

HOME-American Rescue Plan (ARP) **DRAFT - ALLOCATION PLAN**

City of Newport News (VA)
21st December 2022



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Executive Summary

In March 2021, the American Rescue Plan (ARP) was signed into law providing over \$1.9 trillion in relief to address the continued impact of COVID-19. Congress later appropriated \$5 billion in ARP funds to be administered through HOME Investment Partnerships (HOME) to address the need for homelessness assistance and supportive services.


The City of Newport News was allocated \$2,795,087 in HOME-ARP funds to support eligible activities for qualifying populations. Prior to expending HOME-ARP funds, the City must develop an Allocation Plan. The Plan is then submitted to HUD for both their review and approval. Once approved, the Allocation Plan will become a part of the City's PY 2021-2022 Annual Action Plan by substantial amendment.

Prior to the formulation of the Allocation Plan, the City consulted with Continuum of Care (CoC) and non-CoC organizations serving Newport News. A virtual presentation was held on August 10, 2022 soliciting feedback regarding the prioritization of both eligible activities and qualifying populations.

The following **eligible activities** - in order of priority - were identified: (1) development and support of affordable rental housing and (2) acquisition and development of non-congregate shelter units. The following **qualifying populations** - in order of priority - were identified: (1) homeless and (2) at-risk of homelessness.

The needs assessment and gap analysis uncovered the following:

- The January 2022 “point in time” (PIT) count counted 419 persons representing a 30% increase over 2021's count of 322 persons. This count was conducted over six (6) jurisdictions.
- In Newport News, during the PIT count, 185 persons were identified as experiencing homelessness. 162 were in shelter programs while the remaining 23 were unsheltered.
- Data collected during a 24-hour period indicates 60 families and 400 individuals were in need of emergency shelter on an annual basis.
- A non-profit organization in Newport News shared they are experiencing a higher quantity of rental assistance applications since the Rent Relief Program ended.

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- The need for food supplementation has increased. One non-profit organization recently increased their capacity, since January 2022, to provide food to 25 families, five (5) days per week.
 - Non-profit organizations whose mission is to develop affordable rental housing are challenged by limited inventory, higher prices due to it being a seller's market in Hampton Roads and/or rising costs of materials.

To address the needs of the community, the City of Newport News will utilize HOME-ARP funds towards (1) the development and support of affordable housing; (2) supportive services targeting homelessness, food supplementation and rental assistance; and (3) planning and administration costs related to HOME-ARP.

The City of Newport News will seek applications from service providers whose mission aligns with the above eligible activities the City wishes to pursue.

Introduction

The City of Newport News has been allocated \$2,795,087 in HOME-American Rescue Plan (HOME-ARP) funding from the U.S. Department of Housing and Urban Development (HUD). To receive the HOME-ARP allotment of funds, the City of Newport News must create an Allocation Plan detailing how the HOME-ARP funds will be expended. The Allocation Plan will become a part of the City's PY 2021 Annual Action Plan by a substantial amendment. The format of the Allocation Plan was provided by HUD and must be followed in order to be approved.

The following entities are responsible for preparing the Allocation Plan and responsible for administering the HOME-ARP funding.

Table 1 - Responsible Agencies

Agency Role	Agency Name	Department
HOME-ARP Recipient	City of Newport News	Development
HOME-ARP Administrator	Newport News Redevelopment and Housing Authority (NNRHA)	Community Development

HOME-ARP Eligible Activities and Qualifying Populations

HUD's Notice CPD-21-10 details the requirements for the use of funds in the HOME-ARP program. The City of Newport News is one of 651 jurisdictions awarded funding to support activities that primarily benefit qualifying individuals or families who are homeless, at risk of homelessness, or in other vulnerable populations. HUD Notice CPD-21-10 describes the four (4) eligible activities along with the qualifying populations (individuals or families) that are able to benefit from the funding.

