

Factor (a): Need

West Piedmont Planning District Commission

i. *Demonstrate your progress and commitment to overcoming local barriers to facilitate the increase of affordable housing production and preservation, primarily by having enacted improved laws and regulations.*

a. *Improved laws, regulations, or land use local policies*

Employees of the WPPDC currently serve on two different Zoning Ordinance Update Focus Groups. One group serves Pittsylvania County and the other serves Franklin County. The purpose of these groups is to remove barriers for new construction including the change of zoning regulations and rezoning properties for mix-use/multi-use, accessory dwelling units, and multi-family units. The changes made in these focus groups will immediately affect its respectful municipalities.

b. *Other recent actions taken to overcome barriers to facilitate the increase of affordable housing production and preservation.*

WPPDC has contributed to creating 119 housing units in the entire service area including rental and homeownership opportunities. WPPDC has rehabilitated over 12 properties for LMI residents in a Martinsville blighted neighborhood and if approved, anticipates using PRICE grant funding to rehabilitate, manufactured homes, MHC's, including infrastructure, and the replacement of dilapidated manufactured homes for LMI residents across the entire service area, preserving affordable housing. WPPDC is currently working on a purchase option with the City of Martinsville for properties that will create 7 new affordable housing units available for LMI residents to purchase.

ii. *Do you have acute need for affordable housing? What are your remaining affordable housing needs and how do you know?*

WPPDC will fund projects in Patrick County, Henry County, Franklin County, and Pittsylvania County. Within each county, WPPDC will primarily focus its efforts in PRO Housing Priority areas. The following are areas are considered priority locations according to HUD's PRO Housing Website and the provided spreadsheet:

- Patrick Springs (Patrick County): affordable housing not keeping pace with population
- Chatham (Pittsylvania County): affordable housing not keeping pace with population
- Villa Heights (Henry County): affordable housing not keeping pace with population
- Bassett (Henry County): affordable housing not keeping pace with population

- Sandy Level (Henry County): affordable housing not keeping pace with population
- Union Hall (Franklin County): affordable housing not keeping pace with population
- Penhook (Franklin County): affordable housing not keeping pace with population and widespread housing cost burden or substandard housing
- Laurel Park (Henry County): affordable housing not keeping pace with population

The WPPDC produced a region-wide Housing Study in 2024 and identified issues that weren't specific to one municipality but were common across the region. Housing conditions were a challenge for both current and potential residents due to energy performance, maintenance costs, and upgrade costs. A shift in housing needs was also identified as a common problem amongst the region as households are smaller in size as well as homebuyers looking for turnkey homes. Regardless of the preferences, many households have financial constraints. Workforce housing is also a major challenge for the region with a majority of the most popular occupations not being able to afford affordable, appropriate housing in the region and more than 10,000 households in the WPPDC region estimated to be at risk of homelessness. Lastly, housing insecurity is a top challenge in the WPPDC region. Around 24% of households spend more than 30 percent of their income on housing. Of those households 21,300 have incomes of less than 80 percent of the Area Median Income.¹

iii. What key barriers still exist and need to be addressed to produce and preserve more affordable housing?

Barriers to affordable housing preservation and production in the project area include land use controls, insufficient infrastructure, permitting procedures and fees, perceived poor quality of affordable housing and lack of funding for both developers and homebuyers. Using PRO Housing funds WPPDC will work with counties of the focus areas to acquire land, install or upgrade infrastructure and construct new homes for first-time LMI households to purchase with a focus on minorities. Due to a national shortage of contractors and a rising cost in materials, WPPDC has decided to construct modular homes which will meet all of HUD's regulations for housing, gain equity unlike some manufactured homes, and preserve time assuring that all goals are met during the period of performance. This will increase affordable housing stock for LMI households. Program income from the sale of the home will be used by WPPDC for further development of affordable housing.

WPPDC will also offer mortgage buy-downs on existing properties located within the Priority Areas for first-time LMI households. The buy-down will be issued in the form of

a forgivable loan contingent on the homebuyer successfully completing the period of performance. The home may not exceed the median selling price for homes in the area and will be subjected to a successful home inspection report prior to closing. Using PRO Housing funds in this manner will increase the availability of affordable housing without construction.

Lastly, WPPDC will award a subrecipient funds to administer an educational class to prepare LMI households for homeownership and ensure that each resident that purchases a PRO Housing funded home is given the education need to succeed at homeownership. Some of the focuses will include credit improvement, budgeting and saving, planning and preparedness, the loan process and lastly maintaining a home.

