

# State of Vermont HUD Consolidated Plan for Housing and Community Development Programs

## 2016 Action Plan



Harrington Village, Shelburne, VT

# **VERMONT HUD CONSOLIDATED PLAN**

## **2016 ACTION PLAN**

**July 1, 2016 - June 30, 2017**

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## Executive Summary

### AP-05 Executive Summary - 24 CFR 91.200(c), 91.220(b)

#### 1. Introduction

The State of Vermont's 2016 Consolidated Plan Action Plan guides the use of funding received through the U.S. Department of Housing and Urban Development's Community Development Block Grant Program (CDBG), HOME Investment Partnerships Program (HOME) and Emergency Solutions Grant Program (ESG), and this year, also includes the National Housing Trust Fund (NHTF). This Plan covers the time period July 1, 2016 – June 30, 2017.

CDBG is administered by the Vermont Community Development Program (VCDP) in the Department of Housing and Community Development (DHCD) of the Agency of Commerce and Community Development (ACCD). The Vermont Housing and Conservation Board (VHCB) administers HOME. ESG is administered by the Office of Economic Opportunity of the Department for Children and Families of the Agency of Human Services (OEO). The VHCB will also administer any funds allocated from the NHTF.

This plan identifies the State's housing and community development priorities based on an extensive needs assessment, market analysis, and citizen and stakeholder input. It establishes goals for meeting these priority needs over the next program year that reflect anticipated resources and past performance. Each goal is accompanied by an estimate of resources that will be used to meet it as well as outcome indicators that will be used to evaluate the State's performance.

As it has for many years, the State will use CDBG, HOME and ESG to provide decent, affordable housing, suitable living environments and expand economic opportunities for low and moderate-income Vermonters (and this year, with NHTF, will provide decent, affordable housing for extremely low-income households). It will do so according to three guiding principles. The first is achieving the perpetual affordability of housing resources and investments. The second principle is promoting development in State designated downtowns, village centers, neighborhood development areas and other areas that are consistent with the state's historic settlement pattern and "Smart Growth." The third principle is to link our homeless assistance activities with permanent housing through systems, practices and initiatives that are informed by data and proven approaches.

In addition, the state will support affirmatively furthering fair housing by supporting fair housing education and anti-discrimination activities, and encouraging affordable housing projects which are located in areas of opportunity, with low concentrations of racial or ethnic minorities and low concentrations of poverty, or if not located in such areas, by contributing to the revitalization of a disinvested community, or helping prevent displacement of residents living in neighborhoods on the verge of or already undergoing gentrification.

## **2. Summarize the objectives and outcomes identified in the Plan**

The plan establishes four goals to address the identified housing and community development priorities.

1. Increase the supply and quality of affordable housing.
2. Decrease the number of people experiencing homelessness.
3. Create and retain jobs.
4. Strengthen communities and improve the quality of life of Vermonters.

### **Outcomes over the next program year will include:**

Housing: 110 rental units being constructed or rehabilitated, 80 homeowner units being rehabilitated and 5 housing units for the homeless added.

Homelessness: 400 households assisted with rental and rapid rehousing assistance and 3,000 persons provided overnight shelter.

Jobs: 35 jobs being created or retained and 2 businesses being assisted.

Communities: 4,000 persons served by improved public facilities or infrastructure, 200 persons assisted by public services, one acre of brownfields being remediated and one blighted building being demolished.

## **3. Evaluation of past performance**

The State's annual housing goals identified in the 2015 Action Plan were to assist 90 units of affordable rental housing and 104 units of affordable home owner units.

In the last full program year, from July 1, 2014 to June 30, 2015, a total of 501 units of affordable housing in ten communities were assisted through the CDBG program. For the current program year, through February 2016, CDBG funding has been awarded to four applications supporting a total of 151 units of affordable housing, creating 47 new affordable rental housing units in three projects and rehabilitating 104 units in one project. Twenty-nine of the new units in two projects are energy-efficient modular homes replacing vacant or abandoned units in two mobile home parks. In addition, DHCD expects more housing grant applications to be submitted throughout the remainder of the program year ending June 30, 2015.

In addition, VCDP has funded two public facility grants serving 1,698 low income persons and one economic development grant assisting a business and supporting 30 jobs for LMI persons.

The NHTF is anticipated to assist in the creation of up to 18 units of rental housing affordable to extremely low- and very low- income families. Small increases in both CBDG and HOME allocations for 2016 are not enough to fund even one additional unit of housing. The trend of funding decreases will continue to reduce the number of projects supported and individuals assisted. However, with the efficient use and leveraging of HUD funding, Vermont will continue to yield notable results.

In the last full program year, from July 1, 2014 to June 30, 2015, 9 HOME assisted rental projects were completed with a total of 236 units and 53 HOME designated units serving households at or below 60% of AMI. Forty-seven of the HOME units or 89% were initially occupied by households at or below 50% AMI, and 25 were initially occupied by households at or below 30% AMI. Twenty-nine of the HOME units met or exceeded Energy Star standards.

For the current program year through February, 2016, \$2,551,842 in FFY15 HOME funds has been preliminarily awarded to seven projects with a total of 364 units and 36 HOME designated units, creating 44 new affordable housing units, and rehabilitating 320.

In addition, the maximum \$150,108 in HOME CHDO Operating funds was awarded to 6 certified Community Housing Development Organizations (CHDOs): Downstreet Housing & Community Development, RuralEdge, Shires Housing, Housing Trust of Rutland County, Twin Pines Housing Trust, and Windham & Windsor Housing Trust.

In the last full program year, from July 1, 2014 to June 30, 2015, ESG funding and State matched funding provided 153,361 shelter bed-nights to 4,303 homeless persons; 3,446 were adults and 857 were children under the age of 18. In 2015, the ESG program also provided housing stability for 2,164 persons in 867 households through prevention and rapid rehousing programs, approximately half of whom were literally homeless.

#### **4. Summary of Citizen Participation Process and consultation process**

In developing this Plan, DHCD, VHCB and OEO followed the State's Citizen Participation Plan and consulted with a broad range of local, regional and state organizations, including units of local government, both Continua of Care and the Citizen Advisory Group. The Draft plan was published on DHCD's website on March 15, 2016 and was widely distributed via email. Its availability was included in the legally warned public hearing notice.

Two public hearings were legally warned and publicized two weeks in advance in all major newspapers across the state and by postings, email, and online. The first hearing was conducted on February 8, 2016, before development of the plan to obtain citizens' views about housing, homelessness, public facilities and services, and non-housing community development needs in the state, and to review past

performance. The second public hearing scheduled on March 30, 2016 was not attended by any member of the public.

## **5. Summary of public comments**

Two people gave testimony at the public hearing conducted on February 8, 2016 before development of the plan. A representative of Home Share testified in support of expanding Home Share programs in the state. A representative of a homeless service provider in Rutland, Vermont testified in support of apprenticeship and mentoring programs for young adults who need sustainable employment to afford housing. No one gave testimony at the subsequent public hearing that was held on March 30, 2016 to receive comments on the draft plan.

DHCD only received one written comment. This concerned the change to increase the allocation percentage of CDBG funding for economic development from 20% to 25%, and decrease the allocation percentage for housing from 68% to 63%. The commenter felt that because of the need for new housing and housing rehab compared to the resources available, funding for housing is already oversubscribed. She commented that housing development is economic development, and noted that the jobs goal laid out in the plan had already been met, and wondered why the allocation changed. The commenter also noted that there are other resources for economic development including Federal Home Loan Bank of Boston, Jobs for New England that could fill the need.

## **6. Summary of comments or views not accepted and the reasons for not accepting them**

With regard to the written comment questioning the change of allocation of CDBG funding, the DHCD recognizes that housing resources are oversubscribed, but declined to accept this view. CDBG funding is often overlooked as a resource for economic development and DHCD hopes the new allocation will encourage communities to seek funding from CDBG for their economic development projects. In addition, based on applications filed to date this year, the changed percentage more accurately reflects the percentage of funds sought for economic development. DHCD acknowledges the fact that housing applications comprise the vast majority of CDBG applications in every round but feels the changed allocation will further all of the state's priorities in a more balanced way.

## PR-05 Lead & Responsible Agencies - 91.300(b)

### 1. Agency/entity responsible for preparing/administering the Consolidated Plan

The following are the agencies/entities responsible for preparing the Consolidated Plan and those responsible for administration of each grant program and funding source.

Agency Role	Name	Department/Agency
CDBG Administrator	VERMONT	Vermont Community Development Program, DHCD/ACCD
HOME Administrator	VERMONT	Vermont Housing and Conservation Board
ESG Administrator	VERMONT	Office of Economic Opportunity, DCF/AHS
NHTF Administrator	VERMONT	Vermont Housing and Conservation Board

Table 1 – Responsible Agencies

### Consolidated Plan Public Contact Information

Arthur Hamlin, Housing Program Coordinator

Department of Housing & Community Development

1 National Life Drive, Davis Building, 6th Floor

Montpelier, VT 05620

## **AP-10 Consultation - 91.110, 91.300(b); 91.315(l)**

### **1. Introduction**

In developing the State's 5-year plan, DHCD consulted with more than fifty organizations, including municipal governments, the Consolidated Plan Citizen Advisory Group, and many local and regional organizations. In preparing this annual update, DHCD through the Citizen Advisory Group, distributed information about the consolidated planning process and sought to engage involvement from a wide constituency of people, especially participation from low and moderate income people, people living in slum and blighted areas and in areas where CDBG, HOME and ESG funds are used.

To consult on ESG, OEO reached out specifically to the Continua of Care (CoC), nonprofit homeless shelter and service providers, as well as other State agency and nonprofit partners where homeless policy and service populations overlap.

#### **Provide a concise summary of the state's activities to enhance coordination between public and assisted housing providers and private and governmental health, mental health and service agencies**

In the last several years, affordable housing providers and representatives of health, mental health, environmental, labor, and service agencies have substantially strengthened their networking and coordination activities. The State, through DHCD, has led, actively encouraged and participated in these efforts, and will continue to do so.

Similarly, DHCD coordinates economic development activities with the Department of Economic Development (also of ACCD), regional development corporations, local and State chambers of commerce and other State agencies.

#### **Describe coordination with the Continuum of Care and efforts to address the needs of homeless persons (particularly chronically homeless individuals and families, families with children, veterans, and unaccompanied youth) and persons at risk of homelessness**

In 2012, the Governor established the Vermont Council on Homelessness to develop, monitor, and report on a Plan to End Homelessness. The Council, chaired by the AHS Housing Director, includes representatives from across State government including the Department of Mental Health, Department of Disabilities, Aging & Independent Living, Agency of Education, Department of Corrections, DHCD, as well as six representatives of shelter providers and the Continua of Care, and other entities.

Vermont's 5-year Plan to End Homelessness (2013-2018) adopts five goals:

The primary overarching goal of the plan is to:

1) Reduce the incidence and duration of homelessness;

Followed by:

2) Prevent homelessness and retain successful housing placements;

3) Strengthen services that alleviate and prevent homelessness;

4) Increase the number of available homes affordable to renter households earning 30% AMI or less;

5) Increase the economic security of households at risk of homelessness.

The plan also includes fourteen specific strategies targeted to address the needs of persons experiencing homelessness, including chronically homeless individuals and families, families with children, veterans, and unaccompanied youth, and persons at risk of homelessness.

Vermont has worked to restructure its homeless assistance funding to better align with state and federal goals to reduce the number of individuals and families experiencing homelessness, shorten the length of time persons are homeless, and to reduce the number of people returning to homelessness.

**Describe consultation with the Continuum(s) of Care that serves the State in determining how to allocate ESG funds, develop performance standards for and evaluate outcomes of projects and activities assisted by ESG funds, and develop funding, policies and procedures for the operation and administration of HMIS**

Vermont has two HUD Continua of Care (CoC), the Chittenden County CoC and the Balance of State CoC known as the Vermont Coalition to End Homelessness (VCEH). The Balance of State CoC is a coalition of 13 local or regional CoCs.

The State Office of Economic Opportunity (OEO) coordinates with partners in AHS, the CoCs, and external stakeholders to ensure that the Emergency Solutions Grant program is part of an integrated, statewide strategy to ending homelessness and improving housing and stability outcomes for families and individuals. CoCs have provided input into how Vermont is determining the allocation of funds, the development of performance and evaluation outcomes, and the development of policies and procedures for the administration of HMIS. This input and consultation has been provided through 3 primary methods:

- Formal presentations and discussion at CoC Meetings, at least annually
- OEO Housing Advisory Group and the Vermont Council on Homelessness
- Online Survey

OEO and AHS are active participants in the governance of each CoC. OEO also serves on and/or chairs various committees in each, including HMIS, Coordinated Entry and other ad hoc workgroups.

OEO convenes a Housing Advisory Group composed of grantee organizations who also serve as leaders in local CoCs; this group provides a deeper review of broad stakeholder input, including program standards, the process for making sub-awards, and performance measures. OEO also participates on the Vermont Council on Homelessness.

OEO issues a public survey distributed to all program grantees and posted to both CoC list-serves to solicit input on funding priorities and a review of performance measurements. This survey is in addition to the public survey and community sessions for the entire Consolidated Plan.

## **2. Agencies, groups, organizations and others who participated in the process and consultations**

See Table 2 below

**Table 2 – Agencies, groups, organizations who participated**

1	<b>Agency/Group/Organization</b>	Vermont Legal Aid
	<b>Agency/Group/Organization Type</b>	Legal Services
	<b>What section of the Plan was addressed by Consultation?</b>	Citizen Advisory Group
	<b>Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?</b>	
2	<b>Agency/Group/Organization</b>	Rutland Regional Planning Commission
	<b>Agency/Group/Organization Type</b>	Regional organization Planning organization
	<b>What section of the Plan was addressed by Consultation?</b>	Citizen Advisory Group
	<b>Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?</b>	
3	<b>Agency/Group/Organization</b>	Vermont Housing Finance Agency
	<b>Agency/Group/Organization Type</b>	Housing Other government - State
	<b>What section of the Plan was addressed by Consultation?</b>	Citizen Advisory Group
	<b>Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?</b>	
4	<b>Agency/Group/Organization</b>	Greater Burlington Industrial Corporation
	<b>Agency/Group/Organization Type</b>	Regional organization Economic Development

	<b>What section of the Plan was addressed by Consultation?</b>	Citizen Advisory Group
	<b>Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?</b>	
5	<b>Agency/Group/Organization</b>	Agency of Human Services
	<b>Agency/Group/Organization Type</b>	Services - Housing Services-Children Services-Elderly Persons Services-Persons with Disabilities Services-Persons with HIV/AIDS Services-Victims of Domestic Violence Services-homeless Services-Health Health Agency Child Welfare Agency Grantee Department
	<b>What section of the Plan was addressed by Consultation?</b>	Citizen Advisory Group
	<b>Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?</b>	This organization is a member of the Citizen Advisory Group. AHS OEO is the ESG Program Administrator and key contributor to this plan.
6	<b>Agency/Group/Organization</b>	Springfield Regional Development Corporation
	<b>Agency/Group/Organization Type</b>	Regional organization Economic Development
	<b>What section of the Plan was addressed by Consultation?</b>	Citizen Advisory Group

	<b>Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?</b>	
7	<b>Agency/Group/Organization</b>	Town of West Rutland
	<b>Agency/Group/Organization Type</b>	Other government - Local
	<b>What section of the Plan was addressed by Consultation?</b>	Citizen Advisory Group
	<b>Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?</b>	
8	<b>Agency/Group/Organization</b>	Vermont Economic Development Authority
	<b>Agency/Group/Organization Type</b>	Economic Development
	<b>What section of the Plan was addressed by Consultation?</b>	Citizen Advisory Group
	<b>Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?</b>	
9	<b>Agency/Group/Organization</b>	Community Capital of Vermont
	<b>Agency/Group/Organization Type</b>	Business Leaders Economic Development Community Development Financial Institution Private Sector Banking / Financing
	<b>What section of the Plan was addressed by Consultation?</b>	Citizen Advisory Group
	<b>Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?</b>	

10	<b>Agency/Group/Organization</b>	Vermont Interfaith Action
	<b>Agency/Group/Organization Type</b>	Faith-Based Organization
	<b>What section of the Plan was addressed by Consultation?</b>	Citizen Advisory Group
	<b>Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?</b>	
11	<b>Agency/Group/Organization</b>	Vermont Center for Independent Living
	<b>Agency/Group/Organization Type</b>	Services - Housing Services-Persons with Disabilities Services-Employment
	<b>What section of the Plan was addressed by Consultation?</b>	Citizen Advisory Group
	<b>Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?</b>	
12	<b>Agency/Group/Organization</b>	Vermont Affordable Housing Coalition
	<b>Agency/Group/Organization Type</b>	Advocacy Organization
	<b>What section of the Plan was addressed by Consultation?</b>	Citizen Advisory Group
	<b>Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?</b>	
13	<b>Agency/Group/Organization</b>	Vermont Coalition to End Homelessness
	<b>Agency/Group/Organization Type</b>	Services-homeless Advocacy Organization
	<b>What section of the Plan was addressed by Consultation?</b>	Citizen Advisory Group

	<b>Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?</b>	
14	<b>Agency/Group/Organization</b>	Cathedral Square Corporation
	<b>Agency/Group/Organization Type</b>	Housing Services - Housing Services-Elderly Persons
	<b>What section of the Plan was addressed by Consultation?</b>	Citizen Advisory Group
	<b>Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?</b>	
15	<b>Agency/Group/Organization</b>	Housing Vermont
	<b>Agency/Group/Organization Type</b>	Housing Private Sector Banking / Financing
	<b>What section of the Plan was addressed by Consultation?</b>	Citizen Advisory Group
	<b>Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?</b>	
16	<b>Agency/Group/Organization</b>	Vermont Housing and Conservation Board
	<b>Agency/Group/Organization Type</b>	Housing Other government - State Grantee Department
	<b>What section of the Plan was addressed by Consultation?</b>	Citizen Advisory Group

	<b>Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?</b>	This organization is a member of the Citizen Advisory Group. VHCB is the administrator for the HOME program and a key contributor to this plan.
17	<b>Agency/Group/Organization</b>	Winooski Housing Authority
	<b>Agency/Group/Organization Type</b>	PHA
	<b>What section of the Plan was addressed by Consultation?</b>	Citizen Advisory Group
	<b>Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?</b>	
18	<b>Agency/Group/Organization</b>	Vermont State Housing Authority
	<b>Agency/Group/Organization Type</b>	Housing PHA Other government - State
	<b>What section of the Plan was addressed by Consultation?</b>	Citizen Advisory Group
	<b>Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?</b>	
19	<b>Agency/Group/Organization</b>	Vermont Office of Economic Opportunity
	<b>Agency/Group/Organization Type</b>	Services - Housing Services-homeless Other government - State Grantee Department
	<b>What section of the Plan was addressed by Consultation?</b>	Citizen Advisory Group

	<b>Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?</b>	This organization is a member of the Citizen Advisory Group. AHS OEO is the ESG Program Administrator and key contributor to this plan.
20	<b>Agency/Group/Organization</b>	Addison County Economic Development Corporation
	<b>Agency/Group/Organization Type</b>	Regional organization Economic Development
	<b>What section of the Plan was addressed by Consultation?</b>	Citizen Advisory Group
	<b>Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?</b>	

**Identify any Agency Types not consulted and provide rationale for not consulting**

N/A - No known agency type was excluded.

**Other local/regional/state/federal planning efforts considered when preparing the Plan**

<b>Name of Plan</b>	<b>Lead Organization</b>	<b>How do the goals of your Strategic Plan overlap with the goals of each plan?</b>
Continuum of Care	Chittenden CoC and VT Coalition to End Homelessness (Balance of State CoC)	The existing planning document for both Continua of Care is their respective responses to the annual HUD CoC notice of funding availability (NOFA). Their responses and the Strategic Plan both seek to decrease the number of individuals and families experiencing homelessness.

**Table 3 - Other local / regional / federal planning efforts**

## **AP-12 Participation - 91.115, 91.300(c)**

### **1. Summary of citizen participation process/Efforts made to broaden citizen participation Summarize citizen participation process and how it impacted goal-setting**

This Vermont Consolidated Plan 2016 Action Plan was developed with public input as per the State of Vermont Citizen Participation Plan adopted April 2005. The Draft plan was published on DHCD's website on March 15, 2016 and widely distributed via email. Its availability was also included the legally warned public hearing notice.

Two public hearings were legally warned and publicized two weeks in advance in all major newspapers across the state and by postings, email, and online. The first hearing was conducted on February 8, 2016, before development of the plan to obtain citizens' views about the needs and interests of the public in the areas of housing, public services, community development and economic development, development of proposed grant activities, and to review past performance related to the HUD Consolidated Plan. The second public hearing scheduled on March 30, 2016 was not attended by any member of the public.

In conjunction with the public hearings, the Department convened meetings of the Consolidated Plan Citizen Advisory Group. The Consolidated Plan Citizen Advisory Group was formed to guide the development and priorities of the State's Consolidated Plan. The Citizen Advisory Group encompasses a broad range of constituents including representation from organizations that are faith-based, serve the homeless and persons with disabilities, seniors, public housing tenants, economic development and other non-housing community development needs.

Citizen Advisory Group members were encouraged to distribute information about the consolidated planning process to their constituents and people they serve. Members of this group assisted in stimulating involvement from a wide constituency of people, especially participation from low and moderate income people, people living in slum and blighted areas, and in areas where CDBG, HOME and ESG funds are used.

Input from the public and the Citizen Advisory Group was used to inform the goals in this plan, including the impact of the any National Housing Trust Funds allocated to Vermont on those goals.

**Citizen Participation Outreach**

Sort Order	Mode of Outreach	Target of Outreach	Summary of response/attendance	Summary of comments received	Summary of comments not accepted and reasons	URL (If applicable)
1	Public Hearing	Non-targeted/broad community	The DHCD conducted a public hearing on February 8, 2016 to hear citizen's views on development of this 2016 Action Plan.	Two people gave testimony at the hearing. A representative of Home Share testified in support of expanding Home Share programs in the state. A representative of a homeless service provider in Rutland, Vermont testified in support of apprenticeship and	N/A for this hearing.	<a href="http://accd.vermont.gov/strong_communities/housing/planning/consolidated_plan/how">http://accd.vermont.gov/strong_communities/housing/planning/consolidated_plan/how</a>

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Sort Order	Mode of Outreach	Target of Outreach	Summary of response/attendance	Summary of comments received	Summary of comments not accepted and reasons	URL (If applicable)
				mentoring programs for young adults who need sustainable employment to afford housing.		
2	Public Hearing	Non-targeted/broad community	The DHCD held a public hearing on March 30, 2016 to receive comments on the draft 2016 Action Plan. However, no member of the public attended.	N/A	N/A	

Table 4 – Citizen Participation Outreach

## Expected Resources

### AP-15 Expected Resources – 91.320(c)(1,2)

#### Introduction

The State of Vermont receives HUD funding for CDBG, HOME and ESG.

Vermont's allocations are \$6,418,887 million in CDBG funds to be used for housing, economic development, and public services and facilities, \$3,023,400 million in HOME funds to be used for housing, and \$636,400 in HUD funds through the ESG program to be used for emergency shelter and rapid rehousing for persons experiencing homelessness. The VCDP estimates an additional \$243,800 in CDBG program income each year.

CDBG, HOME and ESG will be used strategically to address priority needs and leverage other federal, State and local resources. These include federal low income housing tax credits. The State's LIHTC program is administered by the Vermont Housing Finance Agency in accordance with Vermont's Qualified Allocation Plan. The QAP closely reflects the priorities, goals and strategies of the Consolidated Plan. A significant source for non-housing community development is equity generated by New Market Tax Credits. NMTCs are deployed by Housing Vermont's Vermont Rural Ventures, a qualified community development enterprise. Both VHFA and Housing Vermont sit on the Vermont Housing Council and Con Plan Citizen Advisory Group ensuring close coordination. Additional resources that may be leveraged to support the goals of the Consolidated Plan include Section 8, McKinney-Vento, Vermont Housing and Conservation Trust and matching funds. If any funds remain, DHCD will also obligate the remainder of its CDBG Disaster Recovery allocations.

Vermont was recently notified that it will receive a \$3,000,000 allocation from the National Housing Trust Fund. This resource will be used according to Vermont's NHTF allocation plan, in particular to meet the housing needs of extremely low-income households.

**Anticipated Resources**

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1				Expected Amount Available Remainder of ConPlan \$	Narrative Description
			Annual Allocation: \$	Program Income: \$	Prior Year Resources: \$	Total: \$		
CDBG	public - federal	Acquisition Admin and Planning Economic Development Housing Public Improvements Public Services	6,418,887	243,800	0	6,662,687	19,631,400	Assuming \$6.3 million annual allocation plus \$243,800 in program income.
HOME	public - federal	Acquisition Multifamily rental new construction Multifamily rental rehab	3,023,400	0	0	3,023,400	9,000,000	Assuming \$3 million small state minimum. HOME will be used for Multifamily rental new construction and rehab.

