FINANCE COMMITTEE AGENDA
Tuesday, September 23, 2014
11:30 a.m.

GENERAL BUSINESS

11:30 a.m.

1. Report on the General Fund Reserve for Contingencies

   Contact: Donna Witt, Director of Financial Services 455-3968

11:35 a.m.

2. Consider a request to adopt a resolution to amend the FY 2015 City/Federal/State Aid Fund budget and appropriate $33,733 with resources of $16,866 from the Bulletproof Vest Partnership 2014 Grant Program and $16,867 transferred from the FY 2015 General Fund Police Department ($15,636) and Sheriff's Office ($1,231) budgets to purchase 43 replacement bulletproof vests for law enforcement officers.

   Contact: Police Chief Parks Snead 455-6104

11:40 a.m.

3. Consider a request to adopt a resolution to amend the FY 2015 City/Federal/State Aid Fund budget and appropriate $40,951 with resources from an Edward Byrne Memorial Justice Assistance Grant (JAG) to purchase forensic computer software and hardware, map boards for field supervisor vehicles, an evidence refrigerator, impact munitions, a high capacity printer, and tasers.

   Contact: Police Chief Parks Snead 455-6104

11:45 a.m.

4. Consider a request to adopt a resolution to amend the FY 2015 City/Federal/State Aid Fund budget and appropriate $11,827 with resources of $7,500 from the Department of Motor Vehicles Highway Safety Grant, an in-kind service and equipment match of $3,750, and $577 transferred from the FY 2015 General Fund Police Department budget to provide funds for speed enforcement activities.

   Contact: Police Chief Parks Snead 455-6104

11:50 a.m.

5. Consider a request to adopt a resolution to amend the FY 2015 City/Federal/State Aid Fund budget and appropriate $51,509 with resources of $32,809 from the Department of Motor Vehicles Highway Safety Grant, an in-kind service and equipment match of $16,405, and $2,295 transferred from the FY 2015 General Fund Police Department budget to provide selective DUI and occupant restraint enforcement activities, attend related training, and purchase equipment.

   Contact: Police Chief Parks Snead 455-6104

11:55 a.m.

6. Review collections received from five of the City's largest revenue sources.

   Contact: Donna Witt, Director of Financial Services 455-3968

12:00 p.m.

7. Roll Call

The next Finance Committee meeting is Tuesday, October 28, 2014, at 11:30 a.m.

AGENDA ITEM NO.: 1

FY 2015 GENERAL FUND RESERVE FOR CONTINGENCIES

	Reserve for Contingencies	City Manager's Discretionary Funding
BEGINNING BALANCE, JULY 1, 2014	$550,000	$50,000
Anticipated carryforward to FY 2015 Reserve for Contingencies - 05/13/14 Council Meeting	600,000	
BALANCE	**$1,150,000**	**$50,000**
APPROPRIATIONS (Second Reading)		
Police Department Tasers - 06/24/14 Council Meeting	$115,713	
School Resource Officer Grant local match and additional costs - 06/24/14 Council Meeting	83,765	
Two Community Centers - 09/09/14 Council Meeting	139,720	
TOTAL APPROPRIATIONS	**$339,198**	**$0**
REMAINING BALANCE	**$810,802**	**$50,000**
ITEMS INTRODUCED		
TOTAL INTRODUCED ITEMS	**$0**	**$0**
REMAINING BALANCE	**$810,802**	**$50,000**
PENDING ITEMS		
TOTAL PENDING ITEMS	**$0**	**$0**
PROJECTED BALANCE	**$810,802**	**$50,000**

September 2014

LYNCHBURG CITY COUNCIL
Agenda Item Summary

MEETING DATE: **September 23, 2014**			AGENDA ITEM NO.: **2**
CONSENT:	REGULAR: **X**	WORK SESSION:	CLOSED SESSION: (Confidential)
ACTION: **X**		INFORMATION:	

ITEM TITLE: **Police Bulletproof Vest Partnership 2014 Grant Funding**

RECOMMENDATION:
Adopt a resolution to amend the FY 2015 City/Federal/State Aid Fund budget and appropriate $33,733 with resources of $16,866 from the Bulletproof Vest Partnership 2014 Grant Program and $16,867 transferred from the FY 2015 General Fund Police Department ($15,636) and Sheriff's Office ($1,231) budgets to purchase 43 replacement bulletproof vests for law enforcement officers.

SUMMARY:
The Police Department and Sheriff's Office have been awarded a grant under the Bulletproof Vest Partnership. Funding will be used to purchase 43 replacement bulletproof vests for law enforcement officers.

Total vest replacement costs are $33,733. The grant requires a 50% local match; these funds are available in the FY 2015 General Fund Police Department and Sheriff's Office operating budgets.

PRIOR ACTION(S):
September 23, 2014 Finance Committee

FISCAL IMPACT:
The required local match is budgeted in the FY 2015 General Fund Police Department and Sheriff's Office operating budgets; therefore, no additional funds are required.

CONTACT(S):
Police Chief Parks Snead, 455-6104; Captain M.L. Jamison, 455-6168;
Sheriff Ron Gillispie, 847-1301; Chief Deputy D.T. Sloan, 847-1301

ATTACHMENT(S):
Resolution

REVIEWED BY:
bms

RESOLUTION:
BE IT RESOLVED that the FY 2015 City/Federal/State Aid Fund budget is amended and $33,733 is appropriated with resources of $16,866 from the Bulletproof Vest Partnership 2014 Grant Program and $16,867 transferred from the FY 2015 General Fund Police Department ($15,636) and Sheriff's Office ($1,231) budgets to purchase 43 replacement bulletproof vests for law enforcement officers.

Introduced: Adopted:

Certified: ________________________________
Clerk of Council

LYNCHBURG CITY COUNCIL
Agenda Item Summary

MEETING DATE: **September 23, 2014** AGENDA ITEM NO.: **3**

CONSENT: REGULAR: **X** WORK SESSION: CLOSED SESSION:
(Confidential)

ACTION: **X** INFORMATION:

ITEM TITLE: **2014 Edward Byrne Memorial Justice Assistance Grant (JAG)**

RECOMMENDATION: Adopt a resolution to amend the FY 2015 City/Federal/State Aid Fund budget and appropriate $40,951 with resources from an Edward Byrne Memorial Justice Assistance Grant (JAG) to purchase forensic computer software and hardware, map boards for field supervisor vehicles, an evidence refrigerator, impact munitions, a high capacity printer, and tasers.

SUMMARY: The City is eligible to receive $40,951 in Edward Byrne Memorial Justice Assistance Grant (JAG) funding. Funding will be utilized to purchase forensic computer software and hardware, map boards for field supervisor vehicles, an evidence refrigerator, impact munitions for the Police Department ($32,182); a high capacity printer for the Office of the Commonwealth's Attorney ($3,781); and tasers for the Sheriff's Department ($4,988). Total equipment cost is $40,951, which is fully reimbursable by the grant. No local matching funds are required.

PRIOR ACTION(S):
May 27, 2014 City Council – Approval of application submission
September 23, 2014 Finance Committee

FISCAL IMPACT:
None, no local match is required.

CONTACT(S):
Police Chief Parks Snead, 455-6104
Captain M.L. Jamison, 455-6168

ATTACHMENT(S):
Resolution

REVIEWED BY:
bms

RESOLUTION:
BE IT RESOLVED that the FY 2015 City/Federal/State Aid Fund budget is amended and $40,951 is appropriated with resources from the 2014 Edward Byrne Memorial Justice Assistance Grant (JAG) to purchase forensic computer software and hardware, map boards for field supervisor vehicles, an evidence refrigerator, impact munitions, a high capacity printer, and tasers.

Introduced: Adopted:

Certified: ______________________________
Clerk of Council

LYNCHBURG CITY COUNCIL
Agenda Item Summary

MEETING DATE: **September 23, 2014** AGENDA ITEM NO.: **4**

CONSENT: REGULAR: **X** WORK SESSION: CLOSED SESSION: (Confidential)

ACTION: **X** INFORMATION:

ITEM TITLE: **Police Department Participation in the DMV Highway Safety Grant - Speed**

RECOMMENDATION:
Adopt a resolution to amend the FY 2015 City/Federal/State Aid Fund budget and appropriate $11,827 with resources of $7,500 from the Department of Motor Vehicles Highway Safety Grant, an in-kind service and equipment match of $3,750, and $577 transferred from the FY 2015 General Fund Police Department budget to provide funds for speed enforcement activities.

SUMMARY:
The Department of Motor Vehicles Highway Safety Program has awarded the City an $11,827 grant. The funds will be used for speed enforcement activities.

This grant excludes reimbursement of FICA (Medicare and Social Security) benefit costs associated with the allotted overtime; however, funding of $577 is available for transfer from the FY 2015 Police Department budget to cover this expense.

An in–kind match of $3,750 in police equipment and services is part of the grant agreement.

PRIOR ACTION(S):
September 23, 2014 Finance Committee

BUDGET IMPACT:
The grant requires the locality pay the FICA (Medicare and Social Security) benefits associated with the allotted overtime funds; $577 will be transferred from the FY 2015 General Fund Police Department budget to cover this expense.

CONTACT(S):
Police Chief Parks Snead, 455-6104
Captain M.L. Jamison, Police Department, 455-6168

ATTACHMENT(S):
Resolution

REVIEWED BY:
bms

RESOLUTION:

BE IT RESOLVED that the FY 2015 City/Federal/State Aid Fund budget is amended and $11,827 is appropriated with resources of $7,500 from the Department of Motor Vehicles Highway Safety Grant, an in-kind service and equipment match of $3,750, and $577 transferred from the FY 2015 General Fund Police Department budget to provide funds for speed enforcement activities.

Introduced: Adopted:

Certified: ______________________________

Clerk of Council

LYNCHBURG CITY COUNCIL
Agenda Item Summary

MEETING DATE: **September 23, 2014** AGENDA ITEM NO.: **5**

CONSENT: REGULAR: **X** WORK SESSION: CLOSED SESSION: (Confidential)

ACTION: **X** INFORMATION:

ITEM TITLE: **Police Department Participation in the DMV Highway Safety Grant – DUI Enforcement**

RECOMMENDATION: Adopt a resolution to amend the FY 2015 City/Federal/State Aid Fund budget and appropriate $51,509 with resources of $32,809 from the Department of Motor Vehicles Highway Safety Grant, an in-kind service and equipment match of $16,405, and $2,295 transferred from the FY 2015 General Fund Police Department budget to provide selective DUI and occupant restraint enforcement activities, attend related training, and purchase equipment.

SUMMARY: The Department of Motor Vehicles Highway Safety Program has awarded the City a $51,509 grant. The funds will be used for selective DUI and speed enforcement activities, to attend related training, and to purchase equipment for DUI enforcement.

This grant excludes reimbursement of FICA (Medicare and Social Security) benefit costs associated with the allotted overtime; however, funding of $2,295 is available for transfer from the FY 2015 General Fund Police Department budget to cover this expense.

An in–kind match of $16,405 in police equipment and services is part of the grant agreement.

PRIOR ACTION(S):
September 23, 2014 Finance Committee

BUDGET IMPACT:
The grant requires the locality pay the FICA (Medicare and Social Security) benefits associated with the allotted overtime funds; $2,295 will be transferred from the FY 2015 General Fund Police Department budget to cover this expense.

CONTACT(S):
Police Chief Parks Snead, 455-6104
Captain M.L. Jamison Police Department, 455-6168

ATTACHMENT(S):
Resolution

REVIEWED BY:
bms

RESOLUTION:

BE IT RESOLVED that the FY 2015 City/Federal/State Aid Fund budget is amended and $51,509 is appropriated with resources of $32,809 from the Department of Motor Vehicles Highway Safety Grant, an in-kind service and equipment match of $16,405, and $2,295 transferred from the FY 2015 General Fund Police Department budget to provide selective DUI and occupant restraint enforcement activities, attend related training, and purchase equipment.

Introduced: Adopted:

Certified: ____________________________

Clerk of Council

FINANCE COMMITTEE
Agenda Item Summary

MEETING DATE: **September 23, 2014**			AGENDA ITEM NO.: **6**
CONSENT:	REGULAR:	WORK SESSION:	CLOSED SESSION: (Confidential)
ACTION:		INFORMATION: **X**	
ITEM TITLE: **Revenue Update**			

RECOMMENDATION:
Review the collections received from five of the City's largest revenue sources.

SUMMARY:
Five of the City's major revenue sources are taxes collected on a monthly basis: Sales Tax, Consumer Utility Tax – Electric, Communications Sales and Use Tax, Meals Tax, and Lodging Tax. Since the last Finance Committee meeting, revenue information for the month of June has been posted for these five revenue streams.

PRIOR ACTION(S):
This information is provided monthly to the Finance Committee.

FISCAL IMPACT:
None

CONTACT(S):
Donna Witt, Director of Financial Services, 455-3968

ATTACHMENT(S):
Comparison of Collections Budget to Actual FY 2013 – FY 2014

REVIEWED BY:

Comparison of Collections
Budget to Actual FY 2013 - FY 2014

SALES & USE TAX

ADOPTED FY 2014 BUDGET - $13,440,973

ADOPTED FY 2015 BUDGET - $13,600,000

	Actual FY 2011	Actual FY 2012	Actual FY 2013	Adopted FY 2014	Actual FY 2014	Actual FY 2014 to Adopted FY 2014	Actual FY 2014 to Actual FY 2013
JULY	$979,650	$1,014,596	$996,646	$985,733	$1,075,816	$90,083	$79,170
AUGUST	1,022,849	1,079,129	1,145,592	1,133,048	1,098,342	(34,706)	(47,250)
SEPTEMBER	1,102,964	1,100,698	1,117,209	1,104,976	1,083,199	(21,777)	(34,010)
OCTOBER	1,056,307	1,055,941	1,033,859	1,022,538	1,161,965	139,427	128,106
NOVEMBER	1,144,056	1,117,090	1,187,008	1,174,010	1,155,729	(18,281)	(31,279)
DECEMBER	1,548,053	1,488,926	1,466,715	1,450,654	1,316,419	(134,236)	(150,296)
JANUARY	1,018,798	998,052	1,085,312	1,073,428	1,103,175	29,747	17,863
FEBRUARY	1,025,671	1,134,434	1,074,819	1,063,050	1,172,252	109,202	97,433
MARCH	1,112,797	1,196,149	1,138,611	1,126,143	1,217,930	91,787	79,319
APRIL	1,135,478	1,053,637	1,129,443	1,117,076	1,183,748	66,672	54,305
MAY	1,068,073	1,078,175	1,089,235	1,077,308	1,112,579	35,271	23,344
JUNE	1,073,332	1,124,148	1,125,297	1,112,975	1,161,140	48,165	35,843
TOTAL	**$13,288,028**	**$13,440,975**	**$13,589,746**	**$13,440,938**	**$13,842,294**	**$401,355**	**$252,548**

CONSUMER UTILITY TAX - ELECTRIC

ADOPTED FY 2014 BUDGET - $3,650,000

ADOPTED FY 2015 BUDGET - $3,700,000

	Actual FY 2011	Actual FY 2012	Actual FY 2013	Adopted FY 2014	Actual FY 2014	Actual FY 2014 to Adopted FY 2014	Actual FY 2014 to Actual FY 2013
JULY	$352,603	$341,729	$323,141	$312,574	$325,815	$13,241	$2,674
AUGUST	345,842	345,615	345,163	333,876	318,738	(15,138)	(26,425)
SEPTEMBER	329,379	325,754	318,915	308,486	317,324	8,838	(1,591)
OCTOBER	283,250	280,745	279,145	270,017	273,646	3,629	(5,499)
NOVEMBER	262,650	281,842	282,035	272,812	280,945	8,133	(1,090)
DECEMBER	341,053	325,287	330,714	319,900	348,750	28,850	18,036
JANUARY	388,100	344,439	346,399	335,072	374,541	39,469	28,142
FEBRUARY	350,799	322,546	342,839	331,628	372,254	40,626	29,415
MARCH	299,725	298,405	326,828	316,141	334,289	18,148	7,461
APRIL	284,770	271,034	320,253	309,781	306,485	(3,296)	(13,768)
MAY	266,190	266,883	262,832	254,237	272,343	18,106	9,511
JUNE	316,904	301,838	295,319	285,662	303,173	17,511	7,854
TOTAL	**$3,821,265**	**$3,706,117**	**$3,773,583**	**$3,650,187**	**$3,828,303**	**$178,116**	**$54,720**

COMMUNICATIONS SALES & USE TAX

ADOPTED FY 2014 BUDGET - $3,462,621

ADOPTED FY 2015 BUDGET - $3,450,000

	Actual FY 2011	Actual FY 2012	Actual FY 2013	Adopted FY 2014	Actual FY 2014	Actual FY 2014 to Adopted FY 2014	Actual FY 2014 to Actual FY 2013
JULY	$301,373	$349,339	$293,358	$288,552	$286,999	($1,553)	($6,359)
AUGUST	344,401	294,910	291,560	288,552	284,691	(3,861)	(6,869)
SEPTEMBER	274,076	179,549	263,295	288,551	284,249	(4,302)	20,954
OCTOBER	299,531	309,437	319,011	288,552	288,830	278	(30,181)
NOVEMBER	292,735	284,123	300,665	288,552	284,176	(4,376)	(16,489)
DECEMBER	344,423	233,654	297,855	288,551	289,726	1,175	(8,129)
JANUARY	265,736	337,936	282,620	288,552	264,960	(23,592)	(17,660)
FEBRUARY	288,629	287,492	287,759	288,552	280,480	(8,072)	(7,279)
MARCH	300,235	302,278	299,333	288,551	288,500	(51)	(10,833)
APRIL	285,073	292,542	287,442	288,552	285,052	(3,500)	(2,390)
MAY	295,365	287,784	266,034	288,552	286,178	(2,374)	20,144
JUNE	242,872	303,576	282,873	288,552	288,892	340	6,019
TOTAL	**$3,534,449**	**$3,462,620**	**$3,471,805**	**$3,462,621**	**$3,412,733**	**($49,888)**	**($59,072)**