Factor (b): Soundness of Approach
West Piedmont Planning District Commission

i. *What is your vision?*

The goal of the West Piedmont Planning District Commission is to create more sustainable housing affordable housing in underserved communities for low-moderate income families as well as people of color across the southwestern Piedmont region of Virginia. WPPDC will promote community development that generates wealth-building for underserved communities, specifically LMI residents across the WPPDC service area.

WPPDC will acquire vacant or blighted property in various PRO Housing Priority Geography Areas owned by municipalities and construct new affordable housing on these lots either by infill or creating communities. Depending on the PRO Housing Priority Geography area, infrastructure updates will be done prior to construction. Homes will then be sold to LMI households, with a priority for minorities, creating generational wealth with hopes to close a wealth gap between races and generating program income that will be used for further housing development. The creation of new affordable housing reduces exposure to health and environmental hazards and helps to eliminate substandard housing, especially for low-income households. The new homes will be energy efficient homes promoting environmental justice as well as reducing financial burdens for heating, cooling, and utility services. Although each municipality has made efforts to increase the amount of affordable housing, most efforts have been made in densely populated and urban areas of the WPPDC region. WPPDC will focus on the priority areas which are more rural. The Town of Chatham and WPPDC are currently developing a plan, contingent on the award of PRO Housing grant, that would give property that recently had infrastructure updates to the WPPDC for the creation of new affordable housing.

Because there are some priority areas within rural areas where properties may not be available for development, mortgage buy-downs/down payment assistance in priority areas allows for LMI households to purchase turnkey homes once thought unobtainable due to the selling price. This will increase the amount of affordable housing being created. Some priority areas may not offer buildable vacant property owned by the municipality, but residential property may be available for sale. Many of these homes will be in neighborhoods of little diversity, sparking the integration of various incomes, races and makeups of households. Purchasers would qualify for this program after the completion of an approved homebuyer education course. Homes that would qualify for this program must not exceed to median selling price for the respective jurisdiction, must not require any critical repairs based on the home inspection, have an independent inspection performed by WPPDC's Housing Rehabilitation Specialist and if built pre-1978 have a lead risk assessment completed.

WPPDC funding an educational program through a subrecipient that focuses on homeownership and preparedness for LMI households with PRO Housing funds helps fill

a need across the southwestern Piedmont region. Currently, there are two homebuyer education classes that serve the entire WPPDC region. One is held periodically in Franklin County and Danville Redevelopment and Housing Authority operates a housing education program in the City of Danville and is looking to establish a similar program in the City of Martinsville, but this does not cover the PRO Housing Priority Geography areas. The subrecipient must offer the education class to all Priority Areas within the WPPDC service area and require all educators to become HUD Certified Housing Counselors, with an end goal of this program becoming a HUD certified program.