The four (4) eligible activities are:

1. Development and support of affordable housing;
2. Tenant-based rental assistance (TBRA);
3. Provision of supportive services; and
4. Acquisition and development of non-congregate shelter units.

Qualifying individuals or families as those that are:

1. Homeless, as defined in section 103(a) of the McKinney-Vento Homeless Assistance Act, as amended (42 U.S.C. 11302(a)) (McKinney-Vento”);
2. At risk of homelessness, as defined in section 401 of McKinney-Vento;
3. Fleeing, or attempting to flee domestic violence, dating violence, sexual assault, stalking, or human trafficking;
4. Part of other populations where providing supportive services or assistance would prevent a family's homelessness or would serve those with the greatest risk of housing instability; or
5. Veterans and families that include a veteran family member that meet the criteria in one of (1)-(4) above.

The Consultation Process

Before developing its plan, a PJ must consult with the CoC(s) serving the jurisdiction's geographic area, homeless and domestic violence service providers, veterans' groups, public housing agencies (PHAs), public agencies that address the needs of the qualifying populations, and public or private organizations that address fair housing, civil rights, and the needs of persons with disabilities, at a minimum. State PJs are not required to consult with every PHA or CoC within the state's boundaries; however, local PJs must consult with all PHAs (including statewide or regional PHAs) and CoCs serving the jurisdiction.

Summarize the consultation process:

The City of Newport News and Newport News Redevelopment and Housing Authority (NNRHA) met to discuss potential recipients of HOME-ARP funding. Understanding that HOME-ARP funds had to be utilized for "qualifying populations" given the activities deemed eligible by HUD, the overall goal was to target activities that would favorably impact homelessness (through the creation of affordable housing) in the community. As time has evolved, the need to support individuals with rent assistance has come to the forefront given the increase in rent and other necessities to live.

The City of Newport News and NNRHA identified non-profit organizations whose mission aligns with the activities deemed eligible by HUD for HOME-ARP funding. The organizations contacted were:

1. Housing Development Corporation of Hampton Roads
2. THRIVE Peninsula
3. SE Virginia Health System
4. Link of Hampton Roads
5. Menchville House Ministries
6. Transitions Family Violence Services
7. Greater Virginia Peninsula Homelessness Consortium (CoC)

Each non-profit organization received a Google form questionnaire and was asked a series of questions to determine how they would use funding to support the initiatives of HOME-ARP.

On Wednesday, August 10, 2022, a virtual Public Meeting was held via Zoom. Notice of the Public Meeting was placed in the August 1, 2022 edition of the [Daily Press](#). A 15-day comment period was provided and all comments were due no later than 5:00 p.m. on Thursday, August 16, 2022. The purpose of the meeting was to obtain feedback from service providers targeting “qualifying populations” their thoughts on how to best utilize HOME-ARP funds for eligible activities. Invitees included the six (6) organizations listed above along with 39 member organizations that make up the Greater Virginia Peninsula Homelessness Consortium (GVPHC).

Twenty-six individuals registered to attend the virtual Public Meeting. Of the 26 registered, 17 participants attended the virtual meeting.

A slide presentation was prepared. The presentation detailed the following: (1) HOME-ARP overview; (2) eligible activities; (3) qualifying populations; (4) several polls requesting the participants' feedback on those HOME-ARP initiatives deemed most important; and (5) next steps going forward. Participants were asked to rank their preferred two eligible activities and their preferred two qualifying populations to target with HOME-ARP funds. The ranking for each category were as follows:

[Top 2 Eligible Activities](#)

1. Development and support of affordable rental housing
2. Acquisition and development of non-congregate shelter units

[Top 2 Qualifying Populations](#)

1. Homeless
2. At-risk of homelessness

Prior to the end of the comment period, one comment was received by Ms. Angela York of THRIVE Peninsula. Ms. York previously provided feedback regarding how her organization would benefit from HOME-ARP funding. Her additional comment is as follows:

