
Cannot Be Computed	0	0.0	425	3.5	425	1.6
No Housing Problem	5,220	37.9	2,750	22.9	7,970	31.0
TOTAL	13,785	100.0	11,985	100.0	25,770	100.0

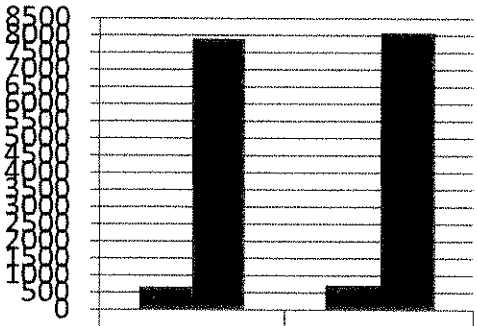
Special Needs Profiles

Elderly with Housing Problems



	Owner-Occupied	Renter-Occupied
Elderly	1030	540
Extra Elderly	890	555
Non-Elderly	6645	7720

Disabled with Housing Problems



	Owner-Occupied	Renter-Occupied
Disabled	670	730
Not-Disabled	7895	8080

Households with Income Greater than 80% and up to 95% of Area Median Income ($55,761 to $66,215) " Moderate Income"

15,160

Demographic Basics

How many households in the City of Virginia Beach fall into this category?

15,160 Households

What is the household income for households in this category?

Household incomes greater than $55,761 up to $66,215

How Many Households in this category have a housing problem?

Category	Owner-Occupied	Renter-Occupied	TOTAL
Has a Housing Problem	4,650	1,750	6,400
Has No Housing Problem	4,850	3,715	8,565
Cannot Be Computed	0	195	195
TOTAL	9,500	5,660	15,160

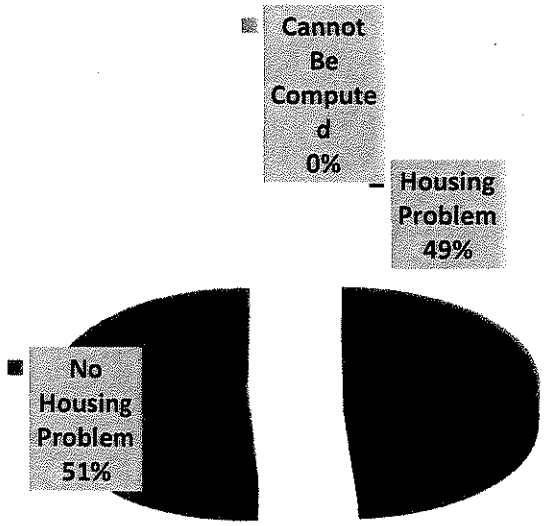
NOTE 1: A Housing Problem is defined as follows:

- Lacks complete kitchen facilities
- Lacks complete plumbing facilities
- Has more than 1 person per room
- Has a cost burden above 30% of income

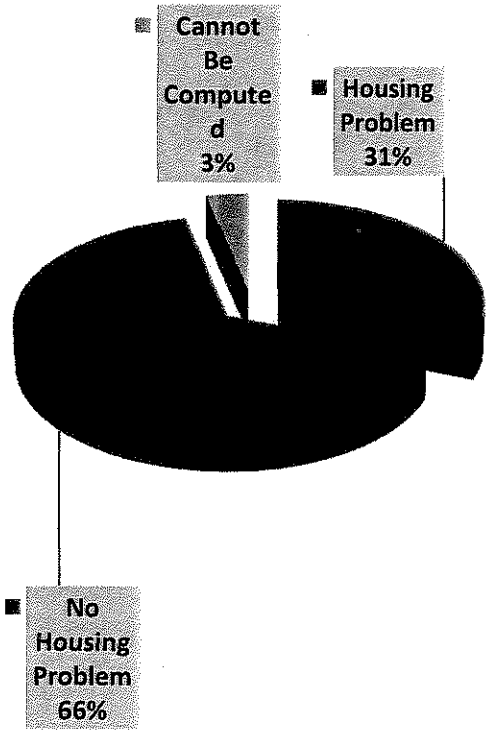
NOTE 2: Cannot Be Computed applies to households That pay no cash rent or no income. The housing unit Has none of the other three problems listed above.

Comparison of Owner-Occupied and Renter-Occupied Households

Owner-Occupied



Renter-Occupied



Comparison of Housing Problems by Tenure and Racial Composition

Category	Owner-Occupied	% of O/O	Renter Occupied	% of R/O	TOTAL	% OF Total
White	2,810	60.4	1,290	73.7	4,100	64.1
Black	905	19.5	210	12.0	1,115	17.4
Asian	445	9.6	30	1.7	475	7.4
American Indian	30	0.6	0	0.0	30	0.5
Pacific Islander	65	1.4	0	0.0	65	1.0
Hispanic	240	5.2	100	5.7	340	5.3
Other	155	3.3	120	6.9	275	4.3
TOTAL	4,650	100.0	1,750	100.0	6,400	100.0

How Many Households in this category have a Severe Housing problem?

Category	Owner-Occupied	Renter-Occupied	TOTAL
Has a Severe Housing Problem	905	25	9303
Has No Housing Problem	8,600	5,445	14,045
Cannot Be Computed	0	195	195
TOTAL	9,505	5,665	15,170

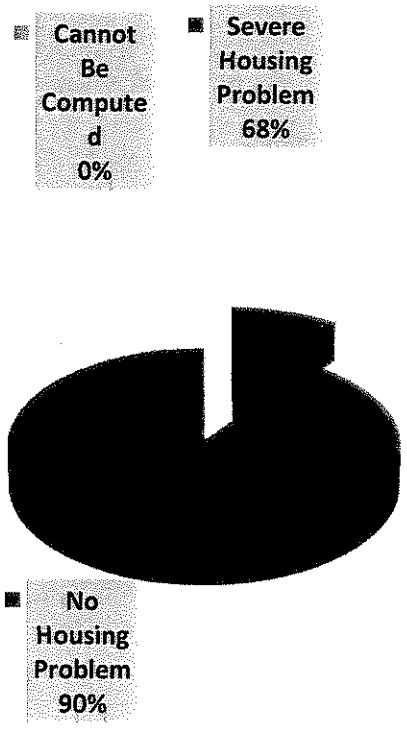
NOTE 1: A Housing Problem is defined as follows:

- Lacks complete kitchen facilities
- Lacks complete plumbing facilities
- Has more than 1.5 person per room
- Has a cost burden above 50% of income

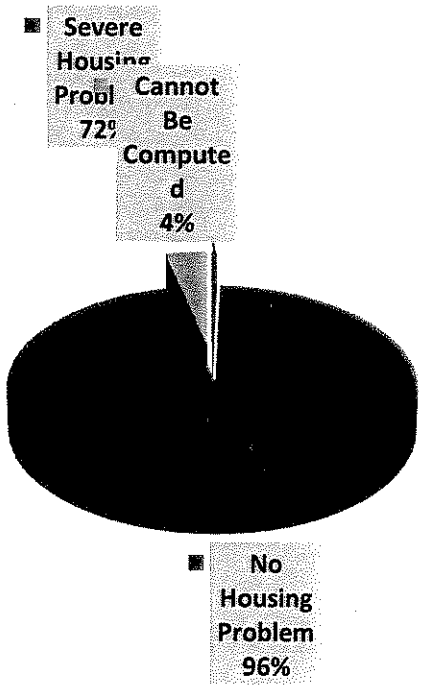
NOTE 2: Cannot Be Computed applies to households That pay no cash rent or no income. The housing unit Has none of the other three problems listed above.

Comparison of Owner-Occupied and Renter-Occupied Households

Owner-Occupied



Renter-Occupied



Comparison of Severe Housing Problems by Tenure and Racial Composition

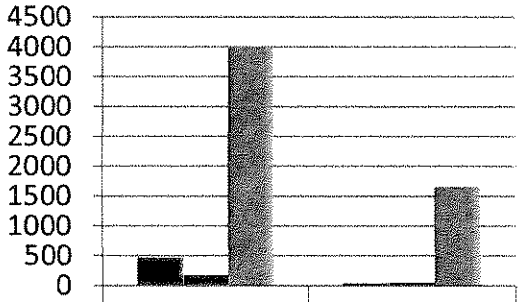
Category	Owner-Occupied	% of O/O	Renter Occupied	% of R/O	TOTAL	% OF Total
White	545	60.2	25	100.0	570	61.2
Black	235	26.0	0	0.0	235	25.3
Asian	80	8.8	0	0.0	80	8.6
American Indian	0	0.0	0	0.0	0	0.0
Pacific Islander	0	0.0	0	0.0	0	0.0
Hispanic	20	2.2	0	0.0	20	2.2
Other	25	2.8	0	0.0	25	2.7
TOTAL	905	100.0	25	100.0	930	100.0

Comparison of Housing Problem Severity by Tenure

Category	Owner-Occupied	% of O/O	Renter Occupied	% of R/O	TOTAL	% OF Total
Sub-standard	15	0.2	0	0.0	15	0.1
Severely Over-Crowded	75	0.8	0	0.0	75	0.5
Over-Crowded	120	1.3	40	0.7	160	1.1
Severely Cost Burdened	815	8.6	25	0.4	840	5.5
Cost Burdened	3,630	38.1	1,685	29.8	5,315	35.0
Cannot Be Computed	0	0.0	195	3.4	195	1.3
No Housing Problem	4,855	51.0	3,720	65.7	8,575	56.5
TOTAL	9,510	100.0	5,665	100.0	15,175	100.0

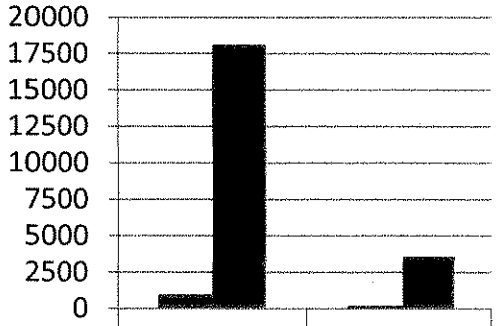
Special Needs Profiles

Elderly with Housing Problems



	Owner-Occupied	Renter-Occupied
Elderly	470	40
Extra Elderly	175	50
Non-Elderly	4010	1665

Disabled with Housing Problems (80% and Over of AMI)



	Owner-Occupied	Renter-Occupied
Disabled	990	205
Not-Disabled	18135	3580

SUPPORT FILE # 9A
CITY OF VIRGINIA BEACH
2010 ANNUAL AGENCY PLAN
AND FIVE YEAR PLAN:

CURRENT APPROVED ADMINISTRATIVE PLAN
DETAILING POLICIES AND PROCEDURES
CHAPTERS 1-15

ADOPTED APRIL 13, 2010
BY VIRGINIA BEACH CITY COUNCIL

Executive Summary

Housing Choice Voucher Administrative Plan

City of Virginia Beach

HCV PROGRAM AND ADMINISTRATIVE PLAN

The City of Virginia Beach Department of Housing & Neighborhood Preservation (VBDHNP) operates the Housing Choice Voucher Program (HCV) within the Rental Housing Division. The VBDHNP receives its funding for the HCV program from the Department of Housing and Urban Development. The VBDHNP enters into an Annual Contributions Contract with HUD to administer the program requirements on behalf of HUD. The VBDHNP must ensure compliance with federal laws, regulations and notices and must establish policy and procedures to clarify federal requirements and to ensure consistency in program operation.

Pursuant to 24 CFR 982.54 the VBDHNP must adopt a written administrative plan that establishes local policies for administration of the (HCV) program in accordance with HUD requirements. The administrative plan and any revisions of the plan must be formally adopted by the City Council. This is required because Virginia Beach does not have a housing authority and, therefore no board of commissioners. The administrative plan states VBDHNP policy on matters for which the VBDHNP has discretion to establish local policies. The plan must be in accordance with HUD regulations and requirements. The current administrative plan was approved by the Virginia Beach City Council on February 24, 2009 and subsequently submitted to the Department of Housing and Urban Development. The plan is the key attachment to the HCV Five Year and Annual Agency Plan which is also submitted by the VBDHNP.

CONTENTS OF THE PLAN

Federal regulations at 24CFR 982.54 further stipulate the VBDHNP administrative plan must cover VBDHNP policies on the following subjects:

- Selection and admission of applicants from the DHNP waiting list, including any DHNP admission preferences, procedures for removing applicant names from the waiting list, and procedures for closing and reopening the DHNP waiting list (Chapter 4)
- Issuing or denying vouchers, including DHNP policy governing the voucher term and any extensions or suspensions of the voucher term. 'Suspension' means stopping the clock on the term of a family's voucher after the family submits a request for approval of the tenancy. If the DHNP decides to allow extensions or suspensions of the voucher term, the DHNP administrative plan must describe how the DHNP determines whether to grant extensions or suspensions, and how the DHNP determines the length of any extension or suspension (Chapter 8);

- Any special rules for use of available funds when HUD provides funding to the DHNP for a special purpose (e.g., desegregation), including funding for specified families or a specified category of families (Chapter Chapter 4
- Occupancy policies, including definition of what group of persons may qualify as a 'family', definition of when a family is considered to be 'continuously assisted'; standards for denying admission or terminating assistance based on criminal activity or alcohol abuse in accordance with 982.553 (Chapters 5 and 15);
- Encouraging participation by owners of suitable units located outside areas of low income or minority concentration (Chapter 1);
- Assisting a family that claims that illegal discrimination has prevented the family from leasing a suitable unit (Chapter 2);
- Providing information about a family to prospective owners (Chapters 3 and 9);
- Disapproval of owners (Chapter 13);
- Subsidy standards (Chapter 5);
- Family absence from the dwelling unit (Chapter 12);
- How to determine who remains in the program if a family breaks up (Chapter 12);
- Informal review procedures for applicants (Chapter 18);
- Informal hearing procedures for participants (Chapter 18);
- The process for establishing and revising voucher payment standards (Chapter 8);
- The method of determining that rent to owner is a reasonable rent (initially and during the term of a HAP contract) (Chapter 11);
- Special policies concerning special housing types in the program (e.g., use of shared housing) (Chapter 4);
- Policies concerning payment by a family to the DHNP of amounts the family owes the DHNP (Chapter 17);
- Interim re-determinations of family income and composition (Chapter 12);
- Restrictions, if any, on the number of moves by a participant family (Chapter 13);
- Approval by the board of commissioners or other authorized officials to charge the administrative fee reserve (Chapter 1);
- Procedural guidelines and performance standards for conducting required housing quality standards inspections (Chapter 10); and
- DHNP screening of applicants for family behavior or suitability for tenancy (Chapter 2)

The 2010 revision of the plan has been prepared and is attached for one's use. Primary differences between the 2009 approved plan and the revision are as follows:

- Numerous format, grammatical and organizational corrections.
- Change of policy to allow for a single, consolidated waiting list
- Revisions to ensure the plan reflects actual day to day operations of VBDHNP's Rental Housing Division
- Insertion of required policy descriptions for new programs including the Veterans Administration Supportive Housing (VASH) and the Family Unification Program (FUP)
- Changes in our occupancy standards to allow for necessary exceptions due to family size, sex, ages of children and disabilities
- Clarification of termination procedures
- More detailed explanation of how portability issues are handled by VBDHNP
- More details on verification procedures

TABLE OF CONTENTS

Chapter 1
STATEMENT OF POLICIES AND OBJECTIVES

A. HOUSING AGENCY MISSION STATEMENT	1-1
B. PURPOSE OF THE ADMINISTRATIVE PLAN	1-2
C. ADMINISTRATIVE FEE RESERVE	1-2
D. RULES AND REGULATIONS	1-2
E. TERMINOLOGY	1-3
F. FAIR HOUSING POLICY	1-3
G. AFFIRMATIVELY FURTHERING FAIR HOUSING	1-4
H. REASONABLE ACCOMMODATIONS POLICY	1-4
I. TRANSLATION OF DOCUMENTS	1-6
J. MANAGAMENT ASSESSMENT OBJECTIVES	1-7
K. RECORDS FOR MONITORING DHNP's PERFORMANCE	1-8
L. PRIVACY RIGHTS	1-8
M. FAMILY OUTREACH	1-8
N. OWNER OUTREACH	1-9
O. PROJECT BASED VOUCH PROGRAM	1-10

Chapter 2
ELIGIBILITY FOR ADMISSION

A. ELIGIBILITY FACTORS	2-1
B. FAMILY COMPOSITION	2-1
C. INCOME LIMITATIONS	2-4
D. MANDATORY SOCIAL SECURITY NUMBERS	2-5
E. CITIZENSHIP/ELIGIBLE IMMIGRATION STATUS	2-5
F. OTHER CRITERIA FOR ADMISSION	2-5
G. TENANT SCREENING	2-6
H. CHANGES IN ELIGIBILITY PRIOR TO EFFECTIVE DATE OF THE CONTRACT	2-7
I. INELIGIBLE FAMILIES	2-7
J. PROHIBITED ADMISSIONS CRITERIA	2-7

Chapter 3
APPLYING FOR ADMISSION

A. OVERVIEW OF THE APPLICATION TAKING PROCESS	3-1
B. OPENING/CLOSING OF APPLICATION TAKING	3-1
C. INITIAL APPLICATION PROCEDURES	3-3
D. APPLICANT STATUS WHILE ON WAITING LIST	3-3

Chapter 3 Con't

E. TIME OF SELECTION 3-4
F. COMPLETION OF A FULL APPLICATION 3-4
G. VERIFICATION 3-5
H. FINAL DETERMINATION AND NOTIFICATION OF ELIGIBILITY 3-6

Chapter 4
ESTABLISHING PREFERENCES AND MAINTAINING THE WAITING LIST

A. WAITING LIST 4-1
B. SPECIAL ADMISSIONS 4-2
C. LOCAL PREFERENCES 4-2
D. INCOME TARGETING 4-5
E. INITIAL DETERMINATION OF LOCAL PREFERENCE QUALIFICATIONS 4-6
F. PREFERENCE AND INCOME TARGETING ELIGIBILITY 4-6
G. ORDER OF SELECTION 4-7
H. PREFERENCE DENIAL 4-7
I. REMOVAL FROM WAITING LIST AND PURGING 4-7

Chapter 5
OCCUPANCY STANDARDS

A. DETERMINING FAMILY UNIT (VOUCHER) SIZE 5-1
B. EXCEPTIONS TO OCCUPANCY STANDARDS 5-2
C. UNIT SIZE SELECTED 5-3

Chapter 6
FACTORS RELATED TO TOTAL TENANT PAYMENT AND FAMILY SHARE DETERMINATION

A. INCOME AND ALLOWANCES 6-1
B. DISALLOWANCE OF EARNED INCOME FROM RENT DETERMINATIONS FOR PERSONS WITH DISABILITIES 6-2
C. MINIMUM RENT 6-4
D. DEFINITION OF TEMPORARILY/PERMANENTLY ABSENT 6-6
E. AVERAGING INCOME 6-9
F. MINIMUM INCOME 6-9
G. INCOME OF PERSON PERMANENTLY CONFINED TO NURSING HOME 6-10
H. REGULAR CONTRIBUTIONS AND GIFTS 6-10
I. ALIMONY AND CHILD SUPPORT 6-10
J. LUMP-SUM RECEIPTS 6-11
K. CONTRIBUTIONS TO RETIREMENT FUNDS-ASSETS 6-11

Chapter 6 Con't

L. ASSETS DISPOSED OF FOR LESS THAN FAIR MARKET VALUE 6-11
M. CHILD CARE EXPENSES 6-12
N. MEDICAL EXPENSES 6-12
O. PRORATION OF ASSISTANCE FOR "MIXED" FAMILIES 6-12
P. INCOME CHANGES RESULTING FROM WELFARE PROGRAM REQUIREMENTS 6-12
Q. FIRST MONTH FREE RENT 6-14
R. UTILITY ALLOWANCE AND UTILITY REIMBURSEMENT PAYMENTS 6-14

Chapter 7
VERIFICATION PROCEDURES

A. METHODS OF VERIFICATION AND TIME ALLOWED 7-1
B. RELEASE OF INFORMATION 7-4
C. COMPUTER MATCHING 7-4
D. ITEMS TO BE VERIFIED 7-5
E. VERIFICATION OF INCOME 7-5
F. INCOME FROM ASSETS 7-9
G. VERIFICATION OF ASSETS 7-10
H. VERIFICATION OF ALLOWABLE DEDUCTIONS FROM INCOME 7-11
I. VERIFYING NON-FINANCIAL FACTORS 7-12
J. VERIFICATION OF WAITING LIST PREFERENCES 7-17

Chapter 8
VOUCHER ISSUANCE AND BRIEFINGS

A. ISSUANCE OF VOUCHERS 8-1
B. BRIEFING TYPES AND REQUIRED ATTENDANCE 8-1
C. ENCOURAGING PARTICIPATION IN AREAS WITHOUT LOW INCOME OR MINORITY CONCENTRATION 8-4
D. SECURITY DEPOSIT REQUIREMENTS 8-4
E. TERM OF VOUCHER 8-4
F. VOUCHER ISSUANCE DETERMINATION FOR SPLIT HOUSEHOLDS 8-5
G. REMAINING MEMBER OF TENANT FAMILY – RETENTION OF VOUCHER 8-6

Chapter 9
REQUEST FOR TENANCY APPROVAL AND CONTRACT EXECUTION

A. REQUEST FOR TENANCY APPROVAL 9-1
B. ELIGIBLE UNITS 9-2
C. SPECIAL HOUSING TYPES 9-2
D. LEASE REVIEW 9-3

Chapter 9 Con't

E. SEPARATE AGREEMENTS 9-4
F. INITIAL INSPECTIONS 9-4
G. RENT LIMITATIONS 9-4
H. DISAPPROVAL OF PROPOSED RENT 9-5
I. INFORMATION TO OWNERS 9-5
J. OWNER DISAPPROVAL 9-6
K. CHANGE IN TOTAL TENANT PAYMENT (TTP) PRIOR TO HAP EFFECTIVE DATE 9-6
L. CONTRACT EXECUTION PROCESS 9-6
M. CHANGE IN OWNERSHIP 9-7
N. TEMPORARY MOVES DUE TO RENOVATIONS 9-7
O. MONTH TO MONTH LEASE CHARGE 9-7

Chapter 10
HOUSING QUALITY STANDARDS AND INSPECTIONS

A. INITIAL INSPECTION 10-2
B. ANNUAL INSPECTIONS 10-2
C. SPECIAL/COMPLAINT INSPECTIONS 10-3
D. SUPERVISORY QUALITY CONTROL INSPECTIONS 10-3
E. UNSAFE CONDITION INSPECTIONS 10-3
F. ACCEPTABILITY CRITERIA AND EXCEPTIONS 10-4
G. INSPECTION AND ENFORCEMENT POLICIES AND PROCEDURES 10-4
HQS TIMETABLE 10-7

Chapter 11
OWNER RENTS, RENT REASONABLENESS, AND PAYMENT STANDARDS

A. RENT TO WONER IN THE HOUSING CHIOCE VOUCHER PROGRAM 11-1
B. MAKING PAYMENTS TO OWNERS 11-2
C. RENT REASONABLENESS DETERMINATIONS 11-3
D. PAYMENT STANDARDS FOR THE VOUCHER PROGRAM 11-4
E. ADJUSTMENTS TO PAYMENT STANDARDS 11-5
F. OWNER PAYMENT IN THE HOUSING CHOICE VOUCHER PROGRAM 11-5

Chapter 12
RECERTIFICATION/REEXAMINATIONS

A. ANNUAL ACTIVITIES 12-1
B. ANNUAL RECERTIFICATION/REEXAMINATIOIN 12-1
C. REPORTING INTERIM CHANGES 12-3
D. OTHER INTERIM REPORTING ISSUES 12-5

Chapter 12 Con't

E. INCOME CHANGES RESULTING FROM WELFARE PROGRAM REQUIREMENTS 12-5
F. NOTIFICATION OF RESULTS OF RECERTIFICATIONS 12-6
G. CHANGES IN VOUCHER SIZE AS A RESULT OF FAMILY COMPOSITION 12-6
H. CONTINUANCE OF ASSISTANCE FOR MIXED FAMILIES 12-6
I. MISREPRESENTATION OF FAMILY CIRCUMSTANCES 12-7

Chapter 13
MOVES WITH CONTINUED ASSISTANCE/PORTABILITY

A. ALLOWABLE MOVES 13-1
B. RESTRICTIONS ON MOVES 13-1
C. PROCEDURE FOR MOVES 13-2
D. PORTABILITY 13-2
E. OUTGOING PORTABILITY 13-2
F. INCOMING PORTABILITY 13-3

Chapter 14
CONTRACT TERMINATIONS

A. CONTRACT TERMINATION 14-1
B. TERMINATION BY THE FAMILY: MOVES 14-1
C. TERMINATION OF TENANCY BY THE OWNER: EVICTIONS 14-1
D. TERMINATION OF THE CONTRACT BY VBDHNP 14-3

Chapter 15
DENIALOR TERMINATION OF ASSISTANCE

A. GROUNDS FOR DENIAL/TERMINATION 15-1
B. SCREENING AND TERMINATION FOR DRUG ABUSE AND OTHER CRIMINAL ACTIVITY 15-6
C. FAMILY OBLIGATIONS 15-11
D. PROCEDURES FOR NON-CITIZENS 15-15
E. ZERO ASSISTANCE TENANCIES 15-15
F. OPTION NOT TO TERMINATE FOR MISREPRESENTATION 15-16
G. MISREPRESENTATION IN COLLUSION WITH OWNER 15-16
H. MISSED APPOINTMENTS AND DEADLINES 15-16

Chapter 16
OWNER DISAPPROVAL AND RESTRICTION

A. DISAPPROVAL OF OWNER 16-1
B. ANNUAL FAIR HOUSING TRAINING 16-2
C. OWNER RESTRICTIONS AND PENALTIES 16-2

D. CHANGE IN OWNERSHIP 16-3

Chapter 17
OWNER OR FAMILY DEBTS TO VBDHNP

A. REPAYMENT AGREEMENT FOR FAMILIES 17-1
B. DEBTS OWED TO VBDHNP 17-2
C. DEBTS DUE TO MISREPRESENTATION-REPORTING OF INFO 17-2
D. DEBTS DUE TO MINIMUM RENT TEMPORARY HARDSHIP 17-3
E. GUIDELINES FOR REPAYMENT AGREEMENTS 17-3
F. OWNER DEBTS TO VBDHNP 17-4

Chapter 18
COMPLAINTS AND APPEALS

A. COMPLAINTS TO VBDHNP 18-1
B. PREFERENCE DENIALS 18-2
C. INFORMAL REVIEW PROCEDURES FOR APPLICANTS 18-2
D. INFORMAL HEARING PROCEDURES 18-4
E. HEARING AND APPEAL PROVISIONS FOR RESTRICTIONS ONASSISTANCE TO NON-CITIZENS 18-7
F. MITIGATING CIRCUMSTANCES FOR APPLICANTS/ PARTICIPANTS WITHDISABILITIES 18- 8

Chapter 19
PROJECT BASED VOUCHERS

A. TENANT-BASED VS PROJECT-BASED VOUCHER ASST. 19-1
B. RELOCATION REQUIREMENTS 19-1
C. PBV OWNER PROPOSALS 19-2
D. PROHIBITION OF ASSISTANCE FOR CERTAIN UNITS 19-5
E. SUBSIDY LAYERING REQUIREMENTS 19-6
F. CAP ON NUMBER OF PBV UNITS 19- 7
G. SITE SELECTION STANDARDS 19-7
H. DWELLING UNITS 1 9-9
I. HOUSING QUALITY STANDARDS 19-10
J. INSPECTING UNITS 19-10
K. REHABILITATED AND NEWLY CONSTRUCTED UNITS 19-11
L. AGREEMENT TO ENTER INTO HAP CONTRACT 19-11
M. CONDUCT OF DEVELOPMENT WORK 19-13
N. COMPLETION OF HOUSING 19-13
O. HOUSING ASSISTANCE PAYMENTS CONTRACT (HAP) 19-14
P. SELECTION OF PBV PROGRAM PARTICIPANTS 19-19
Q. ORGANIZATION OF THE WAITING LIST 19-19
R. OFFER OF PBV ASSISTANCE 19-19
S. OWNER SELECTION OF TENANTS 19-20

Chapter 19 Con't

T. OCCUPANCY AND LEASING 19-21
U. MOVES 19-24
V. DETERMINING RENT TO OWNER 19-25
W. PAYMENTS TO OWNER 19-29
X. TENANT RENT TO OWNER 19-30

Chapter 20
PROGRAM INTEGRITY

A. CRITERIA FOR INVESTIGATION OF SUSPECTED ABUSE AND FRAUD 20-1
B. STEPS DHNP WILL TAKE TO PREVENT PROGRAM ABUSE AND FRAUD 20-2
C. STEPS DHNP WILL TAKE TO DETECT PROGRAM ABUSE AND FRAUD 20-2
D. DHNP'S HANDLING OF ALLEGATIONS OF POSSIBLE ABUSE AND FRAUD 20-3
E. OVERPAYMENTS TO OWNERS 20-4
F. HOW DHNP WILL INVESTIGATE ALLEGATIONS OF ABUSE AND FRAUD 20-5
G. PLACEMENT OF DOCUMENTS, EVIDENCE, AND STATEMENTS OBTAINED BY DHNP 20-5
H. CONCLUSION OF DHNP'S INVESTIGATION 20-5
I. ACTION PROCEDURES FOR DOCUMENTED VIOLATIONS 20-4

GLOSSARY OF TERMINOLOGY

NOTICES
PIH 2007-5 (HA)
PIH 2009-11(HA)

FORMS
Repayment Agreement
Amendment to Repayment Agreement

DOCUMENTS
City of Virginia Beach Code of Ethics
DHNP Code of Ethics
Voluntary Compliance Agreement (VCA)

Chapter 1

STATEMENT OF POLICIES AND OBJECTIVES

INTRODUCTION

The Housing Choice Voucher (HCV) Program, formerly known as the Section 8 Program, was enacted as part of the Housing and Community Development Act of 1974, which re-codified the U.S. Housing Act of 1937. The Act has been amended from time to time, and its requirements, as they apply to the HCV Assistance Program, is described in and implemented throughout this Administrative Plan. The HCV assistance programs are federally funded and administered for the City of Virginia Beach by the Department of Housing and Neighborhood Preservation (DHNP) through its Rental Housing Division.

Administration of the HCV Program and the functions and responsibilities of the DHNP's staff shall be in compliance with its personnel policy and the Department of Housing and Urban Development's (HUD) HCV Regulations as well as all Federal, State and local Fair Housing Laws and Regulations.

Jurisdiction

The jurisdiction of the DHNP is the City of Virginia Beach, Virginia. .

A. HOUSING AGENCY MISSION STATEMENT

The DHNP is committed to achieving excellence in providing affordable quality housing, revitalizing communities, and promoting upward mobility and self-sufficiency through alliances with public and private sector groups.

1) ETHICS STATEMENT

High ethical standards are regarded as a hallmark of excellence in public service. The Code of Ethics, adopted in 1968, provided a framework for our standards of conduct.

Federal and state laws and the City Code establish many of these standards of conduct. In addition, policies, directives and standard operating procedures help set boundaries for our behavior.

A Code of Ethics establishes a set of principles that guide staff conduct in relations with citizens, customers, vendors, contractors, the community, and other members. These principles preserve the integrity of these relationships and assist in maintaining the highest level of public confidence in the impartial and principled operations of government. Our Code of Ethics can help by increasing awareness of key ethical issues, serving as a guide in decision-making; encouraging members to seek advice and clarify where to go for assistance; addressing misconduct and related concerns; and building trust within the City organization and the community.

The DHNP also has adopted Professional Standards that all Department staff must practice and honor.

The full Code of Ethics documents may be found in the forms Appendix of this Administrative Plan.

B. PURPOSE OF THE ADMINISTRATIVE PLAN [24 CFR 982.54]

The purpose of the Administrative Plan is to establish policies for carrying out the programs in a manner consistent with HUD requirements and local goals and objectives contained in the Agency Plan. The DHNP is responsible for complying with all changes in HUD regulations pertaining to these programs. If such changes conflict with this Plan, HUD regulations will have precedence. The DHNP will revise this Administrative Plan as needed to comply with changes in HUD regulations. The original Plan and any changes must be approved by the City Council of the agency, the pertinent sections included in the Agency Plan, and a copy provided to HUD.

This Administrative Plan is a supporting document to the DHNP Agency Plan, and is available for public review as required by CFR 24 Part 903.

Applicable regulations include:

24 CFR Part 5: General Program Requirements
24 CFR Part 8: Nondiscrimination

24 CFR Part 982: HCV Tenant-Based Assistance: Housing Choice Voucher Program

24 CFR Part 983: HCV Project-Based Assistance: Housing Choice Voucher Program

Local rules that are made part of this Plan are intended to promote local housing objectives consistent with the intent of the federal housing legislation.

C. ADMINISTRATIVE FEE RESERVE [24 CFR 982.54(d) (21)]

Expenditures from the Administrative Reserve (Operating Reserve) for other housing purposes shall not exceed $25,000 per occurrence nor more than $100,000 in the aggregate for each fiscal year without the prior approval of the City Council.

D. RULES AND REGULATIONS [24 CFR 982.52]

This Administrative Plan is set forth to define the DHNP's local policies for operation of the housing programs in the context of Federal laws and Regulations. All issues related to the HCV program not addressed in this document are governed by such Federal regulations, HUD Memos, Notices and guidelines, or other applicable law. The policies in this Administrative Plan have been designed to ensure compliance with the consolidated ACC and all HUD-approved applications for program funding.

E. TERMINOLOGY

The U.S. Department of Housing & Urban Development is referred to as "HUD"

The Virginia Beach Department of Housing & Neighborhood Preservation is referred to as DHNP throughout this document.

"Family" is used interchangeably with "Applicant" or "Participant" and can refer to a single person family.

"Tenant" is used to refer to participants in terms of their relation to landlords.

"Landlord" and "owner" are used interchangeably.

"Disability" is used where "handicap" was formerly used.

"Non-citizens Rule" refers to the regulation effective June 19, 1995 restricting assistance to U.S. citizens and eligible immigrants.

See Glossary for other Terminology

F. FAIR HOUSING POLICY [24 CFR 982.54(d) (6)]

It is the policy of the DHNP to comply fully with all Federal, State, and local nondiscrimination laws and with the rules and regulations governing Fair Housing and Equal Opportunity in housing and employment.

The DHNP shall not deny any family or individual the equal opportunity to apply for or receive assistance under the HCV program on the basis of race, color, sex, religion, creed, national or ethnic origin, age, familial or marital status, handicap or disability, or sexual orientation.

To further its commitment to full compliance with applicable Civil Rights laws, the DHNP will provide Federal/State/local information to Voucher holders regarding unlawful discrimination and any recourse available to families who believe they are victims of a discriminatory act. Such information will be made available during the family briefing session, and all applicable Fair Housing Information and Discrimination Complaint Forms will be made a part of the Voucher holder's briefing packet and available upon request.

In September 2008, the DHNP entered into a Voluntary Compliance Agreement with the Office of Fair Housing.

All DHNP will be required to attend fair housing training and informed of the importance of affirmatively furthering fair housing and providing equal opportunity to all families, including providing reasonable accommodations to persons with disabilities, as a part of the overall commitment to quality customer service. Landlords who participate in our Voucher program are required to receive and certify Fair Housing Training annually. Fair Housing posters are posted throughout the DHNP office's, including in the lobby and interview rooms and the equal opportunity logo will be used on all outreach materials. Staff will attend local fair housing update training sponsored by HUD and other local organization to keep current with new developments.

The entire VCA document may be reviewed in the documents section of this Administrative Plan.

G. AFFIRMATIVELY FURTHERING FAIR HOUSING [24CFR 903.2 (d) (2) (i) (ii)

HUD regulations provide that DHNP should take affirmative steps to overcome the effects of conditions which resulted in limiting participation of persons because of their race, national origin or other prohibited basis. In doing so the DHNP has initiated affirmative marketing efforts with community based agencies, which include a greater DHNP's is on contacting churches, social services, and minority organizations. We will initiate mailings, in person engagements, and demonstrate our efforts to increase diversity among our low income ethnicity population.

Except as otherwise provided in 24 CFR 8.21(c)(1), 8.24(a), 8.25, and 8.31, no individual with disabilities shall be denied the benefits of, be excluded from participation in, or otherwise be subjected to discrimination because DHNP's facilities are inaccessible to or unusable by persons with disabilities. Posters and housing information are displayed in locations throughout DHNP's office in such a manner as to be easily readable from a wheelchair.

The DHNP office(s) are accessible to persons with disabilities. Accessibility for the hearing impaired is provided dialing the TDD phone number: 757-385-5794.

Pursuant to the Family Unification Program (FUP) NOFA for Fiscal 2009 funding, the Virginia Beach Administrative Plan has been amended to provide for affirmative fair housing steps associated specifically with the FUP. Steps to be taken include but are not limited to the following:

1. Identifying and ensuring certification of FUP eligible families that may be on the waiting list are able to maintain their original positions after certification.
2. Placing eligible families and youth on the waiting list when referred by the PCWA (included in the required MOU). This will be done on a first come, first served basis.
3. Informing all applicants how to file fair housing complaints including providing them with the toll free number of the Housing Discrimination Hotline and the Federal Information Relay Service.
4. Ensuring compliance with all requirements of 24CFR Section 903.7. and maintaining appropriate records to verify this compliance.
5. Providing additional assistance when requested by eligible families. Such assistance may include referral to supportive services, housing search assistance, providing rental incentives to landlords to encourage the provision of special accommodations and to provide property owners with technical aid in making reasonable accommodations to persons with disabilities.

H. REASONABLE ACCOMMODATIONS POLICY [24 CFR 100.202]

It is the policy of the DHNP to be service-directed in the administration of our housing programs, and to exercise and demonstrate a high level of professionalism while providing housing services to families.

A participant with a disability must first ask for a specific change to a policy or practice as an accommodation of their disability before DHNP will treat a person differently than anyone else. The DHNP's policies and practices are designed to provide assurances that persons with disabilities will be given reasonable accommodations, upon request, so that they may fully access and utilize the housing program and related services. The availability of requesting an accommodation will be made known by including notices on DHNP's forms and letters. This policy is intended to afford persons with disabilities and equal opportunity to obtain the same result, to gain the same benefit, or to reach the same level of achievement as those who do not have disabilities and is applicable to all situations described in this Administrative Plan.

To be eligible to request a reasonable accommodation, the applicant/participant must request (if apparent) or verify (if not apparent) that they are a person with a disability under the following ADA definition:

- A physical or mental impairment that substantially limits one or more of the major life activities of an individual;
- A record of such impairment; or
- Being regarded as having such an impairment

Rehabilitated former drug users and alcoholics are covered under the ADA. However, a current drug user is not covered. In accordance with 5.403, individuals are not considered disabled for eligibility purposes solely on the basis of any drug or alcohol dependence. Individuals whose drug or alcohol addiction is a material factor to their disability are excluded from the definition. Individuals are considered disabled if disabling mental and physical limitations would persist if drug or alcohol abuse discontinued.

Once the person's status as a qualified person with a disability is confirmed, DHNP will require that a professional third party competent to make the assessment provides written verification that the person needs the specific accommodation due to their disability and the change is required for them to have equal access to the housing program.

If DHNP finds that the requested accommodation creates an undue administrative or financial burden, DHNP will deny the request and/or present an alternate accommodation that will still meet the need of the person.

An undue administrative burden is one that requires a fundamental alteration of the essential functions of DHNP (i.e., waiving a family obligation).

An undue financial burden is one that when considering the available resources of the agency as a whole, the requested accommodation would pose a severe financial hardship on DHNP.

The DHNP will provide a written decision to the person requesting the accommodation within five (5) working days. If a person is denied the accommodation or feels that the alternative suggestions are inadequate, they may request an informal hearing to review DHNP's decision.

Reasonable accommodation will be made for persons with a disability that requires an advocate or accessible offices. A designee will be allowed to provide some information, but only with the permission of the person with the disability.

DHNP'S mailings will be made available in an accessible format upon request, as a reasonable accommodation.

Definition of Disability

Persons are considered disabled if:

- They have a disability as defined in 42 U.S.C. 42
- They are determined, pursuant to HUD regulations, to have a physical, mental, or emotional impairment that:
  - is expected to be of long-continued and indefinite duration;
  - substantially impedes their ability to live independently; and
  - is of such a nature that the ability to live independently could be improved by more suitable housing conditions
- They are functionally disabled as defined in Section 102(7) of the Developmental Disabilities Assistance and Bill of Rights Act [42 U.S.C. 6001)7)] "severe chronic disability that:
  - is attributable to a mental or physical impairment or combination of a mental and physical impairments
  - is manifested before the person attains age 22
  - is likely to continue indefinitely
  - results in substantial functional limitation in three or more of the following areas of major life activity: self care, receptive and responsive language, learning, mobility, self direction, capacity for independent living, and economic self sufficiency.
- Reflects the person's need for a combination and sequence of special interdisciplinary or generic care, treatment, or other services which are of lifelong or extended duration and are individually planned and coordinated.
- Persons who have acquired immunodeficiency syndrome (AIDS) or any conditions arising from the AIDS virus are not excluded from this definition.
- For purposes of qualifying for low-income housing, the definition does not include a disability based solely on any drug or alcohol dependence.

Applying for Admission

All persons who wish to apply for any of DHNP's programs must submit a pre-application in written format, as indicated in our public notice. Applications will be made available in an accessible format upon request from a person with a disability.

To provide specific accommodation to persons with disabilities, upon request, the information may be mailed to the applicant and, if requested, it will be mailed in an accessible format.

The full application is completed at the eligibility appointment in the applicant's own handwriting, unless assistance is needed, or a request for accommodation is requested by a person with a disability. Applicants will then be interviewed by DHNP staff to review the information on the full application form. Verification of disability as it relates to 504, Fair Housing, or ADA reasonable accommodation will be requested at this time. The full application will also include questions asking all applications whether reasonable accommodations are necessary.

I. TRANSLATION OF DOCUMENTS

In determining whether it is feasible to provide translation of documents written in English into other languages, DHNP will consider the following factors:

- DHNP will comply with HUD directives and notices regarding policies for persons with Limited English Proficiency.
- The availability of local organizations to provide translation services to non English speaking families.

J. MANAGEMENT ASSESSMENT OBJECTIVES

- DHNP operates its housing assistance program with efficiency and can demonstrate to HUD auditors that the DHNP is using its resources in a manner that reflects its commitment to quality and service. DHNP policies and practices are consistent with the areas of measurement for the following HUD SEMAP indicators:
- Selection from the Waiting List
- Reasonable Rent
- Determination of Adjusted Income
- Utility Allowance Schedule
- HQS Quality Control Inspections
- HQS Enforcement
- Expanding Housing Opportunities
- Payment Standards
- Annual Re-examinations
- Correct Participant Rent Calculations

- Pre-Contract HQS Inspections
- Annual HQS Inspections
- Lease-up
- Family Self-Sufficiency Enrollment and Escrow Account Balances
- Bonus Indicator De-concentration

Supervisory quality control reviews will be performed by a DHNP Supervisor or other qualified person other than the person who performed the work, as required by HUD, on the following SEMAP factors:

- Selection from the waiting list
- Rent reasonableness
- Determination of adjusted income
- HQS Enforcement
- HQS Quality Control

The annual sample of files and records will be drawn in an unbiased manner, leaving a clear audit trail.

The minimum sample size to be reviewed will relate directly to each factor.

K. RECORDS FOR MONITORING DHNP'S PERFORMANCE

In order to demonstrate compliance with HUD and other pertinent regulations, DHNP will maintain records, reports and other documentation for a time that is in accordance with HUD requirements and in a manner that will allow an auditor, housing professional or other interested party to follow, monitor and or assess DHNP's operational procedures objectively and with accuracy and in accordance with SEMAP requirements with internal supervisory audits.

Records and other documentation received from assisted or landlord customers will be date stamped upon date of receipt and stamped "original" or "original copy" depending upon the record or document.

L. PRIVACY RIGHTS [24 CFR 982.551 and 24 CFR 5.212]

Applicants and participants, including all adults in their households, are required to sign the HUD 9886 Authorization for Release of Information. This document incorporates the Federal Privacy Act Statement and describes the conditions under which DHNP will release family information.

DHNP's policy regarding release of information is in accordance with State and local laws which may restrict the release of family information.

Any and all information which would lead one to determine the nature and/or severity of a person's disability must be kept in a separate folder and marked "confidential" or returned to the family member after its use. The personal information in this folder must not be released except

on an "as needed" basis in cases where an accommodation is under consideration. All requests for access and granting of accommodations based on this information must be approved by the HCV Administrator, Program Coordinator or Director of Housing.

DHNP's practices and procedures are designed to safeguard the privacy of applicants and program participants. All applicant and participant files will be stored in a secure location which is only accessible by authorized staff.

DHNP's staff will not discuss family information contained in files unless there is a business reason to do so. In-appropriate discussion of family information or improper disclosure of family information by staff will result in disciplinary action.

M. FAMILY OUTREACH

DHNP will publicize and disseminate information to make known the availability of housing assistance and related services for very low income families on a regular basis. When DHNP's waiting list is open, DHNP will publicize the availability and nature of housing assistance for very low income families in a newspaper of general circulation, minority media, and by other suitable means.

To reach persons who cannot read the newspapers; the DHNP will distribute fact sheets to the broadcasting media, and initiate personal contacts with members of the news media and community service personnel.

DHNP will communicate the status of housing availability to other service providers in the community, and advise them of housing eligibility factors and guidelines in order that they can make proper referrals for housing assistance.

N. OWNER OUTREACH [24 CFR 982.54(d) (5)]

DHNP makes a concerted effort to keep private owners informed of legislative changes in the tenant-based program, which are designed to make the program more attractive to owners. This includes informing participant owners of applicable legislative changes in program requirements.

DHNP encourages owners of decent, safe and sanitary housing units to lease to HCV families.

DHNP encourages participation by owners of suitable units located outside areas of low poverty or minority concentration.

DHNP conducts annual meetings with participating owners to improve owner relations and to recruit new owners.

DHNP maintains a list of units available for the HCV Program and updates this list at least bi-weekly. When listings from owners are received, they will be compiled by DHNP's staff by bedroom size.

Printed material is offered to acquaint owners and managers with the opportunities available under the program.

DHNP encourages program participation by owners of units located outside areas of poverty or minority concentration. DHNP periodically evaluates the demographic distribution of assisted families to identify areas within the jurisdiction where owner outreach should be targeted. The purpose of these activities is to provide more choice and better housing opportunities to families.

DHNP shall periodically:

* Establish contact with civic, charitable or neighborhood organizations which have an interest in housing for low-income families and public agencies concerned with obtaining housing for displacements.

* Explain the program, including equal opportunity requirements and nondiscrimination requirements, including Fair Housing Amendments Act of 1988 and Americans with Disabilities Act, to real estate agents, landlords, and other groups that have dealings with low-income families or are interested in housing such families.

O. PROJECT-BASED VOUCHER PROGRAM:

1) CLOVERLEAF SRO & SOUTH BAY SRO

DHNP in conjunction with City of Chesapeake Housing & Redevelopment Agency, Norfolk Redevelopment & Housing Agency, Portsmouth Redevelopment & Housing Agency, the Continuum of Care Agencies of the Cities of Virginia Beach, Chesapeake, Norfolk, and Portsmouth; and Virginia Supportive Housing (VSH), signed a Memorandum of Agreement in September 2007 to support the sixty (60) unit Cloverleaf Single Room Occupancy (SRO) residence and 60 unit South Bay Single Room Occupancy (SRO)..

DHNP is allotted 44 units in the Cloverleaf SRO residence and supports these units with 44 project based vouchers. The remaining 16 units are allocated under the Continuum of Care Memorandums of Agreement, and will be represented by Norfolk, Portsmouth, Chesapeake, and Virginia Beach. DHNP is allocated six units in the South Bay (SRO).

DHNP had entered in a Housing Assistance Payments contract with Virginia Supportive Housing, the owner of the Cloverleaf SRO residence. DHNP will bill the other jurisdictions for occupancy of the other allocated units. A similar contract will be executed for South Bay.

DHNP provides a list of eligible applicants to Virginia Supportive Housing from DHNP's HCV waiting list as required for the 44 Project Based Vouchers. Depending on the allocation, each Continuum of Care jurisdiction provides applicants directly to Virginia Supportive Housing who then refer to DHNP. For all 60 vouchers, DHNP performs screening for HCV eligibility, while Virginia Supportive Housing performs final screening and approval of occupancy. VSH and DHNP are responsible for administration of the vouchers in accordance with the Department of

Housing and Urban Development (HUD) regulations in CFR24 Part 983, Project Based Voucher Program.

2) COMMUNITY HOUSING PARTNERS (SEAHAVEN)

DHNP has partnered with Community Housing Partners to provide Project Based Assistance for twenty-six (26) units in Virginia Beach. All units are located in a single complex. The units are 780 square feet, have 2 bedrooms and 1 bathroom. When a vacancy occurs, DHNP will pull the next eligible person from its Waiting List, determine their final eligibility and will refer the applicant to Community Housing Partners for final screening and approval of occupancy.

3) VIRGINIA BEACH COMMUNITY DEVELOPMENT CORP (VBCDC)

DHNP's in conjunction with the Virginia Beach Community Development Corporation (VBCDC) signed a memorandum of Agreement in January 2008 to support 40 units with Project Based Vouchers to house homeless and/or disabled families. All units are scattered throughout the City of Virginia Beach. DHNP maintains the list of eligible applicants and refers the same to the VBCDC. VBCDC performs final screening and approval of occupancy. VBCDC and DHNP are responsible for administration of the vouchers in accordance with the Department of Housing and Urban Development (HUD) regulations in CFR24 Part 983, Project Based Voucher Program.

DHNP has also entered into project based assistance agreements with VBCDC for four other programs totaling 49 units. These programs are administered in the same way as the recently enacted program described above.

Chapter 2
ELIGIBILITY FOR ADMISSION
[24 CFR Part 5, Subparts B, D & E; Part 982]

INTRODUCTION

This Chapter defines both HUD and DHNP's criteria for admission and denial of admission to the program. The policy of the DHNP is to strive for objectivity and consistency in applying these criteria to evaluate the eligibility of families who apply for the Housing Choice Voucher Program. DHNP staff will review all information provided by the family carefully and without regard to factors other than those defined in this Chapter. Families will be provided the opportunity to explain their circumstances, to furnish additional information, if needed, and to receive an explanation of the basis for any decision made by the DHNP pertaining to their eligibility.

A. ELIGIBILITY FACTORS [982.201(b)]

The DHNP accepts applications only from families whose head or spouse is at least 18 years of age or emancipated minors under State law. To be eligible for participation, an applicant must meet HUD's criteria, as well as any permissible additional criteria established by DHNP.

The HUD eligibility criteria are:

- An applicant must be a "family."
- An applicant must be within the appropriate Income Limits.
- An applicant must furnish Social Security Numbers for all family members.
- An applicant must furnish declaration of Citizenship or Eligible Immigrant Status and verification when required.
- At least one member of the applicant family must be either a U.S. citizen or have eligible immigration status before the DHNP may provide any financial assistance.

Reasons for denial of admission are addressed in "Denial or Termination of Assistance", Chapter 15. These reasons for denial constitute additional admission criteria.

The Family's initial eligibility for placement on the waiting list will be made in accordance with the eligibility criteria.

B. FAMILY COMPOSITION [24 CFR 982.201(c)]

Family. A person or group of persons as determined by the DHNP, approved to reside in a unit with assistance under the program.

A family may be:

- An elderly person
- A displaced person
- A person with a disability (Individuals may not be considered disabled for eligibility purposes solely on the basis of any drug or alcohol dependence.)
- Any other single person
- Two or more persons who intend to share residency
- One or more disabled persons living with one or more live-in aides

A child who is temporarily away from the home because of placement in foster care is considered a member of the family. This provision only pertains to the foster child's temporary absence from the home, and is not intended to artificially enlarge the space available for other family members. Temporary is defined as in excess of 30 consecutive days.

Head of Household

The head of household is the adult member of the household who is designated by the family as head, is wholly or partly responsible for paying the rent, and has the legal capacity to enter into a lease under State/local law. Emancipated minors who qualify under State law will be recognized as head of household.

Spouse of Head

Spouse means the husband or wife of the head. For proper application of the non-citizens rule, the definition of spouse is: the marriage partner who, in order to dissolve the relationship would have to be divorced. The term "spouse" does not apply to boyfriends, girlfriends, significant others, or co-heads.

Co-Head

This is an individual in the household who is equally responsible for the lease with the Head of Household. A family may have a spouse or co-head, but not both. A co-head never qualifies as a dependent.

Live-in Attendants [24 CFR 982.316]

A Family may include a live-in aide provided that such live-in aide:

- Is determined by the DHNP's staff to be essential to the care and well being of an elderly person, a near-elderly person, or a person with disabilities,
- Is not obligated for the support of the person(s), and
- Would not be living in the unit except to provide care for the person(s).

A live-in aide is treated differently than family members:

- Income of the live-in aide will not be counted for purposes of determining eligibility or level of benefits.
- Live-in aides are not subject to Non-Citizen Rule requirements.
- Live-in aides may not be considered as a remaining member of the participant family.

Relatives are not automatically excluded from being live-in aides, but they must meet all of the elements in the live-in aide definition described above.

A Live in Aide may only reside in the unit with the approval of the DHNP. Written verification will be required from a reliable, knowledgeable professional, such as a doctor, social worker, or case worker. The verification provider must certify that a live-in aide is needed for the care of the family member who is elderly, near-elderly (50-61) or disabled.

The DHNP will approve a live-in aide if needed as a reasonable accommodation to make the program accessible to and usable by the family member with a disability. Approval of a live-in aide for reasonable accommodation will be in accordance with CFR 24 Part 8 and the reasonable accommodations section in Chapter 1 of this administrative plan.

At any time, DHNP's will refuse to approve a particular person as a live-in aide or may withdraw such approval if:

- The person commits fraud, bribery, or any other corrupt or criminal act in connection with any federal housing program;
- The person commits drug-related criminal activity or violent criminal activity; or
- The person currently owes rent or other amounts to the DHNP's Rental Housing Division, or to another DHNP in connection with the HCV program or public housing assistance under the 1937 Act.

Split Households Prior to Voucher Issuance

When a family on the waiting list splits into two otherwise eligible families due to divorce or legal separation, and the new families both claim the same placement on the waiting list, and there is no court determination, the DHNP will make the decision taking into consideration the following factors:

- Which family member applied as head of household.
- Which family unit retains the children or any disabled or elderly members.
- Restrictions that were in place at the time the family applied.
- Role of domestic violence in the split.
- Recommendations of social service agencies or qualified professionals such as children's protective services.

Documentation of these factors is the responsibility of the applicant families. If either or both of the families do not provide the documentation, they may be denied placement on the waiting list for failure to supply information requested by DHNP.

In cases where domestic violence played a role, verification will be required.

Multiple Families in the Same Household

When families apply which consist of two families living together, (such as a mother and father, and a daughter with her own husband or children), if they apply as a family unit, they will be treated as a family unit.

Joint Custody of Children

Children who are subject to a joint custody agreement but live with one parent at least 51% of the time will be considered members of the household. "51% of the time" is defined as 183 days of the year, which do not have to run consecutively.

There will be a self-certification required of families who claim joint custody or temporary guardianship.

When both parents are on the Waiting List and both are trying to claim the child, the parent whose address is listed in the school records will be allowed to claim the school-age child as a dependent.

The determination of household composition is made at the discretion of the DHNP.

C. INCOME LIMITATIONS [24 CFR 982.201(b), 982.353]

To be eligible for assistance, an applicant must meet one or more of the following criteria:

- Have an annual income at the time of admission that does not exceed the very low income limits for occupancy established by HUD.
- Be a very low income family.
- Be a low-income family that is continuously assisted under the 1937 Housing Act. An applicant is continuously assisted if the family has received assistance under any 1937 Housing Act program within 120 days of voucher issuance. Programs include any housing federally assisted under the 1937 Housing Act.
- Be a low-income family physically displaced by rental rehabilitation activity under 24 CFR part 511.
- Be a low-income non-purchasing family residing in a HOPE 1 or HOPE 2 project.
- Be a low-income non-purchasing family residing in a project subject to a home-ownership program under 24 CFR 248.173.
- Be a low-income or moderate-income family that is displaced as a result of the prepayment of a mortgage or voluntary termination of an insurance contract on eligible low-income housing as defined in 24 CFR 248.101.
- Be a low-income family that qualifies for Voucher assistance as a non-purchasing family residing in a project subject to a resident home ownership program under 24 CFR 248.173
- Be a low income family previously assisted under the Housing Choice Voucher program whose assistance was terminated due to insufficient funding.

To determine if the family is income-eligible, the DHNP compares the annual income of the family to the applicable income limit for the family's size.

Families whose annual income exceeds the income limits will be denied admission and offered an informal review.

Portability: For initial lease-up at admission, families who exercise portability must be within the applicable income limit for the jurisdiction of the receiving PHA in which they want to live. The family will also be subject to existing occupancy standards in effect in the receiving PHA's jurisdiction.

Presently and until further notice the DHNP's is not absorbing any fees associated with request for Portability. We are currently only billing the sending jurisdiction for the fees associated with the voucher, once the participant has executed a lease in our jurisdiction.

D. MANDATORY SOCIAL SECURITY NUMBERS [24 CFR 5.216, 5.218]

Final Rule published in the Federal Register on January 27, 2009 is as follows:

The final rule requires all individuals applying for or participating in HUD's rental assistance programs to have a valid social security number. All social security numbers for an applicant's household must be verified using appropriate documentation before the household may be admitted into the program. For current participants all social security numbers must be provided and verified at the next interim or regularly scheduled recertification. All efforts should be made to ensure current participants and those on the waiting list are made aware of this new requirement that took effect on March 30, 2009.

See Notice PIH 2008-44 (HA)

E. CITIZENSHIP/ELIGIBLE IMMIGRATION STATUS [24 CFR Part 5, Subpart E]

In order to receive assistance, a family member must be a U.S. citizen or eligible immigrant. Individuals, who are neither, may elect not to contend their status. Eligible immigrants are persons who are in one of the immigrant categories as specified by HUD.

For the Citizenship/Eligible Immigration requirement, the status of each member of the family is considered individually before the family's status is defined.

Mixed Families. A family is eligible for assistance as long as at least one member is a citizen or eligible immigrant. Families that include eligible and ineligible individuals are called "mixed." Such applicant families will be given notice that their assistance will be pro-rated and that they may request a hearing if they contest this determination.

All members ineligible. Applicant families that include no eligible members are ineligible for assistance. Such families will be denied admission and offered an opportunity for a hearing.

Non-citizen students. Defined by HUD in the non-citizen regulations at 24 CFR 5.522. Not eligible for assistance.

Appeals. For this eligibility requirement only, the applicant is entitled to a hearing exactly like those provided for participants.

F. OTHER CRITERIA FOR ADMISSIONS [24 CFR 982.552(b) & 982.553]

A family will not be admitted to the program if any member of the family has been evicted from federally assisted housing for serious or repeated violations of the lease within the past 5 years.

A family will be denied admission to the program if any member of the family fails to sign and submit consent forms for obtaining information required by the DHNP's including Form HUD-9886.

The family must not have violated any family obligation during a previous participation in the HCV program for 7 years prior to final eligibility determination. The DHNP will make an exception, if the family member who violated the family obligation is not a current member of the household on the application.

The family must be in good standing regarding any current payment agreement made with another HA for a previous debt incurred, before the DHNP will allow participation in its HCV program.

The DHNP will check criminal history for all adults in the household to determine whether any member of the family has violated any of the prohibited behaviors as referenced in the section on screening and terminations policy in the "Denial or Termination of Assistance" chapter.

If any applicant deliberately misrepresents the information on which eligibility or participant rent is established, the DHNP may deny assistance and may refer the family file/record to the proper authorities for appropriate disposition. (See Program Integrity Addendum).

G. PARTICIPANT SCREENING [24 CFR 982.307)]

The DHNP's Rental Housing staff will take into consideration any of the criteria for admission described in the "Denial or Termination of Assistance" chapter.

The DHNP's Rental Housing Division will not screen family behavior or suitability for tenancy. DHNP will not be liable or responsible to the owner or other persons for the family's behavior or the family's conduct in tenancy. The owner is responsible for screening and selection of the family to occupy the owner's unit. At or before DHNP's approval of the tenancy, DHNP will inform the owner that screening and selection for tenancy is the responsibility of the owner.

The owner is responsible for screening families based on their tenancy histories, including such factors as: [24 CFR 982.307(a) (3)]

- Payment of rent and utility bills
- Caring for a unit and premises
- Respecting the rights of other residents to the peaceful enjoyment of their housing
- Drug-related criminal activity or other criminal activity that is a threat to the health, safety or property of others; and
- Compliance with other essential conditions of tenancy.

The DHNP must give the owner:

- The family's current and prior address as shown in DHNP records; and

- The name and address (if known by DHNP) of the landlord at the family's current and prior address.

The same types of information will be supplied to all owners.

DHNP will advise families how to file a complaint if they have been discriminated against by an owner. DHNP will also advise the family to make a Fair Housing complaint. DHNP must also report the owner to HUD (Fair Housing/Equal Opportunity).

H. CHANGES IN ELIGIBILITY PRIOR TO EFFECTIVE DATE OF THE CONTRACT

Changes that occur during the period between issuance of a voucher and lease up may affect the family's eligibility or share of the rental payment.

I. INELIGIBLE FAMILIES

Families who are determined to be ineligible will be notified in writing of the reason for denial and given an opportunity to request an informal review if they were denied due to noncitizen status. See "Complaints and Appeals" chapter for additional information about reviews.

J. PROHIBITED ADMISSIONS CRITERIA [982.202(b)]

Admission to the program may not be based on:

- Where a family lives prior to admission to the program*.
- Where the family will live with assistance under the program.
- Discrimination because members of the family are unwed parents, recipients of public assistance, or children born out of wedlock.
- Discrimination because a family includes children.
- Whether a family decides to participate in a family self sufficiency program; or
- Other reasons as listed in the "Statement of Policies and Objectives" chapter under the Fair Housing and Reasonable Accommodations sections.

* However DHNP may target assistance for families who live in public housing or other federally assisted housing, or may adopt a residency preference (as per [982.207]). If DHNP has requested and subsequently adopted a Residency Preference, it will be explained in further detail in the Waiting List/Preference Section of this Administrative Plan.

Chapter 3
APPLYING FOR ADMISSION
[24 CFR 982.201,982.204, 982.206, 982.54]

INTRODUCTION

The policy of DHNP is to ensure that all families who express an interest in housing assistance are given an equal opportunity to apply, and are treated in a fair and consistent manner. This Chapter describes the policies and procedures for completing an initial application for assistance, placement and denial of placement on the waiting list, and limitations on who may apply. The primary purpose of the intake function is to gather information about the family, but DHNP will also utilize this process to provide information to the family so that an accurate and timely decision of eligibility can be made. Applicants will be placed on the waiting list in accordance with this Plan.

A. OVERVIEW OF THE APPLICATION TAKING PROCESS

The purpose of application taking is to permit DHNP to gather information and determine placement on the waiting list. The application will contain questions designed to obtain pertinent program information.

Families who wish to apply for any one of DHNP's programs must complete a written application form when application-taking is open. Applications will be made available in an accessible format upon request from a person with a disability.

When the waiting list is open, any family asking to be placed on the waiting list for HCV rental assistance will be given the opportunity to complete an application.

The application process will involve two DHNP. The first is the "initial" application for assistance (referred to as a preapplication). This first DHNPse may result in the family's placement on the waiting list.

The pre-application will be dated, time-stamped, and referred to DHNP's eligibility office where it will be maintained until such time as it is needed for processing.

The second DHNP is the "final determination of eligibility" (referred to as the full application). The full application takes place when the family reaches the top of the waiting list. At this time DHNP ensures that verification of all HUD and DHNP eligibility factors is current in order to determine the family's eligibility for the issuance of a voucher, or participation in a Project Based Voucher program (PBV).

B. OPENING/CLOSING OF APPLICATION TAKING [24 CFR 982.206, 982.54(d)(1)]

DHNP will utilize the following procedures for opening the waiting list:

At least one (1) week prior to opening the Waiting List, the DHNP will advertise through public notice in the local newspapers, minority publications and media entities, the City of Virginia Beach public television and radio stations.

The notice will contain:

- The dates, times, and the locations where families may apply.
- The programs for which applications will be taken.
- A brief description of the program.
- The beginning and ending dates for accepting applications
- Limitations, if any, on who may apply.

The notices will be made in an accessible format if requested. They will provide potential applicants with information that includes DHNP address and telephone number, how to submit an application, information on eligibility requirements, and the availability of local **preferences**.

Upon request from a person with a disability, additional time will be given as an accommodation for submission of an application after the closing deadline. This accommodation is to allow persons with disabilities the opportunity to submit an application in cases when a social service organization provides inaccurate or untimely information about the closing date.

If the waiting list is open, DHNP will accept applications from eligible families unless there is good cause for not accepting the application, such as denial of assistance because of action or inaction by members of the family for the grounds stated in the "Denial or Termination of Assistance" chapter of this Administrative Plan. [24 CFR 982.206(b)(2)]

Closing the Waiting List

The open period shall be long enough to achieve a waiting list adequate to cover projected turnover and new allocations over the next 12 months. When the period for accepting applications is over, DHNP will add the new applicants to the list by separating the new applicants into groups based on preference points and then lotterizing applicants within each group.

Limits on Who May Apply

When the waiting list is open:

- Normally, any family asking to be placed on the waiting list for HCV rental assistance will be given the opportunity to complete an application.

- Depending upon the composition of the waiting list with regard to family types and preferences and to better serve the needs of the community, DHNP may only accept applications from any family claiming preference(s).

C. "INITIAL" APPLICATION PROCEDURES [24 CFR 982.204(b)]

DHNP will utilize a preliminary application form. The information is to be filled out by the applicant whenever possible. To provide specific accommodation for persons with disabilities, the information may be completed by a staff person on a home visit.

The purpose of the preliminary application is to permit DHNP to preliminarily assess family eligibility or ineligibility and to determine placement on the waiting list. The preliminary application will contain at least the following information:

- Applicant name
- Family Unit Size (number of bedrooms the family qualifies for under DHNP subsidy standards)
- Date and time of application
- Qualification for any local preference
- Racial or ethnic designation of the head of household
- Annual (gross) family income
- Targeted program qualifications

Duplicate applications, including applications from a segment of an applicant household, will not be accepted.

Ineligible families will not be placed on the waiting list.

Preliminary applications will not require an interview. The information on the application will not be verified until the applicant has been selected for final eligibility determination. Final eligibility will be determined when the full application process is completed and all information is verified.

D. APPLICANT STATUS WHILE ON WAITING LIST [CFR 982.204]

Applicants are required to inform DHNP in writing of changes in address. Applicants are also required to respond to requests from DHNP to update information on their application and to determine their interest in assistance.

If after a review of the preliminary application the family is determined to be preliminarily eligible, they will be notified in writing or in an accessible format upon request, as a reasonable accommodation.

This written notification of preliminary eligibility will be provided in one of three manners:

- given to the applicant at the time the preapplication is submitted
- mailed to the applicant by first class mail
- distributed to the applicant in the manner requested as a specific accommodation.

If the family is determined to be ineligible based on the information provided in the pre-application, DHNP will notify the family in writing (in an accessible format upon request as a

reasonable accommodation), state the reason(s), and inform them of their right to an informal review. Persons with disabilities may request to have an advocate attend the informal review as an accommodation. **(See "Chapter 18, Complaints and Appeals)**

E. TIME OF SELECTION [24 CFR 982.204]

When funding is available, families will be selected from the waiting list in their determined sequence, regardless of family size, subject to income targeting requirements.

When there is insufficient funding available for the family at the top of the list, DHNP will not admit any other applicant until funding is available for the first applicant.

F. COMPLETION OF A FULL APPLICATION

A completed preliminary application is required to be placed on the waiting list. Before selection from the waiting list, applicants will be required to submit verification of all preferences claimed. After preference have been verified, and DHNP is ready to select applicants, applicants will be required to participate in a briefing with a DHNP representative during which the applicant will be required to furnish information as requested by the interviewer. The full application will be completed when the applicant attends the briefing.

Requirement to Attend Briefing

DHNP utilizes the waiting list briefing to discuss the family's circumstances in greater detail, to clarify information which has been provided by the family, and to ensure that the information is complete. The briefing is also used as a vehicle to meet the informational needs of the family by providing information about the application and verification processes, as well as to advise the family of other DHNP services or programs which may be available.

All adult family members are required to attend the briefing and sign the housing application.

Exceptions may be made for students attending school out of state and/or for members for whom attendance would be a hardship.

It is the applicant's responsibility to reschedule the briefing if they miss the appointment. If the applicant does not reschedule or misses two scheduled briefings, DHNP will reject the application.

Applicants who want to reschedule a missed appointment must request to reschedule and will be invited to the next scheduled briefing date..

If an applicant fails to appear for their briefing without prior approval of DHNP, their application will be denied unless they can provide acceptable documentation to DHNP that an emergency prevented them from calling.

Reasonable accommodation will be made for persons with a disability who require an advocate or accessible offices. A designee will be allowed to participate in the interview process, but only with permission of the person with a disability.

If an application is denied due to failure to attend the waiting list briefing the applicant will be notified in writing and offered an opportunity to request an informal review. (See "Complaints and Appeals "chapter.)

All adult members must sign the HUD Form 9886, Release of Information, the application form, the declarations and consents related to citizenship/immigration status and all supplemental forms required by DHNP. Applicants will be required to sign specific verification forms for information which is not covered by the HUD form 9886. Failure to do so will be cause for denial of the application for failure to provide necessary certifications and release as required by DHNP.

Every adult household member must sign a consent form to release criminal conviction records and to allow DHNP to receive records and use them in accordance with HUD regulations.

If DHNP determines at or after the interview that additional information or document(s) are needed, DHNP will request the document(s) or information in writing. The family will be given 10 working days to supply the information.

If the information is not supplied in this time period, DHNP will provide the family a notification of denial for assistance. (See "Complaints and Appeals" chapter)

G. VERIFICATION [24 CFR 982.201(e)]

Information provided by the applicant will be verified, using the verification procedures in the "Verification Procedures," Chapter 7. Family composition, income, allowances and deductions, assets, full-time student status, eligibility and rent calculation factors, and other pertinent information will be verified. Verifications may not be more than 60 days old at the time of issuance of the Voucher.

H. FINAL DETERMINATION OF ELIGIBILITY [24 CFR 982.201]

After the verification process is completed, DHNP will make a final determination of eligibility and notification.

Chapter 4
ESTABLISHING PREFERENCES AND MAINTAINING THE WAITING LIST
[24 CFR Part 5, Subpart D; 982.54(d) (1); 982.204, 982.205, 982.206,982.207]

INTRODUCTION

It is DHNP's objective to ensure that families are placed in the proper order on the waiting list and selected from the waiting list for admission in accordance with the policies in this Administrative Plan.

This chapter explains the local preferences which DHNP has adopted to meet local housing needs, defines the eligibility criteria for the preferences and explains the DHNP's system of applying them.

By maintaining an accurate waiting list, DHNP will be able to perform the activities which ensure that an adequate pool of qualified applicants will be available so that program funds are used in a timely manner.

A. WAITING LIST [24 CFR 982.204] [24 CFR 983.251]

The DHNP may use more than one waiting list in the administration of our voucher program. There will be a single waiting list for our HCV participant based assistance program, and we may use a separate waiting list for admission to our PBV units, or may use the same waiting list for both Tenant-based assistance and PBV assistance. If we choose to use a separate waiting list for admission to our PBV units, we must offer to place applicants who are listed on the waiting list for tenant-based assistance on the waiting list for PBV assistance (24CFR983.251).

For PBV Programs involving more than one municipality, the City of Virginia Beach DHNP may establish multiple waiting lists that reflect the voucher allocations made to each of the participant cities.

The DHNP may use separate waiting lists for PBV units in individual projects or buildings (or for sets of such units) or may use a single waiting list for the DHNP's whole PBV program. In either case, the waiting list may establish criteria, or preferences for occupancy of particular units.

The DHNP may place families referred by the PBV owner on its PBV waiting list.

In the case of Special Admissions, [24 CFR 983.203] applicants will be selected from DHNP's waiting list in accordance with policies and preferences and income targeting requirements defined in this Administrative Plan.

The DHNP will maintain information that permits proper selection from the waiting list.

The waiting list contains the following information for each applicant listed:

- Applicant name
- Family unit size (number of bedrooms family qualifies for under the DHNP subsidy standards)
- Date and time of application

- Qualification for any local preference
- Racial or ethnic designation of the head of household
- Annual (gross) family income
- Number of persons in family
- Targeted program qualifications

B. SPECIAL ADMISSIONS [24 CFR 982.54(d) (e), 982.203]

If HUD awards to DHNP program funding that is targeted for specifically named families, DHNP will admit these families under a Special Admission procedure.

Special admissions families will be admitted outside of the regular waiting list process. They do not have to qualify for any preferences, nor are they required to be on the program waiting list. DHNP maintains separate records of these admissions.

The following are examples of types of program funding that may be designated by HUD for families living in a specified unit:

- A family displaced because of demolition or disposition of a public or Indian housing project;
- A family residing in a multifamily rental housing project when HUD sells, forecloses or demolishes the project;
- For housing covered by the Low Income Housing Preservation and Resident Home-ownership Act of 1990;
- A family residing in a project covered by a project-based HCV HAP contract at or near the end of the HAP contract term; and
- A non-purchasing family residing in a HOPE 1 or HOPE 2 project.
- Families qualifying for placement under specialized HUD voucher programs such as Continuum of Care, Family Unification Program, SRO's targeted at the homeless and other similar funding streams.

Applicants, who are admitted under Special Admissions, rather than from the waiting list, are maintained on a separate list.

C. LOCAL PREFERENCES [24 CFR 982.207]

DHNP is not required to offer public notice when changing its preference system according to HUD PIH Notice 98-4. However, DHNP is required to consider public comments on its annual plan in establishing local preferences.

The DHNP uses the following preference system:

1) **Insufficient Funding Preference:**

This preference is extended to any family that has been terminated from its HCV program due to insufficient program funding.

2) **Disability Preference**:

This preference is extended to disabled persons or families with a disabled member as defined in this plan.

The DHNP will require appropriate documentation from a knowledgeable professional. The DHNP will not inquire as to the nature or extent of the disability.

An award letter or other proof of eligibility for Social Security Disability.

3) **Homeless or Being in Imminent Danger of Homelessness Preference:**

This preference is available for individuals who meet the definition of homeless or being in imminent danger of homelessness as determined by the DHNP and/or HUD. Verification of Homeless status should be secured on the Documentation of Homelessness form and completed by a professional associated with a third party agency i.e. Salvation Army Counselor, Case Worker, Clergy, Department of Human Services; Virginia Beach Police Department, Department of Housing & Neighborhood Preservation, any Virginia Beach non-profit organization that works with homeless populations.

The DHNP designates agencies for this purpose. Any other suitable agency, organization, or individual may provide verification if DHNP determines the source to be reliable

4) **Residency Preference**:

For families who live, work or have been hired to work in the City of Virginia Beach.

In order to verify that an applicant is a resident, the Department will require a minimum of **two (2)** of the following documents: rent receipts, leases, utility bills, employer or agency records, school records, drivers licenses, voters registration records and credit reports.

For families who have been hired to work in the City of Virginia Beach a statement from the employer will be required.

5) **Elderly – 62 or older :**

A family whose head of the household is at least 62 years of age or older.

6) **Veteran –** A family whose head of household is an honorable or general discharged Veteran of the U.S. Armed Forces, and who meets all other eligibility criteria

7) **Families with Dependent Children under 18 yrs old:**

This preference is available for families with dependent children under 18 years old. A dependent is a family member who is under 18 years of age or a person of any age who is a person with a disability or a full-time student, except that the following persons can never be dependents: The head of household, spouse, co-head, foster children/adults and live-in-aides.

8) **Victims of Domestic Violence:**

Pursuant to the Violence Against Women Act (VAWA), this preference is available for individuals who have been victims of domestic violence, dating violence, sexual assault, or stalking. No applicant who has been a victim of domestic violence, dating violence, sexual assault, or stalking will be denied admission to the program. Victims of domestic violence who claim this preference must submit verification by completing the Certification of Domestic Violence, Dating Violence, or Stalking.

Pursuant to the Violence Against Women Act (VAWA), this preference is available for individuals who have been victims of domestic violence, dating violence, sexual assault or stalking. Being a victim of domestic violence is not a basis for denial of assistance or admission to assisted housing if the applicant otherwise qualifies for assistance or admission. DHNP shall request an applicant to certify is a victim of abuse and that the individual is a victim of abuse is bona fide. HUD form 50066 (http://www.hudclips.org/sub_nonhud/html/forms.htm) or any documentation from federal, state, tribal, territorial, or local police or court record is acceptable documentation proving domestic violence.

9) **Working Preference:**

This preference is for households where the head, spouse or sole member has been employed in their current job for at least 1 year. However, an applicant shall be given the benefit of the working family preference if the head and spouse, or sole member is age 62 or older, or is a person with disabilities.

DHNP will require a statement from the employer, or verification of the age or disability status of the head and spouse, or sole member.

Preference points are as follows:

1)	Insufficient Funding	75 points
2)	Disability	50 points
3)	Homeless/Imminent Danger of Homelessness	50 points
4)	Residency	50 points
5)	Elderly – 62 or older	25 points
6)	Veteran	25 points
7)	Families with Children under 19 yrs old	20 points
8)	Victim of Domestic Violence	20 points
9)	Working	20 points

Date and time of receipt of a completed application: When there are families with the same amount of points, the date and time of the application determines the placement on the wait list. When there are no points, then the date and time of the application determines the placement on the wait list.

D. INCOME TARGETING

In accordance with the Quality Housing and Work Responsibility Act of 1998, each fiscal year DHNP will reserve a minimum of seventy-five percent of its HCV new admissions for families whose income does not exceed 30 percent of the area median income. HUD refers to these families as "extremely low-income families." DHNP will admit families who qualify under the Extremely Low Income limit to meet the income targeting requirement, regardless of preference.

DHNP's income targeting requirement does not apply to low income families continuously assisted as provided for under the 1937 Housing Act. DHNP is also exempted from this requirement where WE ARE providing assistance to low income or moderate income families entitled to preservation assistance under the tenant-based program as a result of a mortgage prepayment or opt-out.

E. INITIAL DETERMINATION OF LOCAL PREFERENCE QUALIFICATION [24CFR 982.207]

The method for selecting applicants from a preference category must leave a clear audit trail that can be used to verify that each applicant has been selected in accordance with this Administrative Plan.

DHNP will verify all preference claims at the time of selection of the waiting list.

If the preference verification indicates that an applicant does not qualify for the preference, the applicant will be returned to the waiting list without the local preference.

If, at the time the family applied, the preference claim was the only reason for placement of the family on the list and the family cannot verify their eligibility for the preference as of the date of application, the family will be removed from the list.

F. PREFERENCE AND INCOME TARGETING ELIGIBILITY [24 CFR 982.207]

Change in Circumstances

Changes in an applicant's circumstances while on the waiting list may affect the family's entitlement to a preference. Applicants are required to notify DHNP in writing when their circumstances change.

When an applicant claims an additional preference, he or she will be placed on the waiting list in the appropriate order determined by the newly-claimed preference.

If the family's verified annual income, at final eligibility determination, does not fall under the Extremely Low Income limit and the family was selected for income targeting purposes before families with a higher preference, the family will be returned to the waiting list.

Other Housing Assistance [24 CFR 982.205(b)]

Other housing assistance means a federal, State or local housing subsidy, as determined by HUD, including public housing.

DHNP may not take any of the following actions because an applicant has applied for, received, or refused other housing: [24 CFR 982.205(b)]

- Refuse to list the applicant on DHNP's waiting list for HCV assistance;

- Deny any admission preference for which the applicant is currently qualified;
- Change the applicant's place on the waiting list based on preference, date and time of application, or other factors affecting selection under DHNP's selection policy; or
- Remove the applicant from the waiting list.

However, DHNP may remove the applicant from the waiting list for HCV assistance if DHNP has offered the applicant assistance under the voucher program.

G. ORDER OF SELECTION [24 CFR 982.207(e)]

DHNP's method for selecting applicants from a preference category leaves a clear audit trail that can be used to verify that each applicant has been selected in accordance with the method specified in the administrative plan.

Local Preferences

Local preferences will be used to select families from the waiting list. Each preference is allocated points. The more preference points an applicant has, the higher the applicant's place on the waiting list.

Among Applicants with Equal Preference Status

Among applicants with equal preference status, the list will be sorted by date and time within each preference group.

H. PREFERENCE DENIAL [24 CFR 982.207]

If DHNP denies a preference, the applicant will be notified in writing of the reasons for denial. of a preference. The applicant will remain on the waiting list without benefit of the preference.

If the applicant falsifies documents or makes false statements in order to qualify for any preference, they will be removed from the waiting list.

I. REMOVAL FROM WAITING LIST AND PURGING [24 CFR 982.204(c)]

The Waiting List will be purged each year by a mailing to all applicants to ensure that the waiting list is current and accurate. The mailing will ask for written confirmation of continued interest.

Any initial mailings to the applicant which require a response will state that failure to respond within 10 working days may result in the applicant's name being dropped from the waiting list.

If an applicant fails to respond to a mailing from DHNP, the applicant will be sent written notification and given 10 days to contact our Division. If they fail to respond, they will be removed from the waiting list.

An extension of 30 days to respond will be granted, if requested and needed as a reasonable accommodation for a person with a disability.

If a letter is returned by the Post Office without a forwarding address, the applicant will be removed without further notice, and the envelope and letter will be maintained in the file.

If a letter is returned with a forwarding address, it will be re-mailed to the address indicated and be treated as an initial mailing.

If an applicant is removed from the waiting list for failure to respond, they will not be entitled to reinstatement unless the Rental Housing Administrator or Program Coordinator determines there were circumstances beyond the person's control.

Chapter 5
OCCUPANCY STANDARDS
24 CFR 982.402, 982.403

INTRODUCTION

HUD guidelines require DHNP establish occupancy standards for the determination of family unit size, and that such standards provide for a minimum commitment of occupancy while avoiding overcrowding. The standards used for the unit size selected by the family must be within the minimum unit size requirements of HUD's Housing Quality Standards. This Chapter explains the occupancy standards which will be used to determine the voucher size (family unit size) for various sized families when they are selected from the waiting list, as well as DHNP's procedures when a family's size changes or a family selects a unit size that is different from the Voucher.

A. DETERMINING FAMILY UNIT (VOUCHER) SIZE [24 CFR 982.402]

The DHNP does not determine who shares a bedroom/sleeping room, but there must be at least one person per bedroom on the Voucher. The DHNP standards for determining voucher size shall be applied in a manner consistent with Fair Housing guidelines.

For occupancy standards, an adult is a person 18 years of age or older or an emancipated minor.

All standards in this section relate to the number of bedrooms on the Voucher, not the family's actual living arrangements.

The unit size on the Voucher remains the same as long as the family composition remains the same, regardless of the actual unit size rented.

One bedroom will generally be assigned for each two family members.

A single pregnant woman with no other family members must be treated as a two-person family.

Single person families shall be allocated one bedroom.

GUIDELINES FOR DETERMINING VOUCHER SIZE

Voucher Size	Persons in Household	
	Minimum Number	Maximum Number
0 Bedroom	1	1
1 Bedroom	1	2
2 Bedrooms	3	4
3 Bedrooms	5	6
4 Bedrooms	7	8
5 Bedrooms	9	10
6 Bedrooms	11	12

B. EXCEPTIONS TO OCCUPANCY STANDARDS [24 CFR 982.403(a) & (b)]

In determining family unit size for a particular family, the DHNP may grant an exception to the established subsidy standards if the DHNP determines the exception is justified by the age, sex, health, handicap, relationship of family members or other personal circumstances. Such exceptions shall be applied uniformly.

Request for Exceptions to Occupancy Standards

The family may request a larger sized voucher than indicated by DHNP's occupancy standards. Such request must be made in writing, or orally if unable to submit in writing, within five days of DHNP's determination of bedroom size. The request must explain the need or justification for a larger bedroom. Documentation verifying the need or justification will be required as appropriate.

Requests based on health related reasons must be verified by a medical professional.

IN THE EVENT OF AN ERROR MADE BY THE DHNP

If DHNP staff errs in the bedroom size designation, the family will be issued a voucher of the appropriate size.

Changes for Applicants

The voucher size is determined prior to the briefing by comparing the family composition to DHNP occupancy standards. If an applicant requires a change in the voucher size based on the requirements of DHNP's occupancy standards, the above-referenced guidelines will apply.

Changes for Participants

The members of the family residing in the unit must be approved by DHNP and the participating HCV landlord/owner. The family must provide written approval to the DHNP Housing Specialist from the landlord/owner to add any additional family member before the new member occupies the unit. Exceptions include the births, adoptions, or court-awarded custody of children, in which case the family must inform DHNP's staff within 5 days.

Under-housed Families

If a unit does not meet HQS space standards due to an increase in family size, (unit too small), The DHNP will issue a new voucher of the appropriate size and assist the family in locating a suitable unit.

The DHNP will also notify the family of the circumstances under which an exception may be granted, such as:

* If a family with a disability is under-housed in an accessible unit.

* If a family requires the additional bedroom because of a health problem which has been verified by the DHNP.

Over-housed Families

Families who are over-housed due to changes in family composition will be issued a smaller bedroom size voucher 60 days prior to their next annual reexamination. The family may remain in the larger dwelling unit providing it is affordable for them to do so.

C. UNIT SIZE SELECTED [24 CFR 982.402(c)]

The family may select a different size dwelling unit than that listed on the Voucher. However, there are three criteria to consider in determining whether the selected until will be approved by DHNP staff:

Occupancy Limitation: The family unit size as determined for a family under DHNP occupancy standard for a family assisted in the voucher program is based on the DHNP's adopted payment standards. The payment standard for a family shall be the *lower of*:

The payment standard amount for the family unit size (as per noted on the voucher; or

The payment standard amount for the unit size rented by the family.

Utility Allowance: The utility allowance used to calculate the gross rent is based on the actual size of the unit the family selects, regardless of the size authorized on the family's Voucher.

Housing Quality Standards: The standards allow two persons per living/sleeping room and permit maximum occupancy levels (assuming a living room is used as a living/sleeping area) as shown in the table below. The levels may be exceeded if a room in addition to bedrooms and living room is used for sleeping. (See Chart Below).

***HQS GUIDELINES FOR UNIT SIZE SELECTED**

Unit Size	Maximum Number in Household
0 Bedroom	1
1 Bedroom	2

2 Bedrooms	4
3 Bedrooms	6
4 Bedrooms	8
5 Bedrooms	10
6 Bedrooms	12

INTRODUCTION

DHNP will use the methods as set forth in this Administrative Plan to verify and determine that family income at admission and at annual reexamination is correct. The accurate calculation of Annual Income and Adjusted Income will ensure that families are not paying more or less money for rent than their obligation under the Regulations.

This Chapter defines the allowable expenses and deductions to be subtracted from Annual Income and how the presence or absence of household members may affect the Total Tenant Payment (TTP). Income and TTP are calculated in accordance with 24 CFR Part 5, Subparts E and F, and further instructions set forth in HUD Notices and Memoranda. The formula for the calculation of TTP is specific and not subject to interpretation. DHNP's policies in this Chapter address those areas which allow DHNP discretion to define terms and to develop standards in order to assure consistent application of the various factors that relate to the determination of TTP.

A. INCOME AND ALLOWANCES [24 CFR 5.609]

Income: Includes all monetary amounts which are received on behalf of the family. For purposes of calculating the Total Tenant Payment, HUD defines what is to be calculated and what is to be excluded in the Code of Federal Regulations. In accordance with this definition, all income which is not specifically excluded in the regulations is counted.

Annual Income is defined as the gross amount of income anticipated to be received by the family during the 12 months after certification or recertification. Gross income is the amount of income prior to any HUD allowable expenses or deductions, and does not include income which has been excluded by HUD. Annual income is used to determine whether or not applicants are within the applicable income limits.

Adjusted Income is defined as the annual income minus any HUD allowable expenses and deductions.

Allowable Deductions

HUD has five allowable deductions from annual income:

- Dependent Allowance: $480 each for family members (other than the head or spouse who are minors, and for family members who are 18 and older who are full-time students or who are disabled.
- Elderly Disabled Allowance: $400 per family for families whose head or spouse are 62 or over, or disabled.
- Allowable Medical Expenses: Deducted for all family members of an eligible elderly/disabled family.
- Child Care Expenses: Deducted for the care of children under 13 when child care is necessary to allow an adult member to work, attend school, or actively seek employment.
- Allowable Disability Assistance Expenses: Deducted for attendant care or auxiliary apparatus for persons with disabilities if needed to enable the individual or an adult family member to work.

B. DISALLOWANCE OF EARNED INCOME FROM RENT DETERMINATIONS FOR PERSONS WITH DISABILITIES [24 CFR 5.617; 982.201(b) (3)]

The annual income for qualified families may not be increased as a result of increases in earned income of a family member who is a person with disabilities beginning on the date on which the increase in earned income begins and continuing for a cumulative 12-month period. After the disabled family receives 12 cumulative months of the full exclusion, annual income will include a DHNP phase-in of half the earned income excluded from annual income.

A family qualified for the earned income exclusion is a family that is receiving tenant-based rental assistance under the Housing Choice Voucher Program; and

- Whose annual income increases as a result of employment of a family member who is a person with disabilities and who was previously unemployed for one or more years prior to employment;
- Whose annual income increases as a result of increased earnings by a family member who is a person with disabilities during participation in any economic self-sufficiency or other job training program; or
- Whose annual income increases, as a result of new employment or increased earnings of a family member during or within six months after receiving assistance, benefits or services under any State program for TANF provided that the total amount over a six-month period is at least $500. The qualifying TANF assistance may consist of any amount of monthly income maintenance, and/or at least $500 in such TANF benefits and services as one-time payments, wage subsidies and transportation assistance.

The HUD definition of "previously unemployed" includes a person with disabilities who has earned in the previous 12 months no more than the equivalent earnings for working 10 hours per week for 50 weeks at the minimum wage. Minimum wage is the prevailing minimum wage in the State or locality.

The HUD definition of economic self-sufficiency program is: any program designed to encourage, assist, train or facilitate economic independence of assisted families or to provide work for such families. Such programs may include job training, employment counseling, work placement, basic skills training, education, English proficiency, workfare, financial or household management, apprenticeship, or any other program necessary to ready a Tenant to work (such as substance abuse or mental health treatment).

Qualifying increases are any earned income increases of a family member who is a person with disabilities during participation in an economic self-sufficiency or job training program and not increases that occur after participation, unless the training provides assistance, training or mentoring after employment.

The amount that is subject to the disallowance is the amount of <u>incremental</u> increase in income of a family member who is a person with disabilities. The incremental increase in income is calculated by comparing the amount of the disabled family member's income before the beginning of qualifying employment or increase in earned income to the amount of such income after the beginning of employment or increase in earned income.

Initial Twelve-Month Exclusion

During the cumulative 12-month period beginning on the date a member who is a person with disabilities of a qualified family is first employed or the family first experiences an increase in annual income attributable to employment, DHNP will exclude from annual income of a qualified family any increase in income of the family member who is a person with disabilities as a result of employment over the prior income of that family member.

Second Twelve-Month Exclusion and DHNP phase-in

During the second cumulative 12-month period after the expiration of the initial cumulative 12-month period referred to above, DHNP must exclude from annual income of a qualified family 50 percent of any increase in income of a family member who is a person with disabilities as a result of employment over income of that family member prior to the beginning of such employment.

Maximum Four Year Disallowance

The earned income disallowance is limited to a lifetime 48-month period for each family member who is a person with disabilities. For each family member who is a person with disabilities, the disallowance only applies for a maximum of 12 months of full exclusion of incremental increase, and a maximum of 12 months of DHNP phase-in exclusion during the 48-month period starting from the date of the initial exclusion.

If the period of increased income does not last for 12 consecutive months, the disallowance period may be resumed at any time within the 48-month period, and continued until the disallowance has been applied for a total of 12 months of each disallowance (the initial 12-month full exclusion and the second 12-month DHNP phase-in exclusion).

No earned income disallowance will be applied after the 48-month period following the initial date the exclusion was applied.

Applicability to Child Care Expense Deductions

The amount deducted for child care necessary to permit employment shall not exceed the amount of employment income that is included in annual income. Therefore, for families entitled to the earned income disallowance, the amounts of the full and DHNP phase-in exclusions from income shall not be used in determining the cap for child care deductions.

Tracking the Earned Income Exclusion

The earned income exclusion will be reported on the HUD 50058 form. Documentation will be included in the family's file to show the reason for the reduced increase in rent.

Such documentation will include:

* Date the increase in earned income was reported by the family

* Name of the family member whose earned income increased

* Reason (new employment, participation in job training program, within 6 months after receiving TANF) for the increase in earned income

* Amount of the increase in earned income (amount to be excluded)

* Date the increase in income is first excluded from annual income

* Date(s) earned income ended and resumed during the initial cumulative 12-month * period of exclusion (if any)

* Date the family member has received a total of 12 months of the initial exclusion

* Date the 12-month DHNP phase-in period began

* Date(s) earned income ended and resumed during the second cumulative 12-month period (DHNP phase-in) of exclusion (if any)

* Date the family member has received a total of 12 months of the DHNPse-in exclusion

* Ending date of the maximum 48-month (four year) disallowance period (48 months from the date of the initial earned income disallowance)

DHNP will maintain a tracking system to ensure correct application of the earned income disallowance.

Inapplicability to Admission

The earned income disallowance is only applied to determine the annual income of families who are Tenants in the Housing Choice Voucher Program, and therefore does not apply for purposes of admission to the program (including the determination of income eligibility or any income targeting that may be applicable).

C. MINIMUM RENT [24 CFR 5.616]

Minimum Rent

"Minimum rent" is $50.00. Minimum rent refers to the Minimum Total Tenant Payment and includes the combined amount a family pays towards rent and/or utilities when it is applied.

Hardship Requests for an Exception to Minimum Rent [24 CFR 5.630]

DHNP recognizes that in some circumstances even the minimum rent may create a financial hardship for families. DHNP will review all relevant circumstances brought to DHNP's attention regarding financial hardship as it applies to the minimum rent. The following section states DHNP 's procedures and policies in regard to minimum rent financial hardship as set forth by the Quality Housing and Work Responsibility Act of 1998. HUD has defined circumstances under which a hardship could be claimed. (24 CFR 5.630)

Criteria for Hardship Exception

In order for a family to qualify for a hardship exception the family's circumstances must fall under one of the following HUD hardship criteria:

- The family has lost eligibility or is awaiting an eligibility determination for Federal, State, or local assistance, including a family with a member who is a non-citizen lawfully admitted for

permanent residence under the Immigration and Nationality Act, and who would be entitled to public benefits but for Title IV of the Personal Responsibility and Work Opportunity Act of 1996.

- The family would be evicted as a result of the imposition of the minimum rent requirement;
- The income of the family has decreased because of changed circumstances, including loss of employment, death in the family, or other circumstances as determined by DHNP or HUD
- When a death has occurred in the family; and
- Other circumstances determined by the responsible entity or HUD

DHNP Notification to Families of Right to Hardship Exception

DHNP will notify all families subject to minimum rents of their right to request a minimum rent hardship exception. "Subject to minimum rent" means the minimum rent was the greatest figure in the calculation of the greatest of 30% of monthly adjusted income, 10% of monthly income, minimum rent or welfare rent.

DHNP notification will advise families that hardship exception determinations are subject to DHNP review and hearing procedures.

DHNP will review all family requests for exception from the minimum rent due to financial hardships.

All requests for minimum rent hardship exceptions are required to be in writing and must include a statement of the family hardship that qualify the family for an exception.

DHNP will use its standard verification procedures to verify circumstances which have resulted in financial hardship.

Suspension of Minimum Rent

DHNP will grant the minimum rent exception to all families who request it, effective the first of the following month.

The minimum rent will be suspended until DHNP determines whether the hardship is covered by statute and temporary or long term.

"Suspension" means that DHNP must not use the minimum rent calculation until DHNP has made this decision.

During the minimum rent suspension period, the family will not be required to pay a minimum rent and the housing assistance payment will be increased accordingly.

If the responsible entity determines there is no qualifying financial hardship exemption, the responsible entity must reinstate the minimum rent, including back rent owed from the beginning of the suspension. The family must pay the back rent on terms and conditions established by the responsible entity.

Temporary Hardship [24 CFR 5.630]

If DHNP determines that the hardship is temporary, a minimum rent will not be imposed for a period of up to 90 days from the date of the family's request. At the end of the temporary suspension period, a minimum rent will be imposed retroactively to the time of suspension.

Long-Term Duration Hardships [24 CFR 5.616(c) (3)]

If DHNP determines that there is a qualifying long-term financial hardship, DHNP must exempt the family from the minimum rent requirements for as long as the hardship continues. The exemption from minimum rent shall apply from the first day of the month following the family's request for exemption.

D. DEFINITION OF TEMPORARILY/PERMANENTLY ABSENT
[24 CFR 982.54(d) (10), 982.551]

The DHNP must compute all applicable income of every family member who is on the lease, including those who are temporarily absent. In addition, the DHNP must count the income of the spouse or the head of the household if that person is temporarily absent, even if that person is not on the lease.

"Temporarily absent" is defined as away from the unit for 30 or less consecutive days. "Permanently absent" is defined as away from the unit for more than 30 consecutive days.

Income of persons permanently absent will not be counted. If the spouse is temporarily absent and in the military, all military pay and allowances (except hazardous duty pay when exposed to hostile fire and any other exceptions to military pay HUD may define) is counted as income.

It is the responsibility of the head of household to report changes in family composition. The DHNP will evaluate absences from the unit using this policy.

Absence of Any Member

Any member of the household will be considered permanently absent if he/she is away from the unit for 30 consecutive days except as otherwise provided in this Chapter.

Absence due to Medical Reasons

If any family member leaves the household to enter a facility such as hospital, nursing home, or rehabilitation center, the DHNP will seek advice from a reliable qualified source as to the likelihood and timing of their return. If the verification indicates that the family member will be permanently confined to a nursing home, the family member will be considered permanently absent. If the verification indicates that the family member will return in less than 60 consecutive days, the family member will not be considered permanently absent.

If the person who is determined to be permanently absent is the sole member of the household, assistance will be terminated in accordance with the DHNP's "Absence of Entire Family" policy.

Absence Due to Full-time Student Status

Full time students who attend school away from the home will be treated in the following manner:

- A student (other than head of household or spouse) who attends school away from home but lives with the family during school recesses may, at the family's choice, be considered either temporarily or permanently absent. If the family decides that the member is permanently absent, income of that member will not be included in total household income, the member will not be included on the lease, and the member will not be included for determination of voucher size.
- Full time students who attend school away from the home and live with the family during school recess will be considered temporarily absent from the household.

Absence due to Incarceration

Any member of the household will be considered permanently absent if he/she is incarcerated for 30 days. If the head of household is incarcerated, DHNP will determine the eligibility of the remaining members.

DHNP will verify if the reason for incarceration is for drug-related or violent criminal activity and determine course of action.

Absence of Children due to Placement in Foster Care

If the family includes a child or children temporarily absent from the home due to placement in foster care, the DHNP will determine from the appropriate agency when the child/children will be returned to the home.

If the time period is to be greater than three months from the date of removal of the child/children, the voucher size will be reduced. If all children are removed from the home permanently, the voucher size will be reduced in accordance with the DHNP's occupancy standards.

Absence of Entire Family

These policy guidelines address situations when the family is absent from the unit, but has not moved out of the unit. In cases where the family has moved out of the unit, the DHNP will terminate assistance in accordance with appropriate termination procedures contained in this Plan.

Families are required both to notify the DHNP before they move out of a unit and give the DHNP information about any family absence from the unit.

Families must notify the DHNP at least five days prior to leaving the unit if they are going to be absent from the unit for more than 30 consecutive days.

If the entire family is absent from the assisted unit for more than 30 consecutive days, the unit will be considered to be vacated and the assistance will be terminated.

"Absence" means that no family member is residing in the unit.

In order to determine if the family is absent from the unit, the DHNP may:

* Write letters to the family at the unit
* Telephone the family at the unit
* Interview neighbors

* Verify if utilities are in service

* Check with the post office

A person with a disability may request an extension of time as an accommodation, provided that the extension does not go beyond the HUD-allowed 180 consecutive calendar days limit.

If the absence which resulted in termination of assistance was due to a person's disability, and the DHNP can verify that the person was unable to notify the DHNP in accordance with the family's responsibilities, and if funding is available, the DHNP may reinstate the family as an accommodation if requested by the family, as long as the period was within 180 days.

Caretaker for Children

If both parent remains in the household, and the appropriate agency has determined that another adult is to be brought into the assisted unit to care for the children for an indefinite period, the DHNP will treat that adult as a visitor for the first 30 days

If by the end of that period, court-awarded custody or legal guardianship has been awarded to the caretaker, the voucher will be transferred to the caretaker, if determined to be eligible.

If the appropriate agency cannot confirm the guardianship status of the caretaker, the DHNP will review the status at 15 day intervals.

If custody or legal guardianship has not been awarded by the court, but the action is in process, the DHNP will secure verification from social services staff or the attorney as to the status.

When the DHNP approves a person to reside in the unit as caretaker for the child/children, the income should be counted pending a final disposition. The DHNP will work with the appropriate service agencies and the landlord to provide a smooth transition in these cases.

If a member of the household is subject to a court order that restricts him/her from the home for more than 60 months, the person will be considered permanently absent.

Visitors

Any adult not included on the HUD 50058 who has been in the unit more than 30 days in a year without DHNP approval will be considered to be living in the unit as an unauthorized household member.

Absence of evidence of any other address will be considered verification that the visitor is a member of the household.

Statements from neighbors and/or the landlord will be considered in making the determination.

Use of the unit address as the visitor's current residence for any purpose shall be construed as permanent residence.

The burden of proof that the individual is a visitor rests on the family. In the absence of such proof, the individual will be considered an unauthorized member of the household and the DHNP will terminate assistance since prior approval was not requested for the addition.

In a joint custody arrangement, if the minor is in the household less than 90 days per year, the minor will be considered to be an eligible visitor and not a family member.

Reporting Additions to Owner and DHNP

Reporting changes in household composition to the DHNP is both a HUD and a DHNP requirement.

The family is required to obtain written approval from the landlord, and DHNP approval prior to adding any other family member as an occupant of the unit. The family must inform the DHNP of the birth, adoption or court-awarded custody of a child within five days. If any new family member is added, the income of the additional member will be included in the family income as applicable under HUD regulations.

If the family does not obtain prior written approval from the DHNP, any person the family has permitted to move in will be considered an unauthorized household member.

In the event that a visitor continues to reside in the unit after the maximum allowable time, the family must report it to the DHNP in writing within five days of the maximum allowable time.

An interim reexamination will be conducted for any additions to the household.

Reporting Absences to the DHNP

Reporting changes in household composition is both a HUD and a DHNP requirement.

If a family member leaves the household, the family must report this change and provide verification of new address to the DHNP, in writing, within 5 days of the change and certify as to whether the member is temporarily absent or permanently absent.

The DHNP will conduct an interim in accordance with the interim policy.

E. AVERAGING INCOME

When annual income cannot be anticipated for a full twelve months, the DHNP will annualize current income and conduct an interim reexamination if income changes.

If there are bonuses or overtime which the employer cannot anticipate for the next twelve months, bonuses and overtime received the previous year will be used.

F. MINIMUM INCOME

There is no minimum income requirement.

Families who report zero income are required to certify their status monthly. Enterprise Income Verification (EIV) reports obtained for the client will be reviewed at this time as well.

Families that report zero income will be required to report to the DHNP office for monthly appointments and sign affidavits attesting to no income, and provide information regarding their means of basic subsistence, such as food, utilities, transportation, etc A family's repeated failure to comply with this process may result in termination of the Housing Choice Voucher .

If the family's expenses exceed their known income, the DHNP will make inquiry of the head of household as to the nature of the family's accessible resources.

G. INCOME OF PERSON PERMANENTLY CONFINED TO NURSING HOME [24 CFR 982.54(d) (10)]

If a family member is permanently confined to a hospital or nursing home and there is a family member left in the household, the DHNP will calculate the income by using the following methodology and use the income figure which would result in a lower payment by the family:

> Exclude the income and deductions of the member if his/her income goes directly to the facility, or include the income and deductions of the member if his/her income goes to a family member.

H. REGULAR CONTRIBUTIONS AND GIFTS [24 CFR 5.609]

Regular contributions and gifts received from persons outside the household are counted as income for calculation of the Total Tenant Payment.

Any contribution or gift received every month or more frequently will be considered a "regular" contribution or gift. This includes rent and utility payments made on behalf of the family and other cash or non-cash contributions provided on a regular basis. It does not include casual contributions or sporadic gifts. (See "Verification Procedures," Chapter 7 for further definition.)

If the family's expenses exceed its known income, the DHNP will inquire of the family regarding contributions and gifts.

I. ALIMONY AND CHILD SUPPORT [24 CFR 5.609]

DHNP encourages families to apply for child support.

Regular alimony and child support payments are counted as income for calculation of Total Tenant Payment.

DHNP will count the actual amount of support being received by the household. If the amount of child support or alimony received is less than the amount awarded by the court, DHNP will use the lesser amount actual payments received for the last twelve months will be used, including payments that vary from month to month, irregular payments, and lump sums.

DHNP will accept verification that the family is receiving an amount lesser than the award if DHNP receives verification from the agency responsible for enforcement or collection.

For child support or alimony not being paid through a government agency, DHNP will accept the following documents as proof of payment: court documents, notarized statement from the payee stating the amount and frequency of payment, and/or self-certification from the resident responsible for the children.

It is the family's responsibility to supply a certified copy of the divorce decree.

All unusual cases involving child support will be dealt with on a case by case basis and approved by the HCV Coordinator.

J. LUMP-SUM RECEIPTS [24 CFR 5.609]

Lump-sum additions to Family assets, such as inheritances, insurance payments (including payments under health and accident insurance and worker's compensation), capital gains, and settlement for personal or property losses, are not included in income but may be included in assets.

Lump-sum payments caused by delays in processing periodic payments such as unemployment or welfare assistance are counted as income. Lump sum payments from Social Security or SSI are excluded from income, but any amount remaining will be considered an asset. Deferred periodic payments which have accumulated due to a dispute will be treated the same as periodic payments which are deferred due to delays in processing.

In order to determine amount of retroactive Tenant rent that the family owes as a result of the lump sum receipt, DHNP uses a calculation method which calculates retroactively depending on the circumstances.

Retroactive Calculation Methodology

The DHNP will go back to the date the lump-sum payment was received, or to the date of admission, whichever is closer.

The DHNP will determine the amount of income for each certification period, including the lump sum, and recalculate the Tenant rent for each certification period to determine the amount due the DHNP.

The family has the choice of paying this "retroactive" amount to the DHNP in a lump sum, or at DHNP's option, the DHNP may enter into a Repayment Agreement with the family.

The amount owed by the family is a collectible debt even if the family becomes unassisted.

K. CONTRIBUTIONS TO RETIREMENT FUNDS - ASSETS [24 CFR 5.603(d)]

Contributions to company retirement/pension funds are handled as follows:

> While an individual is employed, count as assets only amounts the family can withdraw without retiring or terminating employment.
>
> After retirement or termination of employment, count any amount the employee elects to receive as a lump sum.

L. ASSETS DISPOSED OF FOR LESS THAN FAIR MARKET VALUE [24 CFR 5.603(d) (3)]

The DHNP must count assets disposed of for less than fair market value during the two years preceding certification or reexamination. The DHNP will count the difference between the market value and the actual payment received in calculating total assets.

Assets disposed of as a result of foreclosure or bankruptcies are not considered to be assets disposed of for less than fair market value. Assets disposed of as a result of a divorce or separations are not considered to be assets disposed of for less than fair market value.

The DHNP's minimum threshold for counting assets disposed of for less than Fair Market value is $500. If the total value of assets disposed of within a one-year period is less than $500, they will not be considered an asset.

M. CHILD CARE EXPENSES [24 CFR 5.603] [HCV GB 5-29]

The amount of Child Care expenses anticipated to be paid for children under 13 may be deducted from annual income, only to the extent such amounts are not reimbursed if they enable an adult to work or attend school, or to actively seek employment.

In the case of a child attending private school, only after-hours care can be counted as child care expenses.

In cases where an adult family member is available to provide child care, the expense will be allowed as a deduction when the family chooses a non-household member provider.

The deductions for child care expenses are based on the following guidelines:

Child care to work: The maximum child care expense allowed cannot exceed the amount earned by the person enabled to work which is included in the family's annual income. When more than 1 family member is working the "person enabled to work" will be the adult member of the household who earns the least amount of income from working.

Child care for school: The number of hours claimed for child care may not exceed the number of hours the family member is attending school, including reasonable travel time to and from school.

Amount of Expense: DHNP will survey the local care providers in the community/collect data as a guideline. If the hourly rate materially exceeds the guideline, the DHNP may calculate the allowance using the guideline.

N. MEDICAL EXPENSES [24 CFR 5.609(a) (2), 5.603]

When it is unclear in the HUD rules as to whether or not to allow an item as a medical expense, IRS Publication 502 will be used as a guide.

O. PRORATION OF ASSISTANCE FOR "MIXED" FAMILIES [24 CFR 5.520]

Proration of assistance must be offered to any "mixed" applicant or Tenant family. A "mixed" family is one that includes at least one U.S. citizen or eligible immigrant and any number of ineligible members.

Prorated Assistance Calculation

Prorated assistance is calculated by determining the amount of assistance payable if all family members were eligible and multiplying by the percent of the family members who actually are eligible. Calculations for each housing program are performed on the HUD 50058 form.

P. INCOME CHANGES RESULTING FROM WELFARE PROGRAM REQUIREMENTS

DHNP will not reduce the rental contribution for families whose welfare assistance is reduced specifically because of:

- fraud by a family member in connection with the welfare program; or
- failure to participate in an economic self-sufficiency program; or
- noncompliance with a work activities requirement

However, the DHNP will reduce the rental contribution if the welfare assistance reduction is a result of:

- The expiration of a lifetime time limit on receiving benefits; or
- A situation where a family member has not complied with other welfare agency requirements; or
- A situation where a family member has complied with welfare agency economic self-sufficiency or work activities requirements but cannot or has not obtained employment, such as the family member has complied with welfare program requirements, but the durational time limit, such as a cap on the length of time a family can receive benefits, causes the family to lose their welfare benefits.

Imputed welfare income is the amount of annual income not actually received by a family as a result of a specified welfare benefit reduction that is included in the family's income for rental contribution.

Imputed welfare income is not included in annual income if the family was not an assisted resident at the time of sanction.

The amount of imputed welfare income is offset by the amount of additional income a family receives that begins after the sanction was imposed.

When additional income is at least equal to the imputed welfare income, the imputed welfare income is reduced to zero.

Verification Before Denying a Request to Reduce Rent

The DHNP will obtain written verification from the welfare agency stating that the family's benefits have been reduced for fraud or noncompliance with economic self-sufficiency or work activities requirements *before* denying the family's request for rent reduction.

The welfare agency, at the request of the DHNP, will inform the DHNP of:

- amount and term of specified welfare benefit reduction for the family;
- reason for the reduction; and
- subsequent changes in term or amount of reduction.

Cooperation Agreements

DHNP has a written cooperation agreement in place with the local welfare agency which assists the DHNP in obtaining the necessary information regarding welfare sanctions.

Q. FIRST MONTH FREE RENT

When, on an initial move-in, an owner is offering the first month's rent free, DHNP will enter an offsetting check adjustment for the first month's HAP remittance to the owner thereby in effect remitting a zero HAP amount for the first month's rent.

R. UTILITY ALLOWANCE AND UTILITY REIMBURSEMENT PAYMENTS

[24 CFR 982.517]

The same Utility Allowance Schedule is used for all tenant-based programs.

The utility allowance is intended to cover the cost of utilities not included in the rent. The allowance is based on the typical cost of utilities and services paid by energy-conservative households that occupy housing of similar size and type in the same locality. Allowances are not based on an individual family's actual energy consumption.

The DHNP's utility allowance schedule, and the utility allowance for an individual family, must include the utilities and services that are necessary in the locality to provide housing that complies with the housing quality standards.

The DHNP may not provide any allowance for non-essential utility costs, such as costs of cable or satellite television.

The DHNP must classify utilities in the utility allowance schedule according to the following general categories: space heating, air conditioning, cooking, water heating, water, sewer, trash collection other electric, refrigerator (for tenant supplied refrigerator), range (cost of tenant-supplied range); and other specified services.

An allowance for tenant-paid air conditioning will be provided in those cases where the majority of housing units in the market have central air conditioning or are wired for Tenant installed air conditioners [24 CFR 982.517; 24 CFR 982.519].

The DHNP will review the utility allowance schedule annually. If the review finds a utility rate has changed by 10 percent or more since the last revision of the utility allowance schedule, the schedule will be revised to reflect the new rate. Revised utility allowances will be applied in a Tenant family's rent calculation at their next reexamination.

Where families provide their own range and refrigerator, the DHNP will establish an allowance adequate for the family to purchase or rent a range or refrigerator, even if the family already owns either appliance. Allowances for ranges and refrigerators will be based on the lesser of the cost of leasing or purchasing the appropriate appliance over a 36 month period.

On request from a family that includes a person with disabilities, the DHNP must approve a utility allowance which is higher than the applicable amount on the utility allowance schedule if a higher utility allowance is needed as a reasonable accommodation in accordance with 24 CFR part 8 to make the program accessible to and usable by the family member with a disability.

Where the calculation on the HUD 50058 results in a utility reimbursement payment due the family [24 CFR 982.514(b)], the DHNP will provide a utility reimbursement payment for the family each month. The check will be made out directly to the head of household. However, if the family has repeated utility interruptions for non-payment of utility bills, DHNP may opt to pay the reimbursement directly to the utility company.

As a condition of Voucher Issuance, DHNP requires each Head of Household pass a utility clearance to include gas, electric, water and sewage as relevant. Assistance will be denied if it is confirmed that the Head of Household is unable to have utilities turned on in his/her name. If denied for this reason the applicant will be offered the option of returning to the Waiting List.

In calculating a utility allowance schedule, the DHNP will utilize an industry standard software approved and acceptable to the Department of Housing and Urban Development.

Chapter 7
VERIFICATION PROCEDURES
24 CFR Part 5, Subparts B, D, E, F and H, 24 CFR 5.657; 24 CFR 982.158]

INTRODUCTION

HUD regulations require that the factors influencing eligibility and Total Tenant Payment/Family Share be verified by DHNP. DHNP staff will obtain written verification from independent sources whenever possible and will document participant files whenever third party verifications are not possible as to why third party verification was impossible to obtain.

Applicants and program participants must provide true and complete information to DHNP whenever it is requested. DHNP's verification requirements are designed to maintain program integrity. This chapter explains DHNP's procedures and standards for verification of preferences, income, assets, allowable deductions, family status, and changes in family composition. DHNP will obtain proper authorization from the family before requesting information from independent sources.

A. METHODS OF VERIFICATION AND TIME ALLOWED [24 CFR 982.516]

DHNP will verify information through the four methods of verification acceptable to HUD in the following order:

1. Up-Front Income Verification (UIV) via the Enterprise Income Verification (EIV) system
2. Third-Party Written
3. Third-Party Oral
4. Review of Documents
5. Certification/Self-Declaration

DHNP will allow two weeks for return of third-party verifications before going to the next method. DHNP will document the file as to why third party written verification was not used.

For applicants and participants, verifications are valid for 60 days from date of receipt.

Up-Front Income Verification

Final rule dated January 27, 2009 revises HUD's public and assisted housing program regulations to implement the UIV process and to require the use of HUD's EIV system by public housing agencies (PHAs), and multifamily housing owners and management agents, when verifying the employment and income of program participants.

Up-Front Income Verification (UIV) is defined as direct electronic or on-line access to income information of applicants or participants in the HCV program. This access may be provided by local, state, or federal government agencies or their contractual representatives.

Verification procedures are:

(1) UIV documentation is obtained through electronic or on-line access.
(2) The applicant/participant provides income documentation, such as pay stubs, employer payment records, or other forms of documentation.
(3) A comparison of the UIV and applicant/participant documentation is made:

(a) If the difference is less than $2400 annually, then the UIV documentation is considered the verified income for subsidy determination purposes. The applicant/customer will be informed of the determination to use UIV and will be afforded the opportunity to dispute the UIV amount. Any disputes will be resolved through third party verification.

(b) If the difference is equal to or more than $200 Dollars per month, or $2400 annually, [HUD Guidelines for Projecting Annual Income When UIV Data is Available-HUD website, April 2004], then the required next verification procedures is third party.

Applicant/participant supplied documentation must be current and include one month verification of earnings. If income fluctuates, at least three (3) months of income verification must be submitted. For example, an applicant/participant who is working and is compensated every two weeks must provide both consecutive pay stubs covering four weeks (or one month) of working income. If the difference between pay checks is greater than $25, income will be considered fluctuating, and DHNP will request at least 3 months of income verification to determine average monthly income.

Participants who fail to provide documentation for recertification will be subject to termination of their voucher subsidy.

Third-Party Written Verification

Third-party verification is used to verify information directly with the source. Third-party written verification forms will be processed via first class mail, facsimile, or electronically. The family will be required to sign an authorization for the information source to release the specified information.

Verifications received electronically directly from the verification source are considered third party written verifications.

Third party income verification forms will not be hand carried by the family under any circumstances.

DHNP will accept verifications in the form of computerized printouts delivered by the family from the following agencies:

- Social Security Administration
- Veterans Administration
- Welfare Assistance
- Unemployment Compensation Board
- City or County Courts
- Child Support Agencies

- Internal Revenue Service or state/local revenue agencies.

Third-Party Oral Verification

Oral third-party verification will be used when written third-party verification is delayed or not possible. When third-party oral verification is used, staff will be required to note in the customer notes screen the person contacted, the date of the conversation, the facts provided, and the telephone number of the contact. If provided by telephone, DHNP must originate the call requesting oral third-party verification. If oral third party verification is not available, DHNP will compare the information to any documents provided by the Family.

Review of Documents

Any document used for verification must be the original (not photocopies) and generally must be dated within 60 calendar days of the date they are provided to the HA. The documents must not be damaged, altered or in any way illegible.

Print-outs from web pages are considered original documents.

The DHNP staff member who views the original document must make a photocopy, annotate the copy with the name of the person who provided the document and the date the original was viewed/received.

Any family self-certifications must be made in a format acceptable to the DHNP and/or must be signed in the presence of a DHNP representative or a notary public.

In the event that third-party written or oral verification is unavailable, or the information has not been verified by the third party within two weeks, DHNP will document the customer notes screen accordingly and utilize documents provided by the family as the primary source if the documents provide complete information

All verification attempts, information obtained, and decisions reached during the verification process will be recorded in the family's file in sufficient detail. Documentation will be sufficient to enable a staff member or HUD reviewer to understand the process followed and conclusions reached.

All such documents will be photocopied and retained in the applicant file. In cases where documents are viewed which cannot be photocopied, staff viewing the document will note in the customer notes screen the date, place, contact, contact phone number, and type of document viewed.

DHNP will accept the following documents from the family provided that the document is such that tampering would be easily noted:

* Printed wage stubs

* Computer print-outs from the employer
* Signed letters (provided that the information is confirmed by phone)
* Other documents noted in this Chapter as acceptable verification

If third-party verification is received after documents have been accepted as provisional verification, and there is a discrepancy, DHNP will utilize the third party verification.

DHNP will delay the processing of an application pending proper verification

Self-Certification/Self-Declaration

When verification cannot be made by third-party verification or review of documents, families will be required to submit a self-certification.

Self-certification means a notarized statement/affidavit/certification/statement under penalty of perjury.

B. RELEASE OF INFORMATION [24 CFR 5.230]

Adult family members will be required to sign the HUD 9886 Release of Information/Privacy Act form.

In addition, family members will be required to sign specific authorization forms when information is needed that is not covered by the HUD form 9886, Authorization for Release of Information/Privacy Act Notice, such as the DHNP Family Obligations form.

Each member requested to consent to the release of specific information will be provided with a copy of the appropriate forms for their review and signature.

Family refusal to cooperate with the HUD prescribed verification system will result in denial of admission or termination of assistance.

C. COMPUTER MATCHING

For some time, HUD has conducted a computer matching initiative to independently verify resident income. HUD can access income information and compare it to information submitted by DHNP on the 50058 form. HUD can disclose Social Security information to DHNP, but is precluded by law from disclosing Federal tax return data to DHNP. If HUD receives information from Federal tax return data indicating a discrepancy in the income reported by the family, HUD will notify the family and DHNP of the discrepancy. The family is required to disclose this information to DHNP (24 CFR 5.240). HUD's letter to the family will also notify the family that

HUD has notified DHNP in writing that the family has been advised to contact DHNP. HUD will send DHNP a list of families who have received "income discrepancy" letters.

Within ten days of DHNP receiving notification from HUD that a family has been sent an "income discrepancy" letter, DHNP will contact the participant by registered letter asking the family to promptly furnish any letter or other notice by HUD concerning the amount or verification of family income.

When the family provides the required information, DHNP will verify the accuracy of the income information received from the family, review DHNP's interim recertification policy, will identify unreported income, will charge retroactive rent as appropriate, and change the amount of rent or terminate assistance, as appropriate, based on the information.

If there is rent owed to DHNP, the family will be warned in writing concerning the reporting of all income to DHNP, and will be directed to contact their Housing Specialist to review their case and income.

If family fails to respond to DHNP within 10 days of mailing the certified letter, DHNP will send a second certified letter to the head of household, warning of the consequences if the family failure to contact DHNP within 10 days of the letter date.

If the family fails to respond to the second certified letter, DHNP will immediately suspend the family's voucher subsidy and send a third certified letter requesting response with ten days of the letter date and advising the participant that failure to respond will result in termination from the program.

If the family fails to respond to the third certified letter, the family will be terminated from the program.

If the family claims a letter from HUD was not received, DHNP will provide a copy of the letter received from HUD.

If participant does receive a discrepancy letter from HUD and notifies DHNP of the same:

- DHNP will set up a meeting with the family.
- If the family fails to attend the meeting, DHNP will reschedule the meeting.
- If the family fails to attend the second meeting, DHNP will send a termination warning.
- The family must bring the original HUD discrepancy letter to DHNP.
- If participant disagrees with the Federal tax data contained in the HUD discrepancy letter, DHNP will ask the participant to provide documented proof that the tax data is incorrect.
- If the participant does not provide documented proof, DHNP will obtain proof to verify the Federal tax data using third party verification.

D. ITEMS TO BE VERIFIED [24 CFR 982.516]

- All income not specifically excluded by the regulations.
- Full-time student status including High School students who are 18 or over.
- Current assets including assets disposed of for less than fair market value in preceding two years.
- Child care expense where it allows an adult family member to be employed, or to actively seek work, or to further his/her education.
- Total medical expenses of all family members in households whose head or spouse is elderly or disabled.
- Disability assistance expenses to include only those costs associated with attendant care or auxiliary apparatus for a disabled member of the family, which allow an adult family member to be employed.
- Disability for determination of preferences, allowances, or deductions.
- U.S. citizenship/eligible immigrant status
- Social security numbers for all family members over 6 years of age or older who have been issued a social security number.
- "Preference" status
- Familial/Marital status when needed for head or spouse definition.
- Verification of Reduction in Benefits for Noncompliance:

DHNP will obtain written verification from the welfare agency stating that the family's benefits have been reduced for fraud or noncompliance before denying the family's request for rent reduction.

E. VERIFICATION OF INCOME [24 CFR 982.516]

This section defines the methods DHNP will use to verify various types of income.

Employment Income

Verification forms request the employer to specify the:

- Dates of employment
- Amount and frequency of pay
- Date of the last pay increase
- Likelihood of change of employment status and effective date of any known salary increase during the next 12 months
- Year to date earnings
- Estimated income from overtime, tips, bonus pay expected during next 12 months

Acceptable methods of verification include, in this order:

1. Employment verification form completed by the employer.
2. Six check stubs or earning statements, which indicate the employee's gross pay, frequency of pay or year to date earnings.
3. W-2 forms plus income tax return forms.

4. Income tax returns signed by the family may be used for verifying self-employment income, or income from tips and other gratuities

Applicants and program participants may be requested to sign an authorization for release of information from the Internal Revenue Service for further verification of income.

In cases where there are questions about the validity of information provided by the family, DHNP will require the most recent federal income tax statements.

Where doubt regarding income exists, a referral to IRS for confirmation will be made on a case-by-case basis.

Social Security, Pensions, Supplementary Security Income (SSI), Disability Income

Acceptable methods of verification include:

1. EIV
2. Benefit verification form completed by agency providing the benefits.
3. Award or benefit notification letters prepared and signed by the providing agency.

Unemployment Compensation

Acceptable methods of verification include:

1. Verification form completed by the unemployment compensation agency.

2. Computer report electronically obtained or in hard copy, from unemployment office stating payment dates and amounts.

Welfare Payments, General Assistance, and/or Participant Match Payments Food Stamps

Acceptable methods of verification include:

1. Written statement from payment provider indicating the amount of grant/payment, start date of payments, and anticipated changes in payment in the next 12 months.
2. DHNP verification form completed by payment provider.
3. Computer-generated Notice of Action.
4. Computer-generated list of recipients from Social Services Department.

Alimony or Child Support Payments

Acceptable methods of verification include:

1. Verification from the Department of Child Support Enforcement.

2. Copy of a separation or settlement agreement or a divorce decree stating amount and type of support and payment schedules.

3. A notarized letter from the person paying the support.

4. Copy of latest check and/or payment stubs from Court Trustee. DHNP must record the date, amount, and number of the check.

5. Family's self-certification of amount received and of the likelihood of support payments being received in the future, or that support payments are not being received.

If payments are irregular, the family must provide one of the following:

* A copy of the separation or settlement agreement or a divorce decree stating the amount and type of support and payment schedules.

* A statement from the agency responsible for enforcing payments to show that the family has filed for enforcement.

* A notarized affidavit from the family indicating the amount(s) received.

* A welfare notice of action showing amounts received by the welfare agency for child support.

* A written statement from an attorney certifying that a collection or enforcement action has been filed.

Net Income from a Business

In order to verify the net income from a business, DHNP will view IRS and financial documents from prior years and use this information to anticipate the income for the next 12 months.

Acceptable methods of verification include:

1. IRS Form 1040, including:

   Schedule C (Small Business)

   Schedule E (Rental Property Income)

   Schedule F (Farm Income)

If accelerated depreciation was used on the tax return or financial statement, an accountant's calculation of depreciation expense, computed using straight-line depreciation rules.

2. Audited or unaudited financial statement(s) of the business.

3. Documents such as manifests, appointment books, cash books, bank statements, and receipts will be used as a guide for the prior six months (or lesser period if not in business for six months) to project income for the next 12 months. The family will be advised to maintain these documents in the future if they are not available.

4. Family's self-certification as to net income realized from the business during previous years.

Child Care Business

If an applicant/participant is operating a licensed day care business, income will be verified as with any other business.

If the applicant/participant is operating a "cash and carry" operation (which may or may not be licensed), DHNP will require that the applicant/participant complete a form for each customer which indicates: name of person(s) whose child (children) is/are being cared for, phone number, number of hours child is being cared for, method of payment (check/cash), amount paid, and signature of person.

If the family has filed a tax return, the family will be required to provide it.

If child care services were terminated, third-party verification will be sent to the parent whose child was cared for.

Recurring Gifts

The family must complete our Certification of Financial Assistance, which contains the following information:

The person who provides the gifts

The value of the gifts

The regularity (dates) of the gifts

The purpose of the gifts

Zero Income Status

Families claiming to have no earned income will be required to report to the DHNP office on a monthly basis and complete verification forms certifying how rent and other expenses are being paid. Families will also be required to report all income.

DHNP will review EIV information received with the tenant.

DHNP will request information from the State Unemployment Commission

DHNP will run a credit report if information is received that indicates the family has an unreported income source.

DHNP will require the family to complete a zero income checklist.

Full-time Student Status

Only the first $480 of the earned income of full time students, other than head, co-head, or spouse, will be counted towards family income.

Financial aid, scholarships, and grants are not counted toward family income.

Verification of full time student status includes:

- Written verification captured on a DHNP Student Verification form completed by the registrar's office or other school official;
- School records indicating enrollment for sufficient number of credits to be considered a full-time student by the educational institution.

F. INCOME FROM ASSETS [24 CFR 982.516]

Financial Institutions Verification Cost Effectiveness

Some financial institutions charge a substantial fee for providing account records. These fees plus the associated processing costs incurred by DHNP to obtain these records may exceed the actual asset value to be applied in calculating the family's asset. For example, a financial institution may charge $35 dollars to verify a checking account balance of $20.00; a small account balance will not affect the Total Tenant Payment (TTP) for the family. DHNP will determine on a case by case basis whether the cost of obtaining financial account verification is not effective when compared to the TTP. In such cases, DHNP will utilize participant supplied documents as verification and document the decision not to request a higher level of verification due to cost effectiveness reasons.

Savings Account Interest Income and Dividends

Acceptable methods of verification include:

1. Account statements, passbooks, certificates of deposit, or DHNP verification forms completed by the financial institution.
2. Broker's statements showing value of stocks or bonds and the earnings credited the family. Earnings can be obtained from current newspaper quotations or oral broker's verification.
3. IRS Form 1099 from the financial institution, provided that DHNP must adjust the information to project earnings expected for the next 12 months.

Interest Income from Mortgages or Similar Arrangements

Acceptable methods of verification include:

1. A letter from an accountant, attorney, real estate broker, the buyer, or a financial institution stating interest due for next 12 months. (A copy of the check paid by the buyer to the family is not sufficient unless a breakdown of interest and principal is shown.)
2. Amortization schedule showing interest for the 12 months following the effective date of the certification or re-certification.

Net Rental Income from Property Owned by Family

Acceptable methods of verification include:
1. IRS Form 1040 with Schedule E (Rental Income).
2. Copies of latest rent receipts, leases, or other documentation of rent amounts.
3. Documentation of allowable operating expenses of the property: tax statements, insurance invoices, bills for reasonable maintenance and utilities, and bank statements or amortization schedules showing monthly interest expense.
4. Lessee's written statement verifying rent payments to the family and family's self-certification as to net income realized.

G. VERIFICATION OF ASSETS

Family Assets

DHNP will require the information necessary to determine the current cash value of the family's assets, (the net amount the family would receive if the asset were converted to cash).

Acceptable verification may include any of the following:
- Verification forms, letters, or documents from a financial institution or broker.
- Passbooks, checking account statements, certificates of deposit, bonds, or financial statements completed by a financial institution or broker.
- Quotes from a stock broker or realty agent as to net amount family would receive if they liquidated securities or real estate.
- Real estate tax statements if the approximate current market value can be deduced from assessment.
- Financial statements for business assets.
- Copies of closing documents showing the selling price and the distribution of the sales proceeds.
- Appraisals of personal property held as an investment.
- Family's self-certification describing assets or cash held at the family's home or in safe deposit boxes.

Assets Disposed of for Less than Fair Market Value (FMV) During Two Years Preceding Effective Date of Certification or Recertification

For all Certifications and Re-certifications, DHNP will obtain the Family's certification as to whether any member has disposed of assets for less than fair market value during the two years preceding the effective date of the certification or re-certification.

If the family certifies that they have disposed of assets for less than fair market value, verification is required that shows: (a) all assets disposed of for less than FMV, (b) the date they were disposed of, (c) the amount the family received, and (d) the market value of the assets at the time of disposition. Third party verification will be obtained wherever possible.

H. VERIFICATION OF ALLOWABLE DEDUCTIONS FROM INCOME

[24 CFR 982.516]

Child Care Expenses

Written verification of child care expenses from the child care provider is required and verification of co pays from the Department of Human Services will be accepted.

Verifications must specify the child care provider's name, address, telephone number, tax identification or social security number, the names of the children cared for, the number of hours the child care occurs, the rate of pay, and the typical yearly amount paid, including school and vacation periods.

Family's certification as to whether any of those payments have been or will be paid or reimbursed by outside sources.

Written verification from absent parent, if they are responsible for paying the child care expense.

Medical Expenses

Families who claim medical expenses will be required to submit a certification as to whether or not any expense payments have been, or will be, reimbursed by an outside source. All expense claims will be verified by one or more of the methods listed below:

❖ Written verification by a doctor, hospital or clinic personnel, dentist, pharmacist, of (a) the anticipated medical costs to be incurred by the family and regular payments due on medical bills; and (b) extent to which those expenses will be reimbursed by insurance or a government agency.

❖ Written confirmation by the insurance company or employer of health insurance premiums to be paid by the family.

❖ Written confirmation from the Social Security Administration of Medicare premiums to be paid by the family over the next 12 months. A computer printout will be accepted.

For attendant care:

❖ A reliable, knowledgeable professional's certification that the assistance of an attendant is necessary as a medical expense and a projection of the number of hours the care is needed for calculation purposes.

❖ Attendant's written confirmation of hours of care provided and amount and frequency of payments received from the family or agency (or copies of canceled checks the family used to make those payments) or stubs from the agency providing the services.

❖ Receipts, canceled checks, or pay stubs that verify medical costs and insurance expenses likely to be incurred in the next 12 months.

❖ Copies of payment agreements or most recent invoice that verify payments made on outstanding medical bills that will continue over all or part of the next 12 months.
❖ Receipts or other record of medical expenses incurred during the past 12 months that can be used to anticipate future medical expenses. DHNP may use this approach for "general medical expenses" such as non-prescription drugs and regular visits to doctors or dentists, but not for one time, nonrecurring expenses from the previous year.

DHNP will use mileage at the IRS rate, or cab, bus fare, or other public transportation cost for verification of the cost of transportation directly related to medical treatment.

Assistance to Persons with Disabilities [24 CFR 5.611(c)]

In All Cases:

❖ Written certification from a reliable, knowledgeable professional that the person with disabilities requires the services of an attendant and/or the use of auxiliary apparatus to permit him/her to be employed or to function sufficiently independently to enable another family member to be employed.
❖ Family's certification as to whether they receive reimbursement for any of the expenses of disability assistance and the amount of any reimbursement received.

Attendant Care:
❖ Attendant's written certification of amount received from the family, frequency of receipt, and hours of care provided.
❖ Certification of family and attendant and/or copies of canceled checks family used to make payments.

Auxiliary Apparatus:
❖ Receipts for purchases or proof of monthly payments and maintenance expenses for auxiliary apparatus.
❖ In the case where the person with disabilities is employed, a statement from the employer that the auxiliary apparatus is necessary for employment.

I. VERIFYING NON-FINANCIAL FACTORS [24 CFR 5.617(b)(2)]

Verification of Legal Identity

In order to prevent program abuse, DHNP will require applicants to furnish verification of legal identity for all family members.

The documents listed below will be considered acceptable verification of legal identity for adults. If a document submitted by a family is illegible or otherwise questionable, more than one of these documents may be required.

* Certificate of Birth, naturalization papers
* Church issued baptismal certificate
* Current, valid Driver's license

* U.S. military discharge (DD 214)
* U.S. passport
* Voter's registration
* Company/agency Identification Card
* Department of Motor Vehicles Identification Card
* Hospital records

Documents considered acceptable for the verification of legal identity for minors may be one or more of the following:

* Certificate of Birth
* Adoption papers
* Custody agreement
* Health and Human Services ID
* School records

If none of these documents can be provided, a third party who knows the person may, at DHNP's discretion, provide a sworn statement as to their identity.

Verification of Marital Status

- Verification of divorce status will be a certified copy of the divorce decree, signed by a Court Officer.
- Verification of a separation may be a copy of court-ordered maintenance or other records.
- Verification of marriage status is a marriage certificate.

Familial Relationships

Certification will normally be considered sufficient verification of family relationships. In cases where reasonable doubt exists, the family may be asked to provide verification.

The following verifications will always be required if applicable:

* Verification of relationship
* Official identification showing names
* Birth Certificates
* Baptismal certificates
* Verification of guardianship:
    * Court-ordered assignment
    * Affidavit of parent
    * Verification from social services agency
    * School records

Verification of Permanent Absence of Family Member

If an adult member who was formerly a member of the household is reported permanently absent by the family, DHNP will consider any of the following as verification:

- Husband or wife institutes divorce action.

- Husband or wife institutes legal separation.
- Order of protection/restraining order obtained by one family member against another.
- Proof of another home address, such as utility bills, canceled checks for rent, driver's license, or lease or rental agreement, if available.
- Statements from other agencies such as social services or a written statement from the landlord or manager that the adult family member is no longer living at that location.
- A utility bill
- New driver's license
- Lease

If the adult family member is incarcerated, a document from the Court or correctional facility should be obtained stating how long they will be incarcerated.

If no other proof can be provided, DHNP will accept a self-certification from the head of household or the spouse or co-head, if the head is the absent member.

Verification of Change in Family Composition

DHNP will verify changes in family composition through various sources.

Verification of Disability

Verification of disability must be receipt of SSI or SSA disability payments under Section 223 of the Social Security Act or 102(7) of the Developmental Disabilities Assistance and Bill of Rights Act (42 U.S.C. 6001(7) or verified in writing by an appropriate diagnostician such as physician, psychiatrist, psychologist, therapist, rehab specialist, licensed social worker, or a professional competent to render the opinion and knowledgeable about the person's situation.

Verification of Citizenship/Eligible Immigrant Status [24 CFR 5.508, 5.510, 5.512, 5.514]

To be eligible for assistance, individuals must be U.S. citizens or eligible immigrants. Individuals who are neither may elect not to contend their status. Eligible immigrants must fall into one of the categories specified by the regulations and must have their status verified by Immigration and Naturalization Service (INS). Each family member must declare their status once. Assistance cannot be delayed, denied, or terminated while verification of status is pending except that assistance to applicants may be delayed while DHNP informal review is pending.

Citizens or Nationals of the United States are required to sign a declaration under penalty of perjury.

DHNP will require citizens to provide documentation of citizenship.
Acceptable documentation will include at least one of the following original documents:

- United States birth certificate
- United States passport

- Resident alien/registration card
- Social security card
- Other appropriate documentation as determined by DHNP
- Eligible immigrants aged 62 and over are required to sign a declaration of eligible immigration status and provide proof of age.

Non-citizens with eligible immigration status must sign a declaration of status and verification consent form and provide their original immigration documents which are copied front and back and returned to the family. DHNP verifies the status through the INS SAVE system. If this primary verification fails to verify status, DHNP must request within ten days that the INS conduct a manual search.

Ineligible family members who do not claim to be citizens or eligible immigrants must be listed on a statement of ineligible family members signed by the head of household or spouse.

Non-citizen students on student visas are ineligible members even though they are in the country lawfully. They must provide their student visa but their status will not be verified and they do not sign a declaration but are listed on the statement of ineligible members.

Failure to Provide

If an applicant or participant family member fails to sign required declarations and consent forms or provide documents, as required, they must be listed as an ineligible member. If the entire family fails to provide and sign as required, the family may be denied or terminated for failure to provide required information.

Time of Verification

For applicants, verification of U.S. citizenship/eligible immigrant status occurs at the same time as verification of other factors of eligibility for final eligibility determination.

DHNP will not provide assistance to any family prior to the affirmative establishment and verification of the eligibility of the individual or at least one member of the family.

DHNP will verify the U.S. citizenship/eligible immigration status of all participants no later than the date of the family's first annual reexamination following the enactment of the Quality Housing and Work Responsibility Act of 1998.

For family members added after other members have been verified, the verification occurs at the first re-certification after the new member moves in.

Once verification has been completed for any covered program, it need not be repeated except, in the case of port-in families. If the initiating PHA does not supply the documents, DHNP must conduct the determination.

Extensions of Time to Provide Documents

DHNP will grant an extension of 30 days for families to submit evidence of eligible immigrant status.

Acceptable Documents of Eligible Immigration

Only the following documents are acceptable unless changes are published in the Federal Register:

- Resident Alien Card (I-551)
- Alien Registration Receipt Card (I-151)
- Arrival-Departure Record (I-94)
- Temporary Resident Card (I-688)
- Employment Authorization Card (I-688B)
- Receipt issued by the INS for issuance of replacement of any of the above documents that shows individual's entitlement has been verified

A birth certificate is not acceptable verification of status. All documents in connection with U.S. citizenship/eligible immigrant status must be kept five years.

DHNP will verify the eligibility of a family member at any time such eligibility is in question, without regard to the position of the family on the waiting list.

Verification of Social Security Numbers [24 CFR 5.216]

Social security numbers must be provided as a condition of eligibility for all family members if they have been issued a number. All social security numbers for an applicant's household must be verified using appropriate documentation before the household may be admitted into the program.

Medical Need for Larger Unit

A written certification that a larger unit is necessary must be obtained from a reliable, knowledgeable professional.

J. VERIFICATION OF WAITING LIST PREFERENCES [24 CFR 982.207]

Local Preferences

Insufficient Funding Preference: Families who have been terminated from the HCV program due to insufficient funding by DHNP will not need to verify their status. The DHNP will have in house documentation of the termination under these circumstances.

Disability Preference: This preference is available for families with a member who has a disability as defined in this Admin Plan. DHNP will require appropriate documentation from a knowledgeable professional. DHNP will not inquire as to the nature of the disability except as to verify necessity for accessible unit. Award letter or other proof of eligibility for Social Security Disability or Supplemental Security Income will be acceptable.

Homeless Preference: This preference is available for individuals who meet the definition of homeless as determined by the DHNP; Project Based Developer; or HUD. Verification of Homeless status should be secured on the Documentation of Homelessness form and completed by a professional associated with a third party agency i.e. Salvation Army Counselor, Case Worker, Clergy, etc.

Veterans Preference: Head of household is a Veteran of the U.S. Armed Forces and who has received a general or honorable discharge. Verification is a DD-214.

Residency Preference: For families, who live, work or have been hired to work in the jurisdiction of DHNP. In order to verify that an applicant is a resident, DHNP will accept the following documents: rent receipts, leases, utility bills, employer or agency records, school records, driver's licenses, voter's registration records, credit reports.

Working Preference: This preference is available for families with at least one member who is employed. DHNP will require a statement from the employer.

Families with Dependent Children under 18 yrs Old: This preference is available for families with dependent children under 18 years old. Birth certificates, school records custody papers are acceptable forms of verification.

Victims of Domestic Violence: Victims of domestic violence who claim this preference must submit verification by completing the Certification of Domestic Violence, Dating Violence, or Stalking form HUD 91066.

Elderly – Age 62 or Older: Preference for single persons who are elderly, over other single persons.

Chapter 8
VOUCHER ISSUANCE AND BRIEFINGS
[24 CFR 982.301, 982.302]

INTRODUCTION

DHNP's goals and objectives are designed to assure that families selected to participate are equipped with the tools necessary to locate an acceptable housing unit. Families are provided sufficient knowledge and information regarding the program and how to achieve maximum benefit while complying with program requirements. When eligibility has been determined, DHNP will conduct a mandatory briefing to ensure that families know how the program works. The briefing will provide a broad description of owner and family responsibilities, DHNP procedures, and how to lease a unit. The family will also receive a briefing packet which provides more detailed information about the program including the benefits of moving outside areas of poverty and minority concentration. This chapter describes how briefings will be conducted, the information that will be provided to families, and the policies for how changes in the family composition will be handled.

A. ISSUANCE OF VOUCHERS [24 CFR 982.204(d), 982.54(d) (2)]

When funding is available, DHNP will issue conditional vouchers to applicants whose eligibility has been determined. The number of vouchers issued must ensure that DHNP stays as close as possible to 100 percent lease-up. DHNP monitors utilization monthly.

DHNP may over-issue vouchers only to the extent necessary to meet leasing goals. If DHNP finds it is over-leased, it must adjust future issuance of vouchers in order not to exceed the ACC budget limitations over the fiscal year.

B. BRIEFING TYPES AND REQUIRED ATTENDANCE [24 CFR 982.301]

Initial Applicant and Incoming Portable Briefing

A full HUD-required briefing will be conducted for applicant families who are determined to be eligible for assistance. The briefings will be conducted in groups. Families who attend group briefings and still have the need for individual assistance will be assisted by a Housing Specialist.

The purpose of the briefing is to explain the program and the documents in the applicant's packet. This will enable them to utilize the program to their advantage, and it will prepare them to discuss it with potential owners and property managers.

DHNP will not issue a conditional voucher to a family unless the household representative has attended a briefing and signed the voucher. Applicants who provide prior notice of inability to attend a briefing will automatically be scheduled for the next briefing. Applicants who fail to attend two scheduled briefings, without prior notification and approval of DHNP, may be denied admission based on failure to supply information needed for certification and withdrawn from the waiting list. DHNP will conduct individual briefings for families with disabilities at their home, upon written request by the family, if required for reasonable accommodation.

Briefing Packet [24 CFR 982.301(b)]

The documents and information provided in the briefing packet for the voucher program will comply with all HUD requirements. DHNP also includes other information and/or materials which are not required by HUD.

The family is provided with the following information and materials:

- The term of the conditional voucher, and DHNP policy for requesting extensions or suspensions of the voucher (referred to as tolling).
- A description of the method used to calculate the housing assistance payment for a family, including:
- How DHNP determines the payment standard for a family;
- How DHNP determines total participant's payment for a family and information on the payment standard and utility allowance schedule;
- How DHNP determines the maximum allowable rent for an assisted unit including the rent reasonableness standard;
- Where the family may lease a unit; for families that qualify to lease a unit outside DHNP jurisdiction under portability procedures, the information must include an explanation of how portability works.
- The HUD required tenancy addendum, which must be included in the lease;
- The HUD form 52517 the family must use to request approval of tenancy and a description of the procedure for requesting approval for a tenancy;
- A statement of DHNP policy on providing information about families to prospective owners;
- DHNP Subsidy Standards including when and how exceptions are made and how the voucher size relates to the unit size selected;
- The HUD brochure "A Good Place to Live" on how to select a unit that complies with HQS;
- The HUD pamphlet on lead-based paint entitled *Protect Your Family From Lead in Your Home;*
- Information on Federal, State and local equal opportunity laws, the HUD pamphlet *Fair Housing: It's Your Right*; a copy of the housing discrimination complaint form; and the phone number of the Fair Housing Office;
- A list of landlords or other parties willing to lease to assisted families; the list includes landlords or other parties who are willing to lease units or help families find units outside areas of poverty or minority concentration.
- If the family includes a person with disabilities, notice that DHNP will provide a list of available accessible units known to DHNP;

- The family obligations under the voucher issued;
- The grounds on which DHNP may terminate assistance for a participant family because of family action or failure to act;
- DHNP informal hearing procedures including when DHNP is required to offer a participant family the opportunity for an informal hearing, and how to request the hearing.
- If portability is allowed under the voucher issuance, an information packet is provided that includes an explanation of how portability works, including a list of neighboring housing agencies with the name, address and telephone number of a portability contact person at each for use by families who move under portability;
- Procedures for notifying DHNP and/or HUD of program abuses such as side payments, extra charges, violations of participant rights, and owner failure to repair;
- The family's rights as a participant and a program participant;
- Requirements for reporting changes between annual re-certifications;
- The current Fair Market Rent;
- The DHNP utility allowance table;
- The Family Self Sufficiency program and its advantages.
- If the family includes a person with disabilities, DHNP will ensure compliance with CFR 8.6 to ensure effective communication.
- ZERO INCOME INFORMATION

Move Briefing

A move briefing will be held for families who will be reissued a conditional voucher to move. The family must;

- Give written notice of intent to vacate to their landlord and DHNP.
- The written notice must be given in accordance with the terms of the landlord's lease but no less than 30 days before the lease expiration.
- Vacate the landlord's premises within the terms of the notice to vacate.
- Be in good standing

Outgoing Portability Briefing

When a family has qualified to port-out of Virginia Beach's jurisdiction, a briefing will be held to explain the outgoing portability requirements.

Landlord/Owner Briefing

Group briefings are held for landlord/owners at least once a year; notification is provided by mail. Prospective owners are also welcome. The purpose of the briefing is to assure successful owner participation in the program. The briefing covers the responsibilities and roles of the three parties.

C. ENCOURAGING PARTICIPATION IN AREAS WITHOUT LOW INCOME OR MINORITY CONCENTRATION

At the briefing, families are encouraged to search for housing in non-impacted areas.

DHNP has areas of poverty and minority concentration clearly delineated in order to provide families with information and encouragement in seeking housing opportunities outside highly concentrated areas.

DHNP has maps that show various areas and information about facilities and services in neighboring areas such as schools, transportation, and supportive and social services.

DHNP will investigate and analyze when voucher holders are experiencing difficulties locating or obtaining housing units outside areas of concentration.

D. SECURITY DEPOSIT REQUIREMENTS [24 CFR 982.313]

The owner is not required to but may collect a security deposit from the tenant, which may not exceed those charged to unassisted tenants or the maximum prescribed by State or local law.

For lease-in-place families, responsibility for first and last month's rent is not considered a security deposit issue. In these cases, the owner should settle the issue with the participant prior to the beginning of assistance.

E. TERM OF VOUCHER [24 CFR 982.303, 982.54(d) (11)]

During the briefing session, each household will be issued a conditional voucher which represents a contractual agreement between DHNP and the Family specifying the rights and responsibilities of each party. It does not constitute admission to the program which occurs when the lease and contract become effective.

Expirations

The conditional voucher is valid for a period of sixty (60) calendar days from the date of issuance, except for vouchers issued under the Veterans Administration Supportive Housing (VASH) Program. The family must submit a Request for Approval of the Tenancy and Lease within the sixty-day period unless an extension has been granted by DHNP.

If the conditional voucher has expired, and has not been extended by DHNP or expires after an extension, the family will be denied assistance. The family will not be entitled to a review or hearing. If the family is currently assisted, they may remain as a participant in their unit if there is an assisted lease/contract in effect.

Suspensions

Suspensions of Voucher Term [24 CFR 982.303(c)] (New)

At its discretion, DHNP may adopt a policy to suspend the voucher term if the family has submitted a Request for Tenancy Approval (RFTA) during the voucher term. "Suspension" means stopping the clock on a family's voucher term from the time a family submits the RFTA until the time the DHNP approves or denies the request [24 CFR 982.4]. The DHNP's determination not to suspend a voucher term is not subject to informal review [24 CFR 982.554(c) (4)].

When a RFTA is received, DHNP will not deduct the number of days required to process the request from the sixty (60) day term of the voucher.

Extensions

A family may request in writing an extension of the voucher time period. All requests for extensions must be received prior to the expiration date of the voucher.

Extensions are permissible at the discretion of DHNP in thirty (30) day increments. Special circumstances include but are not limited to events such as:

- Hospitalization or a family emergency for an extended period of time which has affected the family's ability to find a unit within the initial sixty-day period. Verification is required.
- DHNP is satisfied that the family has made a reasonable effort to locate a unit, including seeking the assistance of DHNP, throughout the initial sixty-day (60) period.
- The family was prevented from finding a unit due to disability accessibility requirements or five or more bedroom unit requirement.

DHNP will extend the term up to sixty (60) days from the end of the initial term if the family needs and request an extension as a reasonable accommodation to make the program accessible to and usable by a family member with a disability.

The Rental Housing Administrator, Program Coordinator or Director of Housing must approve voucher extensions.

Assistance to Voucher Holders

Families who require additional assistance during their search may call DHNP to request assistance. Voucher holders will be notified at their briefing session that DHNP periodically updates the listing of available units and how the updated list may be obtained.

DHNP will assist families with negotiations with owners and provide other assistance related to the families' search for housing.

F. VOUCHER ISSUANCE DETERMINATION FOR SPLIT HOUSEHOLDS [24 CFR 982.315]

In those instances when a family assisted under the HCV program becomes divided into two otherwise eligible families due to divorce, legal separation, or the division of the family, and the new families cannot agree as to which new family unit should continue to receive the assistance, and there is no determination by a court, DHNP shall consider the following factors to determine which of the families will continue to be assisted:

* Which of the two new family units has custody of dependent children.

* Which family member was the head of household when the voucher was initially issued (listed on the initial application).

* The composition of the new family units, and which unit contains elderly or disabled members.

* Whether domestic violence was involved in the breakup.

* Which family members remain in the unit.

* Recommendations of social service professionals.

Documentation of these factors will be the responsibility of the requesting parties.

If documentation is not provided, DHNP will terminate assistance on the basis of failure to provide information necessary.

G. REMAINING MEMBER OF PARTICIPANT FAMILY - RETENTION OF VOUCHER [24 CFR 982.315]

To be considered the remaining member of the participant family, the person must have been previously approved by DHNP and living in the unit.

A live-in aide, by definition, is not a member of the family and will not be considered a remaining member of the family.

In order for a minor child to continue to receive assistance as a remaining family member:

* The court has to have awarded emancipated minor status to the minor, or

* DHNP has to have verified that social services and/or the Juvenile Court has arranged for another adult to be brought into the assisted unit to care for the child/children for an indefinite period.

A reduction in family size may require a reduction in the voucher family unit size.

Chapter 9

REQUEST FOR TENANCY APPROVAL AND CONTRACT EXECUTION
[24 CFR 982.301, 982.302]

INTRODUCTION [24 CFR 982.305(a)]

DHNP's program operations are designed to utilize available resources in a manner that is efficient and provides eligible families timely assistance based on the number of units that have been budgeted. DHNP's objectives include maximizing HUD funds by providing assistance to as many eligible families and for as many eligible units as the budget will allow.

After families are issued a voucher, they may search for a unit anywhere within the jurisdiction of DHNP, or outside of DHNP's jurisdiction if they qualify for portability. The family must find an eligible unit under the program rules, with an owner/landlord who is willing to enter into a Housing Assistance Payments Contract with DHNP. This chapter defines the types of eligible housing, DHNP's policies which pertain to initial inspections, lease requirements, owner disapproval, and the processing of Requests For Tenancy Approval (RFTA).

A. REQUEST FOR TENANCY APPROVAL [24 CFR 982.302, 982.305(b)]

The Request for Tenancy Approval (RFTA) and a copy of the unexecuted lease, including the HUD prescribed tenancy addendum, must be submitted by the family during the term of the voucher. The family must submit the Request for Tenancy Approval in the form and manner required by DHNP.

The Request for Tenancy Approval must be fully completed and signed and dated by both the owner and voucher holder.

DHNP will not permit the family to submit more than one RFTA at a time.

DHNP will review the unexecuted lease and the Request for Tenancy Approval documents to determine whether or not they are approvable. The request will be approved if:

The unit is an eligible type of housing

The unit meets HUD's Housing Quality Standards (and any additional criteria as identified in this Administrative Plan)

The rent is reasonable

The security deposit is approvable in accordance with any limitations in this plan.

The proposed lease complies with HUD and PHA requirements (See "Lease Review" section below).

The owner is approvable, and there are no conflicts of interest (See "Owner Disapproval" Chapter 16)

In addition to the above, at the time a family initially receives assistance in a unit (new admissions and moves), if the gross rent for the unit exceeds the applicable payment standard for

the family, the family share of rent may not exceed 40 percent of the family monthly adjusted income (See "Owner Rents, Rent Reasonableness and Payment Standards" Chapter 11).

Disapproval of RFTA

If DHNP determines that the request cannot be approved for any reason, the landlord and the family will be notified. DHNP will instruct the owner and family of the steps that are necessary to approve the request.

When, for any reason, a RFTA is not approved, DHNP will furnish another RFTA form to the family so that the family can continue to search for eligible housing.

B. ELIGIBLE UNITS [24CFR 982.353]

There are a number of criteria that a dwelling unit must meet in order to be eligible for assistance under the voucher program. Generally, a voucher-holder family may choose any available rental dwelling unit on the market in the DHNP's jurisdiction. This includes the dwelling unit they are currently occupying.

C. SPECIAL HOUSING TYPES [24 CFR 982 Subpart M]

HUD regulations permit, but do not require, DHNP to permit families to use voucher assistance in a number of special housing types in accordance with the specific requirements applicable to those programs. These special housing types include single room occupancy (SRO) housing, congregate housing, group home, shared housing, manufactured home space (where the family owns the manufactured home and leases only the space), cooperative housing and homeownership option.

(Please note: The Homeownership program is not being offered under the Housing Choice Voucher Program at the DHNP at this time)

Regulations do require the DHNP to permit use of any special housing type if needed as a reasonable accommodation so that the program is readily accessible to and usable by persons with disabilities.

A family can own a rental unit but cannot reside in it while being assisted, except in the case when the tenant owns the mobile home and leases the pad. A family may lease in and have an interest in a cooperative housing development.

DHNP may not permit a voucher holder to lease a unit which is receiving project-based Section 8 assistance or any duplicative rental subsidies.

D. LEASE REVIEW [24 CFR 982.308]

DHNP will review the lease, particularly noting the approvability of optional charges and compliance with regulations and state and local law. The tenant also must have legal capacity to enter a lease under state and local law. Responsibility for utilities, appliances and optional services must correspond to those provided on the on the Request for Tenancy Approval.

The family and owner must submit a standard form of lease used in the locality by the owner and that is generally used for other unassisted tenants in the premises. The terms and conditions of the lease must be consistent with state and local law.

The HUD prescribed tenancy addendum must be included in the lease word-for-word before the lease is executed.

Effective September 15, 2000, for structures built prior to 1978, the owner's lease must include the Lead Warning Statement and disclosure information required by 24 CFR 35.92(b).

The lease must provide that drug-related criminal activity engaged in by the tenant, any household member, or any guest on or near the premises, or any person under the tenant's control on the premises is grounds to terminate tenancy.

The lease must also provide that owner may evict family when the owner determines that:

> Any household member is illegally using a drug; or
>
> A pattern of illegal use of drug by any household member interferes with the health, safety or right to peaceful enjoyment of the premises by other residents.

The lease must provide that the following types of criminal activity by a "covered person" are grounds to terminate tenancy:

> Any criminal activity that threatens the health, safety or right to peaceful enjoyment of the premises by other residents (including property management staff residing on the premises);
>
> Any criminal activity that threatens the health, safety or right to peaceful enjoyment of their residences by persons residing in the immediate vicinity of the premises; or
>
> Any violent criminal activity on or near the premises by a tenant, household member, or guest; or
>
> Any violent criminal activity on the premises by any other person under the tenant's control.

The lease must provide that the owner may terminate tenancy if a tenant is:

Fleeing to avoid prosecution or custody or confinement after conviction for a crime, or attempt to commit a crime, that is a felony under the laws of the place from which the individual flees (high misdemeanor in NJ); or

Violating a condition of probation or parole imposed under Federal or State law.

House Rules of the owner may be attached to the lease as an addendum, provided they are approved by DHNP to ensure they do not violate any fair housing provisions and do not conflict with the tenancy addendum.

Actions Before Initial Lease Term

All of the following must always be completed before the beginning of the initial term of the lease for a unit:

DHNP has inspected the unit and has determined that the unit satisfies the HQS;

DHNP has determined that the rent charged by the owner is reasonable;

The landlord and the tenant have executed the lease, including the HUD-prescribed tenancy addendum;

DHNP has approved leasing of the unit in accordance with program requirements;

When the gross rent exceeds the applicable payment standard for the family, DHNP must determine that the family share (total family contribution) will not be more than 40% of the family's monthly adjusted income.

E. SEPARATE AGREEMENTS

Separate agreements are illegal and prohibited in the HCV Program. Pursuant to HUD's statement dated March 2008 regarding Fair Housing and Request for Modifications, DHNP will approve separate agreements for modifications to the unit on a case-by-case basis for persons with disabilities.

F. INITIAL INSPECTIONS [24 CFR 982.305(a) & (b)]

See "Housing Quality Standards and Inspections", Chapter 10 of this Administrative Plan.

G. RENT LIMITATIONS [24 CFR 982.507]

DHNP will make a determination as to the reasonableness of the proposed rent in relation to comparable units available for lease on the private unassisted market, and the rent charged by the owner for a comparable unassisted unit in the building or premises.

By accepting each monthly housing assistance payment from DHNP, the owner certifies that the rent to owner is not more than rent charged by the owner for comparable unassisted units in the premises. The owner is required to provide DHNP with information requested on rents charged by the owner on the premises or elsewhere.

At all times during the tenancy, the rent to owner may not be more than the most current reasonable rent as determined by DHNP.

H. DISAPPROVAL OF PROPOSED RENT [24 CFR 982.502]

In any of the programs, if the proposed gross rent is not reasonable, at the family's request, DHNP will negotiate with the owner to reduce the rent to a reasonable rent. If the rent is not affordable because the family share would be more than 40% of the family's monthly adjusted income, DHNP will negotiate with the owner to reduce the rent to an affordable rent for the family.

If the rent can be approved after negotiations with the owner, DHNP will continue processing the Request for Tenancy Approval and lease. If the revised rent involves a change in the provision of utilities, a new Request for Tenancy Approval must be submitted by the owner.

If the owner does not agree on the rent to owner after DHNP has tried and failed to negotiate a revised rent, DHNP will inform the family and owner that the lease is disapproved.

I. INFORMATION TO OWNERS [24 CFR 982.307(b), 982.54(d)(7)]

In accordance with HUD requirements, DHNP will furnish prospective owners with the family's current address as shown in DHNP's records and, if known to DHNP, the name and address of the landlord at the family's current and prior address.

DHNP will make an exception to this requirement if the family's whereabouts must be protected due to domestic abuse or witness protection.

DHNP will inform owners that it is the responsibility of the landlord to determine the suitability of prospective tenants. Owners will be encouraged to screen applicants for rent payment history, payment of utility bills, eviction history, respecting the rights of other residents, damage to units, drug-related criminal activity or other criminal activity that is a threat to the health, safety or property of others, and compliance with other essential conditions of tenancy.

A statement of DHNP's policy on release of information to prospective landlords will be included in the briefing packet which is provided to the family.

DHNP will furnish prospective owners with information about the family's rental history (if available), or any history of drug trafficking. This information will be verbal but can be

provided in writing if requested by the landlord; a copy of such information will be provided to the family if requested.

Only the HCV case manager may provide this information. DHNP's policy on providing information to owners is included in the briefing packet and will apply uniformly to all families and owners.

J. OWNER DISAPPROVAL [24 CFR 982.306]

See chapter on "Owner Disapproval and Restriction," Chapter 16.

K. CHANGE IN TOTAL TENANT PAYMENT (TTP) PRIOR TO HAP EFFECTIVE DATE

When the family reports changes in factors that will affect the total family share prior to the effective date of the HAP contract at admission, the information will be verified and the total family share will be recalculated. If the family does not report any change, DHNP need not obtain new verifications before signing the HAP contract, even if verifications are more than 60 days old.

L. CONTRACT EXECUTION PROCESS [24 CFR 982.305(c)]

DHNP prepares the Housing Assistance Contract for execution. The family and the owner will execute the lease agreement, and the owner and DHNP will execute the HAP contract. Copies of the documents will be furnished to the parties who signed the respective documents. DHNP will retain a copy of all signed documents.

DHNP will make every effort to execute the HAP contract before the beginning of the lease term. The HAP contract must be executed no later than 60 calendar days from the beginning of the lease term.

The following DHNP representative(s) is/are authorized to execute a contract on behalf of DHNP: HCV Administrator, HCV Program Coordinator, and the Director of Housing,

Owners must provide the current street and city address of their residence (not a Post Office box). The owner's current street and city address will be compared to the subsidized unit's address to ensure no conflict of interest or fraud.

Owners must provide an employer identification number or social security number; owners must also provide a picture ID or their social security card so a copy may be made for the owners file.

Owners must also submit proof of ownership of the property, if inaccessible or different from Proval and/or City records. Some examples of proof are a grant deed or tax bill, and a copy of the management agreement if the property is managed by a management agent.

The owner must provide a home telephone number and/or business number.

Unless their lease was effective prior to June 17, 1998, a family may not lease properties owned by a parent, child, grandparent, grandchild, sister or brother of any family member. DHNP will waive this restriction as a reasonable accommodation for a family member who is a person with a disability.

M. CHANGE IN OWNERSHIP

See "Owner Disapproval and Restriction," Chapter 16.

N. TEMPORARY MOVES DUE TO RENOVATIONS

When an owner's property is undergoing renovations that require the temporary move of the assisted family to another dwelling unit, the temporary move is treated as an initial move-in. All the requirements for an initial move-in must be met including but not limited to affordability checks, new lease and HAP contract, rent reasonableness, and a passed inspection.

Dependent upon the specific circumstances, the HCV Administrator, Coordinator or Director of Housing may waiver certain requirements. For example, if the temporary move is for a short period of time, it may make sense to approve revision to the current lease stating that the current lease terms and HAP contract information is unchanged during the temporary move; thus, the affordability check, new HAP contract, new lease, and rent reasonableness is not required.

A passed inspection is always required prior to a family move in for any reason.

O. MONTH TO MONTH LEASE CHARGE

HUD regulations do not prohibit a month to month lease after the initial one year lease period. HUD regulations also do not prohibit a month to month lease charge and considers such charges as part of the gross rent.

When a family decides to extend their lease on a month to month basis, the family and owner must revise the current lease to include the month to month charge amount. This revised lease must be approved by the HCV Housing Specialist who will ensure that the month-to month charge is reasonable. Please refer to Chapter 11, Rent Reasonableness and Payment Standards for the methodology to determine a reasonable month-to month lease charge.

Chapter 10
HOUSING QUALITY STANDARDS AND INSPECTIONS
[24 CFR 982.401]

INTRODUCTION

The Virginia Beach Department of Housing and Neighborhood Preservation (VBDHNP) conducts inspections on all units enrolled in the Housing Choice Voucher (HCV) Program. These inspections are required at the time of initial occupancy and during the term of the lease. The inspections are based on the code standards of the Uniform Statewide Building Code, Part III, Virginia Maintenance Code, and the city's property maintenance codes. They apply to the structure and the exterior premises, as well. Newly leased units must pass the inspection before the beginning date of the assisted lease and Housing Assistance Payment (HAP) contract. Units already under contract will be inspected on an annual basis.

The Section Eight Management Assessment Program (SEMAP) requires that a random sampling of the units enrolled in the HCV Program be inspected to ensure consistency with the DHNP's inspection program guidelines. Quality Control inspections will be conducted on a monthly basis by qualified personnel to meet this requirement.

This chapter describes DHNP's procedures for performing inspections, and sets the standard for the timeliness of repairs. It also describes the responsibilities of the property owner and client, and the consequences of non-compliance with code requirements for both parties.

INSPECTION GUIDELINES/TYPES OF INSPECTIONS [24 CFR 982.401(a), 982.405]

1. Inspections are conducted by certified Code Inspectors employed by the DHNP.

2. It is recommended that utility service be active prior to the date of the inspection. If the utilities are not in service at the time of inspection, the inspector will not be able to conduct a thorough inspection of the unit. This will be noted on the inspection form.

3. If the client is responsible for supplying the stove and/or the refrigerator, the client must notify the Housing Specialist when the appliances are in the unit and an inspection will be scheduled and conducted.

4. The head of household or anyone 18 years older must be present during all inspections. Landlords are strongly encouraged to be present during the inspections as well.

5. There are five types of inspections the DHNP will perform.

   - Initial/Move-in: Conducted upon receipt of Request for Tenancy Approval (RFTA).
   - Annual: Must be conducted within twelve months of the last annual inspection.
   - Special/Complaint: Conducted at request of the property owner, the HCV Program client, or a local city agency/third-party provider of services to the client.

- Supervisory Quality Control: Monthly inspection of a random sampling.
- Potential Unsafe Condition: Inspection for potential life-safety violations.

A. INITIAL INSPECTION [24 CFR 982.401(a), 982.305(b) (2)]

1. Inspections will normally be scheduled and completed within fifteen business days of receipt of the RFTA, but no later than the twenty business day timeframe set by HUD regulations.

2. The Initial Inspection will be conducted to:
   - Determine if the unit and property meet code standards
   - Document the current condition of the unit
   - Document the information used for rent-reasonableness evaluations

3. If code violations are found, the Code Inspector will make note of the violations and leave an Inspection Checklist with the tenant, or if available, the owner, at the time of the inspection. The DHNP will notify the client and property owner/payee of the inspection results in writing as soon as administratively possible, but no later than five days after the inspection. The DHNP will attempt to conduct initial inspections in a manner that is time efficient and convenient for all parties involved.

B. ANNUAL INSPECTIONS [24 CFR 982.405(a)]

The Code Inspectors conduct annual inspections approximately 90 days prior to the lease anniversary date.

1. The client must allow the inspectors to inspect the unit at reasonable times after receiving reasonable notice. [24 CFR 982.551(d)] Inspections will be conducted on business days only, between 8:00 am and 2:30 pm.

2. DHNP will notify the client and the landlord of the date of the inspection in writing. .

3. If the client is unable to be present, they must contact the inspector within 10 days of receipt of the notification letter to reschedule the inspection.

4. If the family misses one inspection appointment, the inspector will leave a door hanger at the dwelling unit advising them of the missed inspection. The Housing Specialist must evaluate and the inspection will be rescheduled. Three missed inspections will result in termination of assistance.

5. If code violations are found, the unit fails inspection. A notice of violation is issued to all parties involved and a suitable time period is given for correction. The responsible party must

correct all code violations within the time period specified in order to continue with the HCV Program.

C. SPECIAL/COMPLAINT INSPECTIONS [24 CFR 982.405(c)]

1. If at any time the client or property owner feels that potential code violations exist, they may notify the DHNP and request a special inspection. The DHNP will conduct an inspection within 2 business days. Inspections of unsafe conditions will be conducted within 24 hours in most cases.

2. The DHNP may also conduct a special inspection based on information from a local city agency or from a third party provider of services to the client.

3. The DHNP will inspect the items which were reported and may note additional violations at the time of inspection.

D. SUPERVISORY QUALITY CONTROL INSPECTIONS [24 CFR 982.405(b)]

1. Quality Control inspections will be performed by a Code Supervisor or designee on a percentage of the units enrolled in the HCV Program. These inspections are required under SEMAP.

2. The purpose of Quality Control inspections is to ensure that each inspector is conducting accurate and complete inspections, and to confirm consistent application of the code.

3. The random sampling of files will include a cross-section of neighborhoods and a cross-section of inspectors.

E. UNSAFE CONDITION INSPECTIONS [_PIH Notice 2006-08 Exigent Health and Safety Deficiency]

1. Upon confirmation of an unsafe condition, the inspector issues a notice of violation giving 24 hours for correction of the potential life-safety issue(s).

2. If prompt corrective action is not taken by the responsible party, units are posted unsafe and condemned. The unit cannot be occupied until the inspector confirms compliance with the notice of violation.

F. ACCEPTABLE CRITERIA AND EXCEPTIONS [24 CFR 982.401(4) (A)]

1. The DHNP adheres to the acceptable criteria in the program regulations and has adopted the local codes described below that exceed the performance requirements.

    - Uniform Statewide Building Code, Part III, The Virginia Maintenance Code and the City's Property Maintenance Codes

G. INSPECTION AND ENFORCEMENT POLICIES AND PROCEDURES

1. Inspection Notification

a) Initial inspections cannot be scheduled until the following are completed:

- The Request for Tenancy Approval (RFTA) is fully completed and signed by the landlord and client.
- An unsigned copy of the landlord's lease must be attached to the RFTA.
- The Housing Specialist has determined the dwelling unit is affordable for the family.
- The Housing Specialist has approved the RFTA and has determined that the lease is within HUD and Virginia Tenant/Landlord regulations.
- The Housing Specialist will schedule the inspection and notify the owner of the inspection appointment. Inspections will normally be scheduled and completed within fifteen business days of receipt of the RFTA.

b) Annual Inspections

- An initial letter of notification will be mailed to both the client and landlord no less than 120 days prior to the inspection date. DHNP will insure inspections have been scheduled, or document attempt was made by no later than 110 days. The notification letter will include information about the consequences of a failing inspection and not bringing the unit up to code within the allotted time.
- All initial renewal inspections must be completed no later than 90 days before renewal date. If unit does not pass initial inspection, violation notice should be issued, and re-inspections scheduled.
- 60 days prior to re-exam date all re-inspections should have occurred; All re-

inspections should have occurred by the 21st day; Any request for extensions by the owner should be submitted in writing, and granted in writing; If unit fails and an extension is issued, extension is issued for 30 day maximum summons will not be issued for another 30 days; Extension notice informs all a 30 day notice will be issued to the owner stating the HAP contract will be terminated if unit fails inspection after extension.

c) Special Inspections

- Special Inspections will be scheduled within 48 hours.

2. Inspection Results

a) If any code violations are found, the inspector will leave an Inspection Checklist noting the violations with the participant once the inspection is complete. At this time, the property owner and/or tenants are notified of the potential re-inspection date and encouraged to contact the inspector to schedule an inspection if the repairs are completed prior to the set deadline.

b) A notice of violation is processed and mailed to the property owner, the payee, and the tenant.

c) A copy of the inspection report is given to the Housing Specialist who notifies the client of the inspection results.

d) The re-inspection should not be more than 21 days from the date of the initial inspection unless an extension has been requested and granted. A shorter time period will be given in cases where unsafe conditions are present.

3. Failed Inspection Timeline

a) Annual Inspection Failure

- Unsafe Condition Present - **24 hours** given for compliance
- Minor Code Violations Present - **Thirty (30)** calendar days given for compliance

b) First Re-Inspection Failure

- HAP payments to the landlord will be abated and/or client benefits will be suspended on the first day of the month following the failed re-inspection unless an extension was granted.

- Abatement and/or suspension will continue until the unit is in full compliance.

- Participants will be offered the option to move, and given a voucher to find another unit to occupy.

c) Second Re-Inspection Failure

(Property owner/Landlord Responsible)

- HAP contract terminated if violations continue for 60 days after the initial inspection.
- The client will be issued a voucher.
- The dwelling unit will be removed from the HCV Program

(HCV Client Responsible)

- HCV benefits will be terminated on the date of failure.
- HCV client may request an Informal Hearing by contacting their Housing Specialist

Inspection Timeline for HCV Renewals – Effective January 1, 2009		
	Action	Action
Days Before Contract Renewal Date (These are "no later than" dates)	Code Enforcement	Housing Specialist
120	Mail Renewal Package and include notice with inspection timeline and consequences	
110		Participant calls to schedule inspection, or Specialist initiates contact and request tenants to schedule inspections
90	Deadline for first inspection. All inspections should have occurred by now; All notices of violations should have been issued; All re-inspections of failed properties should be re-scheduled at the time of initial inspection	Specialists should track and insure inspection of unit occurs before 90 days;
60	All re-inspections should have occurred by the 21st day; Any request for extensions by the owner should be submitted in writing, and granted in writing; If unit fails and an extension is issued, extension is issued for 30 day maximum summons will not be issued for another 30 days; extension notice informs all a 30 day notice will be issued to the owner stating the HAP contract will be terminated if unit fails inspection after extension.	1) If unit fails and no extension is issued, abatement of rent starts 2) If unit fails and an extension was issued, rent will continue to be paid for another 30 days.
30	2nd re-inspection for all failed units that requested extensions If unit failed, Court action initiated and summonses are issued to responsible parties.	1) If unit passes, rent will continue to be paid for the balance of the current term and for the new term; 2) If unit failed, 30 day notice to owner HAP contract will be terminated.
0 Days (Renewal Date)	**All units should be compliant.**	HAP contracts are terminated for non-compliant units effective this day.