Comparison of Collections
Budget to Actual FY 2013 - FY 2014

MEALS TAX

ADOPTED FY 2014 BUDGET - $11,785,000
ADOPTED FY 2015 BUDGET - $12,100,000

	Actual Assessed FY 2012	Actual Collected FY 2012 [1]	Actual Assessed FY 2013	Actual Collected FY 2013 [1]	Adopted FY 2014	Actual Assessed FY 2014	Assessed FY 2014 to Adopted FY 2014	Actual Collected FY 2014	Collected FY 2014 to Adopted FY 2014	Collected FY 2014 to Assessed FY 2014
JULY [2]	$889,917	$889,135	$943,431	$1,044,556	$917,109	$950,875	$33,766	$1,159,786	$242,677	$208,911
AUGUST	960,082	962,761	1,042,850	1,026,544	1,013,754	1,062,943	49,189	1,024,718	10,964	(38,225)
SEPTEMBER	984,785	998,157	1,011,701	1,012,294	983,475	1,038,949	55,474	1,052,079	68,604	13,130
OCTOBER	999,289	994,851	1,006,966	1,003,032	978,872	1,026,731	47,859	958,359	(20,513)	(68,372)
NOVEMBER	916,955	898,157	964,775	868,692	937,858	1,000,780	62,922	1,064,385	126,527	63,605
DECEMBER	1,028,805	986,078	1,044,178	1,083,983	1,015,045	1,067,250	52,205	1,035,379	20,334	(31,871)
JANUARY	931,373	950,784	927,026	889,358	901,162	977,119	75,957	971,677	70,515	(5,442)
FEBRUARY	988,981	977,100	983,390	995,618	955,953	994,179	38,226	957,979	2,026	(36,200)
MARCH	1,079,018	1,073,364	1,092,759	1,091,421	1,062,271	1,131,402	69,131	1,142,746	80,475	11,344
APRIL	1,017,193	1,011,594	1,052,568	1,067,037	1,023,201	1,094,031	70,830	1,034,811	11,610	(59,220)
MAY [2]	1,004,820	993,883	1,058,790	841,164	1,029,250	1,106,031	76,781	1,100,601	71,351	(5,430)
JUNE [2]	979,912	849,219	994,811	950,882	967,056	1,021,541	54,485	1,164,223	197,167	142,682
TOTAL	**$11,781,130**	**$11,585,083**	**$12,123,245**	**$11,874,581**	**$11,785,006**	**$12,471,831**	**$686,825**	**$12,666,743**	**$881,737**	**$194,912**

LODGING TAX

ADOPTED FY 2014 BUDGET - $1,700,000
ADOPTED FY 2015 BUDGET - $1,800,000

	Actual Assessed FY 2012	Actual Collected FY 2012 [1]	Actual Assessed FY 2013	Actual Collected FY 2013 [1]	Adopted FY 2014	Actual Assessed FY 2014	Assessed FY 2014 to Adopted FY 2014	Actual Collected FY 2014	Collected FY 2014 to Adopted FY 2014	Collected FY 2014 to Assessed FY 2014
JULY [2]	$180,074	$168,386	$180,074	$197,072	$160,554	$174,789	$14,235	$223,419	$62,865	$48,630
AUGUST [3]	192,759	200,321	163,020	275,903	145,349	185,677	40,328	185,340	39,991	(337)
SEPTEMBER	156,383	159,891	160,661	157,680	143,245	181,706	38,461	204,758	61,513	23,052
OCTOBER	185,386	185,530	183,064	191,453	163,220	184,209	20,989	185,014	21,794	805
NOVEMBER	131,053	131,431	131,993	129,941	117,685	153,449	35,764	148,082	30,397	(5,367)
DECEMBER	108,029	92,483	112,277	113,067	100,106	123,501	23,395	126,077	25,971	2,576
JANUARY	122,636	115,790	134,471	129,578	119,894	132,869	12,975	125,716	5,822	(7,153)
FEBRUARY	136,278	130,805	136,660	136,660	121,846	136,497	14,651	139,851	18,005	3,354
MARCH	154,626	144,654	158,737	158,706	141,530	176,151	34,621	172,029	30,499	(4,122)
APRIL	146,380	149,258	161,422	161,391	143,924	170,566	26,642	171,590	27,666	1,024
MAY	187,057	177,282	193,883	193,290	172,866	226,865	53,999	225,048	52,182	(1,817)
JUNE [2]	185,246	131,889	190,364	122,651	169,729	208,725	38,996	218,221	48,492	9,496
TOTAL	**$1,885,907**	**$1,787,720**	**$1,906,626**	**$1,967,392**	**$1,699,948**	**$2,055,004**	**$355,056**	**$2,125,145**	**$425,197**	**$70,141**

[1] Meals and Lodging Tax data includes columns titled "Actual Collected ." The figures listed under these columns include all revenue received per month under that description regardless of whether the payment is current or delinquent.

[2] Due to year end accounting activities, a portion of Meals and Lodging Tax revenues associated with May and June were posted in June and July.

[3] The August FY 2013 collection amount includes a one-time $140,000 payment in delinquent taxes.

LYNCHBURG CITY COUNCIL
Agenda Item Summary

MEETING DATE: **September 23, 2014** AGENDA ITEM NO.: 4

CONSENT: REGULAR: WORK SESSION: **X** CLOSED SESSION: (Confidential)

ACTION: **X** INFORMATION:

ITEM TITLE: **Strategic Plan for the Agriculture and Forestry Economy in Virginia's Region 2000**

RECOMMENDATION: Adopt the attached resolution endorsing the Strategic Plan for the Agriculture and Forestry Economy in Virginia's Region 2000.

SUMMARY: The Region 2000 Local Government Council and the Virginia Cooperative Extension Service, through the support of an Agriculture and Forestry Industries Development (AFID) Grant, have prepared a strategic plan to support the agriculture and forestry economy in the region. The plan (attached) can also be helpful in addressing issues of healthy living and food security. Extension Agent Kevin Camm and Philipp Gabathuler, of Region 2000, will make a presentation on the plan and will seek Council's endorsement by adoption of the attached resolution.

PRIOR ACTION(S): None

FISCAL IMPACT: N/A

CONTACT(S): Kevin F. Camm, Extension Agent, 455-3740; Phillip Gabathuler, Region 2000, 845-3491

ATTACHMENT(S): Resolution, Strategic Plan for the Agriculture and Forestry Economy in Virginia's Region 2000

REVIEWED BY: lkp

<u>RESOLUTION</u>

WHEREAS, the localities of Region 2000 are committed to thinking strategically about how they can better support and integrate agriculture and forestry-based industries into their community's overall economic development efforts.

WHEREAS, the *Strategic Plan for the Agriculture and Forestry Economy in Virginia's Region 2000* is the result of a collaboration between Region 2000 localities and represents collective input from locality staff and their citizenry; and

WHEREAS, the *Strategic Plan for the Agriculture and Forestry Economy in Virginia's Region 2000* represents completion of the planning process funded in part by Virginia's Department of Agriculture and Consumer Services "Agriculture and Forestry Industries Development (AFID)" grant program; and

WHEREAS, the *Strategic Plan for the Agriculture and Forestry Economy in Virginia's Region 2000* is a regional plan that provides immediate and long-term action items to facilitate support and integration of agriculture and forestry-based industries into the overall economic development efforts in Region 2000 communities; and

WHEREAS, the Virginia's Region 2000 Local Government Council approved and recommends the endorsement of the *Strategic Plan for the Agriculture and Forestry Economy in Virginia's Region 2000* by the local governments within Region 2000.

THEREFORE, BE IT RESOLVED that the Lynchburg City Council does hereby endorse the *Strategic Plan for the Agriculture and Forestry Economy in Virginia's Region 2000.*

Adopted:

Certified: ______________________________
Clerk of Council

130K

Local Government Council

Strategic Plan for the Agriculture and Forestry Economy in Virginia's Region 2000

2014

Acknowledgements

The completion of the *Strategic Plan for the Agriculture and Forestry Economy in Virginia's Region 2000* would not have been possible without the leadership and guidance of the Agriculture and Forestry Industries Development (AFID) Grant Management Team. They actively supplied their honest, thoughtful input and foresight to genuinely shape the development of this plan. Team Members include:

- Scott Baker – Virginia Cooperative Extension (VCE) Bedford County
- John Benner – Virginia Cooperative Extension (VCE) Amherst County
- Traci Blido – Bedford County, Office of Economic Development
- Jeremy Bryant – Amherst County Planning and Zoning Department
- Kevin Camm – Virginia Cooperative Extension (VCE) City of Lynchburg
- Lee Cobb – Amherst County Economic Development
- Mike Davidson – Campbell County Economic Development
- Philipp Gabathuler – Virginia's Region 2000
- Leslie Hoglund – Central Virginia Health District
- Bruce Jones – Virginia Cooperative Extension (VCE) Appomattox County
- Todd Scott – Virginia Cooperative Extension (VCE) Campbell County
- Jeff Taylor – Appomattox County Economic Development
- Michael Van Ness – Lynchburg Grows
- Bob White – Virginia's Region 2000

Additionally, a big thank you to the following individuals who participated in one-on-one interviews and locality input sessions.

<u>Regional and Statewide Participants</u>

- Anne Marie Clarke, Robert E. Lee Soil and Water Conservation District
- Greg Farmer, President, Colonial Farm Credit
- Dr. Jewel Hairston, Dean, College of Agriculture, Virginia State University
- Dr. Alan Grant, Dean, College of Agriculture and Life Sciences, Virginia Tech University
- Jimmy Jones, Georgia Pacific
- Dr. Lincoln Montgomery-Rodgers, Agrarian Veterinary Services
- Paige Pratt, Virginia Tech Department of Animal and Poultry Sciences
- Wren Roberts, Centra Health Systems
- Andy Seibel, Virginia FFA Association
- Jeff Wilkerson, Westover Dairy (The Kroger Company)

<u>Amherst County</u>

- Scott Barnes, Morris Orchard
- Robert M. Curd, Clover Hill Farm
- Donna Meeks, Sweet Briar College
- Henry S. Myers, The Canebrakes Farm
- Frank Walton, Buffalo River Ranch
- Len Thompson, Vineyards

- Bill Tucker, Tucker Family Farms

Appomattox County

- Ron Coleman, Coleman & Sons Farm Supply
- W.A. Coleman, Cattle and Appomattox Farm Bureau Board Member
- Matt English, Sheep producer and livestock auctioneer
- Kenneth Goin, Tobacco, Cattle and Appomattox Farm Bureau Board of Directors Member
- Jack Goin,Cattle producer and Appomattox Farm Bureau Board Member
- John O. Harrison, Cattle, Timber and Robert E. Lee SWCD Vice Chairman
- Danny Hix, Hix Brothers Farm – Tobacco, Cattle, and Saw Mill Operator
- Fred H. Jones, Fred H. Jones Well Company and Grain
- Mary Lund, Lund Angus Farm – Beef
- Larry Majerus, Beef
- Nelson Mann, Appomattox Farm Bureau Board of Director member
- Cynthia Spiggle, Poultry
- Dennis Torrence, Hay and Robert E. Lee SWDD Board Member
- Cecil Wooldridge, Cattle

Bedford County

- Craig Coker, Bedford County Economic Development Authority
- Jerry Craig, Bedford County Planning Commission
- Rodney Dellis, Farm Credit
- Sam Gardner, Farm Bureau Young Farmers
- John Hicks, Bedford-Augusta Co-op
- Danny Johnson, Johnson's Orchard
- W.P. Johnson, Bedford Agricultural Economic Development Advisory Board, Farm Bureau Young Farmers
- Todd Kready, Forestry
- Dorothy McIntyre, Forest Farmers Market
- Lucy Overstreet, Idlewild Farm
- Jeff Powers, Bedford Agricultural Economic Development Advisory Board
- Mark Reeter, Bedford County Administrator
- Barbara Rezzonico, Bedford School System
- Steve Wilkerson, Bedford County Board of Supervisors
- Sam Williams, Bedford Southern State

Campbell County

- Paul Anctil, Vineyard & Winery (Campbell County)
- Walter Bass, Jr., Sod
- W B Bass. III, Sod
- Bryan Bennett, President Campbell County Farm Bureau
- James Bennett, Beef
- Kevin Dawson, Virginia Dept. of Forestry – Campbell County
- Carter Elliott, Dairy
- Charles Fariss, Beef
- Frank Goff, Goats and Small Ruminants

- Mark Gregory, Beef
- Mark Guthrie, Aquaculture - Prawns
- Charles Hogue, Beef
- H. B. Hunter, Goat Dairy, President of Campbell County Leadership Extension Council
- Clint Jones, High School Ag Teacher
- George Jones, President Campbell County Cattlemen's Association
- Shelia Jones, Dodds Farm Supply
- Roger Keesee, Beef
- Shelton Miles, Beef
- Betty Mitchell, Bartlett Milling
- Lawrence Narehood, Cider Apple Orchard Manager
- Matt Neighbors, Landscaping
- Roy Neighbors, Bartlett Milling
- Brad Phillips, Equipment – John Deere
- Chris Phillips, Equipment – John Deere
- Brandon Schmidt, Past President Campbell County Cattlemen's Association
- Scott Tweedy, Grain Producer AND Campbell County Economic Development Commission
- Don Yancey, Natural Resources Conservation Service, USDA – Campbell County
- Delvin Yoder, Dairy
- Lowell Yoder, Dairy

City of Lynchburg

- John Abel, Randolph College and Lynchburg Area Food Council
- Jason Fowler, Land and Table
- Urs Gabathuler, Main Street Eatery
- Donald Johns, Conner Produce Co.
- Mike Russell, Department of Minority Business Enterprise – Lynchburg Office
- Steve Simpson, Lynchburg Health Department, Environmental Health Manager
- Meryl Smith, Lynchburg City Schools, Supervisor of School Nutrition

Table of Contents

How to Use this Plan

The intent of the *Strategic Plan for the Agriculture and Forestry Economy in Virginia's Region 2000* is to provide the AFID Grant Management Team with a framework for action to promote regional growth in the agriculture and forestry industries. Formed as a collaborative entity linking economic development organizations and Virginia Cooperative Extension (VCE) offices across localities in Virginia's Region 2000, the AFID Grant Management Team is charged with driving immediate actions outlined in the plan, tracking metrics to monitor progress, and determining continued actions working with locality and regional partners.

The plan is structured around a Vision Statement and Guiding Principles that identify the intended overarching results of the plan for Virginia's Region 2000. Within the plan, three goal areas have been defined:

- Goal #1: Coordinate Regional Marketing and Outreach
- Goal #2: Strengthen Resources for Producers
- Goal #3: Promote Career and Small Business Development Opportunities

Each goal is broken out into specific projects. The projects include defined actions separated by set time frames: Immediate (<year); Short-term (1-2 years); Mid-term (2-4 years), and Long-term (ongoing)]. For each immediate action, a responsible lead entity is identified along with key partners to support implementation of the action. For short-term, mid-term, and long-term actions, the AFID Grant Management Team will conduct an annual planning session to assign lead entity and partner responsibilities for the upcoming year.

For each project, the plan includes a list of applicable grant programs to obtain funding, outcome measures to monitor progress, and a best practices case study for reference. This information is intended to provide guidance to support the implementation of project actions.

The grant programs include federal, state, and foundation funding opportunities identified specifically with each project in mind. A more detailed description of each funding opportunity is included in Appendix B. Outcomes are performance measures used to monitor implementation and results related to the identified project. It is the responsibility of the AFID Grant Management Team to collaborate and gather this information. The best practice case studies provide insight on where a particular program is successfully working in the Commonwealth of Virginia or in other locations throughout the United States. The AFID Grant Management Team can reference them as they design and implement projects defined in the plan.

Prosperity Ag & Energy Resources

Thomas P. Miller and Associates

VISION STATEMENT:

We recognize and promote the agriculture and forestry industries to strengthen regional economic development and future sustainability.

Guiding Principles:

- Leaders within economic development and the Virginia Cooperative Extension (VCE) collaborate to leverage resources and engage partners to actively target opportunities for business attraction and expansion.
- Elected officials and residents increasingly understand the significance of agriculture and forestry to the regional economy and value the preservation of its heritage.
- Locally grown foods are readily accessible and incorporated into local food systems.
- Forestry is a viable industry embracing the principles of sustainability and creates jobs in the region.
- Value-added agriculture increases profitability on farms, helps retain and attract young producers, and enhances regional identity.

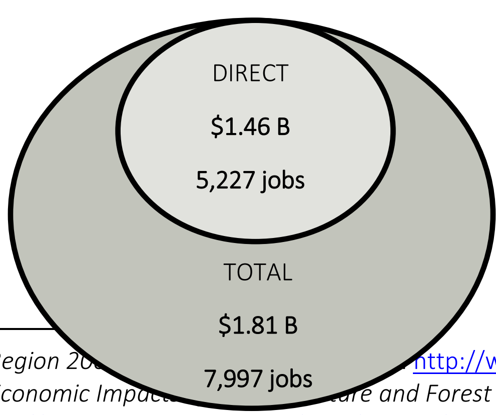
Source: http://www.pubzi.com/paisaje~es~JIwZYwca96D.html

Introduction: The Impact

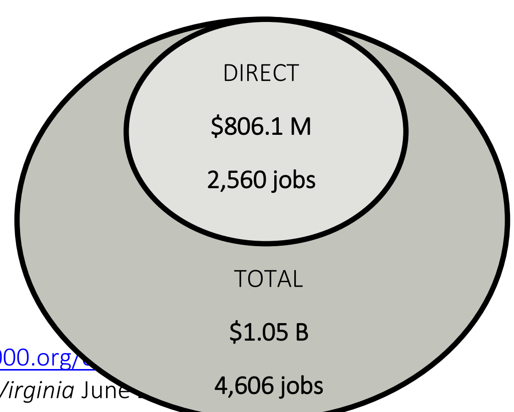
Virginia's Region 2000 Partnership ("Region 2000") is a network of organizations focused on providing regional leadership in the 2,000 square miles encompassing the City of Lynchburg including Amherst County, Appomattox County, Bedford County, and Campbell County. Areas of focus include economic development, workforce development, technology, and community development. Region 2000's Local Government Council is specifically tasked with addressing challenges and opportunities on a regional basis that can collectively strengthen localized responses. Region 2000 is fortunate to have a diversified economy with primary industry clusters in wireless technology, manufacturing automation, nuclear energy, plastics, pharmaceuticals, and health care.[1] Additionally, the region has five colleges and universities which provide employment and attract students from throughout the United States to the region. Through this plan, the Local Government Council has prioritized agriculture and forestry as industries with potential and opportunity to promote economic development.

Agriculture has an over $1.46 billion direct economic impact on Region 2000 with over 5,200 jobs. Forestry has an $806.1 million direct economic impact with over 2,560 jobs. Direct economic impact consists of the addition of economic activity or expenditure into the region. For example, sales of agriculture and forestry-related industries in Virginia's Region 2000. The total impact includes the direct economic impact as well as the indirect and induced impacts. Indirect impacts is dollars re-spent in the region on supplies and services. For example, producers spend a portion of their sales revenue to purchase seeds, fertilizer, utilities and insurance from companies in the region. These companies utilize their sales revenues to purchase supplies and services from other firms which leads to spending through multiple rounds of inter-industry purchases to calculate the indirect impact. The induced impact is based on spending of households. For example, an agriculture business pays wages to it employees. These employees then purchase goods and services from regional firms who then receive a portion of their labor and material inputs.[2] The sum of these purchases is used to calculate the induced impact.

AGRICULTURE



FORESTRY



[1] *Region 20…* http://www.region2000.org/…
[2] *Economic Impac… …ure and Forest Industries in Virginia* June … http://www.coopercenter.org/sites/default/files/publications/Virginia%20Agricul…orest%202012reva.pdf

VIRGINIA'S REGION 2000 –
STRATEGIC PLAN FOR THE AGRICULTURE AND FORESTRY ECONOMY

Vision :

We recognize and promote the agriculture and forestry industries to strengthen regional economic development and future sustainability.

Guiding Principles:

- Leaders within economic development and the Virginia Cooperative Extension (VCE) collaborate to leverage resources and engage partners to actively target opportunities for business attraction and expansion.
- Elected officials and residents increasingly understand the significance of agriculture and forestry to the regional economy and value the preservation of its heritage.
- Locally grown foods are readily accessible and incorporated into local food systems.
- Forestry is a viable industry embracing the principles of sustainability and creates jobs in the region.
- Value-added agriculture increases profitability on farms, helps retain and attract young producers, and enhances regional identity.

GOALS	PROJECTS
#1 Coordinate Regional Marketing and Outreach	• Project 1.1 Develop a regional agriculture and forestry website • Project 1.2 Prepare and update regional and locality data profiles of the agriculture and forestry industries • Project 1.3 Promote locally grown foods working with producers, locality governments, community organizations, school districts, and farmers markets • Project 1.4 Work with existing convenience stores in the City of Lynchburg to improve access to fresh and healthy produce
#2 Strengthen Resources for Producers	• Project 2.1 Complete a regional food hub feasibility study • Project 2.2 Coordinate with county cattleman's associations to discuss direct marketing opportunities within and outside of the region
#3 Promote Career and Small Business Development Opportunities	• Project 3.1 Convene meetings to connect producers with food services professionals and other larger buyers interested in making local food purchases • Project 3.2 Coordinate agriculture and forestry career awareness activities for high school and colleges students in Region 2000 • Project 3.3 Develop a regional young farmers institute to provide ongoing workshops and technical assistance

GOAL #1

Coordinate Regional Marketing and Outreach

Project 1.1 Develop a regional agriculture and forestry website

The first priority of the AFID Grant Management Team is to promote awareness of the agriculture and forestry industries and the regional assets available to support continued and future growth. It is a story that has not been effectively told. Currently, the localities in Virginia's Region 2000 do not have a region-specific website that provide information about the agriculture and forestry industries. The creation of a website will help strengthen awareness about the industries with a centralized source for information. Potential functions of the website include:

- Provide information on educational workshops related to agriculture and forestry offered by the Virginia Cooperative Extension (VCE) and other organizations/agencies.
- List upcoming United States Department of Agriculture (USDA) grant opportunities and additional sources of funding from public and foundation sources.
- Incorporate a digital asset map that plots location of producers, technical assistance resources, education and training providers, and other resource suppliers.
- List of regional producers, types of products available, and seasonal availability.
- Promote agri-tourism and upcoming events.
- Offer a message board to post discussion topics and employment opportunities.
- Provide links to existing locality economic development organizations and VCE Office websites, incorporate the digital asset map.

Within Virginia's Region 2000, Bedford County has the Bedford Grown website that can serve as model to review and build upon (see link: http://www.bedfordgrown.com/). It is a branding campaign for consumers, retailers, wholesalers, famers markets, and restaurants to promote locally grown produce and goods. The initiative is a collaboration between the Bedford County Office Economic Development, the Bedford County Agricultural Economic Development Board, and the VCE Bedford County Office.

Note – Defined short-term and long-term actions will be reviewed and revised during an annual planning session of the AFID Grant Management Team. At this time, lead and partner responsibilities will be assigned.

Immediate Actions (< year)		
1.1.1	Incorporate digital asset map into Virginia's Region 2000, locality economic development, VCE websites, Lynchburg Area Food Council, and other applicable websites (see Appendix G for directions).	***Responsible:*** Lead: Virginia's Region 2000 Partners: AFID Grant Management Team

1.1.2 Review current outreach activities to share information on events, workshops, and funding opportunities – share information between VCE Offices.	***Responsible:*** Lead: VCE Offices Partners: AFID Grant Management Team

Short-Term Actions (1-2 years)

1.1.3 Develop grant application and apply for Virginia Department of Agriculture and Consumer Services (VDACS), Virginia Tourism Commission (VTC), and other applicable grants to fund a regional website focused on agriculture and forestry.	***Responsible:*** Lead: To Be Determined (TBD) Partners: TBD
1.1.4 Once funding is received, identify a local partner to design website and create regional brand for agriculture and forestry.	***Responsible:*** Lead: TBD Partners: TBD
1.1.5 Gather information from producers, VCE, economic development, etc. to populate the regional website.	***Responsible:*** Lead: TBD Partners: TBD
1.1.6 Launch regional website.	***Responsible:*** Lead: TBD Partners: TBD

Long-Term Actions (On-going)

1.1.7 Work with VCE Locality Offices and Economic Development Organizations to coordinate distribution of information and making updates to the website.	***Responsible:*** Lead: TBD Partners: TBD

Funding Opportunities

- Virginia Department of Agriculture and Consumer Services (VDACS) Agriculture and Forestry Industries Development (AFID) Fund
- Virginia Tourism Corporation (VTC) Marketing Leverage Program
- USDA Farmers Market and Local Foods Promotion Program

Outcome Measures

Note – The AFID Grant Management Team will update and refine the outcome measures each year during the annual planning session based on defined actions and assigned responsibilities.

- ✓ Number of ag-related events including workshops, training sessions, and presentations
- ✓ Participation in events (number of attendees – growth/decline)
- ✓ Number of hits to the regional website

Best Practice | Central Shenandoah Planning District Commission (CSPDC) – Fields of Gold

Fields of Gold is a regional agri-tourism program managed by the CSPDC designed to collectively market and promote the Shenandoah Valley's agri-tourism sites and activities. The goal is to create a coordinated tourism experience for the traveling public and to brand the region as an agri-tourism destination. Localities in the Fields of Gold region include Augusta County, Bath County, Botetourt County, Highland County, Page County, Rockbridge County, Rockingham County, Shenandoah County, City of Buena Vista, City of Harrisonburg, City of Lexington, City of Staunton, and City of Waynesboro.

After completing a regional planning process in 2012-13, funded by the Department of Housing and Community Development (DHCD), CSPDC was able to receive significant support and buy-in from member localities for the program. In 2013, they were awarded an AFID grant to develop and market a robust website that will include an interactive map of agri-tourism sites, an events calendar and farm-to-restaurant guide. The marketing and build-out of the website were identified as key deliverables in their strategic marketing plan.

Source:

- *CSPDC Fields of Gold http://www.cspdc.org/fieldsofgold/fieldsofgold.htm*

Project 1.2 Prepare and update regional and locality data profiles of the agriculture and forestry industries

Regional residents see farmlands, grasslands, and forested areas in their communities and on their daily commutes. While agrarian land is part of the landscape, its simple existence does not translate well into demonstrating how it is an integral component of the local and regional economy. Agriculture has a total economic impact of $1.46 billion on Region 2000 with over 5,200 jobs and Forestry has an $806.1 million total economic impact with over 2,560 jobs.[3] Region 2000 is home to nearly 3,000 farms, averaging 186 acres in size.[4] Economic development leaders and Virginia Cooperative Extension (VCE) agents need clearer profiles of the economic and employment data for the agriculture and forestry industries to utilize in their outreach efforts and elevate its importance with elected officials and regional residents. The development of local and regional data profiles allows data to be presented in a summary format for use in presentation and incorporation into websites for economic development and agriculture/forestry awareness efforts. To begin these efforts, regional and local data profiles are provided in Appendix G: Data Snapshots.

Note – Defined short-term and long-term actions will be reviewed and revised during an annual planning session of the AFID Grant Management Team. At this time, lead and partner responsibilities will be assigned.

Immediate Actions (< year)		
1.2.1	Incorporate locality data profiles (see Appendix G) into existing locality economic development websites, Virginia's Region 2000 website, and VCE local office websites.	***Responsible:*** Lead: Region 2000 Partners: Grant Management Team
1.2.2	Distribute and present information to locality Board of Supervisors and Economic Development Organization Boards.	***Responsible:*** Lead: Region 2000 Partners: Grant Management Team

Long-Term Actions (On-going)		
1.2.3	Update data annually to maintain up-to-date information.	***Responsible:*** Lead: TBD Partners: TBD

[3] *Economic Impacts of the Agriculture and Forest Industries in Virginia* June 2013: http://www.coopercenter.org/sites/default/files/publications/Virginia%20AgricultureForest%202012reva.pdf

[4] USDA Census 2012, Table 1: http://www.agcensus.usda.gov/Publications/2012/Full_Report/Volume_1,_Chapter_2_County_Level/Virginia/

Funding Opportunities

- Virginia Department of Agriculture and Consumer Services (VDACS) Agriculture and Forestry Industries Development (AFID) Fund
- Virginia Tourism Corporation (VTC) Marketing Leverage Program

Outcome Measures

Note – The AFID Grant Management Team will update and refine the outcome measures each year during the annual planning session based on defined actions and assigned responsibilities.

- ✓ Percentage of locality Board of Supervisors that are briefed on agriculture and forestry industry

Best Practice | Jefferson County Agriculture Development Council (NY)

- ✓ Website traffic to VCE locality websites
- ✓ Number of requests to economic development organizations for agriculture and forestry data

In Upstate New York, the Jefferson County Local Development Corporation (JCLDC) worked with the Jefferson County Board of Legislators to form the Jefferson County Agriculture Development Council. The organization focuses on raising awareness about agriculture in the County and has established a website called www.comefarmwithus.com. Through the efforts, the County is accomplishing the following:

- Established a Jefferson County agricultural website
- Advertising the quality of our natural and man-made resource and infrastructure base to attract new investment into the County's agricultural sector
- Identified an agricultural point person to provide leadership and act as a spokesman for agricultural issues in Jefferson County.
- Make better use of the news media to inform the public on agricultural issues
- Give agriculture a focus among government, JCJDC, and other agencies enjoyed by other agencies
- Develop new agricultural products and markets for Jefferson County farmers
- Establish a local development corporation for agriculture
- Finding better ways to increase positive media coverage of agriculture in the County

Source:

- *Jefferson County Agriculture Development Council* [*www.comefarmwithus.com*](http://www.comefarmwithus.com)

Project 1.3 Promote locally grown foods working with producers, locality governments, community organizations, school districts, and farmers markets

Many areas within Region 2000 have begun to embrace the economic opportunities offered by expanding the role of locally grown and marketed food and other agricultural products. There are organized farmers markets in the region's localities as well as community supported agriculture (CSA) operations. The VCE has estimated that if each Virginia household would repurpose only $10 of its weekly food expenditure to local foods and drinks, then the local and state economies would realize an annual economic benefit of $1.65 billion.[5]

The USDA's recent study, the Farm to School Census,[6] notes that within Region 2000 an average of 2.6% of all food purchased by locality public schools surveyed is considered local. While the number is encouraging in that schools are making local purchases, the room for growth is certainly there.

Consumers are extremely interested in local food. A 2013 national survey conducted by AT Kearney found that 66% of respondents embrace local food options because they believe it helps local economics and 70% were willing to pay more for local food.[7] Almost 30% of respondents indicated that they would consider purchasing food elsewhere if their preferred local store does not carry local foods. Better awareness about locally grown products helps consumers understand where they are available and benefits local producers by providing them with access to additional buyers improving their sales revenue.

Note – Defined short-term and long-term actions will be reviewed and revised during an annual planning session of the AFID Grant Management Team. At this time, lead and partner responsibilities will be assigned.

Immediate Actions (< year)

1.3.1	Hold meetings with producers to raise awareness about opportunities to market locally grown products.	***Responsible:*** Lead: VCE Offices Partners: Economic Development Organizations; Locality Ag-Related Organizations

Short-Term Actions (1-2 years)

1.3.2	Reach out directly to school districts to involve in the discussion by sharing listing of available products, educating them on what is available and seasonality; coordinate with Project 3.2.	***Responsible:*** Lead: TBD Partners: TBD
1.3.3	Explore development of farmers markets, CSAs and direct to consumer selling by locality.	***Responsible:*** Lead: TBD Partners: TBD

Mid-Term Actions (2-4 Years)

[5] *Virginia – An Emerging Leader in the Nation's Local Food Movement* September 2011: http://www.coopercenter.org/sites/default/files/publications/Virginia%20News%20Letter%202011%20Vol.%2087%20No%206_0.pdf
[6] *USDA Farm to School Census:* http://www.fns.usda.gov/farmtoschool/census#/district/vareports
[7] *Buying into the Local Food Movement* January 2013: http://www.atkearney.com/paper/-/asset_publisher/dVxv4Hz2h8bS/content/buying-into-the-local-food-movement/10192

1.3.4	Continue seeking grant funding for specific initiatives that arise based on continued monitoring of producer capacity and market need.	***Responsible:*** Lead: TBD Partners: TBD

Long-Term Actions (On-going)

1.3.5	Awareness building about local food available to consumer and growing opportunities for ag producers; Create collaboration building events/campaigns.	***Responsible:*** Lead: TBD Partners: TBD

Funding Opportunities

- USDA Specialty Crop Block Grants
- USDA Farm to School Grants
- USDA Value-Added Producer Grants
- Centra Health Foundation

Outcome Measures

Note – The AFID Grant Management Team will update and refine the outcome measures each year during the annual planning session based on defined actions and assigned responsibilities.

- ✓ Annual farmers market attendance by locality; year-over-year growth/decrease in farmers markets attendance
- ✓ Number of new vendors participating in farmers markets by locality
- ✓ Number of new products offered at farmers markets by locality
- ✓ Number of calls to VCE Office focused on direct marketing assistance
- ✓ Attendance at VCE workshops and presentations focused on direct marketing assistance
- ✓ Annual percentage of local produce, meat, and value-added agriculture purchased through public school systems, colleges and universities in the region

Best Practice | Sustain Floyd

Created in 2009, SustainFloyd is a 501(c) (3) non-profit organization that assists the community of Floyd County, Virginia in sustainable, local growth. The organization's vision is a mix of the past and the future. They work to develop new ideas that will support the next generation of their rural community, while preserving local traditions and history.

Led by a 13-member board and 3-member staff, they have created a virtual hub (sustainfloyd.org) and coordinated activities related sustainability in Floyd County (located 40 miles southwest of Roanoke) with a focus on food, the arts, education, and energy. They organize a Farmers Market which starts at the end of May each year and is equipped to process EBT/SNAP benefits which provide individuals and families using the program the opportunity to double their benefit.

SustainFloyd has formed a Farm to School Working Group in close partnership with Floyd County Schools, county farmers and a series of groups including New River Valley Community Services, Plenty!, Virginia Cooperative Extension, and the School Health Advisory Board. In Fall 2013, they began delivering potatoes once a month to all five county schools (including the high school), apples twice a month to all five schools and lettuce twice a month to the four elementary schools.

In November 2013, the USDA awarded SustainFloyd and the Floyd Farm to School Working Group. The grant will cover the salary of a full-time Farm to School Coordinator to work with local producers, new kitchen equipment for school cafeterias, educational and field trip expenses, and a career & technical program for Floyd County High School's agriculture class who will use a hydroponic system to grow fresh produce year-round. The goal of the program is to have Floyd County farmers supply a minimum of 20-40% of food served in school cafeterias to generate revenue for farmers and ensure fresh, healthy food for students.

Source:

- *SustainFloyd http://sustainfloyd.org/*
- *SustainFloyd Farm to School Program http://sustainfloyd.org/agriculture/farm-to-school/*

Project 1.4 Work with existing convenience stores in the City of Lynchburg to improve access to fresh and healthy produce

An estimated 26.4% of City of Lynchburg residents live in low food access areas, or food deserts, where they cannot access affordable and nutritious food.[8] City residents without reliable personal transportation and those reliant on public transportation do not have easy access to grocery stores. While there are a

[8] *Food Desert in Virginia. Recommendations from the Food Desert Task Force* January 2014: http://agriculture.vsu.edu/special-programs/food-desert-study.php

number of convenience stores located in the City, not all stock fresh produce. One solution is to target existing stores and provide assistance for them to offer local produce in their stores.

Already there are a number of programs in Lynchburg that are working to address food deserts. Lynchburg Grows is an urban farm with nine greenhouses growing roses and fresh vegetables while providing vocational training for disabled and low-income residents. They operate a Community Supported Agriculture (CSA) program where shares are purchased allowing participants to receive a basket of in-season produce from May-October. The Lynchburg Community Market offers locally produced fruit, vegetables, meat, and cheeses for sale through a Farmers Market held year round every Wednesday and Saturday in Downtown Lynchburg. Select vendors accept benefits from the federally funded Supplemental Nutrition Assistance Program (SNAP), formerly known as the Food Stamp program that provides financial assistance to eligible low-income individuals and families.

A targeted initiative offering fresh produce in convenience stores will build upon these activities and provide another avenue to address food deserts and promote healthier eating in Lynchburg.

Note – Defined short-term and long-term actions will be reviewed and revised during an annual planning session of the AFID Grant Management Team. At this time, lead and partner responsibilities will be assigned.

Immediate Actions (< year)

1.4.1	Reengage owners of local convenience stores to discuss the concept and interest.	***Responsible:*** Lead: Lynchburg Area Food Council Partners: TBD
1.4.2	Host callout event for the initiative with attendance by interested producers, convenience stores, and supporting organizations to gather input for design and elements for the program.	***Responsible:*** Lead: Lynchburg Area Food Council Partners: TBD

Short-Term Actions (1-2 years)

1.4.3	Design program with identified technical assistance, application process, and outreach materials	***Responsible:*** Lead: TBD Partners: TBD
1.4.4	Prepare grant application to submit to regional foundation(s) and federal agencies for financial support.	***Responsible:*** Lead: TBD Partners: TBD
1.4.5	Submit funding applications to foundations and federal agencies for financial support.	***Responsible:*** Lead: TBD Partners: TBD

Mid-Term Actions (2-4 Years)

1.4.6	Launch Healthy Corner Store program with convenience stores in Lynchburg.	***Responsible:*** Lead: TBD Partners: TBD

Long-Term Actions (On-going)

1.4.7	Provide ongoing assistance, hold regular meetings with convenience store owners.	***Responsible:*** Lead: TBD Partners: TBD

Funding Opportunities

- Centra Health Foundation Community Initiative Fund
- Center for Disease Control (CDC) Healthy Communities Program

Outcome Measures

Note – The AFID Grant Management Team will update and refine the outcome measures each year during the annual planning session based on defined actions and assigned responsibilities.

- ✓ Number of convenience stores participating in the program
- ✓ Number of local producers providing fresh produce to participating convenience stores
- ✓ Annual dollar amount of fresh produce purchased at participating convenience stores

Best Practice | Louisville Healthy in a Hurry Corner Stores (KY)

The YMCA of Greater Louisville, the Louisville Department of Public Health and Wellness, and the Center for Health Equity work collaboratively on Louisville's Healthy In A Hurry Corner Store initiative. They leveraged CDC grant funding and private donations to provide store owners in two 'food desert' neighborhoods with refrigeration, signage, marketing, start-up inventory and ongoing technical assistance. As a result of this initiative, store owners are able to renovate their facilities to make them more attractive and easier to sell fresh produce. Customers see a Healthy in a Hurry sign displayed on the outside of the convenience store and know fresh fruits and vegetables are available at the store. The initiative has led store owners to hire community members in the neighborhood to assist with produce management. Additionally, relationships have formed between stores and neighborhood schools.

Sources:

- *Healthy Kids Healthy Communities – Healthy Corner Store Case Studies* *http://www.healthykidshealthycommunities.org/node/675*
- *Healthy in a Hurry Corner Stores – YMCA Louisville* *http://www.ymcalouisville.org/social-responsibility/social-services/healthy-in-a-hurry-corner-stores.html*

GOAL #2
Strengthen Resources for Producers

Project 2.1 Complete a Regional Food Hub Feasibility Study

Trends in small farming show regular growth in the number of new farmers and that most new farms will be less than 200 acres. Further, the trend continues to show that barriers for entry into larger-sized operations are high while more accessible new farming options exist for producers starting small, niched farming ventures. Simultaneously, urban and rural communities are grappling with the issue of food deserts; that is areas where access to healthy, affordable food is truly limited by not only poverty, but also by transportation and sometimes simply store selection. At the intersection of these two issues comes the concept of a food hub – a facility that manages the aggregation, storage, distribution, and marketing of locally grown foods. An examination of the feasibility of a food hub for Virginia's Region 2000 will determine if it is a viable enterprise to implement.

Note – Defined short-term and long-term actions will be reviewed and revised during an annual planning session of the AFID Grant Management Team. At this time, lead and partner responsibilities will be assigned.

Immediate Actions (< year)		
2.1.1	Organize a Food Hub Planning Committee to discuss feasibility and design of a food hub concept in Virginia's Region 2000.	***Responsible:*** Lead: City of Lynchburg VCE Office Partners: Centra Health

Short-Term Actions (1-2 years)		
2.1.2	Apply for funding for a food hub feasibility study.	***Responsible:*** Lead: TBD Partners: TBD
2.1.3	Receive funding and complete the feasibility study of regional food hubs.	***Responsible:*** Lead: TBD Partners: TBD

Mid-Term Actions (2-4 Years)		
2.1.4	Begin food hubs, as feasible. This includes implementation of models such as online hubs and pick up/drop off sites.	***Responsible:*** Lead: TBD Partners: TBD
2.1.5	Grow awareness and participation in food hubs in diverse markets throughout Virginia's Region 2000 such as locality school systems, within the City of Lynchburg and rural communities.	***Responsible:*** Lead: TBD Partners: TBD

Funding Opportunities

- USDA Value-Added Producer Grants
- USDA REAP Grants, B and I Loans
- USDA Specialty Crop Block Grants
- Virginia Department of Agriculture and Consumer Services (VDACS) Agriculture and Forestry Industries Development (AFID) Fund
- The Virginia Tobacco Indemnification and Community Revitalization Commission Competitive Education Grant Program

Outcomes Measures

Note – The AFID Grant Management Team will update and refine the outcome measures each year during the annual planning session based on defined actions and assigned responsibilities.

- ✓ Number of food hubs in Virginia's Region 2000
- ✓ Number of pick up/drop off sites for local food distribution to consumers by 2016

Best Practice | Hoosier Harvest Market Feasibility Study

In 2012, a food hub feasibility study was completed for Central Indiana, resulting in the creation of a new food hub in the state, the Hoosier Harvest Market (HHM). What is today the HHM started as an idea of collaboration between the Purdue Cooperative Extension Service (CES) and a local organization called the Harvest Council in Greenfield, Indiana. The concept of expanding regional marketing opportunities for farmers and offering more choices in locally grown food for consumers was first explored following CES winning a USDA Specialty Crop Block Grant. A business planning process was completed with engagement of an affiliated group of volunteers and members of the existing Harvest Council. From the plan, it was determined that a food hub, now called the Hoosier Harvest Market would organize and be an online marketplace where consumers could order directly from individual producers that participated in the market and then pick up their product weekly at set delivery an pick up points.

In addition to the study and business plan, members of the HHM have attended the recent conventions of the National Good Food Network (www.ngfn.org) to continue learning more about formal food hub organization and networking within the industry each year.

Sources:

- *Central Indiana Feasibility Study:* *http://www.ngfn.org/resources/ngfn-database/knowledge/8-20-12%20Central%20IN%20Food%20Hub%20Feasibility%20Study.pdf/*
- *Hoosier Harvest Market:* *www.hoosierharvestmarket.com*

Project 2.2 Coordinate with county cattleman's associations to discuss direct marketing opportunities within and outside of the region.

Virginia's Region 2000 encompasses a strong livestock presence with a high concentration of cow/calf and other cattle producers. Across Region 2000, cattle and calf production generated more than $41 million in sales in 2012.[9] Cattle production is well suited to the region's topography and climate providing new opportunities for cattle producers to grow and maintain their operations.

The Region currently has access to a small variety of meat processing facilities for various livestock including swine, sheep, cattle, and goats. However, as more producers examine expanding their direct to consumer offerings in meats, the current processing capacity will be strained or potentially inadequate.

Further, demand is such that producers need access to processors that better understand their needs and have more available hours to process, age, and package meats than are currently offered. Finally, getting animals to a processor can be a logistical and costly challenge for some livestock producers creating a barrier to expanding operations. The prospect of a mobile slaughterhouse that may also have capacity to include federal meat inspectors is a possible solution to these challenges of cost and accessibility.

Cooperatives and agriculture have a long history and are still a working model for today. According to the 2011 USDA Cooperatives Statistics Report, there were 2,285 agricultural cooperatives (defined as farmer, rancher, and fishery cooperatives) in the U.S. with a total gross business volume (includes inter-cooperative business) of $213.4 billion. Cooperative memberships were 2.3 million in 2011, up from 41,000 in 2010. Cooperatives employed 131,000 full-time and 53,000 part-time and seasonal employees in 2011.[10]

In 2010, *Rural Cooperatives*, an official publication of the USDA, released statistical examples of the costs associated with mobile slaughterhouse units. The article noted the following:

> "Per producer, at a cost of $103 average, 10 head of beef cattle could be processed daily, at $37 each, 40 sheep could be processed and at a cost of $53 each, 24 hogs. This cost is up to 20 to 30 percent less per head than many local 'bricks and mortar' processors."[11]

To support the discussion above, actions for this goal include investigating the feasibility of expanding meat processing capability, including mobile processing and the exploration of a meat marketing cooperative.

Note – Defined short-term and long-term actions will be reviewed and revised during an annual planning session of the AFID Grant Management Team. At this time, lead and partner responsibilities will be assigned.

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[9] USDA Census 2012, Table 1: http://www.agcensus.usda.gov/Publications/2012/Full_Report/Volume_1,_Chapter_2_County_Level/Virginia/

[10] *2011 USDA Cooperatives Statistics Report*: http://www.rurdev.usda.gov/supportdocuments/CoopStats2011.pdf

[11] Thompson, Steven. "Going Mobile." *Rural Cooperatives* November/December 2010: http://www.rurdev.usda.gov/supportdocuments/CoopMag-nov10.pdf

Immediate Actions (< year)		
2.2.1	Convene meetings and organizational call-outs to involve producers in process.	***Responsible:*** Lead: VCE Offices; Cattlemen's Associations Partners: County Farm Bureaus; County Cattlemen's Associations
2.2.2	Create simple survey and poll (by county) livestock producers and existing processors to gage interest in increasing capacity/convenience of species-specific meat processing.	***Responsible:*** Lead: VCE Offices Partners: County Cattleman's Associations

Short-Term Actions (1-2 years)		
2.2.3	Apply for grant funding to conduct a feasibility study for meat processing expansion and/or meat cooperative development.	***Responsible:*** Lead: TBD Partners: TBD
2.2.4	Business planning and organizing of producer groups and individual farmers for branding and awareness building about locally raised meats.	***Responsible:*** Lead: TBD Partners: TBD

Mid-Term Actions (2-4 Years)		
2.2.5	To help expand locations where locally raised meats are sold, find/curate an 'on the ground team' to devise promotions, raise awareness and build messaging.	***Responsible:*** Lead: TBD Partners: TBD
2.2.6	Facilitate formation of a regional-raised meats brand and marketing materials.	***Responsible:*** Lead: TBD Partners: TBD
2.2.7	Implement possible construction of new sites and/or updates to existing facilities per study results of the study.	***Responsible:*** Lead: TBD Partners: TBD

Long-Term Actions (On-going)		
2.2.8	Continually seek additional funding options for expansion and building awareness.	***Responsible:*** Lead: TBD

		Partners: TBD
2.2.9	Work to encourage ongoing adoption of new strategies, attend industry-wide events to remain current in other marketing trends in livestock production and marketing.	***Responsible:*** Lead: TBD Partners: TBD

Funding Opportunities

- USDA Value-Added Producers Grants
- USDA Rural Energy for America Program (REAP Grants)
- USDA Business and Industry (B and I) Loans
- USDA Agriculture and Food Research Initiative (AFRI) Grants
- USDA Sustainable Ag Research and Education Grants (SARE)
- USDA Rural Business Enterprise
- Rural Business Opportunity Grants
- USDA Rural Utilities service grants such as REDLG (Rural Economic Development Loans and Grants)
- USDA Cooperative Market Development Grants
- Virginia Department of Agriculture and Consumer Services (VDACS) Agriculture and Forestry Industries Development (AFID) Fund
- The Virginia Tobacco Indemnification and Community Revitalization Commission Competitive Education Grant Program

Outcomes Measures

Note – The AFID Grant Management Team will update and refine the outcome measures each year during the annual planning session based on defined actions and assigned responsibilities.

- ✓ Annual number of new producers raising meats for retail sale
- ✓ At least one or more county-based groups are coordinated specifically around new direct marketing options for meat producers by year end 2015
- ✓ Funding for a feasibility study or business plan is applied for and obtained by end of 2015
- ✓ Business plans and structures are explored and a new marketing opportunity emerges by end of 2016
- ✓ Region 2000 becomes an example of a best practice for expanded meat marketing opportunities for farmers, including new and young producers

Best Practice | Shenandoah Valley Beef Cooperative (VA)

The farming partners of the Shenandoah Valley Beef Cooperative are committed to providing customers with beef that is locally raised, environmentally friendly, humanely produced, fresh and delicious.

The cooperative consists of a twelve farmers located primarily in Virginia's Rockingham County. Collectively, the group markets about 25 head of cattle per month into local markets. They use a common brand and marketing approach to provide their beef to wholesalers and retailers in the Shenandoah Valley and greater Washington D.C. area. Due to their efforts at building a distribution network, a number of Virginia and Washington, D.C.-area restaurants feature their beef. On unique customer of note is Nationals Park, home of Major League Baseball's Washington Nationals.

Source:

- *Shenandoah Valley Beef Cooperative* http://www.shenandoahvalleybeefcoop.com/

GOAL #3

Promote Career and Small Business Development Opportunities

Project 3.1 Convene meetings to connect producers with food services professionals and other larger buyers interested in making local food purchases

Discussions in locality input sessions and one-on-one interviews indicated interest from large institutional buyers to have a better mechanism in place to learn about locally grown products, understand what they purchase, the quantity available, and when it can be delivered or picked up. Currently, some locality school systems are making local purchases. For example, Amherst County Public Schools spent 5% of their food budget on local purchases of products including apples, sweet potatoes, romaine lettuce, and

Best Practice | **Island Grown Farmers Cooperative (WA)**

Island Grown Farmers Cooperative (IGFC) provides a USDA-inspected mobile animal slaughter service to members and non-members in San Juan, Whatcom, Skagit, Island, and Snohomish counties in Washington State. The facility is also WSDA/USDA Certified Organic. Other services include a small retail outlet open on Fridays and Saturdays where many co-op members sell their product. Additionally, at a facility in Bow, Washington, IGFC provides services for cutting and wrapping, fresh and frozen storage, and some retail sales. IGFC specializes grass fed beef, pork, lamb, and goat.

The organization is structured as a member-owned producer cooperative and it is led by an elected board from the membership. Currently the co-op has a closed membership of approximately 42 farms. The co-op employs a general manager and small project team that oversees the operations of the organization.

Sources:

- *Island Grown Farmers Cooperative – A Little History* http://www.igfcmeats.com/
- *Local Harvest Profile – Island Grown Farmers Cooperative* http://www.localharvest.org/island-grown-farmers-cooperative-M33263

spinach as reported to the USDA Farm to School Census.[12] Centra Health maintains an on-site vegetable garden and estimates two-thirds of their food purchases are made from local producers each year from June-August.

A coordinated approach to connect these larger buyers with producers is not available at the regional level. The AFID Grant Management Team provides an entity that can coordinate initial regional discussions between producers and buyers to determine effective tools and activities to increase purchases of locally grown products. As an example, a regional farm tour of producer farms for food services professionals and other institutional buyers could be developed to improve knowledge of available products and facilitate new purchase orders for regional producers.

Note – Defined short-term and long-term actions will be reviewed and revised during an annual planning session of the AFID Grant Management Team. At this time, lead and partner responsibilities will be assigned.

Immediate Actions (< year)		
3.1.1	Coordinate meetings with school system food services professionals, producers, large buyers and other organizations to discuss ways to increase purchases of local grown products.	***Responsible:*** Lead: Grant Management Team

Short-Term Actions (1-2 years)		
3.1.2	Determine priority activities and prepare proposal to apply for grant funding from various sources (e.g. USDA Farm to School program planning grant, Centra Health Foundation, Virginia Farm Bureau, etc.).	*Responsible:* Lead: Partners:

Short-Term Actions (1-2 years) Continued		
3.1.3	Investigate the concept of a Regional Farm Tour; work with producers to gather their buy-in and create parameters for each on-site visit.	*Responsible:* Lead: Partners:

Long-Term Actions (On-going)		
3.1.4	Offer an annual calendar of events linking buyers and producers.	***Responsible:*** Lead: Partners:
3.1.5	Work to increase participation from other large purchasers including nursing homes, colleges and	***Responsible:*** Lead:

[12] *USDA Farm to School Census – Amherst County Public Schools (VA) Responses* http://www.fns.usda.gov/farmtoschool/census#/district/va/5100210

universities, and restaurants.	Partners:

Funding Opportunities

- USDA Farm to School Grants
- USDA Beginning Farmers and Ranchers Development Program
- USDA DLT Grants
- Centra Health Foundation
- Virginia Department of Agriculture and Consumer Services (VDACS) Agriculture and Forestry Industries Development (AFID) Fund
- The Virginia Tobacco Indemnification and Community Revitalization Commission Competitive Education Grant Program

Outcome Measures

Note – The AFID Grant Management Team will update and refine the outcome measures each year during the annual planning session based on defined actions and assigned responsibilities.