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Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1				Expected Amount Available Remainder of ConPlan \$	Narrative Description
			Annual Allocation: \$	Program Income: \$	Prior Year Resources: \$	Total: \$		
ESG	public - federal	Conversion and rehab for transitional housing Financial Assistance Overnight shelter Rapid re-housing (rental assistance) Rental Assistance Services Transitional housing	636,450	0	0	636,450	1,800,000	Assuming \$600,000 annual allocation.
National Housing Trust Fund	public - federal	Housing Multifamily rental new construction Multifamily rental rehab	3,000,000	0	0	3,000,000	9,000,000	Assuming \$3 million annual small state minimum. NHTF will be used for multifamily rental new construction and rehabilitation.

Table 5 - Expected Resources – Priority Table

**Explain how federal funds will leverage those additional resources (private, state and local funds), including a description of how matching requirements will be satisfied**

For CDBG funds, VCDP's Program Guidelines require applicants to provide a full description of how matching requirements will be met including the name and address of the source and indicate whether it is a loan, grant, cash, cash-in-kind goods or services, etc. Matching requirements are as follows:

(a) Economic Development Loans: borrower must provide cash-equity of at least 10% of the total project cost. This cannot be borrowed or otherwise encumbered money. Note: The Agency may waive the 10% equity match required for a VCDP economic development project if justified.

(b) Handicapped Accessibility work: A cash or cash-in-kind contribution must be provided at an amount equal to a flat 25% of the VCDP funds for all Accessibility Modification Grants (AM). For Implementation Grants (IG) that include handicapped access activities, the 25% match is required only when (i) handicapped access activity makes up more than 50% of the project, and/or (ii) benefit is based solely on handicapped access. The match must be applied to the handicapped access elements of the project.

(c) Slums & Blight: Cash or cash-in-kind goods or services of at least 25% of the VCDP funds. This match must directly fund remediation of the S&B condition.

(d) Municipally-Owned Facilities: Municipalities must make a municipal contribution toward the cost of projects to construct or improve these facilities. No match amount is prescribed, but the contribution will bear on the competitiveness of the application.

(e) Planning Grants: Cash or cash-in-kind goods or services of a flat 25% of the VCDP funds.

(f) Home Access Grants: Cash or cash-in-kind goods or services of a flat 25% of the VCDP funds.

(g) If a community has an in-active VCDP/HUD funded Revolving Loan Fund (RLF) as defined by Agency Procedures, at least 20% of the RLF balance on hand must be committed to the project when applying for VCDP funds.

For HOME funds, priority is given to projects with non-federal funding sources for leveraging HOME Funds to ensure the overall HOME Program meets the 25% match requirement. Projects must demonstrate leverage of resources and cost-effectiveness, which may include but is not limited to density bonuses, energy efficiency, lead paint hazard abatement, and historic preservation. Vermont Housing Conservation Board (VHCB) State funding for housing is often used as match for the HOME Program.

ESG requires a dollar for dollar match. OEO will use State general funds appropriation for homeless assistance as match for the ESG program.

There is no match requirement for NHTF funding, however, applications that include the use of non-federal funding sources will be prioritized. As with HOME, VHCB's State funds will likely serve as a source of non-federal match for NHTF assisted projects.

**If appropriate, describe publically owned land or property located within the jurisdiction that may be used to address the needs identified in the plan**

N/A

## Annual Goals and Objectives

### AP-20 Annual Goals and Objectives – 91.320(c)(3)&(e)

#### Goals Summary Information

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
1	Increase supply and quality of affordable housing	2015	2019	Affordable Housing Public Housing Homeless Non-Homeless Special Needs		Safe, Decent, and Affordable Housing	CDBG: \$4,197,493 HOME: \$3,023,400 NHTF: \$3,000,000	Rental units constructed: 55 Household Housing Unit Rental units rehabilitated: 55 Household Housing Unit Homeowner Housing Added: 0 Household Housing Unit Homeowner Housing Rehabilitated: 80 Household Housing Unit Housing for Homeless added: 5 Household Housing Unit
2	Create and retain jobs	2015	2019	Non-Housing Community Development		Economic Opportunity	CDBG: \$1,665,672	Jobs created/retained: 35 Jobs Businesses assisted: 2 Businesses Assisted
3	Decrease the number experiencing homelessness	2015	2019	Homeless		Individuals and families experiencing homelessness	ESG: \$636,450	Tenant-based rental assistance / Rapid Rehousing: 400 Households Assisted Homeless Person Overnight Shelter: 3000 Persons Assisted

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Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
4	Strengthen communities and improve quality of life	2015	2019	Non-Housing Community Development		Strong Communities	CDBG: \$799,522	Public Facility or Infrastructure Activities other than Low/Moderate Income Housing Benefit: 4000 Persons Assisted Public service activities other than Low/Moderate Income Housing Benefit: 100 Persons Assisted Public service activities for Low/Moderate Income Housing Benefit: 100 Households Assisted Brownfield acres remediated: 1 Acre Buildings Demolished: 1 Buildings

Table 6 – Goals Summary

**Goal Descriptions**

<b>1</b>	<b>Goal Name</b>	Increase supply and quality of affordable housing
	<b>Goal Description</b>	See 2015-2019 Vermont Consolidated Plan
<b>2</b>	<b>Goal Name</b>	Create and retain jobs
	<b>Goal Description</b>	See 2015-2019 Vermont Consolidated Plan
<b>3</b>	<b>Goal Name</b>	Decrease the number experiencing homelessness
	<b>Goal Description</b>	See 2015-2019 Vermont Consolidated Plan
<b>4</b>	<b>Goal Name</b>	Strengthen communities and improve quality of life
	<b>Goal Description</b>	See 2015-2019 Vermont Consolidated Plan

**Table 7 – Goal Descriptions**

**Estimate the number of extremely low-income, low-income, and moderate-income families to whom the jurisdiction will provide affordable housing as defined by HOME 91.215(b)**

HOME Program funds will be used exclusively for rental housing development (new construction and rehabilitation). Approximately 40 households will benefit from HOME assisted units annually. All 40 HOME units will be restricted to households at or below 60% area median income at initial occupancy. For projects with 5 or more HOME units, at least 20% will be restricted to households at or below 50% area median income. The rents shall be restricted to the applicable HOME rent limits published by HUD. It is worth noting however, that historically nearly 90% of HOME designated units are initially occupied by households at or below 50% AMI, with over 55% at or below 30% AMI.

ESG Program funds for Rapid Rehousing will be used exclusively to provide tenant-based rental assistance for very low income households (below 30% AMI) in housing that is at fair market rent or below as published by HUD. An estimated 400 households will be assisted with ESG Rapid Rehousing funds in 2016.

CDBG program funding will be used to construct new multifamily rental housing and to rehabilitate existing multifamily rental housing. In addition, CDBG funding will be used to rehabilitate existing homeownership units. It is estimated that approximately 70% of all CDBG assisted units will serve households below 50% area median income. In 2016 it is estimated that CDBG funding will assist approximately 63 affordable rental units and 70 affordable homeowner units that meet the HOME definition.

NHTF funds will be used for rental housing development (new construction and rehabilitation). Approximately 18 households will benefit from NHTF assisted units annually. All 18 units will be restricted to households at or below 30% area median income at initial occupancy. The rents shall be restricted to the applicable NHTF rent limits published by HUD, or, if the unit has project-based rental assistance, the maximum rent allowed by the rental assistance program.

## AP-25 Allocation Priorities – 91.320(d)

### Introduction

In keeping with the State’s long standing policy, the State does not plan to target assistance to specific geographic regions or activities. State law requires that CDBG funds, dispersed through VCDP are awarded on a competitive basis, based on an evaluation of need, impact and feasibility, and subject to HUD limitations. Likewise, VHCB allocates HOME funds on a competitive basis, except for up to 5% for general operation assistance for Community Housing Development Organizations (CHDOs) to implement HOME projects. ESG funds are awarded to eligible municipalities and approved nonprofits, including community and faith-based organizations following the selection process of the Vermont Office of Economic Opportunity.

### Funding Allocation Priorities

	Increase supply and quality of affordable housing (%)	Create and retain jobs (%)	Decrease the number experiencing homelessness (%)	Strengthen communities and improve quality of life (%)	Total (%)
CDBG	63	25	0	12	100
HOME	100	0	0	0	100
ESG	0	0	100	0	100
NHTF	100	0	0	0	100

Table 8 – Funding Allocation Priorities

### Reason for Allocation Priorities

These allocation priorities are based on the priority needs identified in the Housing Needs Assessment and through the citizen participation and consultation process. These funding levels are established to help the goals identified in the Consolidated Plan.

### How will the proposed distribution of funds will address the priority needs and specific objectives described in the Consolidated Plan?

The proposed distribution of funds addresses the priority needs identified by allocating funding to the most critical needs identified through the Housing Needs Assessment, market analysis, citizen participation process, and consultation with service providers, agencies and organizations. Vermont continues to see the strongest needs as affordable housing, reducing homelessness and job creation. These needs are clearly reflected in the State’s allocation of CDBG, HOME, and NHTF resources. Specifically, ESG funds will be fully leveraged along with State resources to reduce the number of individuals and families experiencing homelessness. These funds will also focus on shortening the length of time people experience homelessness and reduce the number of individuals returning to

homelessness.

This distribution is further informed by past program performance and evaluations of how CDBG, HOME and ESG can be used most effectively and efficiently given program rules.

## AP-30 Methods of Distribution – 91.320(d)&(k)

### Introduction

This section summarizes the method of distribution for State programs that administer HUD funds, as well as the National Housing Trust Fund. As required, it also provides information about locally controlled program income / revolving loan funds.

### Distribution Methods

**Table 9 - Distribution Methods by State Program**

<b>1</b>	<b>State Program Name:</b>	Housing Opportunity Grant Program (HOP)
	<b>Funding Sources:</b>	ESG
	<b>Describe the state program addressed by the Method of Distribution.</b>	<p>OEO’s Housing Opportunity Grant Program combines ESG funds with state homeless assistance funds to help nonprofit organizations work within their local Continua of Care to:</p> <ul style="list-style-type: none"> <li>• Reduce the incidence and duration of homelessness;</li> <li>• Shorten the length of time an individual or household is homeless; and</li> <li>• Prevent homelessness.</li> </ul>
	<b>Describe all of the criteria that will be used to select applications and the relative importance of these criteria.</b>	<p><u>Selection of applicants for ESG funding under the consolidated Housing Opportunity Grant Program will be made based on the following:</u></p> <ul style="list-style-type: none"> <li>• Meeting of criteria as outlined in this document and detailed in the Request for Proposal (RFP).</li> <li>• The applicant’s history of providing effective shelter or rapid rehousing services to the homeless, and of successfully operating performance-based grant-funded programs.</li> <li>• The applicant’s demonstrated coordination with organizations in their local "continuum of care," to address identified gaps in services for the homeless and improve outcomes for participants. All activities undertaken with ESG assistance are consistent with the State’s consolidated plan.</li> </ul>

	<ul style="list-style-type: none"> <li>• If the applicant is requesting Emergency Shelter Operations funding: Assurance that funds will preserve or support existing shelter bed capacity.</li> <li>• If applicant is requesting Essential Services or Rapid Re-Housing funding: The applicant’s ability to transition homeless participants or shelter residents to permanent or transitional housing, and/or prevent homelessness for families and individuals who are at risk. The applicant’s ability to assist homeless participants in obtaining mainstream supportive services (including medical and mental health treatment, counseling, supervision, and other services essential for achieving independent living), and other Federal State, local, and private assistance available for such individuals.</li> <li>• The applicant’s engagement of homeless individuals and families in the governance or operation of programming and services, to the maximum extent practicable.</li> <li>• Previous project performance under the program performance measures.</li> <li>• Ability to demonstrate funding leveraged from other sources (in-kind and cash)</li> </ul> <p>Actual funding will be based on the following:</p> <ul style="list-style-type: none"> <li>• Requested amount (total request and spending plan)</li> <li>• Available funds</li> <li>• Strength of Application in demonstrating application criteria are met</li> <li>• Local need</li> <li>• Alignment with state and federal strategies</li> </ul>
<p><b>If only summary criteria were described, how can potential applicants access application</b></p>	<p>N/A - CDBG only</p>