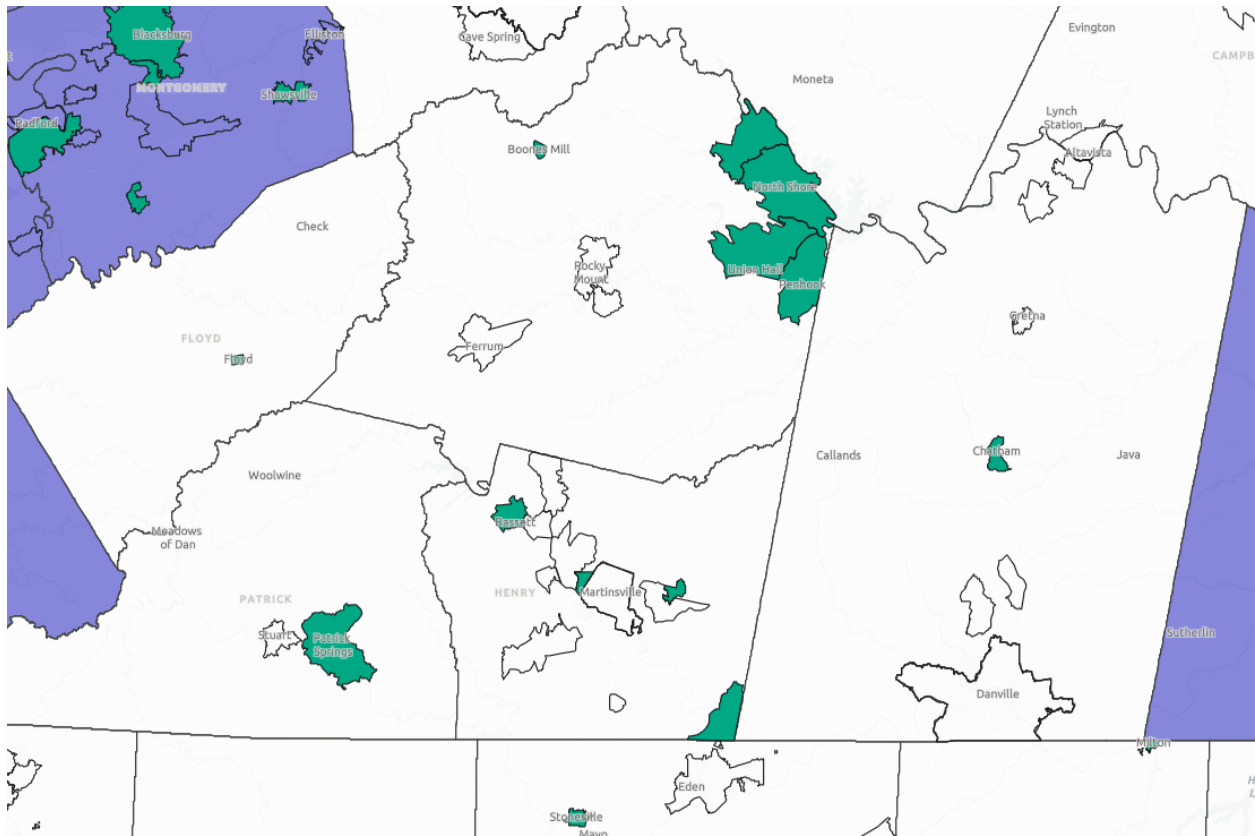
The West Piedmont Planning District Commission’s proposal aligns with the most recent housing study published for the region on how to mitigate the housing shortage. This project will be unique from others in the WPPDC service area because it focuses on PRO Housing Priority Geography areas. Much of the development over the past few years has been focused in and around some of the more developed or urban areas of the region. Although the areas of focus may differ, the development of affordable housing is a priority across all areas of the WPPDC region. “Low wage workers in common occupations throughout the region face housing challenges. Households with only one worker can have difficulty finding affordable housing. Most of the region’s working households are single earner.”ⁱⁱ Some roadblocks or barriers include the rural location of most of the PRO Housing Priority Geography areas in the WPPDC service area. Not all areas will be able to benefit from the current public transportation that is available but because of the West Piedmont Planning District 2045 Rural Long Range Transportation Plan, there are currently plans in motion to increase the amount of public transportation in the priority areas.

ii. *What is your geographic scope?*

WPPDC’s proposal will focus only on the PRO Housing Priority Geography areas.

- Patrick Springs (Patrick County)
- Chatham (Pittsylvania County)
- Villa Heights (Henry County)
- Bassett (Henry County)
- Sandy Level (Henry County)
- Union Hall (Franklin County)
- Penhook (Franklin County)
- Laurel Park (Henry County)

PRO Housing Priority Geography Search for the West Piedmont Planning District Commission Service Areaⁱⁱⁱ



The subrecipient chosen to administer the housing education program will be required to provide services to each priority neighborhood in the WPPDC region.

iii. Who are your key stakeholders? How are you engaging them?

Key stakeholders to this project include administration in Pittsylvania County, Franklin County, Henry County and Patrick County. We will work with the offices of Community Development in each jurisdiction to develop plans of action to acquire any available land in each priority area. Other stakeholders include potential subrecipients, Danville Redevelopment and Housing Authority, who offer housing educational programs, and STEP Inc., who offers referrals and housing assistance. Realtors and the local associations of realtors, modular construction companies, and local contractors will also be stakeholders. Most importantly, LMI residents who are interested in becoming homeowners. We will include advertising and outreach in our budget to reach each group, but specifically potential homeowners. Because WPPDC covers a service area of four counties and two cities, we have developed relationships with administration and other entities across the region who have an interest in furthering affordable housing development. WPPDC has consulted with Pittsylvania County about the PRO Housing grant and the opportunity to build new affordable housing on available properties and STEP Inc has

expressed their interest in furthering their housing initiatives by not only providing referrals but offering education. WPPDC used its own ideas and the suggestions of our stakeholders to create a proposal that will benefit all involved.

iv. How does your proposal align with requirements to affirmatively further fair housing?