- ✓ Percentage of school district food purchased locally
- ✓ Number of producers hosting food services professionals/institutional buyers

Best Practice | VDACS Taking Root Farm Tours (VA)

From May-June 2013, farms and agribusinesses throughout Virginia opened their operations to welcome teachers and food services professionals. Tours provided them an opportunity learn about Virginia grown products, production practices and the opportunity to source more fresh Virginia Grown Products on school menus. The motivation for setting up the Taking Roots Farm Tours was a 2010 statewide assessment of the Virginia Farm to School program completed by Virginia Tech. It surveyed local school nutrition directors and found that 75 percent of respondents were interested in connecting with local farmers.

Focused directly on school district nutrition directors, the Taking Root Farm Tours allowed participants a chance to tour farms and distribution centers throughout the Commonwealth. A total of 20 school districts registered for the tours. Additionally, representatives from area/regional hospitals, community health and wellness organizations and Virginia Cooperative Extension participated in the tours.

Sites visited included Johnson's Orchard in Bedford, Pickett's Harbor Farm in Cape Charles, Public House Produce in Luray, Windmill Produce Farm in Powhatan, Cullipher Farm Market in Virginia Beach, Homestead Creamery in Wirtz, Arcadia Center for Ag. in Alexandria, Agriberry in Studley, and the Local Food Hub in Charlottesville.

Sources:

- *VDACS Taking Root Farm Tour* http://www.vdacs.virginia.gov/marketing/farm-tours.shtml
- *Farm Tour Visits Creamery* http://www.lancasterfarming.com/Farm-Tour-Visits-Creamery-

Project 3.2 Coordinate agriculture and forestry career awareness activities for high school and college students in Region 2000

A collaborative approach for career awareness in agriculture and forestry can strengthen knowledge of the industries and encourage high school and college students to pursue education and training programs to prepare themselves for future job opportunities. There is interest between producers and educators (K-12 and postsecondary) to provide students work-based learning experiences in agriculture and forestry. Currently, there is not a dedicated regional resource available to connect students and producers/employers. Through the creation of a regional website about the agriculture and forestry industries in Project 1.1, the functionality is there for employers and producers to post work-based learning opportunities such as internships and student co-op positions as well as interest in hosting student field trips and participating in classroom and on-campus presentations. High school and college students can apply for work-based learning opportunities. Educators can promote the resource to their students and work to incorporate producers and employers into their coursework to promote regional agriculture and forestry career opportunities.

Note – Defined short-term and long-term actions will be reviewed and revised during an annual planning session of the AFID Grant Management Team. At this time, lead and partner responsibilities will be assigned.

Immediate Actions (< year)

3.2.1	Facilitate meetings with regional school systems and colleges and universities located in Virginia's Region 2000 to discuss ways to strengthen agriculture and forestry career awareness activities.	***Responsible:*** Lead: VCE Offices Partners: Locality Economic Development Organizations
3.2.2	Determine interest from employers and producers to provide student internships, host field trips, and participate in classroom presentations.	***Responsible:*** Lead: VCE Offices Partners: Locality Economic Development Organizations

Short-Term Actions (1-2 years)

3.2.3	Incorporate web-based capability to post work-based learning opportunities into the new regional agriculture and forestry website (see Project 1.1).	*Responsible:* Lead: TBD Partners: TBD

Long-Term Actions (On-going)

3.2.4	Maintain list of work-based learning opportunities each year; actively work to expand producer, employer and student participation in	***Responsible:*** Lead: TBD Partners: TBD

agriculture and forestry career awareness activities.	

Funding Opportunities

- USDA Farm to School Grants
- USDA Beginning Farmers and Ranchers Development Program
- USDA DLT Grants
- The Virginia Tobacco Indemnification and Community Revitalization Commission Competitive Education Grant Program
- American Farm Bureau Foundation for Agriculture White-Reinhardt Mini-Grants

Outcomes Measures

Note – The AFID Grant Management Team will update and refine the outcome measures each year during the annual planning session based on defined actions and assigned responsibilities.

- ✓ Program launched by Fall 2016
- ✓ Number of students participating in internship programs
- ✓ Number of producers/employers offering internship programs
- ✓ Percentage of interns who become full-time employees
- ✓ Percentage of interns who pursue/participate in ag/forestry related career opportunities

Best Practice | Virginia Cooperative Extension (VCE) Internship Program (VA)

Virginia Cooperative Extension internships give students the opportunity to explore careers in nutrition, agriculture, environmental science, natural resources, family and consumer sciences or community and youth development. Summer-long internships are credit-hour-eligible. Students get a firsthand view of careers in Extension and do community-changing work with agents who are Virginia Tech faculty members. Examples include helping a family and consumer science agent teach parents how to build a safer environment for their children, showing students how to avoid chronic diseases with healthy food with the help of a 4-H agent, or helping community leaders set up and run a farmers market.

Source:

- *http://www.ext.vt.edu/internship/*

Project 3.3 Develop a regional young farmers institute to provide ongoing workshops and technical assistance

Agriculture is struggling with an aging population. According to the United States Department of Agriculture 2012 Ag Census, only 6% of famers were under the age of 35. The average farmer was 58.3 years old, 1.2% higher than in 2007, continuing a 30-year trend of steady increase. Providing assistance to those younger farmers starting out and/or taking over family operations is important to ensure that agriculture continues with the next generation of regional residents. There are efforts underway to organize and provide support. The Bedford County Farm Bureau has a 27 member Young Farmers Committee that meets monthly to discuss ways to provide leadership and promote agriculture to young people. A coordinated regional approach bringing together young farmers throughout Virginia's Region 2000 can assist with providing workshops and technical assistance. This can connect with activities through 4-H and FFA to promote agriculture to K-12 students.

Among 2.1 million principal farm operators in 2012:

- 92% non-Hispanic white, 8% minority
- 86% men, 14% women
- 78% in current operation 10 years or more, 22% in operation less than 10 years
- 75% had 2012 agricultural sales and government payments of less than $50,000; 25% had sales and payments of $50,000 or more
- 48% called farming their primary occupation, 52% had a different primary occupation
- 6% under 35 years old, 61% 35 to 64 years, and 33% 65 years and older

Source: USDA NASS, 2012 Census of Agriculture, *Preliminary Report*.

Note – Defined short-term and long-term actions will be reviewed and revised during an annual planning session of the AFID Grant Management Team. At this time, lead and partner responsibilities will be assigned.

Immediate Actions (< year)

3.3.1	Work with existing ag-related organizations, ag-lending organizations, and county farm bureaus to determine interest in a regional young farmers institute.	***Responsible:*** Lead: VCE Offices Partners: Locality Economic Development Organizations
3.3.2	Coordinate with state and local VA Farm Bureau Staff and ag-lending organizations to provide information on local young farmer production and financial educational programs for area producers; construct a regional young farmers institute for Virginia's Region 2000.	***Responsible:*** Lead: VCE Offices Partners: Locality Economic Development Organizations

Short-Term Actions (1-2 years)

3.3.3	Develop one-day program workshop for region to provide to young farmers; determine topics based on inputs from producers.	***Responsible:*** Lead: TBD Partners: TBD

Mid-Term Actions (2-4 Years)		
3.3.4	Evaluate one-day program workshop and determine which courses to continue to offer and applicable new courses to offer in subsequent years.	***Responsible:*** Lead: TBD Partners: TBD

Long-Term Actions (On-going)		
3.3.5	Market available workshops and programs to young farmers including those involved in traditional agriculture and non-traditional agriculture practices; work with locality 4-H and high school FFA programs to connect with youth interested in agriculture.	***Responsible:*** Lead: TBD Partners: TBD

Funding Opportunities

- USDA Farm to School Grants
- USDA Beginning Farmers and Ranchers Development Program
- USDA DLT Grants
- The Virginia Tobacco Indemnification and Community Revitalization Commission Competitive Education Grant Program

Outcome Measures

✓ Number of young farmers in the region ages 18-35
✓ Percentage growth of young farmers in the region
✓ Number of events held targeting young farmers

Best Practice | Farm Credit – Young Farmers Institute (VA)

Virginia Farm Credit sponsors the annual Young Farmer Institute, a full day class on the economics of farm transitioning. The 2014 Institute was held on February 14, 2014 in Goochland at Virginia Farm Bureau Headquarters. Additionally, Virginia Farm Credit offers a six-month agribusiness course with cost reimbursed if the participant completes all of the assignments. By the end of the course, they have a business plan.

Source:

- *Farm Credit - Young, Beginning and Small Farmers* *http://www.colonialfarmcredit.com/ybs-farmers.html*

Writing Region 2000's Agriculture and Forestry Story

"The care of the Earth is our most ancient and most worthy, and after all our most pleasing responsibility. To cherish what remains of it and to foster its renewal is our only hope."
~Wendell Berry, poet and farmer

In agriculture there abounds a storied past with deep cultural roots that reaches into the very soul of both today's farming public and the notions that consumers have about food and fiber. Yet, too, we live at the very intersection between what's modern and the need for progress and a real interest in doing things in a simpler way. We have pressures in agriculture and forestry from development that threatens to take and remake agricultural land and yet there is a real need to forge growth and new opportunities to keep the industry attractive to the young and the innovative of all ages.

This strategic planning process has knowingly begun to tackle this very relevant issue of our age and has asked the questions about:

- What is the status of agriculture and forestry today?
- Who are the key players in our Region and what do they need and want?
- What are the opportunities for leverage and where do we make those simple connections?
- What are the big new ideas we have to implement and who should lead that charge?

The goals and accompanying projects identified in the plan can and should shift as the AFID Grant Management Team implements immediate actions and determines continued actions. To move the goals outlined in the plan forward, it will be important to evaluate, assign, and measure three key components:

- ✓ **Engagement** – the opportunity to invite the right people to the table and keep them involved to leverage time and resources.
- ✓ **Excellence –** the harnessing of the desire to grow the agriculture and forestry industries.
- ✓ **Extension** – the ability to perpetuate this project and its aims into many facets of other regional plans and goals and for a generation or more.

It is recommended that Virginia's Region 2000 take the lead in hosing an annual planning session of the AFID Grant Management Team. The purpose of the planning session will be to conduct an annual review of completed actions and to set priority actions and responsibilities for the next year. More than a discussion, the AFID Grant Management Team will consider the following questions:

- What is working? Denote specific actions that occurred and why they had impact.
- What best practices were implemented during the previous year that now serve as the 'new normal' for the Region?
- What challenges are still present and how does the Team prioritize addressing those challenges in the coming year?
- Who are the best partners to aid in moving the identified annual goals forward and how does the Team engage them?

Appendix A: Immediate Actions

Goal #1: Coordinate Regional Marketing and Outreach

Project 1.1 Develop a regional agriculture and forestry website

Immediate Actions (< year)		
1.1.1	Incorporate digital asset map into Virginia's Region 2000, locality economic development, VCE websites, Lynchburg Area Food Council, and other applicable websites (see Appendix G for directions).	***Responsible:*** Lead: Virginia's Region 2000 Partners: AFID Grant Management Team
1.1.2	Review current outreach activities to share information on events, workshops, and funding opportunities – share information between VCE Offices.	***Responsible:*** Lead: VCE Offices Partners: AFID Grant Management Team

Project 1.2 Prepare and update regional and locality data profiles of the agriculture and forestry industries

Immediate Actions (< year)		
1.2.1	Incorporate locality data profiles (see Appendix G) into existing locality economic development websites, Virginia's Region 2000 website, and VCE local office websites.	***Responsible:*** Lead: Region 2000 Partners: Grant Management Team
1.2.2	Distribute and present information to locality Board of Supervisors and Economic Development Organization Boards.	***Responsible:*** Lead: Region 2000 Partners: Grant Management Team

Project 1.3 Promote locally grown foods working with producers, locality governments, community organizations, school districts, and farmers markets

Immediate Actions (< year)		
1.3.1	Hold meetings with producers to raise awareness about opportunities to market locally grown products.	***Responsible:*** Lead: VCE Offices Partners: Economic Development Organizations; Locality Ag-Related Organizations

Project 1.4 Work with existing convenience stores in the City of Lynchburg to improve access to fresh and healthy produce

Immediate Actions (< year)		
1.4.1	Reengage owners of local convenience stores to discuss the concept and interest.	***Responsible:*** Lead: Lynchburg Area Food Council Partners: TBD
1.4.2	Host callout event for the initiative with attendance by interested producers, convenience stores, and supporting organizations to gather input for design and elements for the program.	***Responsible:*** Lead: Lynchburg Area Food Council Partners: TBD

Goal #2: Strengthen Resources for Producers

Project 2.1 Complete a Regional Food Hub Feasibility Study

Immediate Actions (< year)		
2.1.1	Organize a Food Hub Planning Committee to discuss feasibility and design of a food hub concept in Virginia's Region 2000.	***Responsible:*** Lead: City of Lynchburg VCE Office Partners: Centra Health

Project 2.2 Coordinate with county cattleman's associations to discuss direct marketing opportunities within and outside of the region.

Immediate Actions (< year)		
2.2.1	Convene meetings and organizational call-outs to involve producers in process.	***Responsible:*** Lead: VCE Offices; Cattlemen's Associations Partners: County Farm Bureaus; County Cattlemen's Associations
2.2.2	Create simple survey and poll (by county) livestock producers and existing processors to gage interest in increasing capacity/convenience of species-specific meat processing.	***Responsible:*** Lead: VCE Offices Partners: County Cattleman's Associations

Goal #3: Promote Career and Small Business Development Opportunities

Project 3.1 Convene meetings to connect producers with food services professionals and other larger buyers interested in making local food purchases

Immediate Actions (< year)		
3.1.1	Coordinate meetings with school system food services professionals, producers, large buyers and other organizations to discuss ways to increase purchases of local grown products.	***Responsible:*** Lead: Grant Management Team

Project 3.2 Coordinate agriculture and forestry career awareness activities for high school and college students in Region 2000

Immediate Actions (< year)		
3.2.1	Facilitate meetings with regional school systems and colleges and universities located in Virginia's Region 2000 to discuss ways to strengthen agriculture and forestry career awareness activities.	***Responsible:*** Lead: VCE Offices Partners: Locality Economic Development Organizations
3.2.2	Determine interest from employers and producers to provide student internships, host field trips, and participate in classroom presentations.	***Responsible:*** Lead: VCE Offices Partners: Locality Economic Development Organizations

Project 3.3 Develop a regional young farmers institute to provide ongoing workshops and technical assistance

Immediate Actions (< year)		
3.3.6	Work with existing ag-related organizations, ag lenders, and county farm bureaus to determine interest in a regional young farmers institute.	*Responsible:* Lead: VCE Offices Partners: Locality Economic Development Organizations
3.3.7	Coordinate with state and local VA Farm Bureau Staff and ag lending organizations to provide information on local young farmer production and financial educational programs for area producers; construct a regional young farmers institute for Virginia's Region 2000.	*Responsible:* Lead: VCE Offices Partners: Locality Economic Development Organizations

Appendix B: Grant Funding Resources Directory

Below is a short funding resources directory listing possible opportunities that exist for funding the projects outlined in the balance of the strategic plan. This list is not exhaustive and while several opportunities have immediate spring/summer 2014 open dates and deadlines, this list should not be construed as a complete eligibility evaluation nor as a guarantee of funding. It should, however, be looked at as a solid option for exploring the dollars that exist within the marketplace for funding the projects recommended.

FEDERAL FUNDING OPPORTUNITIES

USDA Value Added Producer Grant

Synopsis: The Value-Added Producer Grant Program (VAPG) is a competitive grants program administered by the Rural Business Cooperative Service of USDA to help producers expand markets for, and increase their profitability through value-added agricultural enterprises. The program makes small and mid-size family farmers and ranchers, as well as beginners, a priority for funding by giving those applicants extra points in the ranking process. Eligible applicants for the VAPG, include independent farmers or ranchers, farmer owned cooperatives and producer groups.

Comments: This may be a good source of funding to support and expand farmer's markets.

Due Date: Estimated due date is February 2015.

Max Grant Request: $200,000 for Working Capital grants, and $75,000 for Business Planning grants.

Match Required: $1 to $1.

Eligible Applicants: Independent Producer, Agricultural Producer Group, Farmer or Rancher Cooperative, or Majority-Controlled Producer-Based Business Venture. Your proposed value-added product must also fall within one of the five product categories:

- Commodity Processing
- Market Differentiation or non-standard production method
- Commodity Segregation
- On-Farm Renewable Energy
- Local Food

Website: http://www.rurdev.usda.gov/BCP_VAPG.html

USDA REAP (Rural Energy for America Program)

Synopsis: The REAP grant provides assistance to entities that will assist agriculture producers and small rural businesses by conducting energy audits and providing information on renewable energy development assistance.

Comments: This grant would be a good fit for small business owners who are interested in energy efficiency upgrades or renewable energy projects.

Due Date: The due date for 2014 is July 7.

Max Grant Request: The minimum Renewable Energy System Grant request is $2,500 up to a maximum of 25% of eligible project costs or $500,000, whichever is less. The maximum amount for an energy audit-renewable energy development assistance grant is $100,000.

Match Required: REAP grants provide 25% of eligible project costs.