Chapter 11

OWNER RENTS, RENT REASONABLENESS, AND PAYMENT STANDARDS [24 CFR 982.502, 982.503, 982.504, 982.505, 982.507]

INTRODUCTION

The policies in this chapter reflect the amendments to the HUD regulations, which were implemented by the Quality Housing and Work Responsibility Act of 1998 for the Section 8 Tenant-Based Assistance Program. These amendments became effective on October 1, 1999, which is referred to as the "merger date". These amendments complete the merging of the Section 8 Certificate and Voucher Programs into one program, called the Housing Choice Voucher Program.

All HCV participant families have been transitioned to the Housing Choice Voucher Program on or before October 1, 2001. Rent calculation methods for the Housing Choice Voucher Program are described at 24 CFR 982.505. The rent calculation formula is specific and is not subject to interpretation.

DHNP will determine rent reasonableness in accordance with 24 CFR 982.507(a). It is DHNP's responsibility to ensure that the rents charged by owners are reasonable based upon unassisted comparables in the rental market, using the criteria specified in 24 CFR 982.507(b).

This chapter explains DHNP's procedures for determination of rent-reasonableness, payments to owners, adjustments to the payment standards, and rent adjustments.

A. RENT TO OWNER IN THE HOUSING CHOICE VOUCHER PROGRAM

The only limitation on the amount of rent to owner is rent reasonableness (CFR 982.507). DHNP must demonstrate that the rent to owner is reasonable in comparison to rent for other comparable unassisted units.

In conducting the rent reasonable analysis, the DHNP will utilize industry standard software approved and acceptable to the Department of Housing and Urban Development.

Another factor that needs to be accounted for with regard to the ability of a client to lease a particular unit is that at the time a family initially receives tenant-based assistance for occupancy of a dwelling unit (whether it is a new admission or a move to a different unit) is if the gross rent for the unit is greater than the payment standard for the family, the family share may not exceed 40 percent of the family's adjusted monthly income (CFR 982.508).

Except as provided in paragraph (a) 2 of 24 CFR 982.309, during the initial term of the lease, the owner/landlord may not raise the rent to tenant. The initial term must be no less than 12 months (one year).

B. MAKING PAYMENTS TO OWNERS [24 CFR 982.451]

Upon approval of the Lease and execution of a Housing Assistance Payment Contract, the Rental Housing Administrator, Program Coordinator (Supervisor), or the Department Director will authorize the commencement of payments to the owner on behalf of the eligible family.

Payments are made on a monthly basis to owners, and DHNP processes payments twice a month. In general, DHNP will attempt to ensure that the monthly checks are received by the landlords by the first of each month. If the paperwork is not completed and processed by the payment deadline for the first of the month, DHNP processes a second check run on or about the fifteenth of each month. The initial payments for leases that begin after the first of the month will be prorated. Payments are made in accordance with the HAP and the approved lease for the unit. These payments will cover the difference between the contract rent (rent to owner) and the portion of rent payable by the family. All Payment requests must be signed by personnel authorized by the Director of the DHNP.

Payments are generated from the City of Virginia Beach Finance Department upon receipt of the check request/payment invoice from the DHNP. The check request/payment invoice details the payee, dollar amount of payment, type of payment, and the participant's name and address. The City's Finance Department assumes the responsibility for generating 1099's and for keeping the required documentation.

Excess Payments

The total rent paid by the tenant plus the DHNP housing assistance payment to the owner may not exceed the contract rent. In the event that the DHNP overpays an owner in error, the owner must immediately return any excess payment to DHNP.

Owners who do not return excess payments will be subject to penalties as outlined in the "Owner or Family Debts to DHNP" Chapter 17 of this Administrative Plan.

Owners and tenants assisted by the Housing Choice Voucher program may not have unwritten financial agreements that exceed the rent to owner; such agreements are grounds for termination of the tenant's voucher and/or removal of the owner's property from the program.

Late Payments to Owners

It is a local business practice in the City of Virginia Beach for property managers and owners to charge tenants a reasonable late fee for rents not received by the owner or property manager by the due date, not withstanding any grace period which is typically five days past the first of the month.

Therefore, in keeping with generally accepted practices in the local housing market, DHNP must make housing assistance payments to the owner promptly and in accordance with the HAP contract.

DHNP will not be obligated to pay any late payment penalty if HUD determines that late payment is due to factors beyond DHNP's control, such as a delay in the receipt of program funds from HUD. DHNP will use administrative fee income or the administrative fee reserve as its only source for late payment penalty.

DHNP will not use any program funds for the payment of late fee penalties to the owner.

File Documentation for Exceptions

All DHNP Rental Housing Staff are required to provide documentation in any file that has an exceptional issue which affects payment.

C. RENT REASONABLENESS DETERMINATIONS [24 CFR 982.507]

DHNP will determine and document on a case-by-case basis that the approved rent is reasonable in comparison to rent for other comparable unassisted units in the market. This applies to all programs. Rent reasonableness will be conducted at initial move-ins and when a rent increase is requested by the landlord/owner.

DHNP will not approve a lease until DHNP determines that the initial rent to owner is a reasonable rent. DHNP must re-determine the reasonable rent before any increase in the rent to owner, and if there is a five percent decrease in the published FMR in effect 60 days before the contract anniversary (for the unit size rented by the family) as compared with the FMR in effect one year before the contract anniversary.

DHNP must re-determine rent reasonableness if directed by HUD and based on a need identified by DHNP's auditing system. DHNP may elect to re-determine rent reasonableness at any other time. At all times during the assisted tenancy, the rent to owner may not exceed the reasonable rent.

The owner will be advised that by accepting each monthly housing assistance payment he/she will be certifying that the rent to owner is not more than rent charged by the owner for comparable unassisted units in the premises.

If requested, the owner must give DHNP information on rents charged by the owner for other units in the premises or elsewhere. DHNP will only request information on the owner's units elsewhere if DHNP has cause to demonstrate that the owner has a tendency to charge higher rents to program participants or if needed for rent reasonableness comparables.

The following items will be used for rent reasonableness documentation:

Size (number of Bedrooms/square footage)

Location
Quality
Amenities (bathrooms, dishwasher, air conditioning, etc.)
Housing Services
Age of unit
Unit Type
Maintenance
Utilities

Documentation

Rent Reasonableness determinations should be documented in files. .

.Rent Reasonableness Methodology

DHNP utilizes HUD regulations on reasonable rent (24 CFR 982.4, 24 CFR 982.54(d) (15), 982.158(f) (7) and 982.507). The DHNP method is to consider the location, size, type, quality and age of the units, and the amenities, maintenance and utilities provided by the owner in determining comparability and the reasonable rent. Rent reasonableness is conducted at every initial move-in, unit transfer, request for rent increase from the owner, or if there is a 5% or more decrease in the published FMR in effect 60 days before the HAP anniversary.

From our SEMAP Methodology guide.

The market areas for rent reasonableness are zip codes and/or census within DHNP's jurisdiction.

Owners may provide third party rent reasonableness information for DHNP consideration.

DECONCENTRATION

DHNP Rental Housing Staff will perform outreach to encourage owners of suitable units located outside low income or minority concentration areas to participate in the HCV Program. Outreach determinations will take into consideration local rental market conditions in the City of Virginia Beach.

Outreach efforts may be conducted through landlord seminars, presentations to community group, civic leagues, local and regional training programs and conferences with various organizations. Additionally, newspaper notices may be published periodically to recruit new landlords for the program.

D. PAYMENT STANDARDS FOR THE VOUCHER PROGRAM [24 CFR 982.503]

The Payment Standard is used to calculate the housing assistance payment for a family. In accordance with HUD regulation, and at DHNP's discretion, the Voucher Payment Standard amount is set by DHNP between 90 percent and 110 percent of the HUD published FMR. This is

considered the basic range. DHNP reviews the appropriateness of the Payment Standard annually when the FMR is published. In determining whether a change is needed, DHNP will ensure that the Payment Standard is always within the range of 90 percent to 110 percent of the new FMR, unless an exception payment standard has been approved by HUD.

DHNP may approve a higher payment standard within the basic range, if required as a reasonable accommodation for a family that includes a person with disabilities.

E. ADJUSTMENTS TO PAYMENT STANDARDS [24 CFR 982.503]

Payment Standards may be adjusted, within HUD regulatory limitations, to increase Housing Assistance Payments in order to keep families' rents affordable. DHNP will not raise Payment Standards solely to make "high end" units available to Voucher holders. DHNP may use some or all of the measures below in making its determination whether an adjustment should be made to the Payment Standards.

Rent to Owner Increases

DHNP may review a sample of the units to determine how often owners are increasing rents and the average percent of increase by bedroom size.

Lowering of the Payment Standard

Lowering of the FMR may require an adjustment of the Payment Standard. Additionally, statistical analysis may reveal that the Payment Standard should be lowered. In any case, the Payment Standard will not be set below 90 percent of the FMR without authorization from HUD.

Financial Feasibility

Before increasing the Payment Standard, DHNP may review the budget to determine the impact projected subsidy increases would have on funding available for the program and number of families served.

For this purpose, DHNP will compare the number of families who could be served under a higher Payment Standard with the number assisted under current Payment Standards.

File Documentation

A file will be retained by DHNP for at least three years to document the analysis and findings to justify whether or not the Payment Standard was changed.

F. OWNER PAYMENT IN THE HOUSING CHOICE VOUCHER PROGRAM (24 CFR 982.308(g)

The owner is required to notify DHNP, in writing, at least sixty days before any change in rent is scheduled to go into effect. Any requested increase in rent will be subject to rent reasonableness requirements. See 24 CFR 982.503.

Chapter 12
RECERTIFICATIONS/REEXAMINATIONS
[24 CFR 982.516]

INTRODUCTION

In accordance with HUD requirements, DHNP will reexamine the income and household composition of all families at least annually. Families will be provided accurate annual and interim rent adjustments. Recertification and interim examinations will be processed in a manner that ensures families are given reasonable notice of rent increases. All annual activities will be coordinated in accordance with HUD regulations. It is a HUD requirement that families report all changes in household composition. This Chapter defines DHNP's policy for conducting annual recertification and coordinating annual activities. It also explains the interim reporting requirements for families, and the standards for timely reporting.

A. ANNUAL ACTIVITIES [24 CFR 982.516, 982.405]

There are two activities DHNP must conduct on an annual basis. These activities will be coordinated whenever possible:

Recertification of income and family composition

HQS inspection

DHNP produces a monthly listing of units under contract to ensure that timely reviews of housing quality and factors related to total tenant payment/family share can be made.

Reexamination of the family's income and composition must be conducted at least annually.

Annual inspections: See "Housing Quality Standards and Inspections", Chapter 10.

Rent adjustments: See "Owner Rents, Rent Reasonableness and Payment Standards", Chapter 11.

B. ANNUAL RECERTIFICATION/REEXAMINATION [24 CFR 982.516]

Families are required to be re-certified/re-examined at least annually.

Income limits are not used as a test for continued eligibility at recertification

Moves Between Reexaminations

When families move to another dwelling unit, an annual recertification will be scheduled. The anniversary date will match the beginning date of the new lease.

Reexamination Notice to the Family

DHNP will maintain a reexamination tracking system and the household will be notified by mail of the date and time for their appointment at least 120 days in advance of the anniversary date. If requested as an accommodation by a person with a disability, DHNP will provide the notice in an accessible format. DHNP will also mail the notice to a third party, if requested as reasonable

accommodation for a person with disabilities. These accommodations will be granted upon verification that they meet the need presented by the disability.

Completion of Annual Recertification

DHNP will have all recertification for families completed before the anniversary date. DHNP should give families reasonable notice of any rent increase. DHNP reserves the right to conduct a mail recert.

Persons with Disabilities

Persons with disabilities who are unable to come to DHNP's office will be granted an accommodation, if so requested, by conducting the interview at the person's home upon verification that the accommodation requested meets the need presented by the disability.

Collection of Information [24 CFR 982.516(f)]

DHNP has established appropriate recertification procedures necessary to ensure that the income data provided by families is complete and accurate.

A DHNP representative will interview the family and have the family complete and sign, if necessary, recertification forms. The Housing Specialist will then review the information with the family.

Requirements to Attend

All adult household family members will be required to attend the recertification briefing/ interview.

Failure to Respond to Notification to Recertify

The family may call to request another appointment date no later than ten days prior to the interview.

If the family does not appear for the recertification interview, and has not rescheduled or made prior arrangements with DHNP, then the missed interview will be considered a violation of the family obligations. The DHNP will mail a second (2). If the head of household does not respond to the second notice, a termination notice to both the participant and the owner will be mailed. The termination notice must also inform the participant of his or her right to a hearing. **(HCV Guidebook Chapter 12-3)**

Exceptions to these policies may be made by the HCV Administrator, Coordinator or Director of Housing, if the family is able to document an emergency situation that prevented them from canceling or attending the appointment or if requested as a reasonable accommodation for a person with a disability.

Documents Required From the Family [24 CFR 982.517a(2)]

In the notification letter to the family, DHNP will include instructions for the family to bring the following:

Documentation of all assets and income

Documentation of any deductions/allowances

Documentation of utilities

Verification of Information

DHNP will follow the verification procedures and guidelines described in Chapter 7 of this plan. Verifications for reexaminations must be no more than 120 days old on the re-exam effective date.

Tenant Rent Increases (HCV guidebook Chapter 12-6)

Increases are effective on the first day of the month after reasonable advance notice to the family.

Decreases in the family's share of the rent are effective on the first day of the month following the change. Tenant rent decreases do not require a 30 day notice.

Tenant Rent Decreases

If tenant rent decreases, it will be effective on the anniversary date, even if the notice is mailed less than thirty days before the scheduled effective date, as long as it is received prior to the effective date.

If the family causes a delay so that the processing of the reexamination is not complete by the anniversary date, rent change will be effective on the first day of the month following completion of the reexamination processing by DHNP.

C. REPORTING INTERIM CHANGES [24 CFR 982.516]

Program participants must report all changes in household composition within 5 days to DHNP. This includes additions due to birth, adoption, court-awarded custody or guardianship, and any marriages, and deaths. The family must obtain approval from V BDHNP prior to all other additions to the household.

If any new family member is added, family income must include any income of the new family

member. DHNP will conduct an interim reexamination to determine such additional income and will make the appropriate adjustments in the housing assistance payment and family unit size.

The U.S. citizenship/eligible immigrant status of additional family members must be declared and verified as required at the first interim or regular recertification after moving into the unit.

Increases in Household Income

All increases in income must be reported in writing. **Participants have ten (10) days to report all increases in income. Families who fail to report changes in the household may be terminated and/or required to enter into a Repayment Agreement.**

Interim Reexamination Policy

DHNP will conduct interim reexaminations when families have an increase in income. DHNP will conduct interim reexaminations when families have an increase of $200 or more monthly.

Decreases in Income

Participants may report a decrease in income and other changes, in writing, which would reduce the amount of tenant rent. DHNP must calculate the change if a decrease in income is reported. The change in tenant income will become effective on the first of the month following the decrease notification providing verification is received.

DHNP Errors

If DHNP makes a calculation error at admission to the program or at an annual reexamination, an interim reexamination will be conducted, if necessary, to correct the error. The family will not be charged retroactively. Decreases in rent will be retroactively applied, when applicable, retroactive to when the decrease for the change would have been effective if calculated correctly.

D. OTHER INTERIM REPORTING ISSUES

An interim reexamination does not affect the date of the annual recertification.

Any changes reported by participants other than those listed in this section will be noted in the file by the staff person but will not be processed between regularly-scheduled annual re-certifications.

E. INCOME CHANGES RESULTING FROM WELFARE PROGRAM REQUIREMENTS [24 CFR 5.615]

DHNP will not reduce the family share of rent for families whose welfare assistance is reduced due to sanctions, which is a reduction in benefits by the welfare agency specifically because of:

- Fraud in connection with the welfare program, or
- Noncompliance with a welfare agency requirement to participate in an economic self-sufficiency program.

However, DHNP will reduce the rent if the welfare assistance reduction is a result of:

- The expiration of a lifetime time limit on receiving benefits, or
- A situation where the family has complied with welfare program requirements but cannot or has not obtained employment, or
- A situation where a family member has not complied with other welfare agency requirements.

Imputed Welfare Income

The amount of annual income, not actually received by a family, as a result of a specified welfare benefit reduction, that is included in the family's income for purposes of determining rent.

The amount of imputed welfare income is determined by DHNP, based on written information supplied to DHNP by the welfare agency, including:

- The amount of the benefit reduction
- The term of the benefit reduction
- The reason for the reduction
- Subsequent changes in the term or amount of the benefit reduction

The family's annual income will include the imputed welfare income, as determined at the family's annual or interim reexamination, during the term of the welfare benefits reduction (as specified by the welfare agency).

The amount of imputed welfare income will be offset by the amount of additional income the family receives that commences after the sanction was imposed. When additional income from other sources is at least equal to the imputed welfare income, the imputed welfare income will be reduced to zero.

If the family was not an assisted resident when the welfare sanction began, imputed welfare income will not be included in annual income.

If the family claims the amount of imputed welfare income has been calculated incorrectly, the HCV

Coordinator will review the calculation for accuracy. If the imputed welfare income amount is correct, DHNP will provide a written notice to the family that includes:

- A brief explanation of how the amount of imputed welfare income was determined;
- A statement that the family may request an informal hearing if they do not agree with DHNP determination.

If after the review the HCV Coordinator determines the calculation was incorrect, the imputed welfare income will be re-calculated, and an adjustment made to the tenant portion of rent.

Verification Before Denying a Request to Reduce Rent

DHNP will obtain written verification from the welfare agency stating that the family's benefits have been reduced due to fraud or noncompliance with welfare agency economic self-sufficiency or work activities requirements before denying the family's request for rent reduction.

DHNP will rely on the welfare agency's written notice to DHNP regarding welfare sanctions.

Cooperation Agreements [24 CFR 5.613]

DHNP has executed a Memorandum of Understanding with the local welfare agency to ensure timely and accurate verification of noncompliance.

F. NOTIFICATION OF RESULTS OF RECERTIFICATIONS [HUD Notice PIH 98-6]

The HUD Form 50058 will be completed and transmitted as required by HUD.

The Notice of Rent Change is mailed to the owner and the tenant. If the family disagrees with the rent adjustment, they may request an informal hearing.

G. CHANGES IN VOUCHER SIZE AS A RESULT OF FAMILY COMPOSITION CHANGES [24 CFR 982.516(c)]

(See "Occupancy Standards", Chapter 5.)

H. CONTINUANCE OF ASSISTANCE FOR "MIXED" FAMILIES

[24 CFR 5.518; cv5.520]

Under the Noncitizens Rule, "mixed" families are families that include at least one citizen or eligible immigrant and any number of ineligible members.

The Noncitizens Rule was implemented on or after November 29, 1996, and mixed families shall

receive prorated assistance as described in 24 CFR 5.520.

I. MISREPRESENTATION OF FAMILY CIRCUMSTANCES

If any participant deliberately misrepresents the information on which eligibility or tenant rent is established, DHNP may terminate assistance and may refer the family file/record to the proper authorities for appropriate disposition. (See Program Integrity, Addendum J-1.)

Chapter 13
MOVES WITH CONTINUED ASSISTANCE/PORTABILITY
[24 CFR 982.314, 982.353, 982.355(a)]

INTRODUCTION

HUD regulations permit families to move with continued assistance to another unit within DHNP's jurisdiction, or to a unit outside of DHNP's jurisdiction under portability procedures. The regulations also allow DHNP the discretion to develop policies which define any limitations or restrictions on moves. This chapter defines the procedures for moves, both within and outside of DHNP's jurisdiction, and the policies for restriction and limitations on moves.

A. ALLOWABLE MOVES

A family may move to a new unit with continued assistance if they meet one or more of the following criteria:

- The assisted lease for the old unit has terminated because DHNP has terminated the HAP contract for owner breach, or the lease was terminated by mutual agreement of the owner and the family.
- The owner has given the family a notice to vacate, or has commenced an action to evict the tenant, or has obtained a court judgment or other process allowing the owner to evict the family (unless assistance to the family will be terminated).
- The family has given proper notice of lease termination (and if the family has a right to terminate the lease on notice to owner).

B. RESTRICTIONS ON MOVES [24 CFR 982.314, 982.552(a)]

Families will not be permitted to move within DHNP's jurisdiction during the initial year of assisted occupancy.

Families will not be permitted to move outside DHNP's jurisdiction under portability procedures during the initial year of assisted occupancy.

Families will not be permitted to move more than once in a 12-month period.

DHNP may deny permission to move if there is insufficient funding for continued assistance. Moves within the City of Virginia Beach are allowed only if the new unit will result in a lower total tenant payment for the tenant.

DHNP will deny permission to move if:

* The family has violated a family obligation.

* The family owes DHNP money.

The HCV Administrator, Program Coordinator or Director of DHNP may make exceptions to these restrictions if there is an emergency reason for the move over which the participant has no control.

C. PROCEDURE FOR MOVES [24 CFR 982.314]

Issuance of Voucher

Subject to the restrictions on moves, DHNP will issue the voucher to move after receiving a written request from the family (see Notice Requirements below).

If the family does not locate a new unit, they may remain in the current unit so long as the owner permits.

The annual recertification date will be changed to coincide with the new lease-up date.

Notice Requirements

Briefing sessions emphasize the family's responsibility to give the owner and DHNP proper written notice of any intent to move.

The family must give the owner a written intent to vacate notice within the required number of days specified in the lease and must give a copy to DHNP at the same time. A family's failure to comply will be a breach of family obligations under the program.

Time of Contract Change

A move within the same building or project, or between buildings owned by the same owner, will be processed like any other move.

In a move, assistance stops at the old unit at the end of the month in which the participant ceased to occupy, unless proper notice was given to end a lease midmonth. Assistance will start on the new unit on the effective date of the lease and contract. Assistance payments may overlap for the month in which the family moves.

D. PORTABILITY [24 CFR 982.353]

Portability applies to families moving out of or into DHNP's jurisdiction within the United States and its territories.

E. OUTGOING PORTABILITY [24 CFR 982.353, 982.355]

, A participant family has the right to receive HCV assistance to lease a unit outside DHNP's jurisdiction, anywhere in the United States and its territories that administers an HCV program. When a family requests to move outside of DHNP's jurisdiction, the request must specify the

area to which the family wants to move. DHNP will issue a voucher valid for a period for sixty (60) days.

If there is more than one HA in the area in which the family has selected a unit, the HA will choose the receiving PHA.

Restrictions on Portability

Applicants

If neither the head nor spouse had a domicile (legal residence) in DHNP's jurisdiction at the date of their initial application for assistance, the family will not be permitted to exercise portability upon initial issuance of a voucher unless the portability request is a reasonable accommodation for a disabled family.

Participants

After an applicant has leased-up in the jurisdiction of the initial housing agency, they cannot exercise portability during the first year of assisted occupancy, except in the following circumstances.

- The request is a reasonable accommodation for a disabled family

DHNP will not permit families to exercise portability:

While operating under Insufficient Funding, if the receiving localities Payment Standards in effect are higher than DHNP's and they refuse to absorb the voucher

- If the family is in violation of a family obligation.
- If the family owes money to DHNP.
- If the family has moved out of its assisted unit in violation of the lease.
- If the family is not income eligible for the receiving PHA's jurisdiction.

F. INCOMING PORTABILITY [24 CFR 982.353, 982.355]

Absorption or Billing

The DHNP reserves the right to absorb or bill any valid Housing Choice Vouchers from other jurisdictions.

If DHNP decides to accept the portability voucher, the family will be issued a conditional voucher by DHNP. The term of the DHNP conditional voucher will not expire before the expiration date of any initial PHA voucher. The family must submit a request for tenancy

approval for an eligible unit to the receiving PHA during the term of the receiving PHA voucher. The receiving PHA's policies will prevail.

DHNP will issue a "portability voucher" according to its own Subsidy Standards. If the family has a change in family composition which would change the voucher size, DHNP will change to the proper size based on its own Subsidy Standards.

At the family's request, DHNP will contact the initial PHA and ask if the family is an Earned Income Disallowance (EID) or Family Self- Sufficiency (FSS) family.

DHNP will also contact the initial or sending housing Agency or agency and ask if the family is enrolled in the Family Self-Sufficiency (FSS) program. If the family is enrolled in the FSS program, DHNP will request the FSS record and a check for the FSS escrow amount, if any.

DHNP may grant voucher extensions in accordance with Chapter 8 of this plan. However, if the family decides not to lease-up in DHNP's jurisdiction, they must contact the initial DHNP to request a change in the receiving PHA.

Income and Total Tenant Payment of Incoming Portables [982.353(d)]

As receiving PHA, DHNP will conduct a recertification interview but only verify the information provided if the documents are missing, or are over 60 days old, or if there has been a change in the family's circumstances.

If DHNP conducts a recertification of the family it will not cause a delay in the issuance of a voucher.

Requests for Tenancy Approval

A briefing will be mandatory for all portability families.

When the family submits a Request for Tenancy Approval, it will be processed using DHNP's policies.

If the family leases up successfully, DHNP will notify the initial DHNP within ten days, and the billing process will commence.

DHNP will notify the initial DHNP if the family fails to submit a request for tenancy approval for an eligible unit within the term of the voucher.

If DHNP denies assistance to the family, DHNP will notify the initial DHNP within 10 days and the family will be offered a review or hearing.

DHNP will notify the family of its responsibility to contact the initial DHNP if the family wishes to move outside DHNP's jurisdiction under continued portability.

Regular Program Functions

DHNP will perform all program functions applicable to the tenant-based assistance program, such as:

Annual reexaminations of family income and composition;

Annual inspection of the unit; and

Interim examinations when requested or deemed necessary by DHNP

Terminations

DHNP, if billing, will notify the initial PHA in writing of any termination of assistance within five days of the termination. If an informal hearing is required and requested by the family, the hearing will be conducted by DHNP, using the regular hearing procedures in Chapter 18 of this plan. A copy of the hearing decision will be furnished to the initial PHA.

The initial PHA will be responsible for collecting amounts owed by the family for claims paid and for monitoring repayment. If the initial PHA notifies DHNP that the family is in arrears or the family has refused to sign a payment agreement, DHNP will terminate assistance to the family.

Required Documents

As receiving PHA, DHNP will require the documents listed on the HUD Portability Billing Form from the initial PHA.

Billing Procedures

As receiving PHA, DHNP will bill the initial DHNP monthly for housing assistance payments, administrative fees, and special claims.

DHNP will notify the initial DHNP of changes in subsidy amounts and will expect the initial DHNP to notify DHNP of changes in the administrative fee amount to be billed.

G. Veterans Administration Supportive Housing (VASH)

The DHNP is participating in the joint HUD and VA program called VASH. VASH provides tenant based vouchers to eligible veterans. The DHNP processes veterans who receive their initial screening from the Veterans Administration Medical Center. Under program regulations the VA maintains a waiting list of eligible clients and, after an initial eligibility screening, directs those clients to DHNP for voucher issuance. The VASH Program is being referenced in this

section of the Administrative Plan due to the extensive portability requirements and processes that are singular to this imitative.

The VASH Program has some processing procedures that are different than the regular Housing Choice Voucher program. These differences along with a delineation of procedures for VASH are described in HUD Federal Register Notices issued May 6, 2008 and May 19, 2008. DHNP policy is to follow the directives outlined in those notices.

The Federal Register Notices cite the specific waivers and/or changes that apply to VASH but not to the regular tenant based voucher program. It should be noted that, unless expressly noted in the notices, all regulatory requirements and HUD directives regarding the HCV tenant-based program are applicable to HUD VASH vouchers, including the use of all HUD required contracts and forms. All of DHNP discretionary policies also apply to VASH voucher holders unless they are in conflict with HUD VASH regulatory requirements.

See Notice PIH 2009-11 (HA)

Chapter 14
CONTRACT TERMINATIONS
[24 CFR 982.311, 982.314]

INTRODUCTION

The Housing Assistance Payments (HAP) contract is the contract between the owner and DHNP which defines the responsibilities of both parties. This chapter describes the circumstances under which the contract can be terminated by DHNP and the owner, and the policies and procedures for such terminations.

A. CONTRACT TERMINATION [24 CFR 982.311]

The term of the HAP contract is the same as the term of the lease. The contract between the owner and DHNP may be terminated by DHNP, or by the owner or tenant terminating the lease.

No future subsidy payments on behalf of the family will be made by DHNP to the owner after the month in which the contract is terminated. The owner must reimburse DHNP for any subsidies paid by DHNP for any period after the contract termination date.

If the family continues to occupy the unit after the HAP is terminated, the family is responsible for the total amount of rent due to the owner.

After a contract termination, if the family meets the criteria for a move with continued assistance, the family may lease-up in another unit. The contract for the new unit may begin after the 15th of the month in which the family moved from the old unit (overlapping lease).

B. TERMINATION BY THE FAMILY: MOVES [24 CFR 982.314(c) (2)]

Family termination of the lease must be in accordance with the terms of the lease.

C. TERMINATION OF TENANCY BY THE OWNER: EVICTIONS [24 CFR 982.310, 982.455]

During the term of the lease, the owner may not terminate the tenancy except for the grounds stated in the HUD regulations.

If the owner wishes to terminate the lease, the owner must provide proper notice as stated in the lease.

During the term of the lease the owner may only evict for:

- Serious or repeated violations of the lease, including but not limited to failure to pay rent or other amounts due under the lease, or repeated violation of the terms and conditions of the lease;
- Violations of Federal, state or local law that imposes obligations on the participant in connection with the occupancy or use of the premises; or criminal activity by the participant, any member of the household, a guest or another person under the

participant's control. The owner may also evict for any activity that threatens the health, safety or right to peaceful enjoyment of other residents, or persons residing in the immediate area. The owner may also evict for any drug-related criminal activity in or near the unit.

- Other good cause.

Evidence of Criminal Activity

The owner may terminate tenancy and evict, by judicial action, a family for criminal activity by a covered person if the owner determines they have engaged in the criminal activity regardless of arrest or conviction.

Actions of Termination

Actions of termination by the owner must be consistent with the fair housing and equal opportunities as stated in 24 CFR 5.105.

The owner must provide the tenant a written notice specifying the grounds for termination of tenancy, at or before the commencement of the eviction action. The notice may be included in, or may be combined with, any owner eviction notice to the tenant.

The owner eviction notice means a notice to vacate, or a complaint, or other initial pleading used under State or local law to commence an eviction action.

VBDHNP requires that the owner specify the section of the lease that has been violated and cite some or all of the ways in which the tenant has violated that section as documentation for VBDHNP's decision regarding termination of assistance.

Housing assistance payments are paid to the owner under the terms of the HAP contract. If the owner has begun eviction and the family continues to reside in the unit, VBDHNP must continue to make housing assistance payments to the owner until the owner has obtained a court judgment or other process allowing the owner to evict the tenant. If the action is finalized in court, the owner must provide VBDHNP with the documentation, including notice of the lock-out date.

VBDHNP must continue making housing assistance payments to the owner in accordance with the contract as long as the tenant continues to occupy the unit and the contract is not violated. By endorsing the monthly check from VBDHNP, the owner certifies that the tenant is still in the unit, the rent is reasonable and he/she is in compliance with the contract.

If an eviction is not due to a serious or repeated violation of the lease, and if VBDHNP has no other grounds for termination of assistance, VBDHNP may issue a new voucher so that the family can move with continued assistance.

D. TERMINATION OF THE HAP CONTRACT BY DHNP

[24 CFR 982.404(a), 982.453, 982.454, 982.552(a) (3)]

The term of the HAP contract terminates when the lease terminates, when DHNP terminates program assistance for the family, and when the owner has breached the HAP contract. (See "Owner Disapproval and Restriction" chapter)

DHNP may also terminate the contract if:

* DHNP terminates assistance to the family.
* The family is required to move from a unit when the unit does not meet the HQS space standards because of an increase in family size or a change in family composition.
* DHNP may terminate the HAP contract if funding under the consolidated ACC is insufficient to support continued assistance for families in the program.

In the event that terminations are necessary due to funding constraints we will develop a plan for termination based on family size and circumstances at the time. The plan will include the process for resumption of assistance once the financial constraint is resolved.

The contract will terminate automatically if 180 days have passed since the last housing assistance payment to the owner.

Notice of Termination

When DHNP terminates the HAP contract under the violation of HQS space standards, DHNP will provide the owner and family written notice of termination of the contract, and the HAP contract terminates at the end of the calendar month that follows the calendar month in which DHNP gives such notice to the owner.

Chapter 15
DENIAL OR TERMINATION OF ASSISTANCE
[24 CFR 5.902, 5.902, 5.903, 5.905, 982.4, 982.54, 982.552, 982.553]

INTRODUCTION

DHNP may deny, suspend, or terminate assistance for a family because of the family's action or failure to act. DHNP will provide families with a written description of the family obligations under the program, the grounds under which DHNP can deny or terminate assistance, and DHNP's Informal Hearing procedures. This chapter describes when DHNP is required to deny, suspend, or terminate assistance, and DHNP's policies for the denial of a new commitment of assistance and the grounds for termination of assistance under an outstanding HAP contract.

A. GROUNDS FOR DENIAL/TERMINATION [24 CFR 982.54, 982.552, 982.553]

If denial or termination is based upon behavior resulting from a disability, DHNP will delay the denial or termination in order to determine if there is an accommodation that would negate the behavior resulting from the disability.

Form of Denial/Termination

Denial of assistance for an applicant may include any or all of the following:

- Denial for placement on DHNP's waiting list
- Denying or withdrawing a voucher
- Refusing to enter into a HAP contract or approve a tenancy
- Refusing to process or provide assistance under portability procedures

Termination of assistance for a participant may include any or all of the following:

- Refusing to enter into a HAP contract or approve a tenancy
- Terminating housing assistance payments under an outstanding HAP contract
- Refusing to process or provide assistance under portability procedures

Mandatory Denial and Termination [24 CFR 982.54 (d), 982.552(b), 982.553(a), 982.553(b)]

DHNP must terminate assistance for participants if the family is under contract and 180 days have elapsed since DHNP's last housing assistance payment was made. (See "Contract Terminations" chapter.)

DHNP must permanently deny assistance to applicants, and terminate the assistance of persons convicted of manufacturing or producing methamphetamine on the premises of federally assisted housing.

DHNP must deny admission to the program for applicants, and terminate assistance for program participants if DHNP determines that any household member is currently engaging in illegal use of a drug. See section B of this chapter for DHNP's established standards.

DHNP *must* deny admission to the program for applicants, and terminate assistance for program participants if DHNP determines that it has reasonable cause to believe that a household member's illegal drug use or a pattern of illegal drug use may threaten the health, safety, or right

to peaceful enjoyment of the premises by other residents. See Section B of this chapter for DHNP's established standards.

DHNP must deny admission to an applicant if DHNP determines that any member of the household is subject to a lifetime registration requirement under a State sex offender registration program. See section B of this chapter for DHNP's established standards regarding criminal background investigation and determining whether a member of the household is subject to a lifetime registration requirement under a State sex offender registration program.

DHNP must terminate program assistance for a family evicted from housing assisted under the program for serious violation of the lease.

DHNP must deny admission to the program for an applicant or terminate program assistance for a participant if any member of the family fails to sign and submit consent forms for obtaining information in accordance with Part 5, subparts B and F.

DHNP must deny admission or terminate assistance when required under the regulations to establish citizenship or eligible immigration status.

Grounds for Denial or Termination of Assistance [24 CFR 982.552(c)]

DHNP may deny program assistance for an applicant, or terminate program assistance for a participant, for any of the following reasons:

- If any member of the family has been evicted from federally assisted housing in the last five years.
- If any member of the family commits fraud, bribery or any other corrupt or criminal act in connection with any federal housing program.
- If the family has engaged in or threatened abusive or violent behavior toward DHNP personnel. "Abusive or violent behavior towards DHNP personnel" includes verbal as well as physical abuse or violence. Use of expletives that are generally considered insulting, racial epithets, or other language, written or oral, that is customarily used to insult or intimidate, may be cause for termination or denial. "Threatening" refers to oral or written threats or physical gestures that communicate intent to abuse or commit violence. Actual physical abuse or violence will always be cause for termination.
- If any member of the family engages in, or has engaged in drug or alcohol abuse that interferes with the health, safety or peaceful enjoyment of other residents or if any member of the family commits drug-related criminal activity, or other criminal activity. (See Section B of this chapter and 982.553 of the regulations)
- If any member of the family has been convicted of a felony in the last seven years commencing from the court disposition date.
- If any member of the family has been convicted of multiple felonies in the last

seven years commencing etc.

- If any member of the family has been convicted of domestic or non-domestic violence in the last seven years from the court disposition date.
- If a household member is absent from the subsidized unit for either thirty (30) or more consecutive days without notification.

If a family is terminated for failure to occupy a unit, readmission after this action can only come about through replacement on the Waiting List when it is open.

Violence Against Women Act (VAWA)

a. VAWA prohibits the eviction of, and removal of assistance from, certain persons living in public or Section 8-assisted housing if the asserted grounds for such action is an instance of domestic violence, dating violence, sexual assault, or stalking, as defined in Section 3 of the United States Housing Act of 1937 as amended by VAWA (42 U.S.C. 13925) and was published in PIH Notice 2006-23 issued June 23rd, 2006.

b. No applicant or participant in the HCV program who has been a victim of domestic violence, dating violence, or stalking shall be denied admission or assistance under the program if they are otherwise qualified.

c. An incident or incidents or actual or threatened domestic violence, dating violence, or stalking will not be construed as a serious or repeated violation of the lease by the victim or threatened victim of that violence, and shall not be good cause for terminating the assistance, tenancy, or occupancy rights of the victim of such violence.

d. DHNP may terminate the assistance to remove a lawful occupant or tenant who engages in criminal acts or threatened acts of violence or stalking to family members or others without terminating the assistance or evicting victimized lawful occupants (bifurcate).

e. DHNP will honor court orders regarding the rights of access or control of the property, issued to protect the victim and issued to address the distribution or possession or property among household members where the family "breaks up."

f. There is no limitation on the ability of DHNP to terminate assistance for other good cause unrelated to the incident or incidents of domestic violence, dating violence or stalking, other than the victim may not be subject to a more demanding standard than non-victims.

g. There is no prohibition on DHNP terminating assistance if it can demonstrate an actual and imminent threat to other tenants or those employed at or providing service to the property if that tenant's (victim's) assistance is not terminated.

h. Any protections provided by law which give greater protection to the victim are not superseded by these provisions.

i. As outlined in HUD notice H08-07 dated September 30, 2008, DHNP will require the Certification of Domestic Violence, Dating Violence, or Stalking Form HUD 91066, and HUD form 91067 Lease Addendum, which will revise the existing lease to reflect the statutory requirements of VAWA, to be completed and maintained with the tenant's case file. These forms are required to be attached to each existing and/or new lease for cases which fall under VAWA laws.

j. Definitions

The same definitions of "domestic violence," "dating violence," and "stalking," and of "immediate family member" are provided in Sections 606 and 607. While definitions of domestic and dating violence refer to standard definitions in the Violence Against Women Act, the definition of stalking provided in Title VI is specific to the housing provisions. These are:

Domestic Violence – [as defined in Section 40002 of VAWA 1994] includes felony or misdemeanor crimes of violence committed by a current or former spouse of the victim, by a person with whom the victim shares a child in common, by a person who is cohabiting with or has cohabited with the victim as a spouse, by a person similarly situated to a spouse of the victim under the domestic or family violence laws of the jurisdiction receiving grant monies, or by any other person against an adult or youth victim who is protected from that person's acts under the domestic or family violence laws of the jurisdiction."

Dating Violence – [as defined in Section 40002 of VAWA 1994] means violence committed by a person:

(1) who is or has been in a social relationship of a romantic or intimate nature with the victim; and
(2) where the existence of such a relationship shall be determined based on a consideration of the following factors:
  (i) The length of the relationship.
  (ii) The type of relationship.
  (iii) The frequency of interaction between the persons involved in the relationship."

Stalking – [as defined in Section 40002 of VAWA 1994] "means to follow, pursue, or repeatedly commit acts with the intent to kill, injure, harass, or intimidate another person; and to place under surveillance with the intent to kill, injure, harass or intimidate another person; and in the course of, or as a result of, such following, pursuit, surveillance or repeatedly committed acts, to place a

person in reasonable fear of the death of, or serious bodily injury to, or to cause substantial emotional harm to that person, a member of the immediate family of that person, or the spouse or intimate partner of that person.

Immediate Family Member - "means a spouse, parent, brother, sister, or child of that person, or an individual to whom that person stands in loco parentis; or any other person living in the household of that person and related to that person by blood or marriage

k. DHNP will require certification of victim status on the HUD-91066, Certification of Domestic Violence, Dating Violence, or Stalking, and HUD-91067 Lease Addendum.

l. Certification must be provided by the individual within 14 days after request by the HCV housing specialist or coordinator. If certification is not provided within 14 days, then the individual may be denied admission or terminated.

m. All information provided to DHNP pursuant to this section will be retained in strict confidence and will not be entered into a shared database or provided to any other entity. Disclosure is only allowable to the extent that disclosure is requested or consented to in writing by the individual.

B. SCREENING AND TERMINATION FOR DRUG ABUSE AND OTHER CRIMINAL ACTIVITY

Purpose

All federally assisted housing is intended to provide a place to live and raise families, not a place to commit crime, to use or sell drugs or terrorize neighbors. It is the intention of DHNP to fully endorse and implement a policy designed to:

- Help create and maintain a safe and drug-free community
- Keep our program participants free from threats to their personal and family safety
- Support parental efforts to instill values of personal responsibility and hard work
- Help maintain an environment where children can live safely, learn and grow up to be productive citizens
- Assist families in their vocational/educational goals in the pursuit of self-sufficiency

Administration

All screening and termination of assistance procedures shall be administered fairly and in such a way as not to violate rights to privacy or discriminate on the basis of race, color, nationality, religion, familial status, disability, sex, or other legally protected groups.

To the maximum extent possible, DHNP will involve other community and governmental entities in the promotion and enforcement of this policy.

Screening of Applicants

In an effort to prevent future drug related and other criminal activity, as well as other patterns of behavior that pose a threat to the health, safety or right to peaceful enjoyment of the premises by other residents, and as required by 24 CFR 982, Subpart L and CFR Part 5, Subpart J, DHNP will endeavor to screen applicants as thoroughly and fairly as possible for drug-related and violent criminal behavior.

Such screening will apply to any member of the household 18 years of age or older.

HUD Definitions

Covered person, for purposes of 24 CFR Part 982 and this chapter, means a tenant, any member of the tenant's household, a guest or another person under the tenant's control.

Drug means a controlled substance as defined in section 102 of the Controlled Substances Act (21 U.S.C. 802).

Drug-related criminal activity means the illegal manufacture, sale, distribution, or use of a drug, or the possession of a drug with intent to manufacture, sell, distribute or use the drug.

Guest, for purposes of this chapter and 24 CFR part 5, subpart A and 24 CFR Part 982, means a person temporarily staying in the unit with the consent of a tenant or other member of the household who has express or implied authority to so consent on behalf of the tenant. The requirements of part 982 apply to a guest as so defined.

Household, for the purposes of 24 CFR Part 982 and this chapter, means the family and DHNP-approved live-in aide.

Other person under the tenant's control, for the purposes of the definition of *covered person* and for 24 CFR Parts 5 and 982 and for this chapter, means that the person, although not staying as a guest (as defined in this chapter) in the unit, is, or was at the time of the activity in question, on the premises because of an invitation from the tenant or other member of the household who has express or implied authority to so consent on behalf of the tenant. Absent evidence to the contrary, a person temporarily and infrequently on the premises solely for legitimate commercial purposes is not *under the tenant's control.*

Violent criminal activity means any criminal activity that has as one of its elements the use, attempted use, or threatened use of physical force substantial enough to cause, or be reasonably likely to cause, serious bodily injury or property damage.

Standard for Violation

DHNP may deny participation in the program to applicants and terminate assistance to participants in cases where DHNP determines there is reasonable cause to believe that a

household member is illegally using drugs or abusing alcohol in a way that interferes with the health, safety or right to peaceful enjoyment of other residents.

DHNP may consider the use of a controlled substance or alcohol to be a pattern if there is more than one incident during the previous year.

"Engaged in or engaging in" violent criminal activity means any act within the seven years from the court disposition date by an applicant or participant or household member which involved criminal activity that has as one of its elements the use, attempted use, or threatened use of physical force substantial enough to cause, or be reasonably likely to cause, serious bodily injury or property damage, did or did not result in the arrest and/or conviction of the applicant, participant, or household members.

The existence of the above-referenced behavior by any household member, regardless of the applicant or participant's knowledge of the behavior, shall be grounds for denial or termination of assistance.

In evaluating evidence of negative past behavior, DHNP will give fair consideration to the seriousness of the activity with respect to how it would affect other residents, and/or likelihood of favorable conduct in the future which could be supported by evidence of rehabilitation.

Drug Related and Violent Criminal Activity

Ineligibility for admission if Evicted for Drug Related Activity: Persons evicted from federally assisted housing because of drug-related criminal activity are ineligible for admission to the HCV program for a seven year period beginning on the date of such eviction.

However, the household may be admitted if, after considering the individual circumstances of the household, DHNP determines that:

- The evicted household member who engaged in drug-related criminal activity has successfully completed a local, state, or federal government supervised or certified drug rehabilitation program
- The circumstances leading to eviction no longer exist because:
  - The criminal household member has died.
  - The criminal household member is imprisoned.

Applicants will be denied assistance if they have been evicted from federally assisted housing for violent criminal activity within the last seven years prior to their briefing interview.

Termination of Assistance for Participants

Termination of Assistance for Drug-related Criminal Activity or Violent Criminal Activity:

Under the family obligations listed at 24 CFR 982.551, the members of the household must not engage in drug-related criminal activity or violent criminal activity or other criminal activity that

threatens the health, safety or right to peaceful enjoyment of other residents and persons residing in the immediate vicinity of the premises. HUD regulations at 24 CFR 982.553(b) requires DHNP to establish standards for termination of assistance when this family obligation is violated. DHNP has established the following standards for termination of assistance for the family when a household member has violated the family obligation to refrain from participating in drug-related or violent criminal activity.

Assistance will be terminated for participants who have been evicted from a unit assisted under any federally assisted housing program for drug-related or violent criminal activity during participation in the program, and within the last seven years prior to the date of the notice to terminate assistance.

If any member of the household violates the family obligations by engaging in drug-related or violent criminal activity, DHNP will terminate assistance.

DHNP may permit the family to continue receiving assistance provided that family member determined to have engaged in the proscribed activities will not reside in the unit. If the violating member is a minor, DHNP may consider individual circumstances with the advice of Juvenile Court officials.

DHNP will waive the requirement regarding drug-related criminal activity if:

- The person demonstrates successful completion of a local, state, or federal supervised or certified rehabilitation program approved by the DHNP, or
- The circumstances leading to the violation no longer exist because the person who engaged in drug-related criminal activity or violent criminal activity is no longer in the household due to death or incarceration.

Terminating Assistance for Alcohol Abuse by Household Members

Under the family obligations listed at 24 CFR 982.551, the members of the household must not abuse alcohol in a way that threatens the health, safety or right to peaceful enjoyment of other residents and persons residing in the immediate vicinity of the premises. Assistance will be terminated due to violation of a family obligation if DHNP determines that a member of the household has demonstrated a pattern of alcohol abuse that threatens the health, safety or right to peaceful enjoyment of other residents and persons residing in the immediate vicinity of the premises.

Assistance will be terminated if a household member is charged and/or convicted and/or incarcerated for any alcohol-related criminal activity within any six (6) month period.

DHNP may permit the family to continue receiving assistance provided that the household member(s) determined to have engaged in the proscribed activities will not reside in the unit. If the violating member is a minor, DHNP may consider individual circumstances with the advice of Juvenile Court officials.

Other Criminal Activities

DHNP may deny admission or terminate assistance for multiple felony and misdemeanor convictions.

Notice of Termination of Assistance

In any case where DHNP decides to terminate assistance to the family, DHNP must give the family written notice which states:

- The reason(s) for the proposed termination,
- The effective date of the proposed termination,
- The family's right, if they disagree, to request an Informal Hearing to be held before termination of assistance.
- The date by which a request for an Informal Hearing must be received by DHNP.

If DHNP proposes to terminate assistance for criminal activity as shown by a criminal record, DHNP will provide the subject of the record with a copy of the criminal record.

DHNP will simultaneously provide written notice of the contract termination to the owner so that it will coincide with the Termination of Assistance. The Notice to the owner will not include any details regarding the reason for termination of assistance.

Required Evidence

Preponderance of evidence is defined as evidence which is of greater weight or more convincing than the evidence which is offered in opposition to it; that is, evidence which as a whole shows that the fact sought to be proved is more probable than not. The intent is not to prove criminal liability, but to establish that the act(s) occurred. Preponderance of evidence may not be determined by the number of witnesses, but by the greater weight of all evidence.

Credible evidence may be obtained from police and/or court records. Testimony from neighbors, when combined with other factual evidence can be considered credible evidence. Other credible evidence includes documentation of drug raids or arrest warrants.

DHNP will terminate assistance for criminal activity by a household member if DHNP determines, based on a preponderance of the evidence, that the household member has engaged in the activity, regardless of whether the household member has been arrested or convicted for such activity.

DHNP will pursue fact-finding efforts as needed to obtain credible evidence.

Confidentiality of Criminal Records

DHNP will ensure that any criminal record received is maintained confidentially, not misused or improperly disseminated, and destroyed once the purpose for which it was requested is accomplished.

All criminal reports, while needed, will be housed in a locked file with access limited to individuals responsible for screening and determining eligibility for initial and continued assistance.

Misuse of the above information by any employee will be grounds for termination of employment. Legal penalties for misuses are contained in state and/or federal codes.

If the family is determined eligible for initial or continued assistance, the criminal report shall be shredded as soon as the information is no longer needed for eligibility or continued assistance determination.

If the family's assistance is denied or terminated, the criminal record information shall be shredded immediately upon completion of the review or hearing procedures and a final decision has been made.

DHNP will document in the family's file the circumstances of the criminal report.

C. FAMILY OBLIGATIONS [24 CFR 982.551]

The family must supply any information that DHNP or HUD determines is necessary in the administration of the program, including submission of required evidence of citizenship or eligible immigration status (as provided by 24 CFR 982.551). "Information" includes any requested certification, release or other documentation.

The family must supply any information requested by DHNP or HUD for use in a regularly scheduled reexamination or interim reexamination of family income and composition in accordance with HUD requirements.

The family must disclose and verify Social Security Numbers (as provided by 24 CFR 5.216) and must sign and submit consent forms for obtaining information in accordance with 24 CFR 5.230.

All information supplied by the family must be true and complete.

The family is responsible for an HQS breach caused by the family as described in 982.404(b).

The family must allow DHNP to inspect the unit at reasonable times and after reasonable notice.

The family may not commit any serious or repeated violations of the lease.

The family must notify the owner and, at the same time, notify DHNP before the family moves out of the unit or terminates the lease upon notice to the owner.

The family must promptly give DHNP a copy of any owner eviction notice.

The family must use the assisted unit for residence by the family. The unit must be the family's only residence.

The composition of the assisted family residing in the unit must be approved by DHNP. The family must promptly inform DHNP of the birth, adoption or court-awarded custody of a child.

The family must request DHNP approval to add any other family member as an occupant of the unit.

The family must promptly notify DHNP if any family member no longer resides in the unit.

If DHNP has given approval, a foster child or a live-in aide may reside in the unit. If the family does not request approval or DHNP approval is denied, the family may not allow a foster child or live-in aide to reside with the assisted family.

Members of the household may engage in legal profit-making activities in the unit, but only if such activities are incidental to primary use of the unit as a residence by members of the family and if such activities are permitted by the landlord as described in the lease.

The family must not sublease the unit.

The family must not transfer the lease or unit.

The family must supply any information or certification requested by DHNP to verify that the family is living in the unit. The family must cooperate with DHNP for this purpose. The family must promptly notify DHNP of absence from the unit.

The family must not own or have any interest in the unit.

The members of the family must not commit fraud, bribery or any other corrupt or criminal act in connection with any Federal housing program.

The household members may not engage in drug-related criminal activity or violent criminal activity or other criminal activity that threatens the health, safety or right to peaceful enjoyment of other residents and persons residing in the immediate vicinity of the premises. The members of the household must not abuse alcohol in a way that threatens the health, safety or right to peaceful enjoyment of other residents and persons residing in the immediate vicinity of the premises.

An assisted family, or members of the family, may not receive HCV assistance while receiving another housing subsidy, for the same unit or for a different unit, under any duplicative (as determined by HUD or in accordance with HUD requirements) federal, State or local housing assistance program.

DHNP Discretion [24 CFR 982.552(c)]

In deciding whether to deny or terminate assistance because of action or failure to act by members of the family, DHNP has discretion to consider all of the circumstances in each case, including the seriousness of the case. DHNP will use its discretion in reviewing the extent of participation or culpability of individual family members and the length of time since the violation occurred. DHNP may also review the family's more recent history and record of compliance and the effects that denial or termination of assistance may have on other family members who were not involved in the action or failure to act.

DHNP may impose, as a condition of continued assistance for other family members, a requirement that family members who participated in, or were culpable for the action or failure to act, will not reside in the unit. DHNP may permit the other members of a family to continue in the program.

Enforcing Family Obligations

Explanations and Terms

The term "promptly" when used with the family obligations always means "within 5 working days." Denial or termination of assistance is always optional except where this Plan or the regulations state otherwise.

HQS Breach

The HQS inspector or the HQS inspector's supervisor will determine if an HQS breach as identified in 24 CFR 982.404 (b) is the responsibility of the family. Families may be given extensions to cure HQS breaches by the HQS inspector or the HQS inspector's supervisor.

Lease Violations

The following criteria will be used to decide if a serious or repeated violation of the lease will result in termination of assistance:

If the owner terminates tenancy through court action for serious or repeated violation of the lease.

If the owner notifies the family of termination of tenancy assistance for serious or repeated lease violations, and the family moves from the unit prior to the completion of court action, and DHNP determines that the cause is a serious or repeated violation of the lease based on available evidence.

If the owner notifies the family of termination of tenancy assistance for serious or repeated lease violations, and the family moves from the unit prior to the completion of court action, and if there are police reports, neighborhood complaints or other third party information, that has been verified by DHNP.

Nonpayment of rent is considered a serious violation of the lease.

Notification of Eviction

If the family requests assistance to move and they did not notify DHNP of an eviction after receiving the Notice of Lease Termination, the move will be denied.

Proposed Additions to the Family

DHNP will deny a family's request to add additional family members who are:

- Persons who have been evicted from public housing.

- Persons who have previously violated a family obligation listed in 24 CFR 982.51 of the HUD regulations.
- Persons who have been part of a family whose assistance has been terminated under the Voucher program.
- Persons who commit drug-related criminal activity or violent criminal activity.
- Persons who do not meet HUD's definition of family.
- Persons who commit fraud, bribery or any other corrupt or criminal act in connection with any federal housing program.
- Persons who currently owe rent or other amounts to DHNP or to another PHA in connection with HCV or public housing assistance under the 1937 Act.
- Persons who have engaged in or threatened abusive or violent behavior toward DHNP personnel.

Family Member Move Out

Families are required to notify DHNP within 5 days if any family member leaves the assisted household. When the family notifies DHNP, they must furnish the following information:

- The date the family member moved out.
- Verification of the new address, if known, of the family member.
- A statement as to whether the family member is temporarily or permanently absent.

Limitation on Profit-Making Activity in Unit

If the business activity area results in the inability of the family to use any of the critical living areas, such as a bedroom utilized for a business which is not available for sleeping, it will be considered a violation.

If DHNP determines that the use of the unit as a business is not incidental to its use as a dwelling unit, it will be considered a program violation.

If DHNP determines the business is not legal, it will be considered a program violation.

Interest in Unit

The owner may not reside in the assisted unit regardless of whether he/she is a member of the assisted family.

Fraud

In each case, DHNP will consider which family members were involved, the circumstances, and any hardship that might be caused to innocent members.

In the event of false citizenship claims: (See section below)

D. PROCEDURES FOR NON-CITIZENS [24 CFR 5.514, 5.516, 5.518]

Denial or Termination due to Ineligible Immigrant Status

Applicant or participant families in which all members are neither U.S. citizens nor eligible immigrants are not eligible for assistance and must have their assistance terminated. DHNP must offer the family an opportunity for an Informal Review or Hearing. (See "Eligibility for Admission" Chapter 2, Section E on Citizenship/Eligible Immigration Status)

Assistance may not be terminated while verification of the participant family's eligible immigration status is pending.

False or Incomplete Information

When DHNP has clear, concrete, or substantial documentation (such as a permanent residency card or information from another agency) that contradicts the declaration of citizenship made by an applicant or participant, an investigation will be conducted and the individual will be given an opportunity to present relevant information.

If the individual is unable to verify their citizenship, DHNP will give him/her an opportunity to provide a new declaration as an eligible immigrant. They will be given an opportunity to elect not to contend their status.

DHNP will then verify eligible status, deny, terminate, or prorate as applicable.

DHNP will deny or terminate assistance based on the submission of false information or misrepresentation.

Procedure for Denial or Termination

If the family (or any member) claimed eligible immigrant status and the INS primary and secondary verifications failed to document the status, the family may make an appeal to the INS and request a hearing with DHNP either after the INS appeal or in lieu of the INS appeal.

After DHNP has made a determination of ineligibility, the family will be notified of the reasons and informed of the option for prorated assistance (if applicable).

E. ZERO ($0) ASSISTANCE TENANCIES [24 CFR 982.455 (a)]

The family may remain in the unit at $0 assistance for up to 180 days after the last HAP payment. If, within the 180 day timeframe, an owner rent increase or a decrease in the Total Tenant Payment causes the family to be eligible for a housing assistance payment, DHNP will resume assistance payments for the family.

In order for a family to move to another unit during the 180 days, the rent for the new unit would have to be high enough to necessitate a housing assistance payment.

F. OPTION NOT TO TERMINATE FOR MISREPRESENTATION [24 CFR 982.551, 982.552(c)]

If the family has intentionally misrepresented any facts that caused DHNP to overpay assistance, DHNP will terminate the HCV assistance, and execute a Repayment Agreement. The family has a right to appeal the termination, and will be given instructions on how to request an Informal Hearing.

G. MISREPRESENTATION IN COLLUSION WITH OWNER [24 CFR 982.551, 982.552 (c)]

If the family intentionally, willingly, and knowingly commits fraud or is involved in any other illegal activity with the owner, DHNP will deny or terminate assistance.

In making this determination, DHNP will carefully consider the possibility of overt or implied intimidation of the family by the owner and the family's understanding of the events.

H. MISSED APPOINTMENTS AND DEADLINES [24 CFR 982.551, 982.552 (c)]

It is a family obligation to supply information, documentation, and certification as needed for DHNP to fulfill its responsibilities. DHNP schedules appointments and sets deadlines in order to obtain the required information. The obligations also require that the family allow DHNP to inspect the unit, and appointments are made for this purpose.

An applicant or participant who fails to keep an appointment, or to supply information required by a deadline without notifying DHNP, will be sent a Notice Termination of Assistance for failure to provide required information, or for failure to allow DHNP to inspect the unit.

The family will be given information about the requirement to keep appointments and the number of times appointments will be rescheduled, as specified in this Plan.

Appointments will be scheduled and time requirements will be imposed for the following events and circumstances:

- Eligibility for Admissions
- Verification Procedures
- Certificate/Voucher Issuance and Briefings
- Housing Quality Standards and Inspections
- Recertifications
- Appeals
- Hearings

Acceptable reasons for missing appointments or failing to provide information by deadlines are:

- Medical emergency
- Incarceration
- Family emergency

SUPPORT FILE # 9B
CITY OF VIRGINIA BEACH
2010 ANNUAL AGENCY PLAN
AND FIVE YEAR PLAN:

CURRENT APPROVED ADMINISTRATIVE PLAN
DETAILING POLICIES AND PROCEDURES
CHAPTERS 16-19 AND ADDENDUMS

ADOPTED APRIL 13, 2010
BY VIRGINIA BEACH CITY COUNCIL

Chapter 16
OWNER DISAPPROVAL AND RESTRICTION
[24 CFR 982.54, 982.306, 982.453]

INTRODUCTION

It is the policy of DHNP to recruit owners to participate in the voucher program. DHNP will provide owners with prompt and professional service in order to maintain an adequate supply of available housing throughout the jurisdiction of DHNP. The regulations define when DHNP must disallow an owner participation in the program, and they provide DHNP discretion to disapprove or otherwise restrict the participation of owners in certain categories. This chapter describes the steps the division will take in owner outreach, as well as what the criteria for owner disapproval will be, and the various penalties for owner violations.

A. DISAPPROVAL OF OWNER [24 CFR 982.306, 982.54(d) (8)]

DHNP has the right to approve owner participation in the program
For purposes of this section, "owner" includes a principal or other interested party.

DHNP will disapprove the owner for the following reasons:

HUD has informed DHNP that the owner has been disbarred, suspended, or subject to a limited denial of participation under 24 CFR part 24.1.

HUD has informed DHNP that the federal government has instituted an administrative or judicial action against the owner for violation of the Fair Housing Act or other federal equal opportunity requirements and such action are pending.

HUD has informed DHNP that a court or administrative agency has determined that the owner has violated the Fair Housing Act or other federal equal opportunity requirements. Unless their lease was effective prior to June 17, 1998, the owner may not be a parent, child, grandparent, grandchild, sister or brother of any family member. DHNP will waive this restriction as a reasonable accommodation for a family member who is a person with a disability.

In cases where the owner and tenant bear the same last name, DHNP may, at its discretion, require the family and or owner to certify whether they are related to each other in any way.

The owner has violated obligations under a housing assistance payments contract under Section 8 of the 1937 Act (42 U.S.C. 1437f).

The owner has committed fraud, bribery or any other corrupt act in connection with any Federal housing program.

The owner has engaged in drug-related criminal activity or any violent criminal activity.
The owner has a history or practice of non-compliance with the HQS for units leased under the tenant-based programs or with applicable housing standards for units leased

with project-based Section 8 assistance or leased under any other Federal housing program.

The owner has a history or practice of renting units that fail to meet State or local housing codes.

The owner has a history or practice of failing to terminate tenancy of tenants of units assisted under Section 8 or any other federally assisted housing program for activity by the tenant, any member of the household, a guest or another person under the control of any member of the household that:

> Threatens the right to peaceful enjoyment of the premises by other residents;
>
> Threatens the health or safety of other residents, of employees of DHNP, or of owner's employees or other persons engaged in management of the housing .
>
> Threatens the health or safety of, or the right to peaceful enjoyment of their residents, by persons residing in the immediate vicinity of the premises; or is drug-related criminal activity or violent criminal activity;

The owner has not paid state or local real estate taxes, fines or assessments. -.

The owner has failed to comply with regulations, the mortgage or note, or the regulatory agreement for projects with mortgages insured by HUD or loans made by HUD.

B. ANNUAL FAIR HOUSING TRAINING

As per Voluntary Compliance Agreement Case Number 03-07-R037-6 executed September 2, 2008 between the City of Virginia Beach and the Department of Housing and Urban Development's Office of Fair Housing and Equal Opportunity, landlords who participate in the Housing Choice Voucher Program in DHNP's our Jurisdiction are required to receive annual Fair Housing Training certification as a condition of participating in the program. Any Landlord, who fails without good cause to follow the Annual Fair Housing Training requirements, will be terminated from participating in the Housing Choice Voucher program.

C. OWNER RESTRICTIONS AND PENALTIES [24 CFR 982.453]

If an owner has committed fraud or abuse or is guilty of frequent or serious contract violations, DHNP will restrict the owner from future participation in the program for a period of time commensurate with the seriousness of the offense. DHNP may also terminate some or all HAP contracts with the owner.

Before imposing any penalty against an owner, DHNP will review all relevant factors pertaining to the case, and will consider such factors as the owner's record of compliance and the number of violations.

See Program Integrity Addendum for guidance as to how owner fraud will be handled.

D. CHANGE IN OWNERSHIP

A change in ownership requires execution of a new HAP contract and lease.

DHNP will process a change of ownership only upon the written request of the new owner and only if accompanied by a copy of the escrow statement or other document showing the transfer of title, recorded deed and the employee identification number or social security number of the new owner .

Chapter 17

OWNER OR FAMILY DEBTS TO DHNP

[24 CFR 982.552]

INTRODUCTION

This chapter describes DHNP's policies for the recovery of monies which have been overpaid for families, and to owners. It describes the methods that will be utilized for collection of monies and the guidelines for different types of debts. It is DHNP's policy to meet the informational needs of owners and families, and to communicate the program rules in order to avoid owner and family debts. Before a debt is assessed against a family or owner, the file must contain documentation to support DHNP's claim that the debt is owed. The file must further contain written documentation of the method of calculation, in a clear format for review by the owner, the family or other interested parties.

When families or owners owe money to DHNP, DHNP will make every effort to collect it. DHNP will use a variety of collection tools to recover debts including, but not limited to:

* Requests for lump sum payments

* Civil suits

* Repayment Agreements

* Withholding of future HAP payments to offset debt

* Collection agencies

* Credit bureaus

* Income tax set-off programs

* Treasurers Liens

A. REPAYMENT AGREEMENT FOR FAMILIES [24 CFR 982.552 (c) (v-vii)]

A repayment agreement is a formal document signed by a tenant or owner and provided to DHNP in which a tenant or owner acknowledges a debt owed to DHNP, in a specific amount, and agrees to repay the amount due at specific time period (s).

DHNP will prescribe the terms of the Repayment Agreement, including determining whether to enter into a Repayment Agreement with the family based on the circumstances surrounding the debt to DHNP.

B. DEBTS OWED TO DHNP [24 CFR 792.103, 982.552 (c) (v-vii)]

If the family breaches an agreement with the DHNP to pay amounts owed to us or amounts paid to an owner (overpayment) by us, DHNP, may, at our discretion, may offer a family the

opportunity to enter into a Repayment Agreement to repay amounts owed to DHNP or repay DHNP for an amount due to an overpayment of HAP funds to an owner.

Late Payments

A payment will be considered to be late if the payment has not been received by the close of the business day on which the payment was due. If the due date is on a weekend or holiday, the due date will be at the close of the next business day.

If the family's Repayment as per the Agreement is late, and the family has not contacted or made arrangements with DHNP, DHNP will issue a 30 day notice to terminate the housing assistance and pursue civil collection of the balance due. The tenant will be advised of their right to appeal the termination, and request an Informal Hearing.

If the family requests a move to another unit and has a Repayment Agreement in place for the repayment of an overpayment of HAP funds made to an owner, and the Repayment Agreement is not in arrears, the family will be permitted to move only within City of Virginia Beach.

If the family requests a move to another unit and is in arrears on a Repayment Agreement for the payment of an overpayment of HAP funds made to an owner, the family must pay the past due amount before being permitted to move.

C. DEBTS DUE TO MISREPRESENTATIONS/NON-REPORTING OF INFORMATION [24 CFR 982.163]

HUD's definition of program fraud and abuse is a single act or pattern of actions that:

> Constitutes false statement, omission, or concealment of a substantive fact, made with intent to deceive or mislead, and that results in payment of HCV program funds in violation of HCV program requirements.

Family Error/ Late Reporting

Families who fail to report changes in income will be required to repay in accordance with the guidelines in the Repayment Agreement Section of this Chapter.

Program Fraud

Families who owe money to DHNP due to program fraud will be required to repay in accordance with the guidelines in the Repayment Agreement Section of this Chapter.

D. DEBTS DUE TO MINIMUM RENT TEMPORARY HARDSHIP

If the family owes DHNP money for rent arrears incurred during the minimum rent period, DHNP will calculate the total amount owed and divide it by 12 to arrive at a reasonable payback amount that the family will be required to pay to DHNP monthly in addition to the family's regular monthly rent payment to the owner. The family will be required to pay the increased amount until the arrears are paid in full to DHNP.

If the family goes into default on the Repayment Agreement for back rent incurred during a minimum rent period, DHNP will reevaluate the family's financial situation and determine whether the family has the ability to pay the increased rent amount and if not, restructure the existing Repayment Agreement.

E. GUIDELINES FOR REPAYMENT AGREEMENTS [24 CFR 982.552(c) (v-vii)]

Repayment Agreements will be executed between the City of Virginia Beach and the head of household/co-head or head of household and spouse.

Payments may be made by money order or cashier's check.

The agreement will be in default when a payment is not received by the 10th day of the month.

Monthly payments may be decreased in cases of family hardship and if requested with reasonable notice from the family, verification of the hardship, and the approval of the Rental Housing Administrator, or Program Coordinator. An amended Repayment Agreement will be executed.

A move will be approved within the City of Virginia Beach if the Repayment Agreement is current or the move is the result of one of the following:

* Family size exceeds the HQS maximum occupancy standards
* The HAP contract is terminated due to owner non-compliance or opt-out
* A natural disaster
* A victim of domestic violence

Additional Monies Owed: If the family already has a Repayment Agreement in place and incurs another debt to DHNP, upon review the additional debt may be added to the existing Repayment Agreement, and an amended Repayment Agreement will be executed.

F. OWNER DEBTS TO DHNP [24 CPR 982.453(b)]

If DHNP determines that the owner has retained housing assistance payments that the owner is not entitled to, DHNP may reclaim the amounts from future housing assistance payments owed by the owner for any units under contract.

If future housing assistance or claim payments are insufficient to reclaim the amounts owed,

OWNER OR FAMILY DEBTS TO DHNP

[24 CFR 982.552]

DHNP will enter into a Repayment Agreement with the owner for the amount owed.

If the owner falls in arrears, DHNP will pursue collections through the local court system and the owner will be restricted from future participation.

Chapter 18
COMPLAINTS AND APPEALS
[24 CFR 982.54(d) (12), 982.554,982.555(a-f), 982.54(d) (13)

INTRODUCTION

The Informal Hearing requirements defined in HUD regulation are applicable to participating families who disagree with an action, decision, or inaction of DHNP. This chapter describes the policies, procedures and standards to be used when families disagree with a DHNP decision. The procedures and requirements are explained for preference denial meetings, informal reviews and hearings. It is the policy of DHNP to ensure that all families have the benefit of all protections due to them under the law.

A. COMPLAINTS TO DHNP

DHNP will respond promptly to complaints from families, owners, employees, and members of the public. All complaints will be documented. DHNP does require that complaints other than HQS violations be put in writing. HQS complaints may be reported by telephone.

DHNP Informal Reviews/Hearings procedures will be provided to families in the briefing packet.

Categories of Complaints

Complaints from families/ owners: If a family/owner disagrees with an action or inaction of DHNP, it will be referred to the HCV Program Coordinator. If a complaint is not resolved, it will be referred to the Rental Housing Administrator.

Complaints from staff: If a staff person reports an owner either violating or not complying with program rules, the complaint will be referred to the HCV Program Coordinator.

Complaints from the general public: Complaints or referrals from the general public in regard to DHNP, a family or an owner will be referred to the HCV Program Coordinator. If a complaint is not resolved, it will be referred to the Rental Housing Administrator.

B. INFORMAL REVIEW PROCEDURES FOR APPLICANTS

[24 CFR 982.54(d) (12), 982.554]

Reviews are provided for applicants who are denied assistance before the effective date of the HAP contract. The exception is that when an applicant is denied assistance for citizenship or eligible immigrant status, the applicant is entitled to an Informal Review.

When DHNP determines that an applicant is ineligible for the program, the family must be notified of their ineligibility in writing. The notice must contain:

» The reason(s) they are ineligible,

» The procedure for requesting a review if the applicant doesn't agree with the decision

» The time limit for requesting a review.

When denying admission for criminal activity as shown by a criminal record, DHNP will provide the subject of the record with a copy of the criminal record upon which the decision to deny was based.

DHNP must provide applicants with the opportunity for an Informal Review of decisions denying:

- Listing on DHNP's waiting list
- Issuance of a voucher
- Participation in the program
- Assistance under portability procedures

Informal Reviews are not required for established policies and procedures and DHNP determinations such as:

» Discretionary administrative determinations by DHNP

» General policy issues or class grievances

» A determination of the family unit size under DHNP subsidy standards

» Refusal to extend or suspend a voucher

» A DHNP determination not to grant approval of the tenancy

» Determination that unit is not in compliance with HQS

» Determination that unit is not in accordance with HQS due to family size or composition

Procedure for Review

A request for an Informal Review must be received in writing by the close of the business day, no later than 10 working days from the date of DHNP's notification of assistance denial. The informal review will be scheduled.

The Informal Review may be conducted by any person or persons designated by the PHA, other than a person who made or approved the decision under review or a subordinate of this person.

The applicant will be given the option of presenting oral or written objections to the decision. Both DHNP and the family may present evidence and witnesses. The family may use an attorney or other representative to assist them at their own expense.

The review may be conducted by mail and/or telephone if acceptable to both parties.

A notice of the review findings will be provided in writing to the applicant within ten (10) business days after the review. It shall include the decision of the review officer, and an explanation of the reasons for the decision.

All requests for a review, supporting documentation, and a copy of the final decision will be retained in the applicant's file.

C INFORMAL HEARING PROCEDURES [24 CFR 982.555(a-f), 982.54(d) (13)]

When DHNP makes a decision to terminate assistance, participants must be notified in writing. DHNP will give the family prompt notice of such determinations which will include:

- The proposed action or decision of DHNP
- The date the proposed action or decision will be effective
- An explanation of the basis for DHNP's decision
- The procedures for requesting a hearing if the family disputes the action or decision
- The time limit for requesting the hearing

- To whom the hearing request should be addressed
- A copy of DHNP's hearing procedures

When terminating assistance for criminal activity as shown by a criminal record, DHNP will provide the subject of the record with a copy of the criminal record upon which the decision to terminate was based.

DHNP must provide participants with the opportunity for an Informal Hearing for decisions related to any of the following DHNP determinations:

- Determination of the family's annual or adjusted income and the computation of the housing assistance payment
- Appropriate utility allowance used from schedule
- Family unit size determination under DHNP subsidy standards
- Determination to terminate assistance for any reason
- Determination to terminate a family's FSS contract, withhold supportive services, or propose forfeiture of the family's escrow account

DHNP must always provide the opportunity for an Informal Hearing before termination of assistance.

Informal Hearings are not required for established policies and procedures and DHNP determinations such as:
» Discretionary administrative determinations by DHNP

» General policy issues or class grievances

»Establishment of DHNP schedule of utility allowances for families in the program

»A DHNP determination not to approve an extension or suspension of a voucher term

»A DHNP determination not to approve a unit or lease

»A DHNP determination that an assisted unit is not in compliance with HQS (DHNP must provide A hearing for family breach of HQS because that is a family obligation determination)

»A DHNP determination that the unit is not in accordance with HQS because of the family size.

»A DHNP determination to exercise or not exercise any right or remedy against the owner under a HAP contract

Notification of Hearing

It is DHNP's objective to resolve disputes at the lowest level possible, and to make every effort to avoid the most severe remedies. However, if this is not possible, DHNP will ensure that applicants and participants will receive all of the protections and rights afforded by the law and the regulations.

When DHNP receives a request for an Informal Hearing, a hearing shall be scheduled within 5 working days. The notification of hearing will contain:

» The date and time of the hearing

» The location where the hearing will be held

» The family's right to bring evidence, witnesses, legal or other representation at the family's expense

» The right to view any documents or evidence in the possession of DHNP upon which DHNP based the proposed action and, at the family's expense, to obtain a copy of such documents prior to the hearing. Requests for such documents or evidence must be received no later than 5 working days before the hearing date.

» A notice to the family that DHNP will request a copy of any documents or evidence the family will use at the hearing. Requests for such documents or evidence must be received no later than 5 working days before the hearing date.

DHNP's Hearing Procedures

After a hearing date has been scheduled, the family may request to reschedule only upon showing "good cause," which is defined as an unavoidable conflict which seriously affects the health, safety or welfare of the family.

If a family does not appear at a scheduled hearing and has not rescheduled the hearing in advance, DHNP will reschedule the hearing only if the family can show good cause for the failure to appear. If the family contacts the office within one working day, but fails to show good cause for not appearing, the termination will stand.

- Present written or oral objections to DHNP's determination.

- Examine the documents in the file which are the basis for DHNP's action, and all documents submitted to the Hearing Officer, except for police reports. which are maintained in the Professional Standards office of the Police Department

- Copy any relevant documents at their expense;

- Present any information or witnesses pertinent to the issue of the hearing;

- Request that DHNP staff be available or present at the hearing to answer questions pertinent to the case; and

- Be represented by legal counsel, advocate, or other designated representative at their own expense.

In addition to other rights contained in this Chapter, DHNP has a right to:

» Present evidence and any information pertinent to the issue of the hearing;

» Be notified if the family intends to be represented by legal counsel, advocate, or

another party;

» Examine and copy any documents to be used by the family prior to the hearing;

»Have an attorney present; and

» Have staff persons and other witnesses familiar with the case present.

The Informal Hearing will be conducted by a panel of no less than two staff members who are not associated with the Rental Housing Division

The hearing shall concern only the issues for which the family has received the opportunity for hearing. Evidence presented at the hearing may be considered without regard to admissibility under the rules of evidence applicable to judicial proceedings.

No documents may be presented which have not been provided to the other party before the hearing if requested by the other party. "Documents" includes records and regulations.

The Hearing Officer may ask the family for additional information before reaching a decision.

If the family misses an appointment or deadline ordered by the Hearing Officer, without good cause, the action of DHNP shall take effect and another hearing will not be granted.

The Hearing Officer will determine whether the action, inaction or decision of DHNP is legal in accordance with HUD regulations and this Administrative Plan based upon the evidence and testimony provided at the hearing. Factual determinations relating to the individual circumstances of the family will be based on a preponderance of the evidence presented at the hearing.

Upon approval, the notice of hearing findings shall be provided to the family within 14 days and shall include:

- A clear summary of the decision and reasons for the decision;
- If the decision involves money owed, the amount
- The date the decision goes into effect.

DHNP is not bound by hearing decisions:

» Which conflict with or contradict HUD regulations or requirements;

» Which conflict with or contradict Federal, State or local laws; or

»Which exceed the authority of the person conducting the hearing.

DHNP shall send a letter to the participant if it determines DHNP is not bound by the Hearing Officer's determination within 14 working days. The letter shall include DHNP's reasons for the decision.

E. HEARING AND APPEAL PROVISIONS FOR "RESTRICTIONS ON ASSISTANCE TO NON-CITIZENS" [24 CFR Part 5, Subpart E]

Assistance to the family may not be delayed, denied or terminated on the basis of immigration status at any time prior to the receipt of the decision on the INS appeal.

Assistance to a family may not be terminated or denied while DHNP hearing is pending but assistance to an applicant may be delayed pending a DHNP hearing.

INS Determination of Ineligibility

If a family member claims to be an eligible immigrant and the INS SAVE system and manual search do not verify the claim, DHNP notifies the applicant or participant within ten days of their right to appeal to the INS within thirty days or to request an informal hearing with DHNP either in lieu of or subsequent to the INS appeal.

If the family appeals to the INS, they must give DHNP a copy of the appeal and proof of mailing for DHNP may proceed to deny or terminate. The time period to request an appeal may be extended by DHNP for good cause.

The request for a DHNP hearing must be made within ten working days of receipt of the notice offering the hearing or, if an appeal was made to the INS, within ten working days of receipt of that notice.

After receipt of a request for an informal hearing, the hearing is conducted as described in this chapter for both applicants and participants. If the hearing officer decides that the individual is not eligible, and there are no other eligible family members DHNP will:

- Deny the applicant family
- Defer termination if the family is a participant and qualifies for deferral
- Terminate the participant if the family does not qualify for deferral

If there are eligible members in the family, DHNP will offer to prorate assistance or give the family the option to remove the ineligible members.

All other complaints related to eligible citizen/immigrant status:

» If any family member fails to provide documentation or certification as required by the regulation, that member is treated as ineligible. If all family members fail to provide, the family will be denied or terminated for failure to provide.

» Participants whose termination is carried out after temporary deferral may not request a hearing since they had an opportunity for a hearing prior to the termination.

» Participants whose assistance is pro-rated (either based on their statement that some members are ineligible or due to failure to verify eligible immigration status for some members after exercising their appeal and hearing rights described above) are entitled to a hearing based on the right to a hearing regarding determinations of tenant rent and Total Tenant Payment.

» Families denied or terminated for fraud in connection with the non-citizens rule are entitled to a review or hearing in the same way as terminations for any other type of fraud.

F. MITIGATING CIRCUMSTANCES FOR APPLICANTS/PARTICIPANTS WITH DISABILITIES [24 CPR 982.204, 982.552(c)]

When applicants are denied placement on the waiting list, or DHNP is terminating assistance, the family will be informed that presence of a disability may be considered as a mitigating circumstance during the Informal Review/Hearing process.

Examples of mitigating circumstances are:

a) A person with a cognitive disorder may not have understood the requirement to report increases in income,

b) A person may not understand the need to make regular repayments on a promissory note,

c) Minor criminal records for public drunkenness or incarcerations for being disorderly may be due to emotional disorder.

All requests for a hearing, supporting documentation, and a copy of the final decision will be retained in the family's file.

Chapter 19
PROJECT BASED VOUCHERS

INTRODUCTION {24CFR 983.5]

The project-based voucher (PBV) program allows DHNP to administer a tenant-based voucher program under an annual contributions contract (ACC) with HUD to take up to 20 percent of its voucher program budget DHNP and attach the funding to specific units rather than using it for tenant-based assistance [24 CFR 983.6]. DHNP may only operate a PBV program if doing so is consistent with our Annual Plan, and the goal of deconcentrating poverty and expanding housing and economic opportunities [42 U.S.C. 1437f(o)(13)].

The DHNP will operate a project-based voucher program using up to 20 percent of its budget DHNP for project-based assistance.

HUD permits PBV assistance to be attached to existing housing or newly constructed or rehabilitated housing [24 CFR 983.52]. However, at this time only newly constructed housing shall be eligible for the DHNP PBV program. Regulations governing rehabilitated and existing housing are not applicable at this time.

If PBV units are already selected for project-based assistance either under an agreement to enter into HAP Contract (Agreement) or a HAP contract, the DHNP is not required to reduce the number of these units if the amount of the budget for DHNP is subsequently reduced. However, the DHNP is responsible for determining the amount of budget that is available for project-based vouchers and ensuring that the amount of assistance that is attached to units is within the amounts available under the ACC [24 CFR 983.6].

A. TENANT-BASED VS. PROJECT-BASED VOUCHER ASSISTANCE [24 CFR 983.2]

Except as otherwise noted in this chapter, or unless specifically prohibited by PBV program regulations, the DHNP's policies for the tenant-based voucher program contained in this administrative plan also apply to the PBV program and its participants.

Provisions of the tenant-based voucher regulations that do not apply to the PBV program are listed at 24 CFR 983.2.

B. RELOCATION REQUIREMENTS [24 CFR 983.7]

Any persons displaced as a result of implementation of the PBV program must be provided relocation assistance in accordance with the requirements of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (URA)[42 U.S.C. 4201-4655] and implementing regulations at 49 CFR part 24.

Equal Opportunity Requirements [24 CFR 983.8]
The DHNP will comply with all equal opportunity requirements under federal law and regulations in its implementation of the PBV program. This includes the requirements and authorities cited at 24 CFR 5.105(a). In addition, the DHNP will comply with the Agency Plan certification on civil rights and affirmatively furthering fair housing, submitted in accordance with 24 CFR 903.7(o).

GENERAL PROVISIONS

No statement in this Plan regarding the DHNP'S obligations or responsibilities shall relieve an owner from any obligation or responsibility of owner under the PBV program, including without limitation applicable law, regulations, this Plan, any Agreement to enter into HAP, and any HAP contract. Where owner shall fail to comply with any obligation or responsibility of owner, DHNP shall have no liability to owner, regardless of any action or inaction by the DHNP. Nor shall any owner be deemed or construed an intended beneficiary of any responsibility or obligation of DHNP hereunder except where expressly stated.

C. PBV OWNER PROPOSALS

Introduction
The DHNP will describe the procedures for owner submission of PBV proposals and for its selection of PBV proposals [24 CFR 983.51]. Before selecting a PBV proposal, the DHNP will determine that the PBV proposal complies with HUD program regulations and requirements, including a determination that the property is eligible housing [24 CFR 983.53 and 983.54], complies with the cap on the number of PBV units per building [24 CFR 983.56], and meets the site selection standards [24 CFR 983.57].

Owner Proposal Selection Procedure [24 CFR 983.51]
The DHNP will select PBV proposals in accordance with the selection procedures in its administrative plan. The DHNP will select PBV proposals by the following methods:

Solicitation and Selection of PBV Proposals in accordance with 17.II.B.1 [24 CFR 983.51(b) and (c)]

DHNP Request for Proposals for Newly Constructed Units
The DHNP will advertise its request for proposals (RFP) for newly constructed housing in the following newspaper.
The Virginian Pilot
In addition, the DHNP will post the RFP and proposal submission and rating and ranking procedures on its electronic web site, if any.
The DHNP will publish its advertisement in the newspaper mentioned above for at least one day per week for three consecutive weeks. The advertisement will specify the number of units the DHNP estimates that it will be able to assist under the funding the DHNP is making available. Proposals will be due in the DHNP office by close of business 30 calendar days from the date of the last publication.
In order for the proposal to be considered, the owner must submit the proposal to the DHNP by the

published deadline date, and the proposal must respond to all requirements as outlined in the RFP. Incomplete proposals will not be reviewed.

The DHNP will rate and rank proposals for rehabilitated and newly constructed housing using the following criteria:

- Owner experience and capability to build or rehabilitate multifamily housing as identified in the RFP;

- Experience as an owner in the tenant-based voucher program and owner compliance with the owner's obligations under the tenant-based program;

- Extent to which the project furthers the DHNP's goal of deconcentrating poverty and expanding housing and economic opportunities;

- Location of the Project in a Revitalization Area as defined by HUD.

- Compliance with all HUD Equal Opportunity and Civil Rights requirements including Section 504, Fair Housing and Section 3.

- If applicable, the extent to which services for special populations are provided on site or in the immediate area for occupants of the property; and;

- Projects with less than 25 percent of the units assisted will be rated higher than projects with 25 percent of the units assisted. In the case of projects for occupancy by the elderly, persons with disabilities or families needing other services, the DHNP will rate partially assisted projects on the percent of units assisted. Projects with the lowest percent of assisted units will receive the highest score under this criterion.

The DHNP reserves the right to request at any time additional information regarding any proposal received, including without limitation, a site plan, construction plans, and budgetary information. The DHNP reserves the right to reject all proposals received. Regardless of whether any proposal is accepted, the DHNP shall have no responsibility or liability to any owner for any cost incurred in developing or submitting a proposal, or in any other way related to DHNP'solicitation.

Selection of PBV Proposals in accordance with 17.II.B.2

DHNP Selection of Proposals Subject to a Previous Competition under a Federal, State, or Local Housing Assistance Program

The DHNP will review proposals for PBV assistance from owners that were competitively selected under another federal, state or local housing assistance program, including projects that were competitively awarded Low-Income Housing Tax Credits on an ongoing basis.
Owners may submit unsolicited proposals for review by the DHNP under this Section.