WPPDC will give priority to households of color to purchase newly created affordable homes and those looking to purchase turnkey homes in priority areas. The priority areas are in counties where the whites/Caucasians are the majority of the population. By giving households of color priority, neighborhoods become integrated. To de-concentrate affordable housing, WPPDC will also chose to do infill in these priority areas. Due to most of the priority areas being in rural areas, WPPDC does not anticipate any displacement of residents. No homes or communities will be required to vacate to execute plans. New construction will only be done on vacant or blighted properties. WPPDC will work closely to give priority to contractors who are minority owned, veteran owned, or woman owned.

WPPDC will provide fair housing education materials to *all* applicants of the proposed activities and those approved will receive further fair housing education in the class provided the selected subrecipient. WPPDC will assist in the introduction to many infrastructure projects that may have been unattainable due to cost therefore causing segregated and some substandard communities. Examples include water and sewer taps providing cleaner and healthier water for residents, the introduction of broadband if available, giving residents access to internet for work, school and safety services, and sidewalks allowing for all residents, including those with mobility disabilities, to commute safely throughout the priority neighborhoods and encourages exercise activities. Some new homes may be ADA accessible cutting down on costs for households who may have a disabled family member.

v. What are your budget and timeline proposals?

West Piedmont Planning District Commission will work simultaneously with all localities to execute our plans. For a maximum of the first 6 months, WPPDC will develop an application for subrecipients as well potential homeowners while creating MOU's for various localities for the acquisition of properties. In the event that WPPDC is not awarded the full asking amount, plans will proceed given the funding that was made available. Homes sold would immediately use funds generated from the sales to fund another project site. WPPDC recognizes the urgent need of affordable housing in the area and will use any amount funded to complete goals over the span of 5 years, ending in the year 2030. West Piedmont Planning District Commission is seeking a total of \$7,000,000 to successfully execute its plans. WPPDC will employee its Housing Programs Director, Housing Programs Specialist, Housing Rehabilitation Specialist/Lead Risk Assessor and the Finance Director to administer the grant. Personnel, other direct costs, indirect costs, fringe, travel and supplies are included in administrative costs. We will include a larger

than normal budget for advertising and outreach to ensure that we are reaching underserved communities and providing them with as much education as possible.

Factor (c): Capacity

West Piedmont Planning District Commission

i) *What capacity do you and your Partner(s) have? What is your staffing plan?*

West Piedmont Planning District Commission will employ the following employees to execute the PRO Housing grant.

- Housing Programs Director- Sean Campbell: Provides project leadership, guidance, and supervision to ensure that all HUD guidelines, timelines, and funding requirements are met. Acts as a secondary role for all other staff.
- Housing Programs Specialist – Chasta White: Executes day to day operations of indirect activities and clerical direct activities including contracts, invoices, applications, and referrals.
- Housing Rehabilitation Specialist/ Lead Risk Assessor – Michael Mercado: Executes Lead Risk Assessments, manages/supervises contractors, provides scope of work for all construction sites.
- Finance Director – Jacob Bullins: Ensures that the project remains within the budget, requests any reimbursements, manages the financial reporting system.

WPPDC is the lead agency for implementing the grant and ensuring that all goals are met. Vacancies will be advertised for immediate filling, The Housing Programs Director will as a secondary to all positions and temporarily take on additional roles in the event of a vacancy. In the event of a vacancy for the Housing Programs Director, the WPPDC Executive Director will temporarily assume the position.

Established in 1970 by the state legislation, the West Piedmont Planning District Commission has served Franklin, Patrick, Henry, and Pittsylvania counties and the cities of Danville and Martinsville for over 40 years. A major function of the PDC is to facilitate regional approaches to activities such as economic development, transportation, housing, and the support of legislative priorities. The WPPDC fully supports organizations and programs that serve to eradicate barriers to affordable housing in our region. Since its inception, one of the primary roles of our organization has been the administration of grants for our member local governments which are often understaffed. Grants are also a primary source of funding for the PDC.