<p><b>manuals or other state publications describing the application criteria? (CDBG only)</b></p>	
<p><b>Describe the process for awarding funds to state recipients and how the state will make its allocation available to units of general local government, and non-profit organizations, including community and faith-based organizations. (ESG only)</b></p>	<p>In April 2016, OEO will release a Request for Proposal for the Housing Opportunity Grant Program (which includes ESG program funds). Proposals will be reviewed and evaluated by AHS OEO based on local need, capacity, approach and local coordination. Part of the selection process may involve a site visit of the finalists at which time documentation listed in the application will be reviewed. Vermont will make ESG sub-awards with successful applicants for ESG-funded activities under Housing Opportunity Grant Program agreements. One or more grants will be awarded by OEO to Vermont municipalities, or, with municipal approval, Vermont nonprofits whose purpose is to shelter, serve, and re-house the homeless. All sub-awards are made on the State Fiscal Year calendar (July 1 – June 30).</p>
<p><b>Identify the method of selecting project sponsors (including providing full access to grassroots faith-</b></p>	<p>N/A – HOPWA only</p>

<p><b>based and other community-based organizations). (HOPWA only)</b></p>	
<p><b>Describe how resources will be allocated among funding categories.</b></p>	<p>Decisions on how to prioritize funding categories are based on survey and public forum input through the Consolidated Plan process, guidance and national reports released by HUD, the National Alliance to End Homelessness, and the US Interagency Council on Homelessness (USICH); the Vermont Council on Homelessness five-year plan to end homelessness; and an acknowledgement that homelessness is inherently traumatic for families and individuals. In addition, decisions were informed by survey and discussions with CoC stakeholders regarding funding priorities. Survey results revealed strong consensus that Vermont prioritizes funding for Emergency Shelter, Homelessness Prevention and Rapid Re-housing. Further consultation confirmed that Vermont’s homeless prevention needs and rehousing service needs could be better met outside the requirements of HUD funding. State funds will adequately support these efforts and Vermont will focus ESG Emergency Shelter funds on preserving existing shelter capacity and/or supporting seasonal capacity, as is consistent with the AHS housing policy. The survey also confirmed that promoting permanent housing through rapid re-housing activities are widely supported strategies for reducing homelessness. OEO estimates the following allocation to planned activities:</p> <p>Emergency Shelter (Operations &amp; Essential Services): 50%</p> <p>HMIS: 7.5%</p> <p>Rapid Rehousing (Financial &amp; Rental Assistance): 35%</p> <p>Administration: 7.5% (maximum allowable)</p> <p>Specific funding within the major categories of Rapid Rehousing and Emergency Shelter may shift based on the applications received and awarded.</p>
<p><b>Describe threshold factors and grant size limits.</b></p>	<p>Eligible applicants are municipalities and nonprofits including community and faith-based organizations. New applicants, and applicants who have recently relocated their operations to another municipality, must submit a completed Certification of Local Government Approval with their application.</p>

		<p>Faith-based organizations are required to have separate 501c3 status established to meet eligibility requirements.</p> <p>All grantees must be in compliance with program guidelines and applicable state and federal policies and procedures, including compliance with federal nondiscrimination law. This includes certification from all Emergency Shelter applicants that the assisted property will be maintained as an Emergency Shelter for the period of funded assistance. All Shelters must have passed ESG shelter habitability inspection within the past year.</p> <p>There are no grant size limits.</p>
	<b>What are the outcome measures expected as a result of the method of distribution?</b>	This method of distribution will support the State’s goal of serving 400 households through rapid rehousing services and providing emergency overnight shelter to 3,000 people.
<b>2</b>	<b>State Program Name:</b>	Local Program Income / Revolving Loan Funds
	<b>Funding Sources:</b>	CDBG
	<b>Describe the state program addressed by the Method of Distribution.</b>	N/A - this method describes locally controlled revolving loan funds.
	<b>Describe all of the criteria that will be used to select applications and the relative importance of these criteria.</b>	N/A - each local revolving loan funds sets their own criteria.

<p><b>If only summary criteria were described, how can potential applicants access application manuals or other state publications describing the application criteria? (CDBG only)</b></p>	<p>Potential applicants need to contact the respective revolving loan fund municipality for any application materials and loan fund criteria.</p>
<p><b>Describe the process for awarding funds to state recipients and how the state will make its allocation available to units of general local government, and non-profit organizations, including community and faith-based organizations. (ESG only)</b></p>	<p>N/A – ESG only</p>
<p><b>Identify the method</b></p>	<p>N/A – HOPWA only</p>

	<b>of selecting project sponsors (including providing full access to grassroots faith-based and other community-based organizations). (HOPWA only)</b>	
	<b>Describe how resources will be allocated among funding categories.</b>	For table describing local revolving loan funds - see AD-26 Grantee Unique Appendices.
	<b>Describe threshold factors and grant size limits.</b>	N/A - each local revolving loan fund sets their own.
	<b>What are the outcome measures expected as a result of the method of distribution?</b>	N/A - the State does not have a revolving loan fund.
<b>3</b>	<b>State Program Name:</b>	National Housing Trust Fund (NHTF)
	<b>Funding Sources:</b>	Housing Trust Fund
	<b>Describe the state program addressed</b>	NHTF funds will be distributed statewide, including the City of Burlington. NHTF funds will be awarded on a competitive basis to locally-driven projects that address the criteria outlined in this allocation plan as well as the priority housing needs as identified in the State's Consolidated Plan.

<p><b>by the Method of Distribution.</b></p>	
<p><b>Describe all of the criteria that will be used to select applications and the relative importance of these criteria.</b></p>	<p>The following <i>threshold criteria</i> must exist in any application to be considered for a NHTF award: 1) the project must include the creation or preservation of permanent rental housing (transitional housing and shelters are not eligible), 2) the housing remain perpetually affordable after the expiration of the NHTF required period via a VHCB Housing Subsidy Covenant, 3) at least one of the State’s Consolidated Plan housing priorities must be addressed, and 4) there must be a reasonable expectation that the project will be ready to proceed within 18 months.</p> <p>Applications will be reviewed by staff according to VHCB’s Affordable Housing Policy (<a href="http://www.vhcb.org/pdfs/hsgpolicy/housing.pdf">http://www.vhcb.org/pdfs/hsgpolicy/housing.pdf</a>) as well as VHCB’s Underwriting Policy and Procedures, (<a href="http://www.vhcb.org/pdfs/hsgpolicy/Project-Underwriting-Policies-and-Procedures-1-2015.pdf">http://www.vhcb.org/pdfs/hsgpolicy/Project-Underwriting-Policies-and-Procedures-1-2015.pdf</a>), which includes analysis in the following areas:</p> <ul style="list-style-type: none"> <li>• Development capacity and fiscal soundness of the applicant, and experience of the development team</li> <li>• Project location</li> <li>• Market demand</li> <li>• Budget documents</li> <li>• Plans and specifications</li> <li>• NHTF and other applicable federal requirements</li> <li>• Developer/owner profit standard and evaluation</li> </ul> <p>In addition to VHCB’s applicable policies, applications for funding submitted by eligible entities will be reviewed, and funding will be prioritized, according to how the following criteria are met:</p> <ul style="list-style-type: none"> <li>• the applicant's ability to obligate NHTF funds and undertake eligible activities in a timely manner;</li> <li>• the extent to which the project has Federal, State, or local project-based rental assistance so that rents are affordable to extremely low-income families;</li> <li>• the duration of the units' affordability period;</li> </ul>

	<ul style="list-style-type: none"> <li>• the merits of the application in meeting the priority housing needs as identified in the State’s Consolidated Plan:</li> <li>• <i>safe, decent, affordable housing</i> (increase the supply and quality of affordable housing),</li> <li>• <i>individuals and families experiencing homelessness</i> (decrease the number experiencing homelessness, increase supply and quality of affordable housing), and</li> <li>• <i>strong communities</i> (increase supply and quality of affordable housing, strengthen communities and improve quality of life),</li> <li>• the extent to which the application makes use of non-federal funding sources, and</li> <li>• the extent to which the project Affirmatively Furthers Fair Housing:             <ul style="list-style-type: none"> <li>○ Will the housing be located in an area of opportunity, with low concentrations of racial or ethnic minorities and low concentrations of poverty?</li> <li>○ If the proposed project is located in an area with a concentration of racial or ethnic minorities and/or poverty, will the housing contribute to the revitalization of a disinvested community, or help prevent displacement of residents living in neighborhoods on the verge of or already undergoing gentrification?</li> </ul> </li> </ul> <p>Applications must include a description of the eligible activities to be conducted with the NHTF funds in accordance with 24 CFR 93.200, and must contain a certification by each eligible recipient that housing units assisted with the NHTF will comply with NHTF requirements.</p> <p>All NHTF applicants seeking funding for affordable multi-family rental housing (for new units and rehabilitation of existing units) shall describe the plans and tools they have in place to achieve the goal of making available at least 15% of the units in their portfolio to those who are homeless.</p>
<p><b>If only summary criteria were described, how can potential applicants</b></p>	<p>N/A – CDBG only</p>

<p><b>access application manuals or other state publications describing the application criteria? (CDBG only)</b></p>	
<p><b>Describe the process for awarding funds to state recipients and how the state will make its allocation available to units of general local government, and non-profit organizations, including community and faith-based organizations. (ESG only)</b></p>	<p>N/A – ESG only</p>
<p><b>Identify the method of selecting project sponsors (including providing full access to grassroots faith-</b></p>	<p>N/A – HOPWA only</p>

<p><b>based and other community-based organizations). (HOPWA only)</b></p>	
<p><b>Describe how resources will be allocated among funding categories.</b></p>	<p>The NHTF regulations allow up to 10% of NHTF funds to be used for homeownership activities; however, given the extremely low income (ELI) targeting requirements of the program and the need for rental housing affordable to ELI households in the state, Vermont will use NHTF program funds exclusively for rental housing to meet the priority housing needs as identified by the State’s Consolidated Plan. In accordance with NHTF regulations, up to 10% of the State’s NHTF allocation will be used for administration.</p> <p>NHTF project funds may be used to pay for the following eligible costs: development hard costs, refinancing, acquisition, related soft costs, operating cost assistance and operating cost reserves (not to exceed 1/3 of the state’s annual allocation), relocation, and costs related to payment of loans. Awards of NHTF funds will be made in the form of grants or 0%, 30-year deferred loans in order to minimize project debt and maximize affordability to ELI households.</p>
<p><b>Describe threshold factors and grant size limits.</b></p>	<p>In order to be considered for NHTF funding, all applications must meet the threshold requirements stated above. In addition, projects must meet all NHTF and other applicable federal requirements.</p> <p>There is no set maximum NHTF award; however, applicants should be aware that demand for NHTF funds may be competitive.</p> <p>At least during the first year of the program, to allow maximum flexibility while VHCB and its partners gain experience using NHTF to create rental housing affordable to ELI households, the maximum per-unit subsidy limits for NHTF will be set at HUD’s applicable limits for the HOME Program. These limits are currently \$140,107 for OBRs, \$160,615 for 1BRs, \$195,304 for 2BRs, \$252,662 for 3 BRs, and \$277,344 for 4BRs+.</p>
<p><b>What are the outcome measures expected as a result</b></p>	<p>This method of distribution will support the State’s 2016 Action Plan goals to create 55 new rental units and rehabilitate 55 rental units. With a FFY16 NHTF allocation of \$3 million, it is estimated that NHTF dollars will assist approximately 6 rental projects, resulting in approximately 18 units affordable to ELI households.</p>

	<b>of the method of distribution?</b>	
4	<b>State Program Name:</b>	Vermont Community Development Program
	<b>Funding Sources:</b>	CDBG
	<b>Describe the state program addressed by the Method of Distribution.</b>	<p>The Vermont Community Development Program (VCDP) is funded with Community Development Block Grant (CDBG) funds under Title I of the Housing and Community Development Act of 1974, as amended, 42 U.S.C. Section 5301 et seq., herein referred to as the "FEDERAL ACT." All municipalities in Vermont, except Burlington (which receives funds directly from HUD), are eligible to apply for VCDP funds.</p> <p>The VCDP is authorized under the Vermont Community Development Act, Title 10 V.S.A. Chapter 29, referred to in this Consolidated Plan as the "STATE ACT." The lead agency, ACCD, administers the VCDP through the Department of Housing and Community Development (DHCD). All municipalities, unless currently sanctioned, are eligible to apply for VCDP funding through a competitive, needs based application process. Funding levels, maximum and minimum grant requests, selection criteria, State priorities, and application assistance can be found on the next pages and in more detail at the VCDP Website.</p> <p>The VCDP provides eligibility criteria, notices of funding availability, a Program Guide and Application Instructions on its website:  <a href="http://accd.vermont.gov/strong_communities/opportunities/funding/vcdp">http://accd.vermont.gov/strong_communities/opportunities/funding/vcdp</a></p> <p>The Website is used to provide potential applicants and existing grantees with all the resources needed to apply for funding, receive technical assistance and successfully manage their projects. VCDP Staff are readily available to assist potential applicants, current applicants and existing grantees. Each year, VCDP notifies (Via Email) every eligible municipality in the state of the availability of CDBG funding and the application process. This outreach and communication is critical for VCDP since funding is not directly allocated or targeted to particular communities or regions within the state. VCDP provides an open application process with applications accepted throughout the year and funding availability guaranteed throughout the year. Four VCDP Board meetings to make funding recommendations have been established for the FFY 2016 Allocation. Municipalities are encouraged to apply for funding throughout the year. More information on VCDP Board</p>

	<p>Meeting dates, application instructions and assistance accessing the program can be found at:  <a href="http://accd.vermont.gov/strong_communities/opportunities/funding/vcdp">http://accd.vermont.gov/strong_communities/opportunities/funding/vcdp</a></p>
<p><b>Describe all of the criteria that will be used to select applications and the relative importance of these criteria.</b></p>	<p>The State Act stipulates that the allocation of VCDP funds shall be competitive, ensure that a wide range of community development activities be eligible, and be based on a system that measures the need and impact of the proposed projects (10 VSA Sec.687). The VCDP has established an application process and selection criteria to meet the intent of the State Act. The VCDP uses a Web-based Application System. Applications are completed online and are submitted by municipalities. VCDP staff then review each application for eligibility and completeness, before conducting a thorough analysis of each eligible application. The VCDP Board then reviews each application, interviews &amp; questions the applicants using the below criteria and makes funding recommendations to the ACCD Secretary on behalf of the Governor. Each of the three criteria has equal weight and staff analyses of the applications are written based on these criteria and must meet one of three HUD National Objectives (Low &amp; Moderate Income, Slums &amp; Blight, and Urgent Need). The selection criterion is as follows:</p> <p>1. Project Need: The project must meet a documented community or regional need. Determinations will be based on evaluation of such factors as:</p> <p>Need documentation; Appropriate solution; Appropriate funding; Meeting Consolidated Plan priorities; Meeting local and regional plan priorities; Health/safety risks to beneficiaries; Impact if project is not funded</p> <p>2. Project Impact: The project must show how well it meets a national objective and how well it impacts the community. Determinations will be based on evaluation of such factors as:</p> <p>Ability to meet the need Number/percentage of low and moderate income persons directly benefiting; Longevity of the benefit; Beneficiary involvement in developing the project; Indirect benefit to low and moderate income persons and the community</p> <p>3. Project Feasibility: The project must be attainable and the representations and commitments within the application must be believable. This will include such factors as:</p> <p>Readiness to start/Proposed time frame is realistic; Proposed benefit is realistic; Costs are appropriate and justified; Prior VCDP performance record</p> <p><u>New Initiatives (FFY 2016)</u></p>

	<ul style="list-style-type: none"> <li>• All CDBG applicants seeking funding for affordable multi-family rental housing (for new units and rehabilitation of existing units) shall describe the plans and tools they have in place to achieve the goal of making available at least 15% of the units in their portfolio to those who are homeless.</li> <li>• All CDBG applicants seeking funding for the scattered site housing loan programs are encouraged to incentivize private, for-profit landlords to make improvements to distressed rental housing in order to bring substandard and vacant rental housing up to code. This effort should be focused in areas with low vacancy rates and high homeless numbers.</li> </ul> <p>Please see the VCDP Program Guide at:  <a href="http://accd.vermont.gov/strong_communities/opportunities/funding/vcdp/applicants/guide">http://accd.vermont.gov/strong_communities/opportunities/funding/vcdp/applicants/guide</a> for a detailed description of the program including; selection criteria, funding levels and application instructions.</p>
<p><b>If only summary criteria were described, how can potential applicants access application manuals or other state publications describing the application criteria? (CDBG only)</b></p>	<p>Please see the VCDP Program Guide at:  <a href="http://accd.vermont.gov/strong_communities/opportunities/funding/vcdp/applicants/guide">http://accd.vermont.gov/strong_communities/opportunities/funding/vcdp/applicants/guide</a> for a detailed description of the program including; selection criteria, funding levels and application instructions.</p>
<p><b>Describe the process for awarding funds to state recipients and how the state will make its allocation</b></p>	<p>N/A - ESG only</p>

<p><b>available to units of general local government, and non-profit organizations, including community and faith-based organizations. (ESG only)</b></p>	
<p><b>Identify the method of selecting project sponsors (including providing full access to grassroots faith-based and other community-based organizations). (HOPWA only)</b></p>	<p>N/A – HOPWA only</p>
<p><b>Describe how resources will be allocated among funding categories.</b></p>	<p>The VCDP must expend at least 70% of the HUD Award over a period of three program years to fund activities that principally benefit persons of low and moderate income. Grants for Activities which aid in the prevention or elimination of slums and blight (Slums and Blight) or that are designed to meet community development needs having a particular urgency (Urgent Need) do not necessarily provide a direct benefit to persons with low and moderate incomes. Such awards, therefore, must be drawn from the remaining 30% of the CDBG award over a period of three program years. Grants for these activities combined will be limited to 13% of the total HUD Award over a period of three program years.</p>

	<p>Costs for grant activities known as General Administration may not exceed 12% of a VCDP grant award. This limitation assures compliance with the federally imposed cap of 20% of the total Annual HUD Award and program income that may be used for all VCDP planning and general administrative purposes, including both State and local costs. The federal share of State administration funding is capped at 2% of the annual CDBG award, which must be matched by a minimum of 2% in State funds, plus 1% for technical assistance and an additional \$100,000 of unmatched HUD funding for a total HUD funded State administration of 3% of the CDBG award plus \$100,000. The State does not intend to use any Program Income for State administration.</p> <p>The VCDP will set aside \$200,000 for Accessibility Modification Grants (AM) and \$100,000 for Home Access Grants (HA) until the last funding round during the period July 1, 2016 – June 30, 2017. Any funds remaining may then be awarded to Implementation and Planning Grants (IG, PG).</p> <p>The Federal Act restricts the total funds that may be used to fund activities known as Public Services to 15% of the Annual HUD Award that is allocated for assistance to municipalities. The maximum allowable for public service activities is shown in Table – CDBG FFY2016 Distribution Plan.</p> <p>The State may use up to one percent of the Annual HUD Awards for FFY88 through FFY2016 to the extent funds remain undistributed for these program years to provide technical assistance to local governments and nonprofit recipients. The amount established for this VCDP Consolidated Plan is shown in Table –CDBG FFY2016 Distribution Plan.</p>
<p><b>Describe threshold factors and grant size limits.</b></p>	<p>All applications for VCDP funds must meet the following eligibility thresholds in order to be considered for review. These eligibility thresholds are statutory and cannot be waived by the Agency. Failure to meet all eligibility thresholds will result in rejection of the Application.</p> <p>Eligible Applicant: The only eligible applicants are Vermont towns and cities and incorporated villages chartered to function as general purpose units of local government. A municipality may apply: as a single applicant, as the lead applicant of a consortium, as a member of a consortium, but not as a single applicant and as lead applicant of a consortium. Eligible Activity: Only those activities eligible under the Federal Act may be funded under this program. Federal Objective: Each proposed VCDP activity must meet at least one national objective. The national objective claim must be fully supported, and in some cases, the AGENCY should pre approve your approach for meeting the national objective. State Objective: Each proposed VCDP activity must meet at least</p>

		<p>one State objective. Public Hearing: Each VCDP applicant must conduct at least one (1) public hearing with notice as required by the STATE ACT, prior to application submission. HUD regulations require a minimum of two (2) public hearings, each at a different stage of the program, for the purpose of obtaining citizens' views and responding to proposals and questions. The VCDP complies with this regulation by requiring the first public hearing during the application stage and the second public hearing prior to the completion date of the funded grant program. Municipal Plan: Each VCDP applicant, including consortium members, must have a municipal plan adopted in accordance with 24 VSA Ch. 117. The plan must identify the municipality's community development needs including housing and economic development as well as the needs of low and moderate-income persons and the activities to be undertaken to meet such needs. Anti-Displacement Plan: Under the provisions of the Uniform Act, 42 USC §4601 et seq., each successful applicant, including all municipalities in joint applications, but excluding Planning Grant applicants, must submit a Residential Anti-Displacement and Relocation Assistance Plan (ADP) and state whether or not the proposed activity will result in displacement, relocation, property demolition, or property change of use. Please see the VCDP Program Guide at: <a href="http://accd.vermont.gov/strong_communities/opportunities/funding/vcdp/applicants/guide">http://accd.vermont.gov/strong_communities/opportunities/funding/vcdp/applicants/guide</a> for a detailed description of eligibility criteria and program thresholds.</p> <p>For grant size limits - see CDBG Grant Types, Funding Limits and Hatch Requirements.</p>
	<p><b>What are the outcome measures expected as a result of the method of distribution?</b></p>	<p>This method of distribution will support the State's goals in housing, economic development, public facilities and services. The State expects to create 55 new rental units, rehabilitate 55 rental units and 80 homeowner units, and create 5 new housing units for homeless families. The State also expects to create or retain 35 jobs and assist 2 businesses and serve approximately 4,200 Vermonters through public facility and service activities.</p>
<p>5</p>	<p><b>State Program Name:</b></p>	<p>Vermont HOME Program</p>
	<p><b>Funding Sources:</b></p>	<p>HOME</p>
	<p><b>Describe the state program addressed by the Method of</b></p>	<p>HOME Investment Partnerships Program (HOME) allocated funds for FFY2016 are 3,023,400. The Department of Housing &amp; Community Development (DHCD) is the agency responsible for developing the Consolidated Plan, and State statute designates the Vermont Housing and Conservation Board (VHCB) as the agency responsible for administering HOME funds.</p>

<p><b>Distribution.</b></p>	<p>In FFY 2016, HOME funds will be used for the following programs with investments in the form of grants or long-term deferred loans:</p> <ol style="list-style-type: none"> <li>1. <b>Acquisition and Rehabilitation Program.</b> HOME funds will be used for acquisition and rehabilitation of conventional rental properties to make them affordable to low income households and/or to convert them to cooperatives, and to preserve existing affordable rental properties.</li> </ol> <p>When HOME funds are used for rehabilitation, the work must be performed according to the VHCB's written rehabilitation standards, which describe the methods and materials to be used, and the entire unit must be brought up to applicable property standards as described in 24 CFR 92.251(b).</p> <ol style="list-style-type: none"> <li>2. <b>New Construction Program.</b> HOME funds will be used for the production of conventional rental properties that serve an area or market where existing housing stock is limited and/or to provide housing for households/individuals with documented special needs. Units created under this program must be affordable to low income households.</li> <li>3. <b>Refinancing existing debt.</b> Multi-family rental projects developed by locally based housing organizations that receive HOME funds for rehabilitation may utilize HOME funds to refinance existing debt if there is significant rehabilitation of the property proposed in addition to the refinancing (See the HOME Refinancing Guidelines in AP-90 HOME Program Specific Requirements).</li> </ol> <p><b>Community Housing Development Organizations (CHDOs)</b></p> <p>At least fifteen percent (15%) or \$453,510 of the FFY2016 HOME allocation will be used for rental projects developed, owned, or sponsored by qualified Community Housing Development Organizations (CHDOs) as defined in 24 CFR 92.2.</p> <p>Up to five percent (5%) or \$151,170 of the State's total HOME allocation may be used for general operation assistance for qualified CHDOs who are expected to receive CHDO project funds within 24 months. CHDO Operating funds will be awarded through VHCB's organizational grant application process.</p> <p><b>Statewide Allocation</b></p>
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	<p>The State’s allocation of \$2,569,890 (including CHDO project funds, but not including Administration or CHDO Operating) will be distributed to projects on a competitive basis throughout the state, excluding the City of Burlington which has its own allocation.</p> <p><b>Program Administration</b></p> <p>The State's HOME program will be administered by VHCB pursuant to a contract with DHCD.</p> <p>The State recognizes that its Consolidated Plan cycle is not consistent with the ability of its agent, VHCB, to commit HOME funds. Considering the fact that Vermont’s HOME Program is recognized by HUD as a national leader in achieving the goals of the HOME Program, we do not find this inconsistency to be a significant issue in program delivery.</p> <p><b>Administrative Costs</b></p> <p>The State intends to use up to 10% of the HOME allocation for administrative and planning costs, distributing funds among the two entities involved with administering Vermont's HOME Program: DHCD and VHCB. The State may use up to \$302,340 in FFY 2016 funds for eligible administrative costs.</p>
<p><b>Describe all of the criteria that will be used to select applications and the relative importance of these criteria.</b></p>	<p><b>Eligible Applicants</b></p> <p>Eligibility to apply for HOME funds will be no more restrictive than required by HOME regulations. Consistent with the regulations, at least 15% of the annual allocation will be used for projects developed, owned, or sponsored by qualified CHDOs, as defined in 24 CFR 92.2. Applications will be accepted on a rolling basis and acted upon at regularly scheduled VHCB Board meetings based on project readiness. VHCB uses the State's Common Housing Application with an additional VHCB/HOME application supplement and checklist. The online application as well as the schedule of board meetings are available on VHCB's website (<a href="http://www.vhcb.org">www.vhcb.org</a>).</p> <p><b>Threshold Criteria for Eligible Applicants</b></p> <p>The following criteria must exist in any application to be considered for a commitment of HOME funds:</p> <ol style="list-style-type: none"> <li>1. The project must be perpetually affordable.</li> <li>2. At least one of the Consolidated Plan housing related goals must be included.</li> </ol>

	<p>3. Preference shall be given to projects located in the State's Designated Downtowns, Village Centers, neighborhood development areas and other areas that are consistent with the state's historic settlement pattern and "Smart Growth".</p> <p><b>Consolidated Plan Affordable Housing Goals</b></p> <p>On a competitive basis, applications that have met the threshold criteria described above will be evaluated and ranked according to how many of the Consolidated Plan Affordable Housing Strategies are addressed by the project.</p> <p><b>Efficient Use of Resources</b></p> <p>Consistent with 24 CFR Section 92.250(b), projects seeking HOME funds will require an analysis of whether the amount of HOME funds invested is reasonable to achieve affordable housing. This analysis must confirm that the project can be sustained from rent levels affordable to the targeted population while maintaining adequate levels of maintenance or repair and fully funding reserves required by lenders or grantors. This analysis will be done by VHCB for each application.</p> <p><b>Additional Analysis</b></p> <p>In accordance with VHCB's Underwriting Policy and Procedures (available at <a href="http://www.vhcb.org">www.vhcb.org</a>), additional analysis in the following areas will be performed by VHCB underwriting staff prior to making a HOME funding recommendation to the Board:</p> <ul style="list-style-type: none"> <li>• Development capacity and fiscal soundness of the applicant</li> <li>• Project location</li> <li>• Market demand</li> <li>• Budget documents</li> <li>• Plans and specifications</li> <li>• HOME requirements</li> <li>• Developer/owner profit standard and evaluation</li> </ul>
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	<p>More detailed information about VHCB's underwriting criteria is available in VHCB's Underwriting Policy and Procedures. Applicants are also encouraged to review the information contained in VHCB's HOME Program Handbook, also available on their website.</p> <p>All HOME applicants seeking funding for affordable multi-family rental housing (for new units and rehabilitation of existing units) shall describe the plans and tools they have in place to achieve the goal of making available at least 15% of the units in their portfolio to those who are homeless.</p>
<p><b>If only summary criteria were described, how can potential applicants access application manuals or other state publications describing the application criteria? (CDBG only)</b></p>	<p>N/A – CDBG only</p>
<p><b>Describe the process for awarding funds to state recipients and how the state will make its allocation available to units of general local government, and non-profit</b></p>	<p>N/A – ESG only</p>

<p><b>organizations, including community and faith-based organizations. (ESG only)</b></p>	
<p><b>Identify the method of selecting project sponsors (including providing full access to grassroots faith-based and other community-based organizations). (HOPWA only)</b></p>	<p>N/A – HOPWA only</p>
<p><b>Describe how resources will be allocated among funding categories.</b></p>	<p>Funding will be allocated by funding category based on the merit of the proposals submitted and the demonstrated market demand.</p>
<p><b>Describe threshold factors and grant size limits.</b></p>	<p>In order to be considered for HOME funding, all applications must meet the threshold requirements stated above. In addition, projects must meet all HOME Program and other applicable federal requirements.</p> <p>There is no set maximum HOME award; however, applicants should be aware that competition for HOME funds is competitive.</p> <p>The HOME maximum per-unit subsidy limits are as follows: \$65,000 for 0 bedrooms, \$75,000 for 1 bedroom, \$90,000 for 2 bedrooms, \$115,000 for 3 bedrooms, and \$125,000 for 4 bedrooms. These limits represent</p>

		<p>approximately 50% of the HUD maximums. VHCB may, on a case-by-case basis, exceed these limits if there is a compelling reason to do so, as long as HUD's limits are not exceeded.</p>
	<p><b>What are the outcome measures expected as a result of the method of distribution?</b></p>	<p>This method of distribution will support the State’s 2016 goal in housing to create 55 new rental units and rehabilitate 55 rental units.</p>

**AP-40 Section 108 Loan Guarantee – 91.320(k)(1)(ii)**

**Will the state help non-entitlement units of general local government to apply for Section 108 loan funds?**

No

**Available Grant Amounts**

N/A

**Acceptance process of applications**

N/A

**AP-45 Community Revitalization Strategies – 91.320(k)(1)(ii)**

**Will the state allow units of general local government to carry out community revitalization strategies?**

No

**State’s Process and Criteria for approving local government revitalization strategies**

N/A

## **AP-50 Geographic Distribution – 91.320(f)**

### **Description of the geographic areas of the state (including areas of low-income and minority concentration) where assistance will be directed**

In keeping with the State’s long standing policy, the State does not plan to target assistance to specific geographic regions. CDBG, HOME, and NHTF funds will be allocated on a competitive basis to locally-driven projects that address priority needs.

ESG funds are awarded as part of the statewide Housing Opportunity Grant Program (HOP). Awards are made on a competitive basis according to local needs.

### **Geographic Distribution**

#### **Table 10 - Geographic Distribution**

N/A

### **Rationale for the priorities for allocating investments geographically**

N/A

## Affordable Housing

## AP-55 Affordable Housing – 24 CFR 91.320(g)

### Introduction

This year, the State will strive to provide as many affordable housing units as possible through production of new units, rehabilitation of existing units and preservation of subsidized units at risk of loss. However, the reality is the HUD funding provided to Vermont through CDBG, HOME, and NHTF (approximately \$13 million a year) is not enough on its own to significantly address the affordable housing need in the state. The number of affordable housing units created or rehabilitated is much more dependent on the investments of Low Income Housing Tax Credits and access to other affordable housing investments. The State will use CDBG, HOME, and NHTF to leverage these resources.

<b>One Year Goals for the Number of Households to be Supported</b>	
Homeless	400
Non-Homeless	195
Special-Needs	0
Total	595

**Table 11 - One Year Goals for Affordable Housing by Support Requirement**

<b>One Year Goals for the Number of Households Supported Through</b>	
Rental Assistance	400
The Production of New Units	60
Rehab of Existing Units	135
Acquisition of Existing Units	0
Total	595

**Table 12 - One Year Goals for Affordable Housing by Support Type**

### Discussion

ESG will provide tenant-based rental assistance / rapid rehousing to homeless households

## **AP-60 Public Housing - 24 CFR 91.320(j)**

### **Introduction**

Vermont's Public Housing Authorities are operating in a changing environment. A once reliable federal funding landscape has seen year to year swings, with the general trend over the past several years being downward. Specifically, Public Housing Program operating subsidies, Housing Choice Voucher Program Housing Assistance Payments funding and Housing Choice Voucher Program Administrative fees have all seen dramatic federal funding reductions. Even in this environment, none of Vermont's PHA's are considered troubled, and many are rated as high-performing.

### **Actions planned during the next year to address the needs to public housing**

The Commissioner of DHCD will continue to review PHA plans that are submitted, to certify the Plans' consistency with the State's Consolidated Plan. Additionally, the executive directors of the Winooski Housing Authority and the Vermont State Housing Authority are members of the Department's Consolidated Plan Citizen Advisory Group and a representative of the public housing authorities serves on the Vermont Housing Council. PHA's are eligible for VCDP funds through their municipalities.

### **Actions to encourage public housing residents to become more involved in management and participate in homeownership**

N/A - Vermont does not have a State agency administering public housing funds.

### **If the PHA is designated as troubled, describe the manner in which financial assistance will be provided or other assistance**

N/A - None of Vermont's PHA's are designated as troubled.

## **AP-65 Homeless and Other Special Needs Activities – 91.320(h)**

### **Introduction**

In the sections below, we lay out Vermont's one-year goals and actions for reducing and ending homelessness in our state.

### **Describe the jurisdictions one-year goals and actions for reducing and ending homelessness including**

#### **Reaching out to homeless persons (especially unsheltered persons) and assessing their individual needs**

Vermont provides outreach to homeless persons through a network of local agencies, including shelters, service agencies and housing providers. United Way 2-1-1 provides a one-stop resource and referral point for all persons.

The PATH Program provides assistance to several Vermont organizations to conduct outreach efforts to people experiencing a serious mental illness or co-occurring disorder. PATH is funded by the U.S. Dept. of Health & Human Services and administered in Vermont by the AHS Department of Mental Health.

The Vermont Coalition of Runaway and Homeless Youth Programs include a Street Outreach Program, provided by several organizations, to reach out to homeless and at-risk youth. These programs are funded by the U.S. Dept. of Health & Human Services.

#### **One Year Action:**

The anticipated implementation of coordinated entry will streamline access to homeless assistance for all persons, assess needs using a standard CoC-wide tool, and make referrals to service providers and shelter based on well-established protocols. In the BoS CoC, implementation is expected to begin in all regions during this program year. The State of Vermont OEO will work this year with the BoS CoC and Chittenden CoC to ensure that ESG written standards and CoC written standards are aligned.

#### **Addressing the emergency shelter and transitional housing needs of homeless persons**

The State of Vermont leverages both state and federal resources to address the needs of homeless individuals and families. These resources include those for prevention, rapid re-housing, transitional housing, and shelter operations. The statewide network of local emergency shelters, including shelters for victims of domestic and sexual violence, are often full in winter months and many have developed “overflow” capacity. Additional shelter beds are available seasonally through warming shelters in communities with increased need. When shelters are full, AHS Department for Children and Families pays for emergency motel stays for homeless persons who are in a vulnerable population, including

elders, people with disabilities, families with children, and victims of domestic violence.

Member agencies of Vermont's Coalition of Runaway and Homeless Youth Programs provide emergency and transitional housing services to youth through the Runaway and Family Stabilization and Transitional Living Programs with funding from the US Dept. of Health & Human Services with support from AHS.

**One Year Action:**

Vermont continues to create alternatives to these motel stays as they are one of the least efficient or effective solutions to homelessness and often lack the appropriate supports to address underlying issues which may be contributing to homelessness.

**Helping homeless persons (especially chronically homeless individuals and families, families with children, veterans and their families, and unaccompanied youth) make the transition to permanent housing and independent living, including shortening the period of time that individuals and families experience homelessness, facilitating access for homeless individuals and families to affordable housing units, and preventing individuals and families who were recently homeless from becoming homeless again**

Through AHS, the Vermont Council on Homelessness, and local Continua of Care, Vermont is actively engaged in developing multiple programs and strategies to shorten the duration of homelessness, ensure that people are stable after receiving assistance, and support homeless persons moving into permanent housing as rapidly as possible. ESG funds are specifically targeted to support Rapid Rehousing programs. In addition to ESG, state-funded resources include:

- The Vermont Rental Subsidy program, providing 12 months of rental assistance to formerly homeless families and individuals. Administered by AHS Department for Children and Families;
- AHS OEO administers Family Supportive Housing Program linking intensive supportive services and affordable housing to formerly homeless families with children, especially families with multiple episodes of homelessness.
- AHS OEO administers the consolidated Housing Opportunity Grant Program (HOP), which includes state funded short-term supported housing, rapid rehousing services, transitional housing for youth, victims of Domestic Violence and Veterans.
- Asking applicants seeking funding for affordable multi-family rental housing (for new units and rehabilitation of existing units) to describe the plans and tools they have in place to achieve the goal of making available at least 15% of the units in their portfolio to those who are homeless.

Vermont has a strong relationship with the Veterans Administration's grant per diem program to provide emergency shelter to veterans. Funding through the VA Supportive Services for Veterans families supports various initiatives statewide to provide prevention and re-housing assistance. These

projects are coordinated with local Continua of Care.

VHCB has established a NHTF funding preference for projects that include the creation of permanent supportive housing with rental assistance and support services.

**One Year Actions:**

AHS and the Vermont Council on Homelessness will implement a framework to End Family Homelessness by 2020.

Expand training and technical assistance on the core components of Rapid Rehousing.

Support CoC HMIS implementation to provide systems-level performance data.

Support coordinated entry implementation statewide.

**Helping low-income individuals and families avoid becoming homeless, especially extremely low-income individuals and families and those who are: being discharged from publicly funded institutions and systems of care (such as health care facilities, mental health facilities, foster care and other youth facilities, and corrections programs and institutions); or, receiving assistance from public or private agencies that address housing, health, social services, employment, education, or youth needs**

Vermont leverages state resources to divert low-income individuals and families from homelessness. In addition to homelessness prevention activities funded under the OEO Housing Opportunity Grant Program, the following initiatives address discharge from publicly funded institutions and systems of care:

- The Vermont Coalition of Runaway and Homeless Youth Programs with AHS Department for Children & Families funding and partnerships ensure persons being discharged from the foster care system are not routinely discharged into homelessness and are accessing mainstream resources, including the Sect. 8 Family Unification Vouchers for youth in transition.
- State-funded Mental Health Subsidy & Care program, modeled on HUD Shelter plus Care targets assistance towards homeless persons in hospitals to ensure a successful discharge into housing, not homelessness or McKinney-Vento funded programs.
- The AHS Department of Corrections (DOC) ensures persons being discharged from the corrections system of care are not routinely discharged into homelessness. If suitable permanent housing in the community cannot be located for a person exiting Corrections, DOC utilizes a comprehensive statewide system of transitional housing to ensure that persons

are not routinely discharged into homelessness.

**One Year Actions:**

AHS will continue to review data on persons experiencing homelessness to target additional discharge planning and oversight where resources, policies or protocols fail to prevent homelessness. AHS will look at how to use coordinated entry to better understand where system improvements are necessary.

**Discussion:**

**These are the activities that the jurisdiction plans to undertake during the next year to address the housing and supportive services needs identified in accordance with 91.215(e) with respect to persons who are not homeless but have other special needs:**

In general, Vermont promotes supported housing integrated into non-specialized residential buildings or settings. This strategy is aided by promotion of universal design through the State qualified allocation plan, as well as mixed-income housing achieved through project and tenant-based rental assistance and on-site supportive services customized to a client's needs.

The Support and Services at Home (SASH) program provides on-site supportive and coordination services to the elderly and frail elderly through a statewide network of designated regional housing organizations (DRHOs). SASH services are funded primarily through Medicare demonstration funding from CMS and State grant funds from the Department of Disabilities Aging and Independent Living.

Persons with disabilities have access to an array of housing and housing supports, with an emphasis on the least restrictive community setting and maximum consumer choice. In Vermont, Section 8 rental assistance has been effectively targeted to persons with mental, physical or developmental disabilities. Unfortunately, Vermont had not been awarded Section 811 Project-Based Rental Assistance to make rental housing affordable to more non-elderly persons with disabilities.

Beyond accessing the appropriate level of residential or outpatient treatment, persons with alcohol or other drug addictions can access a limited number of transitional beds supported through grants from the AHS, Department of Health, Division of Alcohol and Drug Abuse Prevention.

In addition to the federal HOPWA program, persons with HIV/AIDS can access State emergency financial assistance to prevent eviction or secure stable housing. This funding comes from the AHS Department of Health and is delivered through one of three local AIDS Service Organizations (ASOs).

## **AP-75 Barriers to affordable housing – 91.320(i)**

### **Introduction**

DHCD, AHS, and VHCB and its housing partners, will continue efforts to lower the barriers to affordable housing identified in the strategic plan and below. Specific actions to be taken in the FY16 program year include:

- In coordination with VHFA, VHCB and housing developers, examine operating costs of projects with and without services and create benchmarks for use in development and funding decisions.
- Advocate for continued and expanded energy efficiency and housing development and services through resources at the State and federal levels.
- Provide technical assistance to developers and communities about neighborhood development areas and work with regulatory agencies on the treatment of priority housing projects under Act 250.
- DHCD will implement the administrative penalty rules authorized in Act 8 (2015) to ensure that Vermont's mobile home parks provide safe and habitable housing to their residents.
- Promote fair housing by conducting trainings to promote affirmatively furthering fair housing and supporting efforts to provide landlord-tenant education programming.
- Participate and ensure housing, particularly in vulnerable populations, is included in resilience and disaster preparedness efforts.

### **Actions it planned to remove or ameliorate the negative effects of public policies that serve as barriers to affordable housing such as land use controls, tax policies affecting land, zoning ordinances, building codes, fees and charges, growth limitations, and policies affecting the return on residential investment**

In the 2016 program year, the State will undertake the following actions to address barriers to affordable housing.

Limited public resources, particularly decreasing funding for development, preservation, services and subsidies that support affordable housing.

1. Retain the State's commitment to perpetual affordability.
2. Maximize leveraging and seek ways to reduce operating and development costs.
3. Support the continuation and expansion of the State affordable housing, downtown and historic tax credits.
4. Support State resources for affordable housing such as rental subsidy programs, homelessness assistance and the Vermont Housing and Conservation Trust Fund.

Increasing standards for energy efficiency.

1. While supporting the State's energy goals, ensure a robust analysis of costs is considered in the development of State energy-efficiency standards and building codes.
2. Seek expanded and new sources of funding for energy improvements in both publicly supported and private single and multi-family housing.

State and local land use controls.

1. Continue to review State and local land use programs and policies for ways to strengthen environmental protection while reducing unnecessary barriers to residential development, particularly affordable housing.
2. Encourage and promote development and growth in Designated Downtowns and Village Centers, Growth Centers, Neighborhood Development Areas and New Town Centers.

Permitting processes and community development standards.

1. Provide technical assistance to communities, developers and property owners seeking to provide affordable housing.
2. Provide technical assistance and funding to municipalities around zoning and land use planning.

Limited funding to promote Fair Housing and address discrimination in rental and sales market housing markets.

1. Continue collaboration through the Fair Housing Committee of the Vermont Housing Council to undertake the actions recommended in 2012 Analysis of Impediments.
2. Support efforts of the Vermont Human Rights Commission, the Fair Housing Project, Vermont Legal Aid, and others to secure additional funding for fair housing activities.
3. Work with landlord and tenant organizations to increase awareness of State and federal housing law and ensure the rights and responsibilities of both are appropriately balanced in changes to State statutes.

Complexity and inconsistent enforcement of health and habitability standards.

1. Simplify State housing and habitability rules and provide for cost effective enforcement that expands the availability of safe and decent housing.
2. DHCD will implement the administrative penalty rules authorized in Act 8 (2015) to ensure that Vermont's mobile home parks provide safe and habitable housing to their residents.

Federal funding regulatory requirements such as the National Environmental Policy Act, Davis-Bacon

and procurement standards.

1. Continue to provide technical assistance and update guidance to grantees as requirements expand and change.
2. Access and seek additional training opportunities for State administrators and grantees.
3. Provide federal funding and regulatory agencies with information on the benefits and challenges of statutory and regulatory requirements and recommendations for improvements.

## **AP-85 Other Actions – 91.320(j)**

### **Introduction**

In addition to the actions described elsewhere in this plan, the following other actions will be pursued:

### **Actions planned to address obstacles to meeting underserved needs**

Underserved needs as identified at the Community Outreach meetings conducted in 2014 and 2015, was a lack of resources for workforce development, including education and job training opportunities, in particular for underemployed persons. This need was echoed in testimony at the February 8, 2016 public hearing about a lack of apprenticeship and mentoring programs. Other underserved needs mentioned include lack of available commercial space and financing for new construction that is often difficult to obtain, and a need for better public transportation connecting housing and jobs.

In addition, municipal employees stated the need for funding for infrastructure improvements to create opportunities for economic development projects, and funding to assist property owners in connecting to municipal water and sewer. Telecommunications (e.g. high speed Internet and cell service) for housing and business was rated as a high priority in the Department's online survey. Ongoing activities that address the workforce training and education needs of Vermonters include several programs offered through ACCD and the State Department of Labor and their partners, the Vermont Manufacturing Extension Center, Vermont Apprenticeship Program, and Vermont Businesses for Social Responsibility.

ACCD's Vermont Training Program (VTP) serves Vermonters in a broader spectrum of industry sectors and has improved its processes to remain flexible and increase collaboration. Per Act 199 of 2014, at the completion of the training the employer must pay the employee a wage equal to or exceeding the livable wage established by the Joint Fiscal Committee of the Vermont Legislature (currently \$13.00/hr.). VTP will also align its training resources with the State's Comprehensive Economic Development Strategy (CEDS). VTP will be a flexible, nimble, and strategic workforce development program to enhance the skills of the Vermont workforce and increase productivity of Vermont employers.

In housing, there is a long standing need for low-cost capital to improve privately owned rental housing without driving up rents. As shown in the Market Analysis of the 2015-2019 Vermont HUD Consolidated Plan, using HUD's definition, 2.4% of Vermont's rental housing units are considered substandard. The counties with the highest share of substandard housing include Windsor, Addison, Orleans, and Windham. The Vermont Housing Needs Assessment conducted by the firm Bowen National Research rated a disproportionate share of surveyed multi-family rental housing in "fair" or worse condition.

Therefore, the VCDP will encourage the scattered site housing loan programs to incentivize private, for-profit landlords to make improvements to distressed rental housing in order to bring substandard and

vacant rental housing up to code, to increase the supply of decent rental housing affordable to low-income and homeless Vermonters.

### **Actions planned to foster and maintain affordable housing**

The Vermont Housing Finance Agency (VHFA) maintains a detailed list of all assisted housing projects in the state, including those without perpetual affordability covenants. VHFA works proactively, in conjunction with other State agencies and organizations as needed, to ensure that affordability contracts are renewed and housing assistance is maintained. The Vermont Housing and Conservation Board also host the Preservation Council, a group of housing agency representatives, which strategizes and prioritizes efforts throughout the state to preserve existing affordable housing. These efforts will continue over the next year and into the foreseeable future to preserve housing affordability.

### **Actions planned to reduce lead-based paint hazards**

The State of Vermont's ongoing activities and actions to reduce lead-based paint hazards in housing, eliminate childhood lead poisoning, and integrate lead poisoning prevention and home health and safety efforts into affordable housing programs include:

1. Continue to implement activities of the state-wide Lead-Based Paint Hazard Reduction Grant Program (U.S. Department of Housing & Urban Development) in the private housing stock, administered by the Vermont Housing & Conservation Board.
2. Continue activities of the Burlington Lead Program, funded by a HUD Lead Hazard Control Grant.
3. Continue to implement activities of the State and Community-based Healthy Homes Lead Poisoning Prevention Program, administered by the Vermont Department of Health through a cooperative agreement with the U.S. Centers for Disease Control (CDC).
4. Continue to implement activities of VHCB's state-wide Healthy Homes Vermont Program and raise awareness of the strong connections between home environments and resident health.
5. Implement the recommendations of the 2006 Get the Lead Out of Vermont Task Force.
6. Continue to implement provisions of Act 94 (an Act Relating to Childhood Lead Poisoning Screening and Lead Hazard Abatement), passed by the Vermont General Assembly in 1993.
7. Continue to develop and implement appropriate recommendations of Act 94 and Act 165 (passed 1996), including the development of financial strategies for lead hazard reduction in future years; and pursue further legislative action to reduce lead paint hazards.
8. Continue to seek additional HUD funds to address the on-going need for lead-based paint hazard reduction in thousands of Vermont housing units.
9. Maintain regular contact with staff at the National Center for Healthy Housing (formerly the National Center for Lead Safe Housing) in Columbia, Maryland.
10. Continue participation on the New England Lead Coordinating Committee, convened by the Tufts University School of Medicine and the University of Connecticut.
11. Evaluate and amend policies of the Vermont Housing Finance Agency and the Vermont Housing &

Conservation Board regarding lead-based paint, health, safety, or toxic and hazardous materials, as appropriate.

12. Coordinate procedures with the Department of Health, the Vermont State Housing Authority and local Public Housing Authorities regarding childhood poisoning in owned and assisted units, as needed.

13. Continue to build a database in the Department of Health regarding incidences of childhood lead poisoning and presence of lead hazards in housing stock.

14. Coordinate lead hazard reduction efforts with activities of the State Office of Economic Opportunity Weatherization Assistance Program in low-income housing units.

15. Continue public information, education, and outreach efforts.

16. Continue to develop public and private financial resources for lead-based paint hazard control activities in Vermont's housing stock.

17. Coordinate with the Department of Health and affordable housing funders and developers in implementing the Healthy Homes strategic plan promoted by HUD and promote the incorporation of healthy homes principles into ongoing practices and programs.

18. Coordinate efforts with all housing groups, agencies, and stake-holders to create sustainable delivery of healthy homes services to reduce health and safety hazards in housing in a comprehensive and cost effective manner, with a particular focus on protecting the health of children and other sensitive populations in low-income households.

19. Continue coordination and collaboration among health, housing, and historic preservation agencies and interest groups.

### **Actions planned to reduce the number of poverty-level families**

Ongoing activities to reduce the number of poverty-level families rest primarily with the Agency of Human Services (AHS) Department of Children and Families (DCF) which will continue administering its anti-poverty and benefit programs, as detailed in the Anti-Poverty Strategy section of this Plan.

Annual goals: The Action Plan reflects the prioritization of affordable housing and that the housing we create must be affordable to people at or below 30% of AMI/ 100% of the federal poverty level in order to end homelessness.

All of Vermont's Community Action Agencies (which are premiere anti-poverty programs) are also HOP grantees and participate in local and BoS/Chittenden CoC. This ensures the cross coordination of programs at the local level, and the focus on integrated services for individuals living in poverty.

OEO hosts an annual Poverty and Opportunity Training Forum to provide statewide professional development for the anti-poverty field.

AHS will help implement the national workforce development pilot that Vermont was awarded through the United States Department of Agriculture (USDA). The pilot, called Jobs For Independence, will develop and test strategies for reducing dependency on the national Supplemental Nutrition Assistance Program (SNAP). It will give participants, including those without stable housing, with criminal records,

mental health issues, and/or struggling with substance abuse, the opportunity to develop skills, overcome barriers to work, and find and keep good jobs.

### **Actions planned to develop institutional structure**

1. Continue to encourage closer coordination between housing and human service providers, particularly with the Agency of Human Services, to better serve our lowest income population; and continue coordination with the Department of Labor to ensure that unemployed or under-employed Vermonters are informed of job opportunities.
2. Continue to require Economic Development Projects with job creation elements to enter into a hiring agreement with the Department of Labor career resource center.
3. Continue to encourage closer communication with the Agency of Transportation to encourage integrated transportation systems that link housing with jobs and services.
4. The Public Transit Administrator in the Agency of Transportation will continue to review CDBG applications and provide comment when there are elements that relate to the use of or access to public transportation.
5. Continue efforts to simplify and to coordinate application requirements for various funding sources.
6. Streamline service delivery and enhance local effectiveness by continuing to build and enhance the capacity of community-based homeless assistance providers and nonprofit housing providers.

### **Actions planned to enhance coordination between public and private housing and social service agencies**

The State proposes the following actions to enhance its coordination efforts in the next year:

Continue, through the Department's leadership of the Housing Council, formation of State policy, to assist housing providers, State agencies, such as the Vermont Housing and Conservation Board, (VHCB), Vermont State Housing Authority (VSHA), and others to ensure the availability of safe and affordable housing for all Vermonters.

## Program Specific Requirements

### AP-90 Program Specific Requirements – 91.320(k)(1,2,3)

#### Introduction

As reported throughout this plan the State will strive to; increase the supply and quality of affordable housing, decrease the number of persons experiencing homelessness, create and retain jobs, strengthen communities and improve the quality of life for all Vermonters. CDBG, HOME and ESG funding will be leveraged and partnerships will be strengthened to maximize the available resources.

Specific priorities and goals for CDBG, HOME and ESG funding are identified in the annual goals and objectives contained in this plan. The following identifies program income that has been identified and other program specific investment criteria of the CDBG, HOME and ESG programs.

#### Community Development Block Grant Program (CDBG) Reference 24 CFR 91.320(k)(1)

Projects planned with all CDBG funds expected to be available during the year are identified in the Projects Table. The following identifies program income that is available for use that is included in projects to be carried out.

1. The total amount of program income that will have been received before the start of the next program year and that has not yet been reprogrammed	0
2. The amount of proceeds from section 108 loan guarantees that will be used during the year to address the priority needs and specific objectives identified in the grantee's strategic plan.	0
3. The amount of surplus funds from urban renewal settlements	0
4. The amount of any grant funds returned to the line of credit for which the planned use has not been included in a prior statement or plan	0
5. The amount of income from float-funded activities	0
<b>Total Program Income:</b>	<b>0</b>

#### Other CDBG Requirements

1. The amount of urgent need activities	834,455
2. The estimated percentage of CDBG funds that will be used for activities that benefit persons of low and moderate income. Overall Benefit - A consecutive period of one, two or three years may be used to determine that a minimum overall benefit of 70% of CDBG funds is used to benefit persons of low and moderate income. Specify the years covered that include this Annual Action Plan.	90.00%

**HOME Investment Partnership Program (HOME)**  
**Reference 24 CFR 91.320(k)(2)**

1. A description of other forms of investment being used beyond those identified in Section 92.205 is as follows:

N/A - No other forms of investment will be used.

2. A description of the guidelines that will be used for resale or recapture of HOME funds when used for homebuyer activities as required in 92.254, is as follows:

N/A - The State does not use HOME funds for homeownership activities.

3. A description of the guidelines for resale or recapture that ensures the affordability of units acquired with HOME funds? See 24 CFR 92.254(a)(4) are as follows:

N/A - The State does not use HOME funds for homeownership activities.

4. Plans for using HOME funds to refinance existing debt secured by multifamily housing that is rehabilitated with HOME funds along with a description of the refinancing guidelines required that will be used under 24 CFR 92.206(b), are as follows:

Multi-family projects developed by locally based housing organizations that receive HOME funds for rehabilitation may utilize HOME funds to refinance existing debt consistent with 24 CFR 92.206(b)(2), if they meet the following guidelines:

1. Refinancing is necessary to permit or to continue affordability under section 92.252;
2. Rehabilitation is the primary eligible activity. A minimum of \$7,500 of rehabilitation per unit is required;
3. The grantee must demonstrate that disinvestment in the property has not occurred.
4. The grantee must demonstrate management capacity and practices that ensure that the long term needs of the project can be met and the targeted population can be served over an extended affordability period;
5. The grantee must demonstrate that the new investment is being made to maintain current affordable units, to create greater affordability in current affordable units, or to create additional affordable units;
6. Refinancing will be limited to projects that have previously received an investment of public funds;
7. The minimum HOME affordability period shall be 15 years and all HOME assisted projects are required to be perpetually affordable via a VHCB Housing Subsidy Covenant;

8. HOME funds may be used for refinancing anywhere in the State of Vermont with the exception of the City of Burlington;
9. HOME funds cannot be used to refinance multifamily loans made or insured by any Federal program, including CDBG.

**Emergency Solutions Grant (ESG)**  
**Reference 24 CFR 91.320(k)(3)**

1. Include written standards for providing ESG assistance (may include as attachment)

Please see attached State ESG written standards. The State requires that all ESG grantees submit to the Office of Economic Opportunity (OEO) written standards (policies and procedures) for providing ESG assistance. OEO approves only those standards that are in compliance with ESG regulations and are consistent with state and federal goals.

2. If the Continuum of Care has established centralized or coordinated assessment system that meets HUD requirements, describe that centralized or coordinated assessment system.

At this time, neither the Chittenden County CoC nor Balance of State CoC have fully implemented a centralized or coordinated intake and assessment system. Both CoC have elements of a coordinated entry in place and both have established committees to plan and develop their coordinated entry system. OEO facilitates the Balance of State CoC Coordinated Entry committee, which will phase in implementation this year. OEO is also an active participant on the Chittenden CoC committee. All ESG grantees are required to participate in the coordinated entry system once implemented in their region.

3. Identify the process for making sub-awards and describe how the ESG allocation available to private nonprofit organizations (including community and faith-based organizations).

OEO administers the Emergency Solutions Grants program (ESG) as part of a newly consolidated Housing Opportunity Grant Program (HOP). The Housing Opportunity Grant Program blends federal and state funding to help nonprofit organizations, including community and faith-based organizations; provide emergency overnight and day shelter; provide transitional housing where appropriate; offer supportive services for homeless families and individuals; and implement effective homeless prevention and rapid re-housing initiatives within the local continua of care. Vermont has chosen to allocate ESG resources towards Emergency Shelter (Operations and Essential Services), HMIS and Rapid Re-housing (Client Financial Assistance and Rental Assistance, short- and medium-term). Other activities, such as Street Outreach, Shelter Renovation, Homelessness Prevention and Rapid Rehousing Services will be funded through other funding sources and coordinated locally and/or as part of the consolidated Housing Opportunity Grant Program.

In April 2016, OEO will release a Request for Proposal for the Housing Opportunity Grant Program (which includes ESG program funds). Proposals will be reviewed and evaluated by AHS OEO based on local need, capacity, approach and local coordination. Eligible applicants are municipalities and nonprofits including community and faith-based organizations. Faith-based organizations are required to have separate 501c3 status established to meet eligibility requirements. Part of the selection process may involve a site visit of the finalists at which time documentation listed in the application will be reviewed. All Emergency Shelter applicants must certify that the assisted property will be maintained as an Emergency Shelter for the period of funded assistance. New applicants, and applicants who have recently relocated their operations to another municipality, must submit a completed Certification of Local Government Approval with their application. Vermont will make ESG subawards with successful applicants for ESG-funded activities under Housing Opportunity grant agreements. One or more grants will be awarded by OEO to Vermont municipalities, or, with municipal approval, Vermont nonprofits whose purpose is to shelter, serve, and re-house the homeless. All subawards are made on the State Fiscal Year calendar (July 1 – June 30). Please see the Methods of Distribution for selection criteria.

Spending plans will be negotiated based on ineligible activities, where activities are not in alignment with state and federal goals, when there are inadequate funds to meet all requests, and/or where proposed grantees are either ineligible or lack the capacity to carry out proposed activities. Additional guidance on eligible and ineligible uses of ESG funds are contained in the Department of Housing and Urban Development's ESG program guidelines, the Request for Proposal and in grant agreements between the state of Vermont and its subrecipients. This includes the ESG requirements for faith-based organizations.

OEO will monitor grantees and measure the performance at the grantee and statewide level.

4. If the jurisdiction is unable to meet the homeless participation requirement in 24 CFR 576.405(a), the jurisdiction must specify its plan for reaching out to and consulting with homeless or formerly homeless individuals in considering policies and funding decisions regarding facilities and services funded under ESG.

N/A. The Grantee is a State and not subject to § 576.405(a).

5. Describe performance standards for evaluating ESG.

Performance measures will be evaluated on both the grantee and statewide level. In addition to measuring the number of persons and families in emergency shelter, the number of shelter bed nights provided, the number of households receiving rapid rehousing assistance – Vermont uses performance-based contracting, outcome measures, indicators and targets, consistent with the goal of decreasing the incidence and duration of homelessness. Current performance standards for ESG include:

### **Emergency Shelter, Operations**

Maintain shelter facilities that are staffed, insured, and clear of safety violations.

At least 90% of homeless households entering the shelter meet with a case manager or program equivalent within 3 days of shelter entry.

### **Emergency Shelter, Essential Services - Case Management**

At least 90% of homeless households referred for case management meet with a case manager or program equivalent for intake and assessment within 3 days of referral.

Of those homeless households receiving case management:

- at least 70% subsequently attain employment OR are enrolled in an educational or training program, OR qualify for TANF, SSI or General Assistance within 90 days of referral;
- at least 70% subsequently are stabilized in transitional or permanent housing within 90 days AND of those housed, at least 70% continue to be stably housed for at least 90 days.

### **Rapid Re-Housing for Homeless Families & Individuals**

At least 70% of homeless households assisted are re-housed in permanent housing within 28 days **AND** at least 70% of these households remain stably housed for at least 90 days following the intervention.

OEO tracks performance measures for grantees quarterly. In the event that a grantee's performance falls below 75% of a stated target, OEO in conjunction with the grantee may require a performance improvement plan. Continued failure to meet performance measures may result in loss of fees or cancellation of the grant agreement. An ability to meet or exceed performance targets will be consideration for renewal of the grant agreement.