In addition, the DHNP may periodically advertise that it is seeking proposals under this Section in the following newspaper:

The Virginian Pilot

The DHNP reserves the right to request at any time additional information regarding any proposal received in response to such a solicitation, including without limitation, a site plan, construction plans, and budgetary information. The DHNP reserves the right to reject all proposals received. Regardless of whether any proposal is accepted, the DHNP shall have no responsibility or liability to any owner for any cost incurred in developing or submitting a proposal, or in any other way related to DHNP's solicitation.

The DHNP may also directly contact specific owners that have already been selected for Federal, state, or local housing assistance based on a previously held competition, to inform them of available PBV assistance.

Proposals will be reviewed on a first-come first-served basis. The DHNP will evaluate each proposal on its merits using the following factors:

- Owner experience and capability to build or rehabilitate multifamily housing;
- Experience as an owner in the tenant-based voucher program and owner compliance with the owner's obligations under the tenant-based program;
- Extent to which the project furthers the DHNP's goal of deconcentrating poverty and expanding housing and economic opportunities; and
- Extent to which the proposal complements other local activities such as the redevelopment of a public housing site under the HOPE VI program, the HOME program, CDBG activities, other development activities in a HUD-designated Enterprise Zone, Economic Community, or Renewal Community.
- Location of the Project in a Revitalization Area as defined by HUD.
- Compliance with all HUD Equal Opportunity and Civil Rights requirements including Section 504, Fair Housing and Section 3.

Unsolicited proposals hereunder may be submitted at any time to the offices of the DHNP: 801 Water Street, Suite 200, Virginia Beach, VA 23704, Attn: Delores Adams. The DHNP reserves the right to request at any time additional information regarding any proposal received, including without limitation, a site plan, construction plans, and budgetary information. The DHNP shall notify any owner submitting an unsolicited proposal whether the proposal has been approved or rejected within 120 calendar days of receipt, subject to the proposed timely providing all additional materials and information which the DHNP may request.

Without limitation, no proposal will be considered and/or approved unless vouchers are available to the DHNP for PBV assistance and the use of available vouchers for PBV assistance is in the best interest of the DHNP and HCV recipients and applicants, as determined by the DHNP. To receive consideration, a proposal must comply with all applicable HUD regulations and requirements as set forth herein and at 24 CFR Part 983.
Regardless of whether any proposal is accepted, the DHNP shall have no responsibility or liability to any owner for any cost incurred in developing or submitting a proposal under this Section, regardless of whether the proposal is solicited or unsolicited.

Effect of Approval/Selection of PBV Proposal by DHNP
Approval or selection of a proposal submitted in accordance with either Section 17.II.B.1 or Section 17.2.B.II shall not constitute a binding agreement by the DHNP to enter into an Agreement to enter into HAP Contract, nor shall it create any legal right in owner to participation in the PBV program. Any such rights shall accrue only upon execution by all parties of an Agreement to enter into HAP Contract and shall be limited in accordance with the terms and conditions set forth therein. The DHNP reserves the right to terminate negotiation of an Agreement to enter into HAP Contract at any time for any reason not in violation of applicable constitutional or statutory law or HUD regulations.

Except as the DHNP may expressly agree, and subject to applicable law, regulations, and HUD guidance, on and after selection/approval of an owner's proposal, the owner shall be solely responsible for all direct costs incurred by the DHNP (including without limitation legal costs) related to owner's proposal, the negotiation of any Agreement to enter into HAP Contract, and execution of any HAP Contract, regardless of whether negotiations are terminated prior to execution of any Agreement to enter into HAP Contract and/or any HAP. No such costs shall be charged by owner to any family renting a PBV unit.

Notice of Owner Selection [24 CFR 983.51(d)]
Within 10 business days of the DHNP making the selection, the DHNP will notify the selected owner in writing of the owner's selection for the PBV program. The DHNP will also notify in writing all owners that submitted proposals in response to an DHNP solicitation that were not selected and advise such owners of the name of the selected owner.

In addition, the DHNP will publish its notice for selection of PBV proposals for two consecutive days in the same newspaper it used to solicit the proposals (or the Virginian Pilot if there was no public solicitation). The announcement will include the name of the owner that was selected for the PBV program. The DHNP will also post the notice of owner selection on its electronic web site, if any.
The DHNP will make available to any interested party its rating and ranking sheets and documents that identify the DHNP basis for selecting the proposal. These documents will be available for review by the public and other interested parties for one month after publication of the notice of owner selection. The DHNP will not make available sensitive owner information that is privileged, such as financial statements and similar information about the owner.
The DHNP will make these documents available for review at the DHNP during normal business hours. The cost for reproduction of allowable documents will be $.25 per page.

Housing Type [24 CFR 983.52]
The DHNP must decide what housing type, new construction, rehabilitation, or existing housing, will be used to develop project-based housing. The DHNP choice of housing type must be reflected in its solicitation for proposals. AT THIS TIME, ONLY NEW CONSTRUCTION UNITS SHALL BE ELIGIBLE FOR PARTICIPATION IN THE PBV PROGRAM. This is to support the construction of new, well-constructed affordable housing in the City of Virginia Beach.

D. PROHIBITION OF ASSISTANCE FOR CERTAIN UNITS

Ineligible Housing Types [24 CFR 983.53]
The DHNP may not attach or pay PBV assistance to shared housing units; units on the grounds of a penal reformatory, medical, mental, or similar public or private institution; nursing homes or facilities providing continuous psychiatric, medical, nursing services, board and care, or intermediate care (except that assistance may be provided in assisted living facilities); units that are owned or controlled by an educational institution or its affiliate and are designated for occupancy by students; manufactured homes; cooperative housing; and transitional housing. In addition, the DHNP may not attach or pay PBV assistance for a unit occupied by an owner and the DHNP may not select or enter into an agreement to enter into a HAP contract or HAP contract for a unit occupied by a family ineligible for participation in the PBV program.

High-rise Elevator Projects for Families with Children [24 CFR 983.53(b)]
The DHNP will not use high-rise elevator projects for families with children.

Subsidized Housing [24 CFR 983.54]
DHNP may not attach or pay PBV assistance to units in any of the following types of subsidized housing:

- A public housing unit;
- A unit subsidized with any other form of Section 8 assistance;
- A unit subsidized with any governmental rent subsidy;
- A unit subsidized with any governmental subsidy that covers all or any part of the operating costs of the housing;
- A unit subsidized with Section 236 rental assistance payments (except that a DHNP may attach assistance to a unit subsidized with Section 236 interest reduction payments);
- A Section 202 project for non-elderly with disabilities;
- Section 811 project-based supportive housing for persons with disabilities;
- Section 202 supportive housing for the elderly;
- A Section 101 rent supplement project;
- A unit subsidized with any form of tenant-based rental assistance;

- A unit with any other duplicative federal, state, or local housing subsidy, as determined by HUD or the DHNP in accordance with HUD requirements.

E. SUBSIDY LAYERING REQUIREMENTS [24 CFR 983.55]

The DHNP may provide PBV assistance only in accordance with HUD subsidy layering regulations [24 CFR 4.13] and other requirements.

The subsidy layering review is intended to prevent excessive public assistance by combining (layering) housing assistance payment subsidy under the PBV program with other governmental housing assistance from federal, state, or local agencies, including assistance such as tax concessions or tax credits.

The DHNP must submit the necessary documentation to HUD for a subsidy layering review. We may not enter into an agreement to enter into a HAP contract or a HAP contract until HUD (or an independent entity approved by HUD) has conducted any required subsidy layering review and determined that the PBV assistance is in accordance with HUD subsidy layering requirements.

The HAP contract must contain the owner's certification that the project has not received and will not receive (before or during the term of the HAP contract) any public assistance for acquisition, development, or operation of the housing other than assistance disclosed in the subsidy layering review in accordance with HUD requirements.

F. CAP ON NUMBER OF PBV UNITS IN EACH BUILDING

25 Percent per Building Cap [24 CFR 983.56(a)]

In general, DHNP may not select a proposal to provide PBV assistance for units in a building or enter into an agreement to enter into a HAP or a HAP contract to provide PBV assistance for units in a building, if the total number of dwelling units in the building that will receive PBV assistance during the term of the PBV HAP contract is more than 25 percent of the number of dwelling units (assisted or unassisted) in the building.

Exceptions to 25 Percent per Building Cap [24 CFR 983.56(b)]

Exceptions are allowed and PBV units are not counted against the 25 percent per building cap if:

- The units are in a single-family building (one to four units);
- The units are *excepted units* in a multifamily building because they are specifically made available for elderly or disabled families or families receiving supportive services (also known as *qualifying families*).

(Must include in this plan the type of services offered to families for a project to qualify for the exception and the extent to which such services will be provided)

The DHNP will not impose a cap on excepted units in multifamily buildings at this time.

G. SITE SELECTION STANDARDS

Compliance with PBV Goals, Civil Rights Requirements, and HQS Site Standards [24 CFR 983.57(b)]

The DHNP will not select a proposal for existing, newly constructed, or rehabilitated PBV housing on a site or enter into an agreement to enter into a HAP contract or HAP contract for units on the site, unless we have determined that PBV assistance for housing at the selected site is consistent with the goal of deconcentrating poverty and expanding housing and economic opportunities. The standard for deconcentrating poverty and expanding housing and economic opportunities must be consistent with the DHNP Plan under 24 CFR 903 and this administrative plan.

In addition, prior to selecting a proposal, the DHNP will determine that the site is suitable from the standpoint of facilitating and furthering full compliance with the applicable Civil Rights Laws, regulations, and Executive Orders, and that the site meets the HQS site and neighborhood standards at 24 CFR 982.401(l).

It is the DHNP goal to select sites for PBV housing that provide for deconcentrating poverty and expanding housing and economic opportunities. In complying with this goal the DHNP will limit approval of sites for PBV housing in census tracts that have poverty concentrations of 20 percent or less. However, the DHNP will grant exceptions to the 20 percent standard where the DHNP determines that the PBV assistance will complement other local redevelopment activities designed to deconcentrate poverty and expand housing and economic opportunities in census tracts with poverty concentrations greater than 20 percent, such as sites in:

- A census tract in which the proposed PBV development will be located in a HUD-designated Enterprise Zone, Economic Community, or Renewal Community;

- A census tract where the concentration of assisted units will be or has decreased as a result of public housing demolition and HOPE VI redevelopment;

- A census tract in which the proposed PBV development will be located is undergoing significant revitalization as a result of state, local, or federal dollars invested in the area;

- A census tract where new market rate units are being developed where such market rate units will positively impact the poverty rate in the area;

- A census tract where there has been an overall decline in the poverty rate within the past five years; or

- A census tract where there are meaningful opportunities for educational and economic advancement.

Existing and Rehabilitated Housing Site and Neighborhood Standards [24 CFR 983.57(d)]

NOTE: NOT APPLICABLE AT THIS TIME

The DHNP will not enter into an agreement to enter into a HAP contract nor enter into a HAP contract for existing or rehabilitated housing until we have determined that the site complies with the HUD required site and neighborhood standards. The site must:

- Be adequate in size, exposure, and contour to accommodate the number and type of units proposed;
- Have adequate utilities and streets available to service the site;
- Promote a greater choice of housing opportunities and avoid undue concentration of assisted persons in areas containing a high proportion of low-income persons;
- Be accessible to social, recreational, educational, commercial, and health facilities and services and other municipal facilities and services equivalent to those found in neighborhoods consisting largely of unassisted similar units; and
- Be located so that travel time and cost via public transportation or private automobile from the neighborhood to places of employment is not excessive.

New Construction Site and Neighborhood Standards [24 CFR 983.57(e)]

In order to be selected for PBV assistance, a site for newly constructed housing must meet the following HUD required site and neighborhood standards:

- The site must be adequate in size, exposure, and contour to accommodate the number and type of units proposed;
- The site must have adequate utilities and streets available to service the site;
- The site must not be located in an area of minority concentration unless the DHNP determines that sufficient, comparable opportunities exist for housing for minority families in the income range to be served by the proposed project outside areas of minority concentration or that the project is necessary to meet overriding housing needs that cannot be met in that housing market area;
- The site must not be located in a racially mixed area if the project will cause a significant increase in the proportion of minority to non-minority residents in the area.
- The site must promote a greater choice of housing opportunities and avoid undue concentration of assisted persons in areas containing a high proportion of low-income persons;
- The neighborhood must not be one that is seriously detrimental to family life or in which substandard dwellings or other undesirable conditions predominate;
- The housing must be accessible to social, recreational, educational, commercial, and health facilities and services and other municipal facilities and services equivalent to those found in neighborhoods consisting largely of unassisted similar units; and
- Except for housing designed for elderly persons, the housing must be located so that travel time and cost via public transportation or private automobile from the neighborhood to places of employment is not excessive.

Environmental Review [24 CFR 983.58]
The DHNP activities under the PBV program are subject to HUD environmental regulations in 24 CFR parts 50 and 58. The *responsible entity* is responsible for performing the federal environmental review under the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.). The DHNP may not enter into an agreement to enter into a HAP contract nor enter into a HAP contract until it has complied with the environmental review requirements.

H. DWELLING UNITS

Introduction
This part identifies the special housing quality standards that apply to the PBV program, housing accessibility for persons with disabilities, and special procedures for conducting housing quality standards inspections.

I. HOUSING QUALITY STANDARDS [24 CFR 983.101]

The housing quality standards (HQS) for the tenant-based program, including those for special housing types, generally apply to the PBV program. HQS requirements for shared housing, cooperative housing, manufactured home space rental, and the homeownership option do not apply because these housing types are not assisted under the PBV program.

The physical condition standards at 24 CFR 5.703 does not apply to the PBV program.

Lead-based Paint [24 CFR 983.101(c)]
The lead-based paint requirements for the tenant-based voucher program do not apply to the PBV program. Instead, The Lead-based Paint Poisoning Prevention Act (42 U.S.C. 4821-4846), the Residential Lead-based Paint Hazard Reduction Act of 1992 (42 U.S.C. 4851-4856), and implementing regulations at 24 CFR part 35, subparts A, B, H, and R, apply to the PBV program.

Housing Accessibility for Persons with Disabilities
The housing must comply with program accessibility requirements of section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794) and implementing regulations at 24 CFR part 8. The DHNP must ensure that the percentage of accessible dwelling units complies with the requirements of section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794), as implemented by HUD's regulations at 24 CFR 8, subpart C.

Housing first occupied after March 13, 1991, must comply with design and construction requirements of the Fair Housing Amendments Act of 1988 and implementing regulations at 24 CFR 100.205, as applicable. (24 CFR 983.102)

J. INSPECTING UNITS

Pre-selection Inspection [24 CFR 983.103(a)]
The DHNP must examine the proposed site before the proposal selection date. If the units to be assisted

already exist, the DHNP must inspect all the units before the proposal selection date, and must determine whether the units substantially comply with HQS. To qualify as existing housing, units must substantially comply with HQS on the proposal selection date. However, the DHNP may not execute the HAP contract until the units fully comply with HQS.

Pre-HAP Contract Inspections [24 CFR 983.103(b)]
The DHNP will inspect each contract unit before execution of the HAP contract. The DHNP may not enter into a HAP contract covering a unit until the unit fully complies with HQS.

Turnover Inspections [24 CFR 983.103(c)]
Before providing assistance to a new family in a contract unit, the DHNP must inspect the unit. The DHNP may not provide assistance on behalf of the family until the unit fully complies with HQS.

Annual Inspections [24 CFR 983.103(d)]
At least annually during the term of the HAP contract, the DHNP must inspect a random sample, consisting of at least 20 percent of the contract units in each building to determine if the contract units and the premises are maintained in accordance with HQS. Turnover inspections are not counted toward meeting this annual inspection requirement.

If more than 20 percent of the annual sample of inspected contract units in a building fails the initial inspection, the DHNP must re-inspect 100 percent of the contract units in the building.

Other Inspections [24 CFR 983.103(e)]
The DHNP will inspect contract units whenever needed to determine that the contract units comply with HQS and that the owner is providing maintenance, utilities, and other services in accordance with the HAP contract. The DHNP must take into account complaints and any other information coming to its attention in scheduling inspections.

The DHNP will conduct follow-up inspections needed to determine if the owner (or, if applicable, the family) has corrected an HQS violation, and must conduct inspections to determine the basis for exercise of contractual and other remedies for owner or family violation of HQS.

In conducting DHNP supervisory quality control HQS inspections, the DHNP should include a representative sample of both tenant-based and project-based units.

Inspecting DHNP-owned Units [24 CFR 983.103(f)]
In the case of DHNP-owned units, the inspections must be performed by an independent agency designated by the DHNP and approved by HUD. The independent entity must furnish a copy of each inspection report to the DHNP and to the HUD field office where the project is located. The DHNP must take all necessary actions in response to inspection reports from the independent agency, including exercise of contractual remedies for violation of the HAP contract by the DHNP-owner.

K. REHABILITATED AND NEWLY CONSTRUCTED UNITS

INTRODUCTION [24 CFR 983.151]

There are specific requirements that apply to PBV assistance for newly constructed or rehabilitated housing that do not apply to PBV assistance in existing housing. This part describes the requirements unique to this type of assistance.
Housing selected for this type of assistance may not at a later date be selected for PBV assistance as existing housing.

L. AGREEMENT TO ENTER INTO HAP CONTRACT

In order to offer PBV assistance in rehabilitated or newly constructed units, the DHNP must enter into an agreement to enter into HAP contract (Agreement) with the owner of the property. The Agreement must be in the form required by HUD [24 CFR 983.152(a)].
In the Agreement the owner agrees to develop the PBV contract units to comply with HQS, and the DHNP agrees that upon timely completion of such development in accordance with the terms of the Agreement, the DHNP will enter into a HAP contract with the owner for the contract units [24 CFR 983.152(b)].

Content of the Agreement [24 CFR 983.152(c)]
At a minimum, the Agreement must describe the following features of the housing to be developed and assisted under the PBV program:

- Site and the location of the contract units;
- Number of contract units by area (size) and number of bedrooms and bathrooms;
- Services, maintenance, or equipment to be supplied by the owner without charges in addition to the rent;
- Utilities available to the contract units, including a specification of utility services to be paid by the owner and utility services to be paid by the tenant;
- An indication of whether or not the design and construction requirements of the Fair Housing Act and section 504 of the Rehabilitation Act of 1973 apply to units under the Agreement. If applicable, any required work item resulting from these requirements must be included in the description of work to be performed under the Agreement;
- Estimated initial rents to owner for the contract units;
- Description of the work to be performed under the Agreement. For rehabilitated units, the description must include the rehabilitation work write up and, where determined necessary by the DHNP, specifications and plans. For new construction units, the description must include the working drawings and specifications.
- Any additional requirements for quality, architecture, or design over and above HQS.

Execution of the Agreement [24 CFR 983.153]
The Agreement must be executed promptly after DHNP notice of proposal selection to the selected owner. However, the DHNP may not enter into the Agreement with the owner until the subsidy layering review is completed. Likewise, the DHNP may not enter into the Agreement until the environmental

review is completed and the DHNP has received environmental approval.

Subject to agreement upon all terms and conditions of the Agreement, the DHNP will enter into the Agreement with the owner within 10 business days of receiving both environmental approval and notice that subsidy layering requirements have been met, and before construction or rehabilitation work are started.

M. CONDUCT OF DEVELOPMENT WORK

Labor Standards [24 CFR 983.154(b)]
If an Agreement covers the development of nine or more contract units (whether or not completed in stages), the owner and the owner's contractors and subcontractors must pay Davis-Bacon wages to laborers and mechanics employed in the development of housing. The HUD-prescribed form of the Agreement will include the labor standards clauses required by HUD, such as those involving Davis-Bacon wage rates.

The owner, contractors, and subcontractors must also comply with the Contract Work Hours and Safety Standards Act, Department of Labor regulations in 29 CFR part 5, and other applicable federal labor relations laws and regulations. The DHNP must monitor compliance with labor standards.

Equal Opportunity [24 CFR 983.154(c)]
The owner must comply with Section 3 of the Housing and Urban Development Act of 1968 and the implementing regulations at 24 CFR Part 135. The owner must also comply with federal equal employment opportunity requirements.

Owner Disclosure [24 CFR 983.154(d) and (e)]
The Agreement and HAP contract must include a certification by the owner that the owner and other project principals are not on the U.S. General Services Administration list of parties excluded from federal procurement and non-procurement programs.
The owner must also disclose any possible conflict of interest that would be a violation of the Agreement, the HAP contract, or HUD regulations.

N. COMPLETION OF HOUSING

The Agreement must specify the deadlines for completion of the housing, and the owner must develop and complete the housing in accordance with these deadlines. The Agreement must also specify the deadline for submission by the owner of the required evidence of completion.

Evidence of Completion [24 CFR 983.155(b)]
At a minimum, the owner must submit the following evidence of completion to the DHNP in the form and manner required by the DHNP:

- Owner certification that the work has been completed in accordance with HQS and all requirements of the Agreement; and

- Owner certification that the owner has complied with labor standards and equal opportunity requirements in development of the housing.

At the DHNP's discretion, the Agreement may specify additional documentation that must be submitted by the owner as evidence of housing completion.

The DHNP will determine the need for the owner to submit additional documentation as evidence of housing completion such as a certificate of occupancy or other evidence that the units comply with local requirements; and an architect's certification that the housing complies with HQS, building codes, zoning, or work specifications. Without limitation, the DHNP may specify any additional documentation requirements in the Agreement to enter into HAP contract.

DHNP Acceptance of Completed Units [24 CFR 983.156]
Upon notice from the owner that the housing is completed, the DHNP will inspect to determine if the housing has been completed in accordance with the Agreement, including compliance with HQS and any additional requirements imposed under the Agreement. The DHNP will also determine if the owner has submitted all required evidence of completion. If the work has not been completed in accordance with the Agreement, the DHNP will not enter into the HAP contract.

If the DHNP determines the work has been completed in accordance with the Agreement and that the owner has submitted all required evidence of completion, the DHNP will submit the HAP contract for execution by the owner and will then execute the HAP contract.

O. HOUSING ASSISTANCE PAYMENTS CONTRACT (HAP)

INTRODUCTION
The DHNP must enter into a HAP contract with an owner for units that are receiving PBV assistance. The purpose of the HAP contract is to provide housing assistance payments for eligible families. Housing assistance is paid for contract units leased and occupied by eligible families during the HAP contract term. The HAP contract must be in the form required by HUD [24 CFR 983.202].

HAP Contract Requirements

Contract Information [24 CFR 983.203]
The HAP contract must specify the following information:

- The total number of contract units by number of bedrooms;
- The project's name, street address, city or county, state and zip code, block and lot number (if known), and any other information necessary to clearly identify the site and the building;
- The number of contract units in each building, the location of each contract unit, the area of each contract unit, and the number of bedrooms and bathrooms in each contract unit;

- Services, maintenance, and equipment to be supplied by the owner and included in the rent to owner;
- Utilities available to the contract units, including a specification of utility services to be paid by the owner (included in rent) and utility services to be paid by the tenant;
- Features provided to comply with program accessibility requirements of Section 504 of the Rehabilitation Act of 1973 and implementing regulations at 24 CFR part 8;
- The HAP contract term;
- The number of units in any building that will exceed the 25 percent per building cap, which will be set-aside for occupancy by qualifying families; and
- The initial rent to owner for the first 12 months of the HAP contract term.

Execution of the HAP Contract [24 CFR 983.204]
The DHNP may not enter into a HAP contract until each contract unit has been inspected and we have determined that the unit complies with the Housing Quality Standards (HQS). For existing housing, the HAP contract must be executed promptly after the DHNP selects the owner proposal and inspects the housing units. For newly constructed or rehabilitated housing the HAP contract must be executed after the DHNP has inspected the completed units and has determined that the units have been completed in accordance with the agreement to enter into HAP, and the owner furnishes all required evidence of completion.

For existing housing, subject to the terms, conditions and requirements of the Agreement to enter into HAP Contract, the HAP contract will be executed within 10 business days of the DHNP determining that all units pass HQS (NOT APPLICABLE AT THIS TIME).

For rehabilitated (rehabilitation is NOT APPLICABLE AT THIS TIME) or newly constructed housing, subject to the terms, conditions and requirements of the Agreement to enter into HAP Contract, the HAP contract will be executed within 10 business days of DHNP's determination that the units have been completed in accordance with the agreement to enter into HAP, all units meet HQS, and the owner has submitted all required evidence of completion.

The DHNP recognizes that some units in the PBV construction process may be completed over a period of time rather than all at once. In such cases the DHNP may inspect and accept the units in stages and may execute a HAP contract that reflects the staged acceptance.

Term of HAP Contract [24 CFR 983.205]

The term of all PBV HAP contracts will be negotiated with the owner on a case-by-case basis.
Within one year before expiration of the HAP contract, the DHNP may extend the term of the contract for an additional term of up to five years if the DHNP determines an extension is appropriate to continue providing affordable housing for low-income families. Subsequent extensions are subject to the same

limitations. All extensions must be on the form and subject to the conditions prescribed by HUD at the time of the extension.

When determining whether or not to extend an expiring PBV contract, the DHNP will consider several factors including, but not limited to:

The cost of extending the contract and the amount of available budget DHNP;

The condition of the contract units;

The owner's record of compliance with obligations under the HAP contract and lease(s);

Whether the location of the units continues to support the goals of de-concentrating poverty and expanding housing opportunities; and

Whether the funding could be used more appropriately for tenant-based assistance.

Termination by DHNP [24 CFR 983.205(c)]
The HAP contract must provide that the term of the DHNP's contractual commitment is subject to the availability of sufficient appropriated funding as determined by HUD or by the DHNP in accordance with HUD instructions. For these purposes, sufficient funding means the availability of appropriations, and of funding under the ACC from such appropriations, to make full payment of housing assistance payments payable to the owner for any contract year in accordance with the terms of the HAP contract.

If it is determined that there may not be sufficient funding to continue housing assistance payments for all contract units and for the full term of the HAP contract, the DHNP may terminate the HAP contract by notice to the owner. The termination must be implemented in accordance with HUD instructions.

Termination by Owner [24 CFR 983.205(d)]
If in accordance with program requirements the amount of rent to an owner for any contract unit is reduced below the amount of the rent to owner at the beginning of the HAP contract term, the owner may terminate the HAP contract by giving notice to the DHNP. In this case, families living in the contract units must be offered tenant-based assistance.

Remedies for HQS Violations [24 CFR 983.207(b)]
The DHNP may not make any HAP payment to the owner for a contract unit during any period in which the unit does not comply with HQS. If the DHNP determines that a contract unit does not comply with HQS, we may exercise any of its remedies under the HAP contract, for any or all of the contract units. Available remedies include termination of housing assistance payments, abatement or reduction of housing assistance payments, reduction of contract units, and termination of the HAP contract.

The DHNP will abate and terminate PBV HAP contracts, in whole or in part, for non-compliance with HQS in accordance with the policies used in the tenant-based voucher program. These policies are contained in Section 8-II.G., Enforcing Owner Compliance.

Amendments to the HAP Contract

Substitution of Contract Units will be pursuant to [24 CFR 983.206(a)]

Addition of Contract Units [24 CFR 983.206(b)]
The DHNP will consider adding contract units to the HAP contract when the DHNP determines that additional housing is needed to serve eligible low-income families. Circumstances may include, but are not limited to:

The local housing inventory is reduced due to a disaster (either due to loss of housing units, or an influx of displaced families); and

Voucher holders are having difficulty finding units that meet program requirements.

HAP Contract Year, Anniversary and Expiration Dates [24 CFR 983.206(c) and 983.302(e)]
The HAP contract year is the period of 12 calendar months preceding each annual anniversary of the HAP contract during the HAP contract term. The initial contract year is calculated from the first day of the first calendar month of the HAP contract term.

The annual anniversary of the HAP contract is the first day of the first calendar month after the end of the preceding contract year.

There is a single annual anniversary and expiration date for all units under a particular HAP contract, even in cases where contract units are placed under the HAP contract in stages (on different dates) or units are added by amendment. The anniversary and expiration dates for all units coincide with the dates for the contract units that were originally placed under contract.

Owner Responsibilities Under the HAP [24 CFR 983.209]
When the owner executes the HAP contract s/he certifies that at such execution and at all times during the term of the HAP contract:

- All contract units are in good condition and the owner is maintaining the premises and contract units in accordance with HQS;
- The owner is providing all services, maintenance, equipment and utilities as agreed to under the HAP contract and the leases;
- Each contract unit for which the owner is receiving HAP, is leased to an eligible family referred by the DHNP, and the lease is in accordance with the HAP contract and HUD requirements;
- To the best of the owner's knowledge the family resides in the contract unit for which the owner is receiving HAP, and the unit is the family's only residence;
- The owner (including a principal or other interested party) is not the spouse, parent, child, grandparent, grandchild, sister, or brother of any member of a family residing in a contract unit;
- The amount of the HAP the owner is receiving is correct under the HAP contract;

- The rent for contract units does not exceed rents charged by the owner for comparable unassisted units;
- Except for HAP and tenant rent, the owner has not received and will not receive any other payment or consideration for rental of the contract unit; and
- The family does not own or have any interest in the contract unit.

Additional HAP Requirements

Housing Quality and Design Requirements [24 CFR 983.101(e) and 983.207(a)]
The owner is required to maintain and operate the contract units and premises in accordance with HQS, including performance of ordinary and extraordinary maintenance. The owner must provide all the services, maintenance, equipment, and utilities specified in the HAP contract with the DHNP and in the lease with each assisted family. In addition, maintenance, replacement and redecoration must be in accordance with the standard practice for the building as established by the owner.

The DHNP may elect to establish additional requirements for quality, architecture, or design of PBV housing. Any such additional requirements must be specified in the Agreement to enter into a HAP contract and the HAP contract. These requirements must be in addition to, not in place of, compliance with HQS.

The DHNP will identify the need for any special features on a case-by-case basis depending on the intended occupancy of the PBV project. The DHNP will specify any special design standards or additional requirements in the invitation for PBV proposals, the agreement to enter into HAP contract, and the HAP contract.

Vacancy Payments [24 CFR 983.352(b)]
The DHNP will decide on a case-by-case basis if the DHNP will provide vacancy payments to the owner. The HAP contract with the owner will contain any such agreement, including the amount of the vacancy payment and the period for which the owner will qualify for these payments.

P. SELECTION OF PBV PROGRAM PARTICIPANTS

OVERVIEW
Many of the provisions of the tenant-based voucher regulations [24 CFR 982] also apply to the PBV program. This includes requirements related to determining eligibility and selecting applicants from the waiting list. Even with these similarities, there are requirements that are unique to the PBV program. This part describes the requirements and policies related to eligibility and admission to the PBV program.

Eligibility for PBV Assistance [24 CFR 983.251(a) and (b)]
The DHNP may select families for the PBV program from those who are participants in the DHNP's tenant-based voucher program and from those who have applied for admission to the voucher program. For voucher participants, eligibility was determined at original admission to the voucher program and

does not need to be re-determined at the commencement of PBV assistance. For all others, eligibility for admission must be determined at the commencement of PBV assistance.

Applicants for PBV assistance must meet the same eligibility requirements as applicants for the tenant-based voucher program. Applicants must qualify as a family as defined by HUD and the DHNP, have income at or below HUD-specified income limits, and qualify on the basis of citizenship or the eligible immigration status of family members [24 CFR 982.201(a) and 24 CFR 983.2(a)].

In addition, an applicant family must provide social security information for family members [24 CFR 5.216 and 5.218] and consent to the DHNP's collection and use of family information regarding income, expenses, and family composition [24 CFR 5.230]. An applicant family must also meet HUD requirements related to current or past criminal activity.

In-Place Families [24 CFR 983.251(b)]
An eligible family residing in a proposed PBV contract unit on the date the proposal is selected by the DHNP is considered an "in-place family." These families are afforded protection from displacement under the PBV rule. If a unit to be placed under contract (either an existing unit or a unit requiring rehabilitation) is occupied by an eligible family on the date the proposal is selected, the in-place family must be placed on the DHNP's waiting list. Once the family's continued eligibility is determined (the DHNP may deny assistance to an in-place family for the grounds specified in 24 CFR 982.552 and 982.553), the family must be given an absolute selection preference and the DHNP must refer these families to the project owner for an appropriately sized PBV unit in the project. Admission of eligible in-place families is not subject to income targeting requirements.

This regulatory protection from displacement does not apply to families that are not eligible to participate in the program on the proposal selection date.

Q. ORGANIZATION OF THE WAITING LIST [24 CFR 983.251(c)]

The DHNP may establish a separate waiting list for the DHNP's entire PBV program. Provided that DHNP may establish separate waiting lists for PBV units in particular projects or buildings or for sets of such units if such projects/buildings/units are subject to additional occupancy requirements as a result of LIHTC, bond financing, or governmental assistance.

Selection from the Waiting List [24 CFR 983.251(c)]
Applicants who will occupy units with PBV assistance must be selected from the DHNP'S waiting list. The DHNP may establish selection criteria or preferences for occupancy of particular PBV units.

Income Targeting [24 CFR 983.251(c) (6)]
At least 75 percent of the families admitted to the DHNP's tenant-based and project-based voucher programs during the DHNP fiscal year from the waiting list must be extremely-low income families. The income targeting requirement applies to the total of admissions to both programs.

Units with Accessibility Features [24 CFR 983.251(c) (7)]
When selecting families to occupy PBV units that have special accessibility features for persons with disabilities, the DHNP must first refer families who require such features to the owner.

R. OFFER OF PBV ASSISTANCE

Refusal of Offer [24 CFR 983.251(e) (3)]
The DHNP is prohibited from taking any of the following actions against a family who has applied for, received, or refused an offer of PBV assistance:

- Refuse to list the applicant on the waiting list for tenant-based voucher assistance;
- Deny any admission preference for which the applicant qualifies;
- Change the applicant's place on the waiting list based on preference, date, and time of application, or other factors affecting selection under the DHNP's selection policy;
- Remove the applicant from the tenant-based voucher waiting list.

Disapproval by Landlord [24 CFR 983.251(e) (2)]
If a PBV owner rejects a family for admission to the owner's units, such rejection may not affect the family's position on the tenant-based voucher waiting list.

Acceptance of Offer [24 CFR 983.252]
Family Briefing
When a family accepts an offer for PBV assistance, the DHNP must give the family an oral briefing. The briefing must include information on how the program works and the responsibilities of the family and owner. In addition to the oral briefing, the DHNP must provide a briefing packet that explains how the DHNP determines the total tenant payment for a family, the family obligations under the program, and applicable fair housing information.

Persons with Disabilities
If an applicant family's head or spouse is disabled, the DHNP must assure effective communication, in accordance with 24 CFR 8.6, in conducting the oral briefing and in providing the written information packet. This may include making alternative formats available (see Chapter 2). In addition, the DHNP must have a mechanism for referring a family that includes a member with mobility impairment to an appropriate accessible PBV unit.

Persons with Limited English Proficiency
The DHNP should take reasonable steps to assure meaningful access by persons with limited English proficiency in accordance with Title VI of the Civil Rights Act of 1964 and Executive Order 13166 (see Chapter 2).

S. OWNER SELECTION OF TENANTS

The owner is responsible for developing written tenant selection procedures that are consistent with the

purpose of improving housing opportunities for very low-income families and reasonably related to program eligibility and an applicant's ability to fulfill their obligations under the lease. An owner must promptly notify in writing any rejected applicant of the grounds for any rejection [24 CFR 983.253(b)].

Leasing [24 CFR 983.253(a)]
During the term of the HAP contract, the owner must lease contract units to eligible families that are selected and referred by the DHNP from the waiting list. The contract unit leased to the family must be the appropriate size unit for the size of the family, based on the DHNP's subsidy standards.

Filling Vacancies [24 CFR 983.254(a)]
The owner must notify the DHNP in writing (mail, fax, or e-mail) within 5 business days of learning about any vacancy or expected vacancy.
The DHNP will make every reasonable effort to refer families to the owner within 20 business days of receiving such notice from the owner.

Reduction in HAP Contract Units Due to Vacancies [24 CFR 983.254(b)]
If any contract units have been vacant for 120 days, the DHNP will give notice to the owner that the HAP contract may be amended to reduce the number of contract units that have been vacant for this period. The DHNP will provide the notice to the owner within 10 business days of the 120th day of the vacancy. The amendment to the HAP contract will be effective the 1st day of the month following the date of the DHNP's notice.

Tenant Screening [24 CFR 983.255]

DHNP Responsibility
The DHNP will offer the owner other information we may have about a family, including information about the tenancy history of family members or about drug trafficking and criminal activity by family members.

The DHNP will inform owners of their responsibility to screen prospective tenants, and will provide owners with the required known name and address information, at the time of the turnover HQS inspection or before.

Owner Responsibility
The owner is responsible for screening and selection of the family to occupy the owner's unit. When screening families the owner may consider a family's background with respect to the following factors:

- Payment of rent and utility bills;
- Caring for a unit and premises;
- Respecting the rights of other residents to the peaceful enjoyment of their housing;
- Drug-related criminal activity or other criminal activity that is a threat to the health, safety, or property of others; and

- Compliance with other essential conditions of tenancy.

T. OCCUPANCY AND LEASING

OVERVIEW

After an applicant has been selected from the waiting list, determined eligible by the DHNP, referred to an owner and determined suitable by the owner, the family will sign the lease and occupancy of the unit will begin.

Lease [24 CFR 983.256]

The tenant must have legal capacity to enter a lease under state and local law. *Legal capacity* means that the tenant is bound by the terms of the lease and may enforce the terms of the lease against the owner.

Form of Lease [24 CFR 983.256(b)]

The tenant and the owner must enter into a written lease agreement that is signed by both parties. If an owner uses a standard lease form for rental units to unassisted tenants in the locality or premises, the same lease must be used for assisted tenants, except that the lease must include a HUD-required tenancy addendum. The tenancy addendum must include, word-for-word, all provisions required by HUD.

Lease Requirements [24 CFR 983.256(c)]

The lease for a PBV unit must specify all of the following information:

- The names of the owner and the tenant;
- The unit rented (address, apartment number, if any, and any other information needed to identify the leased contract unit);
- The term of the lease (initial term and any provision for renewal);
- The amount of the tenant rent to owner, which is subject to change during the term of the lease in accordance with HUD requirements;
- A specification of the services, maintenance, equipment, and utilities that will be provide by the owner; and
- The amount of any charges for food, furniture, or supportive services.

Tenancy Addendum [24 CFR 983.256(d)]

The tenancy addendum in the lease must state:

- The program tenancy requirements;
- The composition of the household as approved by the DHNP (the names of family members and any DHNP-approved live-in aide);
- All provisions in the HUD-required tenancy addendum must be included in the lease. The terms of the tenancy addendum prevail over other provisions of the lease.

Initial Term and Lease Renewal [24 CFR 983.256(f) and 983.257(b)]
The initial lease term must be for at least one year. Upon expiration of the lease, an owner may renew the lease, refuse to renew the lease for "good cause," or refuse to renew the lease without good cause. If the owner refuses to renew the lease without good cause, the DHNP must provide the family with a tenant-based voucher and remove the unit from the PBV HAP contract.

Changes in the Lease [24 CFR 983.256(e)]
If the tenant and owner agree to any change in the lease, the change must be in writing, and the owner must immediately give the DHNP a copy of all changes.

The owner must notify the DHNP in advance of any proposed change in the lease regarding the allocation of tenant and owner responsibilities for utilities. Such changes may only be made if approved by the DHNP and in accordance with the terms of the lease relating to its amendment. The DHNP must re-determine reasonable rent, in accordance with program requirements, based on any change in the allocation of the responsibility for utilities between the owner and the tenant. The re-determined reasonable rent will be used in calculation of the rent to owner from the effective date of the change.

Owner Termination of Tenancy [24 CFR 983.257]
With three exceptions, the owner of a PBV unit may terminate tenancy for the same reasons an owner may in the tenant-based voucher program (see Section 12-III.B. and 24 CFR 982.310). In the PBV program, terminating tenancy for "good cause" does not include doing so for a business or economic reason, or a desire to use the unit for personal or family use or other non-residential purpose.

Non-Compliance with Supportive Services Requirement [24 CFR 983.257(c)]
If a family is living in a project-based unit that is exempted from the 25 percent per building cap on project-basing because of participation in a supportive services program (e.g., Family Self-Sufficiency), and the family fails to complete its supportive services requirement without good cause, such failure is grounds for lease termination by the owner.

Tenant Absence from the Unit [24 CFR 983.256(g) and 982.312(a)]
The owner may specify in the lease a maximum period of tenant absence from the unit that is shorter than the maximum period permitted by DHNP policy. According to program requirements, the family's assistance must be terminated if they are absent from the unit for more than 180 consecutive days.

Tenant Non-Compliance with Funding Source Requirements
If in conjunction with obtaining PBV assistance, owner financed the construction or rehabilitation of the PBV units through the use of LIHTC or multifamily bond financing assistance and tenant's continued occupancy of the PBV unit would result in a breach, default, or non-compliance under the affordable housing requirements related to such assistance, then owner may terminate the tenant's lease. In such event, the DHNP shall assist the tenant in finding replacement housing and the DHNP shall offer the tenant the opportunity to continue receiving housing assistance in another unit or development (provided tenant remains eligible for same).

Security Deposits [24 CFR 983.258]
The DHNP prohibits the owner from collecting security deposits in excess of amounts charged by the owner to unassisted tenants. In addition, security deposits cannot exceed one month's rent.
When the tenant moves out of a contract unit, the owner, subject to state and local law, may use the security deposit, including any interest on the deposit, in accordance with the lease, as reimbursement for any unpaid tenant rent, damages to the unit, or other amounts owed by the tenant under the lease.
The owner must give the tenant a written list of all items charged against the security deposit and the amount of each item. After deducting the amount used to reimburse the owner, the owner must promptly refund the full amount of the balance to the tenant.

If the security deposit does not cover the amount owed by the tenant under the lease, the owner may seek to collect the balance form the tenant. The DHNP has no liability or responsibility for payment of any amount owed by the family to the owner.

U. MOVES

Overcrowded, Under-Occupied, and Accessible Units [24 CFR 983.259]
The DHNP will notify the family and the owner of the family's need to move based on the occupancy of a wrong-size or accessible unit within 10 business days of the DHNP's determination. The DHNP will offer the family the following types of continued assistance in the following order, based on the availability of assistance:

PBV assistance in the same building or project;

PBV assistance in another project; and

Tenant-based voucher assistance.

When the DHNP offers a family another form of assistance that is not a tenant-based voucher, the family will be given 30 days from the date of the offer to accept the offer and move out of the PBV unit. If the family does not move out within this 30-day time frame, the DHNP may terminate the housing assistance payments at the expiration of this 30-day period.

The DHNP may make exceptions to this 30-day period if needed for reasons beyond the family's control such as death, serious illness, or other medical emergency of a family member.

Family Right to Move [24 CFR 983.260]
The family may terminate the lease at any time after the first year of occupancy. The family must give advance written notice to the owner in accordance with the lease and provide a copy of such notice to the DHNP. If the family wishes to move with continued tenant-based assistance, the family must contact the DHNP to request the rental assistance prior to providing notice to terminate the lease.
If the family terminates the lease in accordance with these requirements, the DHNP is required to offer the family the opportunity for continued tenant-based assistance, in the form of a voucher or other comparable tenant-based rental assistance. If voucher or other comparable tenant-based assistance is not

immediately available upon termination of the family's lease in the PBV unit, the DHNP must give the family priority to receive the next available opportunity for continued tenant-based assistance.

If the family terminates the assisted lease before the end of the first year, the family relinquishes the opportunity for continued tenant-based assistance.

Exceptions to the Occupancy Cap [24 CFR 983.261]

When the DHNP determines that a family no longer meets the criteria for a "qualifying family" in connection with the 25 percent per building cap exception, the DHNP will provide written notice to the family and owner within 10 business days of making the determination. The family will be given 30 days from the date of the notice to move out of the PBV unit. If the family does not move out within this 30-day time frame and the owner has not commenced eviction proceedings, the DHNP will terminate the housing assistance payments at the expiration of this 30-day period.

The DHNP may make exceptions to this 30-day period if needed for reasons beyond the family's control such as death, serious illness, or other medical emergency of a family member.

The DHNP may refer other eligible families to the excepted units. However, if there are no eligible families on the waiting list and the owner does not refer eligible families to the DHNP, the DHNP may amend the HAP contract to reduce the total number of units under contract.

V. DETERMINING RENT TO OWNER

INTRODUCTION

The amount of the initial rent to an owner of units receiving PBV assistance is established at the beginning of the HAP contract term. Although for rehabilitated or newly constructed housing, the agreement to enter into HAP Contract (Agreement) states the estimated amount of the initial rent to owner, the actual amount of the initial rent to owner is established at the beginning of the HAP contract term.

During the tem of the HAP contract, the rent to owner is re-determined at the owner's request in accordance with program requirements, and at such time that there is a five percent or greater decrease in the published FMR.

Rent Limits [24 CFR 983.301]

Except for certain tax credit units (discussed below), the rent to owner must not exceed the lowest of the following amounts:

- An amount not to exceed 110 percent of the applicable fair market rent (or any HUD-approved exception payment standard) for the unit bedroom size minus any utility allowance;
- The reasonable rent; or

- The rent requested by the owner.

Certain Tax Credit Units [24 CFR 983.301(c)]
For certain tax credit units, the rent limits are determined differently than for other PBV units. These different limits apply to contract units that meet all of the following criteria:

- The contract unit receives a low-income housing tax credit under the Internal Revenue Code of 1986;
- The contract unit is not located in a qualified census tract;
- There are comparable tax credit units of the same bedroom size as the contract unit in the same building, and the comparable tax credit units do not have any form of rental assistance other than the tax credit; and
- The tax credit rent exceeds the fair market rent or any approved exception payment standard);

For contract units that meet all of these criteria, the rent to owner must not exceed the lowest of:

- The tax credit rent minus any utility allowance;
- The reasonable rent; or
- The rent requested by the owner.

Definitions
A *qualified census tract* is any census tract (or equivalent geographic area defined by the Bureau of the Census) in which at least 50 percent of households have an income of less than 60 percent of Area Median Gross Income (AMGI), or where the poverty rate is at least 25 percent and where the census tract is designated as a qualified census tract by HUD.

Tax credit rent is the rent charged for comparable units of the same bedroom size in the building that also receive the low-income housing tax credit but do not have any additional rental assistance (e.g., tenant-based voucher assistance).

Use of FMRs, Exception Payment Standards, and Utility Allowances [24 CFR 983.301(f)]
When determining the initial rent to owner, the DHNP must use the most recently published FMR in effect and the utility allowance schedule in effect at execution of the HAP contract. When re-determining the rent to owner, the DHNP must use the most recently published FMR and the utility allowance schedule in effect at the time of re-determination. At its discretion, the DHNP may for initial rent, use the amounts in effect at any time during the 30-day period immediately before the beginning date of the HAP contract, or for re-determinations of rent, the 30-day period immediately before the re-determination date.

Any HUD-approved exception payment standard amount under the tenant-based voucher program also applies to the project-based voucher program. HUD will not approve a different exception payment stand amount for use in the PBV program. The same utility allowance schedule applies to both the tenant-based and project-based voucher programs.

Upon written request by the owner, the DHNP will consider using the FMR or utility allowances in effect during the 30-day period before the start date of the HAP, or re-determination of rent. The owner must explain the need to use the previous FMRs or utility allowances and include documentation in support of the request. The DHNP will review and make a decision based on the circumstances and merit of each request.

In addition to considering a written request from an owner, the DHNP may decide to use the FMR or utility allowances in effect during the 30-day period before the start date of the HAP, or re-determination of rent, if the DHNP determines it is necessary due to DHNP budgetary constraints.

Re-determination of Rent [24 CFR 983.302]
The DHNP will re-determine the rent to owner upon the owner's request or when there is a five percent or greater decrease in the published FMR.

Rent Increase
If an owner wishes to request an increase in the rent to owner from the DHNP, it must be requested at the annual anniversary of the HAP contract (see Section 17-V.D.). The request must be in writing and in the form and manner required by the DHNP. The DHNP may only make rent increases in accordance with the rent limits described previously. There are no provisions in the PBV program for special adjustments (e.g., adjustments that reflect increases in the actual and necessary expenses of owning and maintaining the units which have resulted from substantial general increases in real property taxes, utility rates, or similar costs).

An owner's request for a rent increase must be submitted to the DHNP 60 days prior to the anniversary date of the HAP contract, and must include the new rent amount the owner is proposing.

The DHNP may not approve and the owner may not receive any increase of rent to owner until and unless the owner has complied with requirements of the HAP contract, including compliance with HQS. The owner may not receive any retroactive increase of rent for any period of noncompliance.

Rent Decrease
If there is a decrease in the rent to owner, as established in accordance with program requirements such as a change in the FMR or exception payment standard, or reasonable rent amount, the rent to owner must be decreased regardless of whether the owner requested a rent adjustment.

Notice of Rent Change
The rent to owner is re-determined by written notice by the DHNP to the owner specifying the amount of the re-determined rent. The DHNP notice of rent adjustment constitutes an amendment of the rent to owner specified in the HAP contract. The adjusted amount of rent to owner applies for the period of 12 calendar months from the annual anniversary of the HAP contract.

The DHNP will provide the owner with at least 30 days written notice of any change in the amount of rent to owner.

Reasonable Rent [24 CFR 983.303]
At the time the initial rent is established and all times during the term of the HAP contract, the rent to owner for a contract unit may not exceed the reasonable rent for the unit as determined by the DHNP.

When Rent Reasonable Determinations are Required
The DHNP must re-determine the reasonable rent for a unit receiving PBV assistance whenever any of the following occur:

- There is a five percent or greater decrease in the published FMR in effect 60 days before the contract anniversary (for the unit sizes specified in the HAP contract) as compared with the FMR that was in effect one year before the contract anniversary date;
- The DHNP approves a change in the allocation of responsibility for utilities between the owner and the tenant;
- The HAP contract is amended to substitute a different contract unit in the same building; or
- There is any other change that may substantially affect the reasonable rent.

How to Determine Reasonable Rent
The reasonable rent of a unit receiving PBV assistance must be determined by comparison to rent for other comparable unassisted units. When making this determination, the DHNP must consider factors that affect market rent. Such factors include the location, quality, size, type and age of the unit, as well as the amenities, housing services maintenance, and utilities to be provided by the owner.

Comparability Analysis
For each unit, the comparability analysis must use at least three comparable units in the private unassisted market. This may include units in the premises or project that is receiving project-based assistance. The analysis must show how the reasonable rent was determined, including major differences between the contract units and comparable unassisted units, and must be retained by the DHNP. The comparability analysis may be performed by DHNP staff or by another qualified person or entity. Those who conduct these analyses or are involved in determining the housing assistance payment based on the analyses may not have any direct or indirect interest in the property.

DHNP-owned Units
For DHNP-owned units, the amount of the reasonable rent must be determined by an independent agency approved by HUD in accordance with PBV program requirements. The independent entity must provide a copy of the determination of reasonable rent for DHNP-owned units to the DHNP and to the HUD field office where the project is located.

Owner Certification of Reasonable Rent
By accepting each monthly housing assistance payment, the owner certifies that the rent to owner is not more than rent charged by the owner for other comparable unassisted units in the premises. At any time, the DHNP may require the owner to submit information on rents charged by the owner for other units in

the premises or elsewhere.

Effect of Other Subsidy and Rent Control
In addition to the rent limits discussed in Section 17-VIII.B above, other restrictions may limit the amount of rent to owner in a PBV unit. In addition, certain types of subsidized housing are not even eligible to receive PBV assistance (see Section 17-II.D).

Other Subsidy [24 CFR 983.304]
At its discretion, a DHNP may reduce the initial rent to owner because of other governmental subsidies, including tax credit or tax exemption, grants, or other subsidized financing.
For units receiving assistance under the HOME program, rents may not exceed rent limits as required by that program.
For units in any of the following types of federally subsidized projects, the rent to owner may not exceed the subsidized rent (basic rent) or tax credit rent as determined in accordance with requirements for the applicable federal program:

- An insured or non-insured Section 236 project;
- A formerly insured or non-insured Section 236 project that continues to receive Interest Reduction Payment following a decoupling action;
- A Section 221(d)(3) below market interest rate (BMIR) project;
- A Section 515 project of the Rural Housing Service;
- A project receiving low-income housing tax credits;
- Any other type of federally subsidized project specified by HUD.

Combining Subsidy
Rent to owner may not exceed any limitation required to comply with HUD subsidy layering requirements.

Rent Control [24 CFR 983.305]
In addition to the rent limits set by PBV program regulations, the amount of rent to owner may also be subject to rent control or other limits under local, state, or federal law.

W. PAYMENTS TO OWNER

HOUSING ASSISTANCE PAYMENTS [24 CFR 983.351]
During the term of the HAP contract, the DHNP will make housing assistance payments to the owner in accordance with the terms of the HAP contract. During the term of the HAP contract, payments must be made for each month that a contract unit complies with HQS and is leased to and occupied by an eligible family. The housing assistance payment must be paid to the owner on or about the first day of the month for which payment is due, unless the owner and the DHNP agree on a later date.

Except for discretionary vacancy payments, the DHNP may not make any housing assistance payment to the owner for any month after the month when the family moves out of the unit (even if household goods or property are left in the unit).

The amount of the housing assistance payment by the DHNP is the rent to owner minus the tenant rent (total tenant payment minus the utility allowance). In order to receive housing assistance payments, the owner must comply with all provisions of the HAP contract. Unless the owner complies with all provisions of the HAP contract, the owner does not have a right to receive housing assistance payments.

Vacancy Payments [24 CFR 983.352]
If an assisted family moves out of the unit, the owner may keep the housing assistance payment for the calendar month when the family moves out. However, the owner may not keep the payment if the DHNP determines that the vacancy is the owner's fault.

If the DHNP determines that the owner is responsible for a vacancy and, as a result, is not entitled to keep the housing assistance payment, the DHNP will notify the landlord of the amount of housing assistance payment that the owner must repay.

X. TENANT RENT TO OWNER [24 CFR 983.353]

The tenant rent is the portion of the rent to owner paid by the family. The amount of tenant rent is determined by the DHNP in accordance with HUD requirements. Any changes in the amount of tenant rent will be effective on the date stated in the DHNP notice to the family and owner.

The family is responsible for paying the tenant rent (total tenant payment minus the utility allowance). The amount of the tenant rent determined by the DHNP is the maximum amount the owner may charge the family for rental of a contract unit. The tenant rent covers all housing services, maintenance, equipment, and utilities to be provided by the owner. The owner may not demand or accept any rent payment from the tenant in excess of the tenant rent as determined by the DHNP. The owner must immediately return any excess payment to the tenant.

Tenant and DHNP Responsibilities
The family is not responsible for the portion of rent to owner that is covered by the housing assistance payment and the owner may not terminate the tenancy of an assisted family for nonpayment by the DHNP
.
Likewise, the DHNP is responsible only for making the housing assistance payment to the owner in accordance with the HAP contract. The DHNP is not responsible for paying tenant rent, or any other claim by the owner, including damage to the unit. The DHNP may not use housing assistance payments or other program funds (including administrative fee reserves) to pay any part of the tenant rent or other claim by the owner.

Utility Reimbursements
If the amount of the utility allowance exceeds the total tenant payment, the DHNP will pay the amount of such excess to the tenant as a reimbursement for tenant-paid utilities, and the tenant rent to the owner

must be zero.

The DHNP will make utility reimbursements to the family.

Y. OTHER FEES AND CHARGES [24 CFR 983.354]

Meals and Supportive Services
With the exception of PBV assistance in assisted living developments, the owner may not require the tenant to pay charges for meals or supportive services. Non-payment of such charges is not grounds for termination of tenancy.

In assisted living developments receiving PBV assistance, the owner may charge for meals or supportive services. These charges may not be included in the rent to owner, nor may the value of meals and supportive services be included in the calculation of the reasonable rent. However, non-payment of such charges is grounds for termination of the lease by the owner in an assisted living development.

Other Charges by Owner
The owner may not charge extra amounts for items customarily included in rent in the locality or provided at no additional cost to unsubsidized tenants in the premises.

ADDENDUM
PROGRAM INTEGRITY
[24CFR 792.101 to 792.204, 982.54] [HCV Guidebook-Chapter 22]

INTRODUCTION

DHNP maintains its credibility with applicant and participant families, owners, HUD, and the larger community by enforcing program requirements. When families, owners, or DHNP employees fail to adhere to program requirements; the DHNP must take appropriate action.

DHNP will address program errors, omissions, fraud, or abuse through both *prevention* and *detection*. Preventive measures are the most effective way to deter widespread program irregularities.

DHNP is committed to assuring that the proper level of benefits is paid to all participating families and that housing resources reach only income-eligible families so that program integrity can be maintained .

DHNP will take all steps necessary to prevent fraud, waste, and mismanagement so that program resources are utilized judiciously.

This chapter outlines DHNP's policies for the prevention, detection, and investigation of program abuse and fraud.

A. CRITERIA FOR INVESTIGATION OF SUSPECTED ABUSE AND FRAUD

It is important that DHNP staff recognize the differences between unintentional and intentional misreporting. A policy that clearly defines circumstances
under which a family or owner would be terminated from the program, but also allows the DHNP to consider mitigating circumstances before terminating, is best. [HCV Guidebook Chptr 22-See table at end of Appendix]

DHNP has a responsibility to HUD, the community, and eligible families in need of housing assistance to monitor participants and owners for compliance and, when indicators of possible abuse come to DHNP's attention, to investigate such claims.

DHNP will initiate an investigation of a participating family only in the event of one or more of the following circumstances:

Referrals, Complaints, or Tips. DHNP will follow up on referrals received by mail, by telephone, in person from other agencies, companies or persons alleging that a family is in noncompliance violating the family obligations or any other program rules. A copy of the allegation will be retained in the family's file.

File Review. An Investigation will be initiated if DHNP staff discovers during recertification, interim re-determination, or quality control review information or facts that conflict with previous file data, DHNP's knowledge of the family, or statements made by the family.

Verification of Documentation. An Investigation will be initiated if DHNP receives documentation that conflicts with information in the family's file (such as public records information or reports from credit bureaus or other agencies).

B. STEPS DHNP WILL TAKE TO PREVENT PROGRAM ABUSE AND FRAUD

DHNP management and staff will utilize various methods and practices (listed below) to prevent program abuse, noncompliance, and willful violations of program rules by applicants and participating families.

Things You Should Know (HUD-1140-0IG). This program integrity bulletin (created by HUD's inspector general) will be furnished and explained to all applicants to promote understanding of program rules and to clarify DHNP's expectations for cooperation and compliance.

Waiting list Briefing. A mandatory briefing conducted by DHNP staff for all prospective program participants, either prior to or upon issuance of a voucher. At the conclusion of the briefing the family representative will be required to sign a program briefing certificate to confirm that all rules and pertinent regulations were explained to them.

Recertification Process. DHNP staff will provide housing counseling review program rules requirements and forms prior to signing.

Instructive Signs and Warnings. Instructive signs will be conspicuously posted in common areas and interview areas to reinforce compliance with program rules and to warn about penalties for fraud and abuse.

Participant Certification. All family representatives will be required to sign a Certification of Family Responsibility.

C. STEPS DHNP WILL TAKE TO DETECT PROGRAM ABUSE AND FRAUD

DHNP staff will maintain a high level of alertness to indicators of possible abuse and fraud by assisted families.

Quality Control File Reviews. Prior to initial certification and at the completion of all subsequent re-certifications, files will be reviewed in accordance with HCV Management Assessment (SEMAP) program guidelines. At a minimum, such reviews shall examine:

- Verification of all income and deductions

Changes in reported Social Security numbers or dates of birth

- Authenticity of file documents

- Consistency of signatures with previously signed file documents

- Dates and signatures on all documents

- Verification of rent calculations and utility allowances

Observation. DHNP management staff (to include inspection personnel) will maintain high awareness of circumstances that may indicate program abuse or fraud, such as unauthorized persons residing in the household and unreported income. A fraud investigation will be initiated.

EIV. Inquires of HUD's EIV system will be conducted for recertifications, interim redeterminations, and when unreported income is suspected. AN inquiry of the State Wage Data Record will also be conducted.

Credit Bureau Inquiries. Credit bureau inquiries may be made (with proper authorization by the participant) in the following circumstances:

- When an allegation is received by DHNP wherein unreported income sources are disclosed
- When a participant's expenditures exceed his/her reported income and no plausible explanation is given

D. DHNP'S HANDLING OF ALLEGATIONS OF POSSIBLE ABUSE AND FRAUD

DHNP staff will encourage all participating families to report suspected abuse to the HCV Program Coordinator, Housing Fraud Coordinator, and/or their Housing Specialist. All allegations, complaints, and tips will be carefully evaluated to determine whether they warrant follow-up.

File Review. DHNP will revew the file to determine whether the family has previously disclosed the information reported.

DHNP will then determine which agency it is the most appropriate authority to contact (i.e. police or social services).

Conclusion of Preliminary Review. If at the conclusion of the file review there are facts contained in the allegation that conflict with file data and are verifiable, Fraud Coordinator will initiate an investigation to determine if the allegation is true or false.

E. OVERPAYMENTS TO OWNERS

DHNP will make every effort to recover any overpayments made because of landlord fraud or abuse. Payments otherwise due to the owner may be adjusted in order to repay DHNP or the tenant, as applicable.

F. HOW DHNP WILL INVESTIGATE ALLEGATIONS OF ABUSE AND FRAUD

If DHNP determines that, either an allegation or referral warrants investigation, the HS assigned to the family or the Fraud Coordinator will initiate an investigation. The steps taken will depend upon the nature of the allegation and may include the items listed below. In all cases, DHNP will secure the written authorization from the program participant for the release of information.

Credit Bureau Inquiries. In cases involving previously unreported income sources, a credit bureau inquiry may be made to determine whether the financial activity of a family conflicts with the family's reported income.

Current Employers and Previous Employers. May be contacted to verify wages that may have been previously undisclosed or misreported.

Neighbors/Witnesses. Neighbors and/or other witnesses who are believed to have direct or indirect knowledge of facts pertaining to DHNP's review may be interviewed.

Other Agencies. Investigators, caseworkers or representatives may be contacted.

Public Records. DHNP will review any relevant public records kept. Examples of public records that may be checked are real estate records, marriage and divorce records, uniform commercial code financing statements, voter registration rolls, judgments, court or police records, state wage records, utility records, and postal records.

Concerns Meeting. When appropriate or requested, DHNP will discuss the allegation with the head of household or family members by scheduling an appointment at the DHNP office. If any family engages in abusive or violent behavior towards DHNP personnel, it will be cause for termination or denial, Abusive or violent behavior includes verbal as well as physical abuse or violence. Use of profanity that is generally considered insulting, racial slurs or other language written or oral, that is customarily used to insult or intimidate will be cause for termination or denial. Actual physical abuse or violence will always be cause for immediate termination. If possible, an additional staff person will attend such interviews.

G. PLACEMENT OF DOCUMENTS, EVIDENCE, AND STATEMENTS OBTAINED BY DHNP

Documents and other evidence obtained by DHNP during the course of an investigation will be kept in the participant's file. The participant's file or work file will be kept in a locked file cabinet. Such cases under review will be discussed only among DHNP staff that are involved in the process or have information that may assist in the investigation.

H. CONCLUSION OF DHNP'S INVESTIGATION

At the conclusion of the investigation, the Fraud Coordinator and HS will determine the appropriate action (i.e. termination, repayment agreement.)

I. ACTION PROCEDURES FOR DOCUMENTED VIOLATIONS

Once a program violation has been documented, DHNP will propose the most appropriate remedy based upon the type and severity of the violation.

1. **Procedural Noncompliance.** This category applies when the family "fails to" observe a procedure or requirement of DHNP but does not misrepresent a material fact and there are no retroactive assistance payments owed by the family.

Examples of non-compliance violations are:

- Failure to appear at a prescheduled appointment
- Failure to return verification in the time period specified by DHNP

(a) **Warning Notice to the Family**. In such cases, a notice containing the following will be sent to the family:

- A description of the noncompliance and the procedure, policy, or obligation that was violated
- The date by which the violation must be corrected or the procedure complied with
- The action that will be taken by DHNP if the procedure or obligation is not complied with by the date specified by DHNP
- The consequences of repeated (similar) violations

2. Overpaid Assistance. When the family owes money to DHNP for failure to report changes in income or assets, DHNP will issue a notice of overpayment of assistance. This notice will contain the following:

- A description of the violation and the date(s)
- The amount owed to DHNP
- The number of days within which a response must be received
- Acknowledgment of the family's right to disagree and to request an Informal Hearing along with instructions for requesting such a hearing

(a) Participant Fails to Comply with DHNP's Notice. If the Participant fails to comply with DHNP's notice and a family obligation has been violated, DHNP will initiate termination of assistance.

(b) Participant Complies with DHNP's Notice. When a family complies with DHNP's notice, the staff person responsible will meet with him her to explain and discuss the family obligation or program rule that was violated. The staff person will complete a participant counseling report, give one copy to the. family, and retain a copy in the family's file.

3. Misrepresentations. When a participant falsifies, misstates, omits, or otherwise misrepresents a material fact DHNP will evaluate investigate and take appropriate actions as follows:

- Notice to family describing misrepresentation
- Action to be taken by DHNP and then referral to the City Attorney for prosecution
- Family's right to request an Informal Hearing

ADDENDUM
PROGRAM INTEGRITY
[24CFR 792.101 to 792.204, 982.54] [HCV Guidebook-Chapter 22]

ERRORS AND OMISSIONS VS. FRAUD AND ABUSE HCV GuideBook Chptr 22		
By the Family	**By the Owner**	**By the PHA**
• Failure to report required information due to lack of understanding, such as omitting a particular asset or failing to report a source of income. • Incorrect reporting, such as reporting the income source but incorrectly stating the amount of income. • Failure to report changes as required, such as failure to notify the DHNP of a change in family composition or income. • Intentionally misrepresenting income, assets, and allowances. • Intentionally misrepresenting family composition. • Initiating and participating in bribes or other illegal activities.	• Collecting housing assistance payments for an unoccupied unit, when the owner is not aware that the assisted family has vacated. • Errors in specifying responsibilities for utility payments. • Collecting extra or "side" payments in excess of the family share of rent or requiring the family to perform extraordinary services in lieu of payments. • Charging families for utilities that are the owner's responsibility. • Collecting housing assistance payments for units not occupied by program participants. • Bribing DHNP employees to certify a substandard unit as passing HQS. • Other HQS violations involving misrepresentation and deceit.	•Unintentionally miscalculating subsidy/rent. • Unintentionally determining eligible families as ineligible and vice versa. • Unintentionally approving rents that are not reasonable. •Misinterpreting documentation or information provided by a third party. • Forgetting to inform the participant of a reporting requirement or to collect all required information during an interview. • Unknowingly failing to apply program rules and procedures properly. • Late processing. • Willful passing of units not meeting HQS and/or local standards. • Accepting kickbacks from owners, managers, or families to permit participation or to allow rents in excess of the rent reasonableness limitation. • Intentionally calculating total participant payment or housing assistance payments incorrectly. •Intentionally making incorrect determinations

		of family eligibility, including certifying as eligible otherwise ineligible applicants, coaching applicants to falsify documents, or changing an applicant's position on the waiting list.

Glossary of Terminology

1. ACC—Annual Contributions Contract
2. ADA—Americans with Disabilities Act
3. AMGI—Area Median Gross Income
4. APR—Annual Performance Report
5. CFR—Code of Federal Regulations
6. EIV—Enterprise Income Verification
7. FMV—Fair Market Value
8. FSS—Family Self-Sufficiency
9. HAP—Housing Assistance Payment
10. HQS—Housing Quality Standards
11. INS—Immigration and Naturalization Service
12. IRS—Internal Revenue Service
13. LEP—Limited English Proficiency
14. PBV—Project Based Voucher
15. RFP—Request for Proposals
16. RFTA—Request for Tenancy Approval
17. PHA—Public Housing Authority
18. PIH—Public & Indian Housing
19. SEMAP—Section Eight Management Assessment Program
20. SRO—Single Room Occupancy
21. SSA—Social Security Administration
22. SSI—Supplemental Security Income
23. TANF—Temporary Assistance for Needy Families
24. TDD—Test Driven Development
25. TTP—Total Tenant Portion
26. UIV—Upfront Income Verification
27. VASH—Veterans Affairs Supportive Housing
28. VAWA—Violence against Women Act
29. VBCDC—Virginia Beach Community Development Corporation
30. VCA—Voluntary Compliance Agreement
31. VSH—Virginia Supportive Housing
32. FMR—Fair Market Rent
33. EID—Earned Income Disallowance
34. USC—United States Code
35. URA—Uniform Relocation Assistance

U.S. Department of Housing and Urban Development
Office of Public and Indian Housing

Special Attention of: Regional and Field Office Directors of Public Housing; Section 8 Financial Management Center; Public Housing Agencies Administering Housing Choice Voucher Programs; Regional Directors; State and Area Coordinators	**Notice PIH 2007-5 (HA)** Issued: February 16, 2007 Expires: February 28, 2008 Cross References: HUD Notice PIH 2006-23

Subject: Revised Voucher Housing Assistance Payments Contract (Form HUD 52641) and Tenancy Addendum (form HUD 52641A); Housing Choice Voucher Program Administration and the Violence Against Women and Justice Department Reauthorization Act of 2005 (VAWA 2005)

1. Purpose.

This notice transmits a revised Housing Assistance Payments Contract (HAP Contract, form HUD 52641) and a revised Tenancy Addendum (form HUD 52641A). These forms have been revised to reflect the statutory requirements of the Violence Against Women and Justice Department Reauthorization Act of 2005 (VAWA 2005) that are related to housing choice voucher program HAP contracts and leases. These forms are available through HUDCLIPS (www.hudclips.org).

This notice further provides guidance to public housing agencies (PHAs) on several additional provisions of the law that impact on voucher program administration.

On June 23, 2006, HUD issued Notice PIH 2006-23, Implementation of the Violence Against Women and Justice Department Reauthorization Act 2005. This notice does not supersede HUD Notice PIH 2006-23.

2. Background.

On January 5, 2006, President Bush signed into law the Violence Against Women and Department of Justice Reauthorization Act of 2005 (P.L. 109-62) and on August 12, 2006, signed into law technical corrects to the Violence Against Woman and Department of Justice Reauthorization Act of 2005 (P.L 109-271) (collectively referred to as VAWA 2005 in this notice).

Among numerous amendments to a number of Federal statutes, VAWA 2005 amended Section 8 of the United States Housing Act of 1937. This notice addresses changes brought about by VAWA 2005 in the housing choice voucher program, specifically with regard to the voucher HAP contracts and leases. The revised forms attached to this notice

are only for use in the housing choice voucher program; they are not applicable to other HUD Section 8 programs. Furthermore, guidance in this notice is specific to the programs cited in the relevant sections and only applies to those programs. Guidance on other HUD programs may be issued separately in the future.

3. Protections for Victims of Abuse in the Housing Choice Voucher Program.

The new requirements of VAWA 2005 that are incorporated into the Housing Choice Voucher HAP Contract and Tenancy Addendum are as follows:

- An incident or incidents of actual or threatened domestic violence, dating violence, or stalking will not be construed as serious or repeated violations of the lease or other "good cause" for termination of the assistance, tenancy, or occupancy rights of a victim of abuse. (Section 8(o)(7)(C) of the U.S. Housing Act of 1937.)

- Criminal activity directly relating to abuse, engaged in by a member of a tenant's household or any guest or other person under the tenant's control, shall not be cause for termination of assistance, tenancy, or occupancy rights if the tenant or an immediate member of the tenant's family is the victim or threatened victim of that abuse. (Section 8(o)(7)(D)(i) of the U.S. Housing Act of 1937.)

- Notwithstanding the VAWA restrictions on admission, occupancy, or terminations of occupancy or assistance, or any Federal, State or local law to the contrary, a PHA may terminate assistance to or an owner or manager may "bifurcate" a lease, or otherwise remove a household member from a lease, without regard to whether a household member is a signatory to the lease, in order to evict, remove, terminate occupancy rights, or terminate assistance to any individual who is a tenant or lawful occupant and who engages in criminal acts of physical violence against family members or others. This action may be taken without evicting, removing, terminating assistance to, or otherwise penalizing the victim of the violence who is also a tenant or lawful occupant. Such eviction, removal, termination of occupancy rights, or termination of assistance shall be effected in accordance with the procedures prescribed by Federal, State, and local law for the termination of leases or assistance under the housing choice voucher program. (Section 8(o)(7)(D)(ii) of the U.S. Housing Act of 1937.)

- Nothing in Section 8(o)(7)(D)(i) may be construed to limit the authority of a public housing agency, owner, or manager, when notified, to honor court orders addressing rights of access or control of the property, including civil protection orders issued to protect the victim and issued to address the distribution or possession of property among the household members in cases where a family breaks up. (Section 8(o)(7)(D)(iii) of the U.S. Housing Act of 1937.)

- Nothing in Section 8(o)(7)(D)(i) limits any otherwise available authority of an owner or manager to evict or the public housing agency to terminate assistance to a tenant for any violation of a lease not premised on the act or acts of violence in question against the tenant or a member of the tenant's household, provided that the owner, manager, or public housing agency does not subject an individual who is or has been a victim of domestic violence, dating violence, or stalking to a more demanding standard than other tenants in determining whether to evict or terminate. (Section 8(o)(7)(D)(iv) of the U.S. Housing Act of 1937.)

- Nothing in Section 8(o)(7)(D)(i) may be construed to limit the authority of an owner or manager to evict, or the public housing agency to terminate assistance, to any tenant if the owner, manager, or public housing agency can demonstrate an actual and imminent threat to other tenants or those employed at or providing service to the property if the tenant is not evicted or terminated from assistance. (Section 8(o)(7)(D)(v) of the U.S. Housing Act of 1937.)

- Nothing in Section 8(o)(7)(D)(i) shall be construed to supersede any provision of any Federal, State, or local law that provides greater protection than Section 8(o)(7)(D)(i) for victims of domestic violence, dating violence, or stalking. (Section 8(o)(7)(D)(vi) of the U.S. Housing Act of 1937.)

4. **Use of the Revised Forms.** As soon as practical, but no later than 14 calendar days from the issuance date of this notice, PHAs must use the revised Housing Assistance Payments Contract (HAP Contract, form HUD 52641) and the revised Tenancy Addendum (form HUD 52641A), when executing any new HAP contracts or approving new leases in the housing choice voucher program. This includes situations where owner and tenant changes in the lease require the PHA to approve a new tenancy in accordance with program requirements and execute a new HAP contract with the owner for participants currently under HAP contract (see 24 CFR §982.308(g)(2)).

5. **Applicability of VAWA 2005 provisions to existing leases and Voucher HAP Contracts.** The authority provided to PHAs, owners, and managers under VAWA 2005 to bifurcate a lease or otherwise remove an individual is applicable to all existing leases for families participating in either the public housing or section 8 programs (including the voucher program), and specific lease language to that effect is not necessary for the PHA, owner, or manager to exercise such authority. Also, the authority to bifurcate a lease or otherwise remove an individual under VAWA is not predicated on existing state or local law that allows for bifurcation. This Federal statutory authority to bifurcate a lease or otherwise remove an individual takes precedence over any Federal, State or local law to the contrary. However, PHAs, managers, and owners must keep in mind that the eviction of or the termination action against the individual must be effected in accordance with the applicable procedures prescribed by Federal, State, and local law.

It is further noted that under the housing choice voucher program, PHAs already have authority under the existing 24 CFR §982.552(c)(2) to terminate voucher assistance for certain family members while permitting other members of the family to continue receiving assistance (provided the culpable family member will no longer reside in the unit). A PHA's right to exercise this administrative discretion under 24 CFR §982.552(c)(2) is not dependent on a bifurcated lease or other eviction action by the owner against an individual family member.

6. **Portability in the Housing Choice Voucher Program**. In addition to the protections to victims of domestic violence which must be taken into consideration when a PHA contemplates terminating a family's participation in the housing choice voucher program, VAWA 2005 also amended section 8(r) of the U.S. Housing Act to provide an exception to the prohibition against a family moving under the portability provisions in violation of the lease. VAWA 2005 provides that the family may receive a voucher and move in violation of the lease under the portability procedures if the family has complied with all other obligations of the voucher program and has moved out of the assisted dwelling unit in order to protect the health or safety of an individual who is or has been the victim of domestic violence, dating violence, or stalking and who reasonably believed he or she was imminently threatened by harm from further violence if he or she remained in the assisted dwelling unit.

   If the circumstances described above exist, the PHA may allow a family to move under portability procedures if the only basis for the denial is that the family is violating the lease agreement. The PHA may request that the family provide the HUD-approved certification form (form HUD-50066), or other acceptable documentation in order to verify the family's claim that the request to move is prompted by incidences of abuse in the unit.

7. **Other Matters.** The information collection requirements imposed by HUD in this document have been approved by the Office of Management and Budget (OMB) under the Paperwork Reduction Act (PRA) of 1995 (44 U.S.C. 3501-3520) and assigned OMB control number 2577-0169. In accordance with the PRA, HUD may not conduct or sponsor, and a person is not required to respond to, a collection of information unless the collection displays a currently valid OMB control number.

8. **Additional Information**. Any questions related to this notice should be addressed to the Housing Voucher Management and Operations Division at (202) 708-0477.

/s/
Orlando J. Cabrera, Assistant Secretary
for Public and Indian Housing

Attachments

U.S. Department of Housing and Urban Development
Public and Indian Housing

Special Attention of: Directors of HUD Regional and Field Offices of Public Housing; Agencies that Administer the Housing Choice Voucher Program	**Notice PIH 2009-11 (HA)** Issued: March 16, 2009 Expires: March 31, 2010 Cross References: Implementation of the HUD-Veterans Affairs Supportive Housing (HUD-VASH) Program published in the *Federal Register* on May 6, 2008

Subject: Project-Basing HUD-Veterans Affairs Supportive Housing Vouchers

1. Purpose. As noted in section J of the Implementation of the HUD-Veterans Affairs Supportive Housing (HUD-VASH) Program (Operating Requirements) published in the *Federal Register* on May 6, 2008, the Department will consider, on a case-by-case basis, requests from a public housing agency (PHA) to project-base HUD-VASH vouchers in accordance with 24 CFR part 983. The purpose of this Notice is to provide guidance to those PHAs that were awarded HUD-VASH vouchers that are interested in project-basing a portion of these vouchers. Please note that HUD and the Department of Veterans Affairs have determined that no more than **50 percent** of a PHA's allocation of HUD-VASH vouchers (rounded down) may be project-based. This number must be within the 20 percent maximum budget authority that may be allocated to project-based voucher assistance in accordance with 24 CFR Section 983.5(a). All types of project-based proposals will be considered: existing units, newly constructed units and substantially rehabilitated units. Proposals must be submitted to HUD Headquarters, Room 4210, Washington, DC, 20410-5000, Attention: Kathryn Greenspan.

Requests will not be considered unless the Veteran's Affairs Medical Center (VAMC) is in support of this project. The VAMC should be consulted by the PHA prior to the submission of the PBV proposal to HUD for review.

Please note that all sections of the Operating Requirements will apply to project-basing HUD-VASH vouchers with the exception of II.c. (Initial Term of the Housing Choice Voucher) and II.d (Initial Lease Term). With respect to the initial lease term, the term must be for at least one year for PBV units.

2. Review Factors. When submitting these requests, which must be jointly signed by a PHA and Veterans Affairs Medical Center (VAMC) official, the following factors must be addressed. Please note that the PHA's obligation to comply with all items mandated by the PBV regulation is unaffected by the submission requirements detailed in this section.

a. An explanation of why the PHA is proposing to project-base HUD-VASH vouchers rather than providing tenant-based assistance.

b. A description of challenges voucher holders (and HUD-VASH voucher holders, in particular) face in the local rental market. This would include the success rate for HUD-VASH voucher holders (the number of vouchers issued that leased up within a period defined by the PHA) and the utilization rate reflected on the PHA's latest Section Eight Management Assessment Program score or the calendar year rate whichever is more recent.

c. For newly constructed/substantially rehabilitated units, the length of time HUD-VASH vouchers would be shelved (not utilized) while waiting for the project-based voucher units to be completed.

d. A description of the proposed project including the following data:

i. Total number of proposed project-based voucher units and buildings in the project;
ii. Poverty rate of the census tract in which the site is located;
iii. A description of how selection of the proposed project is consistent with PHA Plan and Administrative Plan policies on deconcentrating poverty and expanding housing and economic opportunities.
iv. Any HUD-VASH related supportive services on or near the premises of the proposed site; and
v. Accessibility of the proposed site to the VAMC, transportation, and social and medical services.

3. Continued Assistance for Families that Move from Project-Based Units.

In accordance with 24 CFR Section 983.260(a), the family may terminate the assisted lease anytime after the first year of occupancy. The family must give the owner advance written notice of intent to vacate (with a copy to the PHA) in accordance with the lease. Section 983.260(b) further states that if the family has elected to terminate the lease in this manner, the PHA must offer the family the opportunity for continued tenant-based rental assistance in the form of either assistance under the voucher program or other comparable tenant-based rental assistance as defined in Section 983.4.

In addition, in accordance with section g. of the Operating Requirements, as a condition of PBV rental assistance, a HUD-VASH family must receive the case management services from the VAMC. However, a VAMC determination that the participant family no longer requires case management is not grounds for termination of assistance. In such cases where a HUD-VASH family wishes to move from its project-based assisted unit, at its option, the PHA may offer the family continued HCV assistance through one of its regular vouchers to free up the HUD-VASH

voucher for another eligible family referred by the VAMC. If there is no regular voucher to offer the family, the HUD-VASH family must be allowed to keep its HUD-VASH voucher when moving to another unit.

Pursuant to the requirements above, the PHA is limited to the following options cited below when a HUD-VASH family wishes to move from the project-based assisted unit after the first year of occupancy. Please note that for HUD-VASH families that still require case management, a. and b. apply. In addition, tenant-based assistance will be limited to jurisdictions where VAMC case management services are available as defined in section II.f. of the Operating Requirements. For families that no longer require case management, c. applies.

Other than exceptions noted here, all regular PBV requirements under 24 CFR Part 983 apply.

a. The PHA must issue the family an available HUD-VASH voucher to be used as a tenant-based voucher in which case another HUD-VASH family will occupy the project-based unit to which the HUD-VASH assistance is attached.

b. If there are no HUD-VASH vouchers available, the family may take its HUD-VASH voucher to use as a tenant-based voucher and the PHA may attach a regular voucher, if available, to the project-based unit which must be occupied in accordance with the PHA's preferences for the unit. In this case, preferences cannot be limited to HUD-VASH voucher holders or participants.

c. If the family no longer requires case management as determined by the VAMC, the family may be offered an available tenant-based voucher or other comparable tenant-based rental assistance. If neither is available, b. will apply.

6. Information Contact. Inquiries about this letter should be directed to Phyllis Smelkinson, Laure Rawson or Kathryn Greenspan in the Housing Voucher Management and Operations Division, Office of Public Housing and Voucher Programs, at (202) 402-4138, 2425, or 4055, respectively.

7. Paperwork Reduction Act. The information collection requirements contained in this Notice is in the process of being reviewed and approved by the Office of Management and Budget (OMB) under the Paperwork Reduction Act (PRA) of 1995 (44 U.S.C 3520). In accordance with the PRA, HUD may not conduct or sponsor, and a person is not required to respond to, a collection of information unless the collection displays a currently valid OMB control number.

/s/

Paula O. Blunt, General Deputy Assistant Secretary
for Public and Indian Housing

Support File 10

VAWA Support File

City of Virginia Beach

Five Year Agency Plan and Annual Plan

2010-2014

City of Virginia Beach

Department of Housing and Neighborhood Preservation

Statement on Violence Against Women Act (VAWA)

The Virginia Beach Department of Housing and Neighborhood Preservation (VBDHNP) is committed to provide support and assistance to victims of domestic violence, dating violence, sexual assault and stalking. This is pursuant to the goals stated in the Violence Against Women Act (VAWA) also known as Public Law 109-162. To accomplish this VBDHNP does the following:

- Developed an informational brochure explaining VAWA to all applicants, tenants, owners and property managers. This information is made available in the reception area of our rental office.

- Distributes this brochure (as an inclusion) in briefing packages to new admissions and to existing residents at re-examination

- Distributes this brochure to owners and landlords as an inclusion in the agency's landlord packet

- Developed professional relationships with organizations dedicated to helping victims of domestic violence. This includes the Samaritan House, Inc. in Virginia Beach. Samaritan House provides emergency and transitional shelter for women and children who are victims of violence. This includes counseling, case management, employment services and children's programs.

- Covers VAWA requirements as part of the Fair Housing Training given annually to all VBDHNP staff, landlords and property managers.

- Provides confidential housing counseling and/or referrals to those seeking shelter assistance due to an incident of violence.

- Has created an admissions preference for victims of domestic violence. This preference has been assigned the maximum number of weighting points and has been included in the VBDHNP's Administrative Plan for the HCV Program.

CONFIDENTIALITY

Any information provided pursuant to the Violence Against Women Act (VAWA) shall neither be entered into any shared database nor provided to any related entity, except to the extent that disclosure is requested or consented to by the individual in writing; required for use in an eviction proceeding of an abuser, stalker or perpetrator of domestic violence; or is otherwise required by applicable law.

STATE AND LOCAL LAWS

Some states have passed laws effecting applicants, tenants, owners and landlords that are more stringent than requirements of the Violence Against Women Act (VAWA). Many states have related laws pending. You may want to check with your state and/or city for the most current state and local laws protecting victims of domestic violence, dating violence or stalking.

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VIOLENCE AGAINST WOMEN ACT

What Applicants, Tenants, Owners and Landlords Need to Know

Applicable to Public Housing and Section 8 Housing Choice Voucher Programs

Effective January 5, 2006

This brochure meets notification requirements of the federal Violence Against Women Act.

VAWA Protection for Public Housing And Section 8 Housing Choice Voucher Assistance Applicants

A Public Housing Agency (PHA), owner or landlord may not deny admission to an applicant (male or female) who has been a victim of domestic violence, dating violence or stalking if the applicant otherwise qualifies for assistance or admission.

To qualify for public housing or housing choice voucher assistance, all applicants, including victims of domestic violence, dating violence or stalking, must, at a minimum:

- meet the local PHA's definition of "family";
- be income eligible;
- have at least one family member who is a U.S. citizen or has eligible immigration status;
- pass criminal background screening;
- have no outstanding debt to the PHA; and
- meet all other local PHA screening criteria.

Some, but not all, PHAs give preference to applicants who are victims of domestic violence. If you are a victim of domestic violence, dating violence or stalking, ask if the PHA gives this preference. If they do, the PHA may request that you provide a certification documenting the situation. If you fail to provide a requested certification within 14 business days after receiving the request, your request for a preference may be denied.

VAWA Protection for Public Housing Tenants and Housing Choice Voucher Program Participants

Reporting incidents of domestic violence, dating violence or stalking to law enforcement, victim's rights advocates, and the PHA may help preserve your housing rights. The PHA may not deny, remove or terminate assistance to a victim of domestic violence, dating violence or stalking based solely on such an incident or threat.

The PHA, an owner or landlord may deny, remove, or terminate assistance to an individual perpetrator of such actions and continue to allow the victim or other household members to remain in the dwelling unit or receive housing assistance. This does not limit the authority of the PHA, owner or landlord to terminate your assistance for other criminal activity or good cause.

A Section 8 Housing Choice Voucher Participant who is a victim of domestic violence, dating violence or stalking may request and be granted portability due to the incident or threat if they are otherwise compliant with all program obligations and the perpetrator has moved out of the dwelling unit.

In processing a request by a victim for continued assistance or for portability, the PHA may request that you certify that you are a victim of domestic violence, dating violence or stalking, and that the actual or threatened abuse meets the requirements set forth in the VAWA. Such certification must include the name of the perpetrator. If you do not provide the requested certification within 14 business days, your assistance may be terminated.

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