Eligible Applicants: State, tribal, local government or their instrumentalities, land grant colleges, universities and other institutions of higher learning, rural electric cooperatives and public power.

Website: http://www.rurdev.usda.gov/BCP_ReapEaReda.html

USDA Rural Business Opportunities Grant (RBOG)

Synopsis: To provide technical assistance for business development and conduct economic development planning in rural areas (less than 50,000 population).

Comments: This grant would be beneficial for overall planning for the brownfield development efforts.

Due Date: TBD

Max Grant Request: $100,000

Match Required: None

Eligible Applicants: Public bodies, nonprofit corporations, Indian tribes, institutions of higher education, and rural cooperatives are eligible to apply.

Website: http://www.urdev.usda.gov/BCP_RBOG.html

USDA Rural Business Enterprise Grants (RBEG)

Synopsis: The RBEG program provides grants for rural projects that finance and facilitate development of small and emerging rural businesses help fund distance learning networks, and help fund employment related adult education programs. To assist with business development, RBEGs may fund a broad array of activities.

Comments: This grant would be beneficial for small businesses. Contact the Jasper Area office for more information on available funding.

Due Date: TBD

Max Grant Request: There is no maximum level of grant funding. However, smaller projects are given higher priority. Generally grants range $10,000 up to $500,000.

Eligible Applicants: Rural public entities (towns, communities, State agencies, and authorities), Indian tribes and rural private non-profit corporations are eligible to apply for funding. At least 51 percent of the outstanding interest in any project must have membership or be owned by U.S. citizens or resident aliens.

Website: http://www.rurdev.usda.gov/BCP_rbeg.html

USDA Distance Learning and Telemedicine Grants (DLT)

Synopsis: The Distance Learning and Telemedicine Loan and Grant Program (DLT) is designed specifically to meet the educational and health care needs of rural America. Through loans, grants and loan/grant combinations, advanced telecommunications technologies provide enhanced learning and health care opportunities for rural residents.

Comments: This grant would help with adult education and for medical outreach programs to very rural locations.

Due Date: Typically summer or early fall of each year

Max Grant Request: $50,000 to $500,000

Match Required: 15%

Eligible Applicants: Entities providing education and medical care via telecommunications including corporations or partnerships, Indian tribes or tribal organizations, state or local units of government, consortia, and private for-profit or not-for profit corporations.

Website: http://www.rurdev.usda.gov/UTP_DLT.html

USDA Business and Industry (B&I) Loans

Synopsis: The purpose of the B&I Guaranteed Loan Program is to improve, develop, or finance business, industry, and employment and improve the economic and environmental climate in rural communities. This purpose is achieved by bolstering the existing private credit structure through the guarantee of quality loans that will provide lasting community benefits. It is not intended that the guarantee authority will be used for marginal or substandard loans or for relief of lenders having such loans.

Comments: Loan, not a grant. This loan may be a good option to augment grant funding.

Max Grant Request: The total amount of Agency loans to one borrower must not exceed $10 million. The Administrator may, at the Administrator discretion, grant an exception to the $10 million limit for loans of $25 million under certain circumstances. The Secretary may approve guaranteed loans in excess of $25 million, up to $40 million, for rural cooperative organizations that process value-added agricultural commodities.

Match Required: Sliding scale

Eligible Applicants: A borrower may be a cooperative organization, corporation, partnership, or other legal entity organized and operated on a profit or nonprofit basis; an Indian tribe on a Federal or State reservation or other federally recognized tribal group; a public body; or an individual.

Website: http://www.rurdev.usda.gov/bcp_gar.html

USDA Farmers Market Promotion Program (FMPP)

Synopsis: The goals of FMPP grants are to increase domestic consumption of, and access to, locally and regionally produced agricultural products, and to develop new market opportunities for farm and ranch operations serving local markets by developing, improving, expanding, and providing outreach, training, and technical assistance to, or assisting in the development, improvement, and expansion of, domestic farmers markets, roadside stands, community-supported agriculture programs, agri-tourism activities, and other direct producer-to-consumer market opportunities.

Comments: Eligible projects might include, but are not limited to:

- Farmer training and education
- Farmer organization and networking
- Advertising, outreach for the market, agri-tourism
- Market startup, operating, infrastructure
- Product introduction or improvement, value added, branding
- Market analysis and planning, customer and producer surveys
- Vendor and customer recruitment, new venue establishment

Due Date: June 20, 2014

Max Grant Request: The maximum amount awarded for any one proposal cannot exceed $100,000; the minimum award is $15,000.

Match Required: No match is required.

Eligible Applicants: Agricultural Businesses; Agricultural Cooperatives; Community Supported Agriculture (CSA) Networks; CSA Associations; Economic Development Corporations; Local Governments; Nonprofit Corporations; Producer Networks; Producer Associations; Public Benefit Corporations; Regional Famers Market Authorities

Website: http://www.ams.usda.gov/AMSv1.0/fmpp

USDA Farm to School Grant Program

Synopsis: The purpose of the USDA Farm to School Grant Program is to assist eligible entities in implementing farm to school programs that improve access to local foods in eligible schools. On an annual basis, USDA awards up to $5 million in competitive grants for training, supporting operations, planning, purchasing equipment, developing school gardens, developing partnerships, and implementing farm to school programs.

Comments: In the last funding round, USDA solicited applications for four types of grants:

- **Planning grants** intended for school districts or schools just starting to incorporate farm to school program elements into their operations.
- **Implementation grants** intended for school districts or schools to help scale or further develop existing farm to school initiatives.
- **Support Service grants** intended for state and local agencies, agricultural producers or groups of agricultural producers, and non-profit entities working with school districts or schools to further develop existing farm to school initiatives and to provide broad reaching support services to farm to school initiatives.
- **Conference/Event grants** are intended to support conferences, events and trainings that strengthen farm to school supply chains, or conferences, events and trainings that provide technical assistance in the area of local procurement, food safety, culinary education and integration of agriculture-based curriculum.

Due Date: Last deadline was April 30, 2014

Max Grant Request: $100,000

Match Required: A 25% cash or in-kind match of the total project cost is required.

Eligible Applicants: Eligible schools are considered K-12 school food authorities (SFAs) that participate in the National School Lunch or Breakfast Programs; State and local agencies; Agricultural producers or groups of agricultural producers; and non-profit entities.

Website: http://www.fns.usda.gov/farmtoschool/fy-2015-farm-school-grant-program-funds-available

USDA Agriculture and Food Research Initiative Grants (AFRI)

Synopsis: The Agriculture and Food Research Initiative (AFRI) at the National Institute of Food and Agriculture (NIFA) supports research, education, and extension grants that focus on key national and regional problems of sustaining all components of agriculture, including farm efficiency and profitability, ranching, renewable energy, forestry (both urban and agroforestry), aquaculture, rural communities and entrepreneurship, nutrition, food safety, biotechnology, and conventional breeding. AFRI aims to advance science in support of agriculture and coordinate opportunities to build on these discoveries which will allow people to make informed practical decisions.

Comments: The Agriculture and Food Research Initiative (AFRI) encompasses several different Request for Applications (RFA) that contain many Program Areas. These Program Areas cover a broad array of issues and topics important to U.S. agriculture. Examples include:

- Childhood Obesity Prevention Challenge Area
- Food Safety Challenge Area

- Food Security Challenge Area
- Water for Agriculture Challenge Area

Due Dates: See link: http://www.nifa.usda.gov/funding/afri/afri_program_deadline_dates.html

Max Grant Request: Varies by program area (see link: http://www.nifa.usda.gov/funding/rfas/afri.html)

Match Required: Varies by program area (see link: http://www.nifa.usda.gov/funding/rfas/afri.html)

Eligible Applicants: Varies by program area (see link: http://www.nifa.usda.gov/funding/rfas/afri.html)

Website: http://www.nifa.usda.gov/funding/afri/afri_synopsis.html

USDA Rural Utilities service grants such as REDLG (Rural Economic Development Loans and Grants)

Synopsis: The Rural Economic Development Loan and Grant (REDLG) program provides funding to local businesses in rural areas through local utility organizations. The USDA offers zero interest loans to local utilities as Intermediaries. They, in turn, pass through to local businesses (Ultimate Recipients) for projects that will create and retain employment in rural areas. The ultimate recipients directly pay back the Intermediary, which is responsible for repayment to the USDA. Grants operate through a similar process, except payback from Intermediaries is not required.

Comments: REDLG grantees and borrowers pass the funding on to eligible projects. Examples of eligible projects include:

- Capitalization of revolving loan funds
- Technical assistance in conjunction with projects funded under a zero interest loan
- Business Incubators
- Community Development Assistance to non-profits and public bodies (particularly job creation or enhancement)
- Facilities and equipment for education and training for rural residents to facilitate economic development
- Facilities and equipment for medical care to rural residents
- Telecommunications/computer networks for distance learning or long distance medical care

Due Dates: See link for further details (http://www.rurdev.usda.gov/BCP_redlg.html)

Max Grant Request: During FY 2014, approximately $91 million is available for loans and $10 million for grants.

Match Required: See link for further details (http://www.rurdev.usda.gov/BCP_redlg.html)

Eligible Applicants: To receive funding under the REDLG program (which will be forwarded to selected eligible projects) an entity must:

- Have borrowed and repaid or pre-paid an insured, direct, or guaranteed loan received under the Rural Electrification Act or,
- Be a not-for-profit utility that is eligible to receive assistance from the Rural Development Electric or Telecommunication Program
- Be a current Rural Development Electric or Telecommunication Programs Borrower

Website: http://www.rurdev.usda.gov/BCP_redlg.html

USDA Cooperative Program Grants and Assistance

Synopsis: Cooperative Program Grants aim to promote understanding and use of the cooperative form of business as a feasible organizational option for marketing and distributing agricultural products. A range of grants are available, including Value Added Producer Grants (VAPG), Rural Business Opportunity Grants (RBOG), Small Socially Disadvantaged Producer Grants, and Rural Cooperative Development Grants.

Comments:

- **Value-Added Producer Grants (VAPG) Grants** may be used for planning activities and for working capital for marketing value-added agricultural products and for farm-based renewable energy.
- **Rural Business Opportunity Grants (RBOG)** promotes sustainable economic development in rural communities with exceptional needs through provision of training and technical assistance for business development, entrepreneurs, and economic development officials and to assist with economic development planning.
- **Small Socially-Disadvantaged Producer Grant (SSDPG)** The purpose of this section is to assist in the development of new and emerging technologies for the development of advanced biofuels.
- **Rural Cooperative Development Grant Program (RCDG)** are made for establishing and operating centers for cooperative development for the primary purpose of improving the economic condition of rural areas through the development of new cooperatives and improving operations of existing cooperatives.

Due Dates: Varies by program (see link: http://www.rurdev.usda.gov/cphome.html)

Max Grant Request: Varies by program (see link: http://www.rurdev.usda.gov/cphome.html)

Match Required: Varies by program (see link: http://www.rurdev.usda.gov/cphome.html)

Eligible Applicants: Varies by program (see link: http://www.rurdev.usda.gov/cphome.html)

Website: http://www.rurdev.usda.gov/cphome.html

USDA Beginning Farmers and Ranchers Development Program

Synopsis: The Beginning Farmer and Rancher Development Program (BFRDP) was authorized in the 2008 Food, Conservation, and Energy Act (Pub .L. No. 110-234, Section 7410,) amending Section 7405 of the previous Farm Bill, and amended in section 7409 of the Agricultural Act of 2014 (Pub. L. No. 113-333).

Approximately $19.2 million will be available to support training, education, outreach, and technical assistance initiatives for beginning farmers or ranchers in fiscal year 2014. There will be three types of projects: (a) Standard Projects: to new and established local and regional training, education, outreach and technical assistance initiatives that address the needs of beginning farmers and ranchers in selected areas; and (b) Educational Enhancement Projects: To help develop seamless beginning farmer and rancher education programs by conducting evaluation, coordination and enhancement activities for Standard Projects and other non-funded beginning farmer programs; and (c) Curriculum and training clearinghouse, to make educational curricula and training materials available to beginning farmers and ranchers and organizations who serve them.

Comments: Topics for programs and services, as listed in the Agricultural Act of 2014, include:

- basic livestock, forest management, and crop farming practices;
- innovative farm, ranch, and private, nonindustrial forest land transfer strategies;
- entrepreneurship and business training;
- financial and risk management training (including the acquisition and management of agricultural credit);
- natural resource management and planning;
- diversification and marketing strategies;
- curriculum development;
- mentoring, apprenticeships, and internships;
- resources and referral;
- farm financial benchmarking;
- assisting beginning farmers or ranchers in acquiring land from retiring farmers and ranchers;
- agricultural rehabilitation and vocational training for veterans;
- farm safety and awareness; and
- other similar subject areas of use to beginning farmers or ranchers.

Due Date: June 12, 2014

Max Grant Request: See link (http://www.nifa.usda.gov/fo/beginningfarmersandranchers.cfm)

Match Required: At least 25 percent

Eligible Applicants: Collaborative, State, tribal, local, or regionally-based network or partnership of public or private entities, which may include state cooperative extension service, community-based and nongovernmental organizations; college or university, or any other appropriate partner.

Website: http://www.nifa.usda.gov/fo/beginningfarmersandranchers.cfm

Sustainable Ag Research and Education (SARE) Grants

Synopsis: SARE works to advance innovations that improve profitability, stewardship, and quality of life in the agricultural sector by funding groundbreaking research and education. The North Central (Midwest) region of SARE has grant opportunities for Farmer Rancher, Research and Education, Professional Development, Graduate Students, and Youth Educators.

Comments: North Central Region SARE administers several grant programs, each with specific priorities, audiences and timelines. The focus for all of NCR-SARE grant programs is on research and education. Funding considerations are made based on how well the applicant articulates the nature of the research and education components of their sustainable agriculture grant proposals.

NCR-SARE's Grant Programs include:

- Farmer Rancher
- Research and Education
- Professional Development Program
- Graduate Student
- Youth Educator

Due Dates: Varies by program (see link: http://www.northcentralsare.org/Grants/Our-Grant-Programs)

Max Grant Request: Varies by program (see link: http://www.northcentralsare.org/Grants/Our-Grant-Programs)

Match Required: Varies by program (see link: http://www.northcentralsare.org/Grants/Our-Grant-Programs)

Eligible Applicants: Varies by program (see link: http://www.northcentralsare.org/Grants/Our-Grant-Programs)

Website: http://www.northcentralsare.org/Grants/Our-Grant-Programs

State Department of Agriculture Specialty Crop Block Grant

Synopsis: The purpose of the Specialty Crop Block Grant Program (SCBGP) is to solely enhance the competitiveness of specialty crops. Specialty crops are defined as "fruits, vegetables, tree nuts, dried fruits, horticulture, and nursery crops (including floriculture)."

Comments: This grant could help support and enhance farmer's markets or develop food hubs. It is federal funding administered through the state.

Due Date: May 19, 2014

Max Grant Request: $70,000

Eligible Applicants: The agency, commission, or department responsible for agriculture within any of the 50 States, the District of Columbia, the Commonwealth of Puerto Rico, Guam, American Samoa, the U.S. Virgin Islands, and the Commonwealth of the Northern Mariana Islands is eligible to apply directly to the U.S. Department of Agriculture for grant funds.

Website: http://www.vdacs.virginia.gov/marketing/scrop.shtml

Center for Disease Control (CDC) Healthy Communities Program

Synopsis: The CDC administers the Healthy Communities Program that works with communities through local, state, and national partnerships to improve community leaders and partners skills and commitments for establishing, advancing, and maintaining effective population-based strategies that reduce the burden of chronic disease and achieve health equity. Communities create momentum that assists people in making healthy choices where they live, learn, work, and play through sustainable changes that address the major risk factors—tobacco, physical inactivity, and unhealthy eating. Currently, 331 communities and 52 state and territorial health departments have been funded.

Comments: Funding for healthy communities program was cut in the most recent federal budget. Check back to determine what funding programs are available in 2015.

Due Date: Grant application cycles are announced annually. Check website for update (see link below).

Max Grant Request: TBD

Match Required: TBD

Eligible Applicants: Eligible applicants include local and state governments

Website: http://www.cdc.gov/nccdphp/dch/programs/healthycommunitiesprogram/

VIRGINIA FUNDING OPPORTUNITIES

Centra Foundation – Community Initiative Fund

Synopsis: A specific purpose fund established and funded by Centra and administered by the Centra Foundation. This fund supports community health-related projects and programs on a pro-active basis.

Grant proposals submitted for funding from the Centra Community Health Initiative Fund will be received by the Centra Foundation to be reviewed by its grants committee. To receive consideration, proposals should be submitted by March 1.

Comments: The Centra Foundation emphasizes health-related programs so projects would need to link to healthy eating and healthy lifestyles.

Due Date: March 1st and September 1st each year

Max Grant Request: Average grants range from $5,000 - $25,000

Match Required: No match required

Eligible Applicants: 501c3 non-profit organizations serving Central and Southside Virginia

Website: http://foundation.centrahealth.com/about-us/community-health-initiative-fund

Virginia Department of Agriculture and Consumer Services (VDACS) Governor's Agriculture and Forestry Industries Development Fund (AFID)

Synopsis: AFID grants are now available for political subdivisions of the Commonwealth interested in growing their agriculture and forestry industries by strategically targeting for assistance those businesses that add value to Virginia grown agriculture and forestall products. AFID grants are made at the discretion of the Governor with the expectation that grants awarded to a political subdivision will result in a new or expanded processing/value-added facility for Virginia grown agricultural or forestall products. The amount of an AFID grant and the terms under which it is given, are determined by the Secretary of Agriculture and Forestry and approved by the Governor. An AFID grant is awarded to a political subdivision for the benefit of the company, with the expectation that the grant will be critical to the success of the project.

Businesses interested in AFID should first contact their local economic development professional, or other appropriate representative of the political subdivision, to discuss the qualifying project. If the political subdivision is interested in applying for the grant and providing the required local match, they should contact the Virginia Department of Agriculture and Consumer Services to discuss the application process.

Factors used by the Secretary of Agriculture and Forestry in determining grant awards and conditions include: anticipated levels of job creation, capital investment, amount of Virginia-grown agricultural and forestall products used by the project, as well as projected impact on agricultural and forestall producers, a return on investment analysis, and an analysis of the impact on competing businesses located in the area.

Comments: Grants are made upon an application by both the locality and the business beneficiary for a project under the following conditions:

- The business beneficiary is a facility that produces "Value-added agricultural or forestall products,"
- A minimum of 30% of the agricultural or forestry products to which the facility is adding value are produced within the Commonwealth of Virginia on an annual basis in normal production years
- The grant request does not exceed $250,000 or 25% of qualified capital expenditures (whichever is less)
- The applicant provides a dollar-for-dollar matching financial commitment (cash or qualified in-kind)
- A performance agreement is executed between the applicant and the company to ensure fulfillment of promised job creation, capital investment and purchase of Virginia grown agricultural or forestry products
- Public announcement of the project is coordinated with the Governor's Office

Due Date: Rolling

Max Grant Request: $250,000 or 25% of qualified capital expenditures (whichever is less)

Match Required: Dollar-for-dollar matching financial commitment (cash or qualified in-kind)

Eligible Applicants: Political subdivisions in Virginia and business beneficiary for a project

Website: http://www.vdacs.virginia.gov/agribusiness/afid.shtml

Virginia Department of Agriculture and Consumer Services (VDACS) Planning Grants for the Governor's Agriculture and Forestry Industries Development Fund (AFID)

Synopsis: AFID Planning Grants give local governments the flexibility to undertake the kind of planning, study, or local initiative they think best to grow and support agriculture and forestry-based businesses in their community and region. The planning grant program also provides a greater voice in local economic development to agriculture and forestry stakeholders by requiring that any grant funded program be implemented by a board, committee or working group representing agriculture and/or forestry interests in the affected locality.

The competitive grant program allows political subdivisions to apply for up to $20,000 in matching funds, or up to $35,000 for multi-jurisdictional applications, to undertake efforts that support local agriculture and forestry-based businesses. These efforts might include developing a strategic plan for agriculture and forestry economic development, creating new local policies and zoning ordinances that better support these industries, or funding feasibility studies and predevelopment work for new facilities that bring significant and lasting benefits to the local agriculture and forestry sectors.

The amount of an AFID Planning Grant and the terms under which it is given are determined by the Secretary of Agriculture and Forestry and approved by the Governor. Factors used in determining grant awards and conditions include the project's expected impact on the affected locality's agriculture and forestry related industries, and the extent to which the effort will improve local capacity to support these industries' development beyond the life of the grant.

Comments: Examples of projects include:

- Develop a strategic plan for agriculture and/or forestry economic development
- Develop local policies and ordinances that better support agriculture and/or forestry based business, agritourism, and other rural enterprises
- Create new plans, policies or programs that will lead to the preservation of working lands
- Fund feasibility studies, business plans and other predevelopment work for projects that will have a significant and lasting positive impact on the local agriculture and/or forestry sector
- Develop and/or implement local initiatives supporting agriculture and/or forestry based businesses, such as those promoting agritourism, local food systems, biomass heat, addressing food deserts, etc.
- Other projects that advance the interests of agriculture and/or forestry in the locality

Due Date: Rolling

Max Grant Request: $20,000 for single political subdivision, $35,000 for multi=jurisdictional applications

Match Required: Dollar-for-dollar matching financial commitment (up to 50% can be qualified in-kind)

Eligible Applicants: Political subdivisions in Virginia

Website: http://www.vdacs.virginia.gov/agribusiness/afid.shtml

Virginia Tourism Corporation (VTC) Marketing Leverage Program

Synopsis: The Virginia Tourism Corporation (VTC) Marketing Leverage Program is designed to stimulate new tourism marketing programs through the creation of tourism partnerships and to extend the "Virginia is for Lovers" campaign. The objective of this program is to leverage limited marketing dollars, resulting in increased visitor spending. A minimum of three entities must partner financially to apply for funding consideration. Partners may consist of Virginia towns, cities, counties, convention and visitors bureaus, chambers of commerce, other local or regional destination marketing organizations (DMO), private businesses, museums, attractions, cultural events, and other not-for-profit entities.

Comments: Focus is on tourism so would align with activities related to agri-tourism

Due Date: TBD

Max Grant Request: There are two levels of funding in the VTC Marketing Leverage Program: Tier One Leverage Program Up to $10,000 Maximum award of $10,000; Tier Two Leverage Program $10,001 to $50,000 Minimum of $10,001 up to a maximum of $50,000

Match Required:

Tier One Leverage Program: **1:1** match required

Tier Two Leverage Program: **2:1** match required (two dollars from partners matched by one dollar from VTC).

Eligible Applicants: A minimum of three entities must partner financially to apply for funding consideration. Partners may consist of Virginia towns, cities, counties, convention and visitors bureaus, chambers of commerce, other local or regional destination marketing organizations (DMO), private businesses, museums, attractions, cultural events, and other not-for-profit entities.

Website: https://www.vatc.org/PAM/leverageprog/

Virginia Tobacco Indemnification and Revitalization Commission

Synopsis: The Commission achieves its statutory charge through its indemnification program and seven grant programs that are intended to accomplish the economic revitalization and diversification of Virginia's tobacco-growing region. Program of funding include:

- Economic Development Program - building regional economic development capacity to diversify the economic base through creation or improvement of sites, buildings and utility infrastructure, workforce training facilities, tourism infrastructure etc. Two economic development committees exist, one for each region (note that Southside Economic Development funds are distributed under a formula that allocates the funds based on tobacco employment, warehousing and quota in each locality).

- Special Projects - implement projects that are innovative in nature and regional in their impacts
- Education - prepare citizens for new-economy employment through GED and workforce development, higher education scholarship programs for the two regions and competitive grants to community colleges and other educational entities.
- Agribusiness - encourage regional efforts that reduce dependency on tobacco and provide value-added crops, livestock, products, facilities, etc.
- Tobacco Region Opportunity Fund (TROF) - provides performance-based monetary grants to tobacco region localities to assist in the creation of new jobs and investments, whether through new business attraction or existing business expansion.

Comments: Only applicants from Appomattox, Bedford, and Campbell counties are eligible to receive funding.

Due Date: Grant application cycles are announced annually. Check website for updates.

Max Grant Request: Up to $1,000,000 depending on the project

Match Required: Document matching funds in application

Eligible Applicants: Eligible applicants include local governments, economic development organizations, and IRS-designated nonprofits (funds that will ultimately benefit a private entity must have a public purpose and flow through a public or nonprofit grantee, based upon terms of a performance-based agreement).

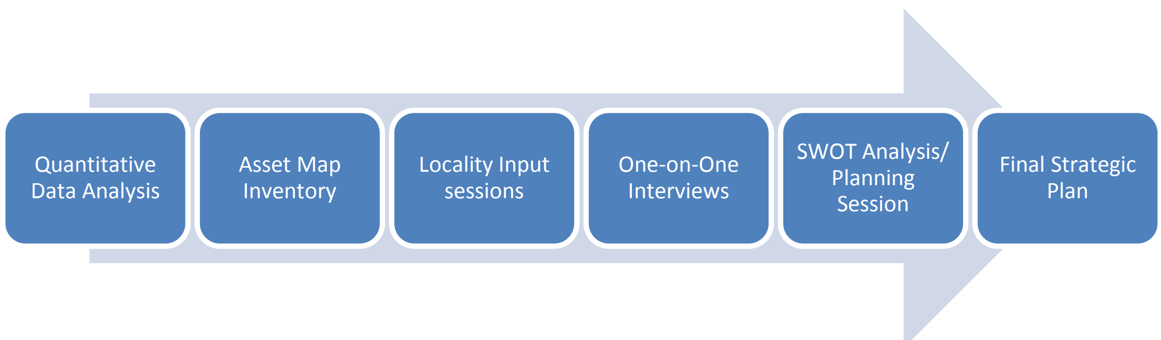
Website: http://www.tic.virginia.gov/competivegrantprog.shtml

Appendix C: Methodology

Thomas P. Miller and Associates (TPMA), an Indianapolis, Indiana consulting firm, in collaboration with Prosperity Ag & Energy Resources, collectively "the Consulting Team," was selected to facilitate a strategic planning process with the AFID Grant Management Team. Specific goals of the project include:

- Develop and define an approach to promote and strengthen the region's agriculture and forestry economy;
- Develop a framework for a regional agriculture vision that will garner widespread support from agricultural and forestry stakeholders, property owners, policymakers, and business leaders;
- Prioritize rural economic development strategies with focus on agriculture and forestry.

The components of the strategic planning process are displayed below.



For each component, the Consulting Team completed the following activities.

<u>Quantitative Data Analysis</u> – review of quantitative data to understand the agriculture and forestry industries and its economic impact. The Consulting Team reviewed data from the 2012 USDA Ag Census and the June 2013 report titled the *Economic Impacts of the Agriculture and Forest Industries in Virginia* prepared by the University of Virginia's Weldon Cooper Center for Public Service.

<u>Asset Map Inventory and Digital Asset Map</u> – identification of regional and local resources available to support agriculture and forestry operations. This include a summary profile of the resources including background on operations and/or services, contact information for key staff, and website links to access for additional information. It is structured around the following categories:

- Agriculture Agencies and Organizations
- Youth Education
- Higher Education
- Economic Development
- Farm Bureau
- Forestry Agencies and Organizations
- Region 2000 Companies
    - Feed and Supply Dealers
    - Equipment Dealers
    - Forestry and Wood Products

- Livestock Markets/Meat Processing
- Animal Health
- Food Processing
- Fuel
- Milling
- Wholesale
- Utilities

A print version of the Asset Map Inventory is included as Appendix H in the Strategic Plan. A Digital Asset Map was developed using the Google Maps platform and can be accessed here: https://mapsengine.google.com/map/embed?mid=zg0ss2ELI-90.kiFR8LIV_TMw.

<u>Locality Input Sessions</u> – gathering information from key stakeholders in each locality of Region 2000 (Amherst County, Appomattox County, Bedford County, Campbell County, and the City of Lynchburg). The Consulting Team worked with the AFID Grant Management Team to promote and schedule the input sessions. A standard agenda was utilized (see below) and summary notes were prepared for all of the input sessions (see Appendix D).

1. Welcome/Introductions
2. Overview of Planning Process
    - Background on Project and Approach
    - County and Regional Data Snapshot
3. Discussion Questions
    - What are Bedford County's and the Region's unique agriculture and forestry assets?
        - How are they being leveraged successfully now?
        - How should leverage of these assets be improved?
    - What barriers to growth are agriculture and forestry concerns facing?
        - Primary: broad-based barriers
        - Secondary: specific/situational barriers
    - What support is available today and what are the gaps in assistance?
    - What should be priority action items in Bedford County? For regional collaboration?
4. Conclude and Adjourn
    - Summary of Discussion
    - Next Steps

<u>One-on-One Interviews</u> – scheduled with regional and state leaders to gather input for the strategic plan. The Consulting Team conducted the interviews using guiding questions (see below). A summary of key findings from the interviews is included as Appendix E.

1. Provide background on your company/organization (e.g. size of operations, products, initiatives, etc.) and current activities in Region 2000.
2. How would you describe the agriculture/forestry economy in Region 2000? What are its assets and strengths?
3. What are the key constraints and/or challenges facing the agriculture/forestry economy in Region 2000?
4. What activities/initiatives would help the region to improve and strengthen its agriculture/forestry economy?

5. What regional activities/initiatives would help your business/organization better achieve its outcomes?
6. How could activities/initiatives be organized to encourage engagement of your company/organization and other partners?
7. Would you have interest in staying engaged with a regional effort focused on agriculture/forestry?
8. Any other comments?

<u>SWOT Analysis/Planning Session</u> – prepare SWOT Analysis based on findings and conduct a strategic planning session with the Grant Management Team. The Consulting Team prepared a Strengths, Weaknesses, Opportunities, and Threats (SWOT) Analysis utilized findings from the launch meeting with the AFID Grant Management Team, locality input sessions, and one-on-one interviews to prepare a draft of the SWOT Analysis. It was during a planning session held in Lynchburg on February 19, 2014. The Consulting Team incorporated additions and changes into the SWOT Analysis based on feedback provided during the planning session. The SWOT Analysis is included in the plan as Appendix F.

<u>Final Strategic Plan</u> – The Consulting Team facilitated three review sessions with the AFID Grant Management Team to 1) review plan framework captured in a Plan on a Page, 2) review first full draft of the plan, and 3) review final draft of the plan. The final plan is framed by a vision statement and guiding principles. The plan includes three goal areas. Each goal area includes projects with defined actions. Immediate actions have an identified lead entity and partners to support implementation activities. Under each project, information is available on funding sources, outcome measures, and case studies for reference.

Appendix D: Locality Input Sessions

The purpose of these Input Sessions was to gather input from local stakeholders for a Strategic Plan for the Agriculture and Forestry Economy in Virginia's Region 2000. As one component of the strategic planning process, this information was combined with insights gathered from each locality, as well as one-on-one interviews and desktop research to create a final plan with goals and actions to strengthen the local economy. Attendees of the sessions were asked a series of questions aimed at identifying the County and Region's assets, barriers, opportunities, resources needed, and priorities for action.

Amherst County Input Session

January 23, 2014, 9:00am to 11:00am

Attendees

- Scott Barnes, Morris Orchard
- Robert M. Curd, Clover Hill Farm
- Donna Meeks, Sweet Briar College
- Henry S. Myers, The Canebrakes Farm
- Frank Walton, Buffalo River Ranch
- Len Thompson, Vineyards
- Bill Tucker, Tucker Family Farms
- Facilitators – Sarah Aubrey, Prosperity Ag and Energy Resources, Kristen Barry, Thomas P. Miller and Associates, and Jonathan Faris, Thomas P. Miller and Associates
- Philipp Gabathuler, Virginia's Region 2000

Assets

- Agri-tourism – good environment for drawing individuals to the area
    - Direct marketing, sell experiences as well as products right on the farm
    - Lots of vineyards and wineries in the area
    - Natural beauty – "viewscapes"
    - Fruits and orchards (soil here is good for these crops)
    - Garlic Festival (25,000 people)
    - Apple festival
    - Sorghum festival
    - Need to market these things collectively
- Soil and slope/topography good for a variety of crops
    - And for cattle: northern and eastern portions of county are good for growing grass
        - No dairies
- Board of Supervisors support the ag industry with Land Use Taxation
    - This has historically been an asset – have had a long string of having an advocate on the board

- Grassroots farmers markets and other orgs
- Smaller farms – could be a barrier and an asset
    - Provide opportunities for more collaboration so there can be sharing of resources

Leveraging Assets

- Agri-tourism – Build on things that are already successful
    - Model after some of the things going on in Bedford County
- 2/3 of county is zoned for agriculture, support of board to maintain that is essential
    - 18% of county is in national forest – contributes to natural beauty/tourism
    - Southern part of county is more residential, less focus on/understanding of agriculture
    - Could use more zoning assets – sliding scale zoning
- VA Extension works with NRCS/USDA – good collaboration now
    - Look at programs/education on increasing farm income
    - How to make farming profitable?
- Maintaining natural beauty – real estate value
- Need to do more promoting youth involvement
    - Farm tours
    - Need more producers involved in these activities
    - 4H/FFA growth – not as much of a presence in county anymore
- Leverage knowledge at local education institutions
    - Sweet Briar College has specialists and experts
    - VA Tech experts in vineyards and grape growing
- Need to maintain Extension presence – cuts to agents in the county and area were proposed in 2009

Major Barriers to Growth

- High entry costs and getting access to this capital
    - No farm credit in the county
- Youth involvement in agriculture has decreased; need to get more kids educated on ag
    - Less 4H/FFA, youth showing in the county
    - Education in schools is not geared toward agriculture and agriculture careers
    - Need to get kids out to the farms
    - Summer opportunities to work in agriculture – don't underestimate the power of experience
- Need to focus on attitude surrounding agriculture
    - Producers themselves need to focus on being positive in the way they talk about farming, especially to kids
- Urban-oriented legislators that are not pro-ag and might even be anti-ag
    - Negativity surrounding agriculture (us vs. them for ag and non-ag communities)
- Former tourism staff position in the county was eliminated – could be helpful to add it back
- County boundaries and region boundaries do not necessarily follow the 'community' boundaries – difficult when the community seems disconnected from where their resources are
    - Farming is in north end of Amherst, but some of the regional resources are on the southern end of the region

- How can farming be profitable? Hard to see this, so it is a barrier to entry
- Producers see that there is enough demand for some resources to locate in Amherst County or in the Amherst/Nelson area
    - Is there a way to look at their data or combine data from different regions to show that this community has a lot of opportunities?
        - Ex: crop spraying, has to come from far away – don't see it as being worth it to make the trip to spray 1 farm when they can stay local and do 6
- Don't have Tobacco Commission money like the surrounding counties
    - Other sources of funding? How do we find out about them

Priorities

- Education on how to make farming profitable
- Support for entrepreneurship activities in agriculture
- Agritourism growth and diversity of options
- Education to youth about agriculture
- Maintain land use incentives for farming
- Support and encourage a community that fosters agriculture in many segments, including local government, non-ag industry, service providers (such as feed, other input suppliers, insurance, banking), and the linkages between these types of organizations and business