Currently, WPPDC administers projects with funding through the Virginia Department of Housing and Community Development. These grants are administered by the WPPDC for local member governments:

- Martinsville
 - CDBG Planning – Fayette Street Corridor Improvement Plan
 - One Ellsworth, Mixed Use in Uptown District of Martinsville
 - Enterprise Zone 54B City of Martinsville
 - Enterprise Zone 36B Martinsville
 - CDBG Pine Hall Housing Rehab Project.
- Stuart

- CDBG Construction – Downtown Revitalization
- Rocky Mount
 - CDBG Planning – North Main Street Corridor Improvement Plan
- Regionwide WPPDC
 - Virginia Housing PDC Housing Development Grant
 - Housing Initiative grants from Danville Regional Foundation and Harvest Foundation

Members of the WPPDC staff have experience in federal and state grants and programs for local governments in previous roles:

- Successfully applied for State and Federal grants including:
 - Department of Housing and Community Development: Virginia Eviction Reduction Pilot (Planning Grant)
 - Lead Hazard Control and Healthy Homes
- Monitoring of subrecipient and CHDO activities
- Written and implemented action plans for:
 - City of Danville, Virginia’s CDBG and HOME entitlement funds
 - City of Danville, Virginia's CDBG-CV funds
 - City of Danville, Virginia's HOME—ARP funds
- Compiled a CAPER for the City of Danville

Currently, WPPDC is administering a housing rehabilitation program for the City of Martinsville using CDBG funds. “The City of Martinsville received a Housing Rehabilitation Grant from the Virginia Department of Housing and Community Development (VDHCD). The purpose of the grant is to provide substantial reconstruction and rehabilitation of homes within the Pine Hall neighborhood of the City of Martinsville. The project area includes the Pine Hall Neighborhood Streets: Pine Hall, North Avenue, Wray Street, West Fayette Street and Top Street. The total project cost is \$1,679,735; DHCD’s portion is \$1,183,310 in CDBG funds; private and local leverage equals \$496,425. The Martinsville Pine Hall Housing Rehabilitation Project is a two-year project of which the City entered into an Agreement with DHCD in December 2021. All contracted products and activities shall be completed on or before November 2023. Applicants must not exceed HUD’s Low-to-Moderate Income (LMI) levels.”^{iv} With the assistance of WPPDC, Martinsville has been able to extend the grant cycle and complete rehabilitation on owner and tenant occupied dwellings. Initially, there was a struggle to secure contractors and qualified residents. WPPDC was able to use its community relations to gain the trust of residents and its vast relationship with local contractors to secure more contractors.

Members of the WPPDC staff have also executed programs using CDBG and HOME funds for local governments including:

- Homeowner Rehabilitation
- Acquire, Renovate, Sale
- Downpayment Assistance
- Rental Assistance
- Fair Housing education, outreach, and assistance with claims

This application was written by one of WPPDC's staff member, Chasta White who also serves as the Housing Programs Specialist.

WPPDC takes measures with every housing project to educate residents about State and Federal Fair Housing laws. Referrals are provided for legal counseling in the event of discrimination. Members of the WPPDC staff are active members of the NAACP, a former VP of a NAACP local branch, former Fair Housing Agent for the City of Danville and hold a Fair Housing Certificate with the Department of Professional and Occupational Regulation.

WPPDC has prepared environmental reviews for various projects and has staff that has prepared environmental reviews including tiered views and site-specific reviews.

WPPDC and its staff is familiar with cross-cutting federal requirements like Davis-Bacon labor standards, Lead Safe regulations, 2 CFR part 200, and fair housing requirements. Various staff have received training in these requirements and gained experience through other projects. A current staff member held the position of Fair Housing Agent for the City of Danville who ensured that all programs and activities complied with fair housing requirements. This staff member also enforced Davis-Bacon regulations for all federal projects for the City of Danville.

ⁱ 2024 West Piedmont Planning District Commission Housing Study
[pdc-housing-study-regional.pdf \(westpiedmontcdc.org\)](https://www.westpiedmontcdc.org/pdc-housing-study-regional.pdf)

ⁱⁱ 2024 West Piedmont Planning District Commission Housing Study
[pdc-housing-study-regional.pdf \(westpiedmontcdc.org\)](https://www.westpiedmontcdc.org/pdc-housing-study-regional.pdf)

ⁱⁱⁱ PRO Housing Priority Geography Search
<https://hudgis-hud.opendata.arcgis.com/apps/749ddfcac01c41619f98f7c99303947e/explore>

^{iv} City of Martinsville, VA Pine Hall Project
https://www.martinsville-va.gov/AgendaCenter/ViewFile/Agenda/_02242022-128