Appomattox County Input Session

January 21, 2014, 9:30am to 11:30am

Attendees

- Ron Coleman, Coleman & Sons
- W.A. Coleman, Coleman & Sons
- Matt English, Appomattox County High School
- Kenneth Goin, Livestock
- Jack Goin, Livestock
- John O. Harrison, Wildwood Farm
- Danny Hix, Hix Brothers Farm
- Fred H. Jones, Fred H. Jones Well Company
- Mary Lund, Lund Angus Farm
- Larry Majerus, Beef
- Nelson Mann, Crops
- Cynthia Spiggle
- Dennis Torrence, TRF Auctions
- Cecil Wooldridge, Crops
- Facilitators – Sarah Aubrey, Prosperity Ag and Energy Resources, Kristen Barry, Thomas P. Miller and Associates, and Jonathan Faris, Thomas P. Miller and Associates
- Philipp Gabathuler, Virginia's Region 2000
- Bob White, Virginia's Region 2000

Assets

- Cattlemen's Association
    - Networks for activities
    - Monthly/quarterly meetings – have access to feed dealers, mineral dealers, vets, minerals
- FFA is a very big program in Appomattox, nationally recognized
    - Have an alumni owned approximately 25 acre working farm adjacent to the school facility with capacity to raise sheep, goats, hogs, cattle and small scale poultry. This property also has approximately three acres utilized for forestry education.
- Livestock market for cattle is especially strong
    - Secondary market for sheep and goats
    - Mentioned markets in Emporia and Pamplin
    - Also mentioned Buckingham Online Auction
- Virginia Cooperative Extension
- Robert E. Lee Soil & Water Conservation district
    - Provides education
    - State support for fertilizer
- Regional colleges
    - Sweet Briar College, Randolph College, Liberty University
- Tractor Supply store & Southern States coop
- Have a new lime plant located within Appomattox County
- VA Quality Assurance program

Leveraging Assets

- There are a lot of opportunities to leverage, other than through Extension there is not much happening
- Need to improve distribution of information and knowledge of those assets
- Could have regular meetings to share this information for those who don't have internet access

Major Barriers to Growth

- Broadband – not everyone has internet access or reliable internet access, information still needs to be available in hard copy
- Forestry land use taxation – much needed to take pressure off land owners to bear county taxes
- No real manufacturing or other industry left in the county besides agriculture
- Seen as a bedroom community for Lynchburg or Farmville, not as much for an industrial area
- Traffic out of the region for jobs since forestry mills left the area
- Major barrier is cash flow for new farming operations
- Huge for young people getting into farming
- Makes farming a part-time job (or not primary income) for many farmers, widely regarded as a lifestyle choice, not a career
- Credit – need good credit to get credit
- Awareness – forestry is an asset than many landowners have, but they do not see the value or how to take advantage of it
- Not a good way now locally to utilize timber assets

- Need education
- New grain handling facility is coming to the area, but there is a high cost of entry into growing specialty grains (like chickpeas) because of specialty equipment and other materials/systems

Priorities

- Group formation in many facets and niches in the ag industry to help direct market the many products to unique/relevant markets, such as hay to universities and sheep/goats to ethnic populations
- Possible ag board to meet a couple of times a year and discuss these options and to create networking opportunities
- Local branding programs such as Buy Fresh/Buy Local
    - Already exists, but does not include many Appomattox producers
- New attempts at starting local markets (like farmers markets) in the area
- Support for niche marketing
- Marketing for products
- Broadband access
- Establish networks for niche products
- Evaluation of land use taxation policy
- Possible on-site local auction/market

Bedford County Input Session

February 19, 2014, 6:30pm to 8:30pm

Attendees

- Craig Coker, Bedford County Economic Development Authority
- Jerry Craig, Bedford County Planning Commission
- Rodney Dellis, Farm Credit
- Sam Gardner, Farm Bureau Young Farmers
- John Hicks, Bedford-Augusta Co-op
- Danny Johnson, Johnson's Orchard
- W.P. Johnson, Bedford Agricultural Economic Development Advisory Board, Farm Bureau Young Farmers
- Todd Kready, Forestry
- Dorothy McIntyre, Forest Farmers Market
- Lucy Overstreet, Idlewild Farm
- Jeff Powers, Bedford Agricultural Economic Development Advisory Board
- Mark Reeter, Bedford County Administrator
- Barbara Rezzonico, Bedford School System
- Steve Wilkerson, Bedford County Board of Supervisors
- Sam Williams, Bedford Southern State
- Facilitators – Tom Miller, Thomas P. Miller and Associates, and Jonathan Faris, Thomas P. Miller and Associates
- Philipp Gabathuler, Virginia's Region 2000

Assets

- Size of Bedford County – 5th largest county by land in the Commonwealth of Virginia
- Water resources – lakes, rivers that aren't polluted
- Farming Heritage – historical connections, agriculture in largest industry in the County
- Cattle Operations – top five locality in Virginia, largest in Region 2000
- Farmer's Markets – active market in Forest; also markets in Bedford and Moneta
- Central location – between Roanoke and Lynchburg
- Equine Industry – number of operations located in the County
- Abundance of grassland in the County
- Strong personnel with agriculture support agencies (i.e. Virginia Cooperative Extension)
- 100% wood burning biomass plant located in a neighboring county
- New London Community Cannery – operated by Bedford County Parks and Recreation Department
- Agri-tourism – Orchards, Christmas tree farms, pick-your-own farms, vineyards/wineries (e.g. Bedford Wine Trail)
- Claytor Nature Study Center – part of Lynchburg College provides education activities for K-12 students and research opportunities for college students
- Peaks of Otter – hiking trails and recreational opportunities
- Farm Bureau – active with a young farmers group and women's group
- Bedford County Agricultural Economic Development Advisory Board – 12-member board dedicated to supporting agriculture in the County; directly report to the Board of Supervisors

Leveraging Assets

- County Extension Service – offer services, research available to support farmers; well connected with the local agriculture community
- Agricultural Economic Development Advisory Board – great resource to represent and present on behalf of the County's producers to the Board of Supervisors on ag-related issues; provide collective voice to identify recommendations and/or policy changes to strengthen the County economy
- Bedford Grown – branding effort for products grown in Bedford County, has online presence
- Local buys – have co-ops selling product locally, keeping money in Bedford County
- Youth programing – active programs in 4-H and FFA (e.g. Liberty High School) but opportunity to expand and grow local activities
- Farm Tour – annual event targeting the non-farm public – tour farm and provide understanding of the value of agriculture
- Young Farmers Group – meets regularly, has guest speakers, discuss ways to better support efforts and agriculture operations in Bedford County
- Peaks of Otter Soil and Water Conservation District – access to resources for projects, technical assistance available to producers
- Tourism Department – actively promotes agri-tourism activities in the County

Major Barriers to Growth

- Continued local support for agriculture – challenges with government restrictions (e.g. setbacks, limits impeding poultry operations)
- Infrastructure to handle processing – industrial facilities to process/package meat (e.g. meat processing co-op) are lacking; with large concentration of cattle operations and other proteins (e.g. goats, sheep, etc.), this is currently a gap in the County
- Producers – challenging to purchase land with increased prices due to growth of real estate/development market
- Farm operations – looking at the market value and need to promote growth of output by operation
- Generational farms with traditional mindset – changing mentality to run like a business and strengthen operations
- Involvement of more producers in education and technical assistance programs – have great resources available through the Cooperative Extension but same producers attending/utilizing
- Awareness about Forestry programs – have seen a lot of turnover with staff members and start of local group of partners but not much follow through/activities
- Better collaboration of amongst agriculture and forestry agencies/organizations – infrastructure is there but need to bring together more regularly

Priorities

- Diversify the Agriculture Economy
  - Investigate the feasibility of a meat processing facility
  - Greater capability to provide USDA Inspections in the County and Region
  - Discuss opportunities and potential financial benefits of poultry operations
- Connect traditional and non-traditional/conventional farmers – ways to better understand each other and opportunities for collaboration moving forward
- Broadband access – challenging for obtaining information and participating in direct marketing opportunities; explore ways to address working with phone/cable providers
- Transitional/Succession Planning – providing information and technical assistance to family members who inherit or will inherit a family farm
- Explore potential for an event center for agriculture-related events
- Consistent land use planning across localities – helps with determining where operations should go or should not go in the region

Campbell County Input Session

January 22, 2014, 4:00pm to 6:00pm

Attendees

- Paul Anctil, Vineyard & Winery (Campbell County)
- Walter Bass, Jr., Sod
- W B Bass. III, Sod
- Bryan Bennett, President Campbell County Farm Bureau
- James Bennett, Beef

- Kevin Dawson, Virginia Dept. of Forestry – Campbell County
- Carter Elliott, Dairy
- Charles Fariss, Beef
- Frank Goff, Goats and Small Ruminants
- Mark Gregory, Beef
- Mark Guthrie, Aquaculture - Prawns
- Charles Hogue, Beef
- H. B. Hunter, Goat Dairy, President of Campbell County Leadership Extension Council
- Clint Jones, High School Ag Teacher
- George Jones, President Campbell County Cattlemen's Association
- Shelia Jones, Dodds Farm Supply
- Roger Keesee, Beef
- Shelton Miles, Beef
- Betty Mitchell, Bartlett Milling
- Lawrence Narehood, Cider Apple Orchard Manager
- Matt Neighbors, Landscaping
- Roy Neighbors, Bartlett Milling
- Brad Phillips, Equipment – John Deere
- Chris Phillips, Equipment – John Deere
- Brandon Schmidt, Past President Campbell County Cattlemen's Association
- Scott Tweedy, Grain Producer AND Campbell County Economic Development Commission
- Don Yancey, Natural Resources Conservation Service, USDA – Campbell County
- Delvin Yoder, Dairy
- Lowell Yoder, Dairy
- Facilitators – Sarah Aubrey, Prosperity Ag and Energy Resources, Kristen Barry, Thomas P. Miller and Associates, and Jonathan Faris, Thomas P. Miller and Associates
- Philipp Gabathuler, Virginia's Region 2000

Assets

- There are several direct to consumer opportunities in the surrounding markets
    - Retail in Lynchburg
    - Farmers markets
- High quality auction market
- Cattlemen's Association is a great resource for networking and communication
- Farm Bureau
- Transportation – major east/west highways run through the county
- The County Board of Supervisors is supportive of agriculture
    - Land Use Taxation

Leveraging Assets

- Need more collaboration to be able to find buyers
    - Example: It is difficult to get buyers to come to the livestock auction because the volume they need isn't available
        - Could be opportunities to advertise combining product with other producers
        - This is a by-product of having smaller farms – need to collaborate to overcome

- Tele-auction – there is a lack of understanding on what to do
    - Could use education on this to get others interested and to know how it works
- Need to continue to support FFA and 4H
    - This is a big part of getting people to want to be in agriculture
- Need more direct marketing – get consumers out to the farms

Barriers

- For most farmers, farming is a part-time job (or provides less than 50% of income)
    - Don't always have the time or resources to put more into the farm when there needs to be another job to make a living
- Capital-intensive – there are higher costs to entry, preventing new producers from entering the market
- Credit is difficult to obtain for start-ups; too much risk involved
- Difficult to get youth involved
    - Too much money unless they inherit an operation
    - There has been downturn in agricultural programs, some schools have consolidated programming which has hurt FFA
    - Career in agriculture isn't portrayed as a positive career path
- People don't understand agriculture
    - Need to get more people out to visit the farms
    - Need to show positive images of agriculture; the responsibility of farmers, as well, to project a positive image
    - Another barrier is that bringing people to the farms requires insurance that some don't have
- Need education on conservation easements

Priorities

- Promotion of the opportunities that are available
- Collaboration to communicate this and create a brand
    - Would require protocols that participants would have to follow
    - Include both part-time and full-time farmers
- Marketing program
    - What is available in the region and what is imported
    - Add PR mind to agriculture – what are the markets, where can they sell, how can producers sell directly to consumers or restaurants
- Provide information on how to acquire biosolids
- Staffing – sustainability coordinator
- Education
    - Consumers – starting at a young age, get them positive about agriculture even if they aren't going to become a farmer
    - Producers – alternative financing options
- Conservation easements
- Local listings of producers and the products they make to offer direct to consumers

- Network or forum or coop that would facilitate marketing and sales
- Opportunities to provide jobs in marketing to younger people – get people involved in agriculture without being farmers

City of Lynchburg Input Session

January 22, 2014, 10:00am to 12:00pm

Attendees

- John Abel, Randolph College and Lynchburg Area Food Council
- Jason Fowler, Land and Table
- Urs Gabathuler, Main Street Eatery
- Donald Johns, Conner Produce Co.
- Mike Russell, Department of Minority Business Enterprise – Lynchburg Office
- Steve Simpson, Lynchburg Health Department, Environmental Health Manager
- Meryl Smith, Lynchburg City Schools, Supervisor of School Nutrition
- Facilitators – Sarah Aubrey, Prosperity Ag and Energy Resources, Kristen Barry, Thomas P. Miller and Associates, and Jonathan Faris, Thomas P. Miller and Associates
- Philipp Gabathuler, Virginia's Region 2000
- Bob White, Virginia's Region 2000

Assets

- Presence of a local food movement and the enthusiasm of young leaders to be involved and support the growth of this movement
    - Farmers' Market operates year-round and is the 3rd oldest in the nation
    - Many local artisan producers
    - Emerging movement of a brewery and wine trail
    - Community gardens
    - An emphasis on urban agriculture; the first Urban Agriculture Summit will be held in April of 2014
- Wealth of knowledge and education represented in the five colleges of the region, four of which are in Lynchburg
    - These institutions also promote agriculture and/or sustainability programs
- High quality environment for agriculture with good soil and water resources
- Investment is happening and is available, from both public and private sources
    - Processing facilities are available in the region and show commitment; for example, one paper mill just got a $45 million upgrade
    - New funding streams and incentives are becoming available at all levels of government – local, state, and federal

Opportunities to Leverage Assets

- Collaboration has proven to be successful in launching several new programs, and can be extended to create more linkages

- Health Department Double Bucks program has incentivized farmers to accept SNAP payments at markets
    - New bus route from an identified food desert to a grocery store – free for low income residents
    - More communication can break down silos that exist across the food movement in Lynchburg
- There are many charitable organizations in Lynchburg that are a big part of the movement, examples include churches, Daily Bread, Salvation Army, Society of St. Andrew
    - They are able to have an impact, but there is room for more organizations like them – they need more partners to be able to take advantage of all the resources that are offered to them
- Residents often do have access to food, but it is not always healthy food
- Education is needed in many areas to improve programs and utilization of programs
    - Food drives are happening, but it is not always specified what is needed or what can make a difference
    - Some classes on food and nutrition exist, but transportation and cost can be issues
- Connection points need to be made so buyers can connect directly with producers
    - Education on procurement rules for public organizations
    - Lists of what buyers are looking for, and what producers can provide

Barriers to Growth

- Access to high quality, healthy food
- Personal and consumer apathy about health
- Producer apathy or lack of knowledge on how to do outreach and how to network to connect directly to consumer markets
- Silos – lack of communication between organizations doing similar or connecting things

Priorities

- Marketing – overall, promoting the different aspects of the food movement so that connections can be made
    - Sourcing products
    - Networking
    - Existing systems and programs
    - Education
    - Financial Assistance
- Growing the local food economy – take advantage of the opportunities that are available with an urban agriculture setting
    - Use brownfields and empty lots
    - Farm to freezer opportunities
    - Community kitchens and Food ventures
- Need buy-in from local governments – work on zoning and ordinances in the City that support possible farming and food production/distribution options in the City
- Education on sustainability – it is not understood culturally
- USDA inspection of food products

Appendix E: Summary of Interviews

One-on-one interviews were conducted to gather inputs from regional and state-level organization leaders to inform the *Strategic Plan for the Agriculture and Forestry Economy in Virginia's Region 2000*. A summary of key findings is provided below.

Interviewees

- Greg Farmer, President, Colonial Farm Credit
- Dr. Jewel Hairston, Dean, College of Agriculture, Virginia State University
- Dr. Alan Grant, Dean, College of Agriculture and Life Sciences, Virginia Tech University
- Jimmy Jones, Georgia Pacific
- Paige Pratt, Virginia Tech Department of Animal and Poultry Sciences
- Wren Roberts, Centra Health Systems
- Andy Seibel, Virginia FFA Association
- Jeff Wilkerson, Westover Dairy (The Kroger Company)

Assets and Strengths of Agriculture/Forestry in Region 2000

- Population center with Lynchburg metropolitan area – access to customers and opportunities for direct and value-added products
- Central location accessible to multiple markets in Virginia as well as in the Mid-Atlantic (e.g. proximity to Charlotte, Richmond, Baltimore, Washington, D.C.)
- Diversified economy with major employer operations located in the region (e.g. Abbott Nutrition, Areva, B&W, etc.)
- Higher education institutions in the region (i.e. Central Virginia Community College, Liberty University, Lynchburg College, Randolph College, Sweet Briar College)

<u>Agriculture</u>

- Westover Dairy – dairy processing facility for Kroger located in Lynchburg; 90 employees, majority live in the area; produces 20-25 million gallons of milk per year; receive raw milk at the facility; been in operation over 44 years; 90% of waste is recycled at the facility; have programs in place to donate product to local nonprofit organizations (e.g. Daily Bread)
- Colonial Farm Credit - 600 individual customers, \$40-\$50 million in loans in the region to purchase real estate, build homes, fund general operating, and capital needs;
- Centra Health – commitment to sustainability and purchasing locally grown foods; Eco-Express program is available for hospital staff to pay a small membership fee and use reusable plastic containers/cups rather than one-use Styrofoam containers; estimate 1/3rd of food purchases from June-August); have community gardens at hospital facilities – chefs use fresh herbs and produce from the gardens in their preparations; work directly with local producers
- Lynchburg Area Food Council – policy-based, assisting with education about healthy eating, buying locally grown
- Lynchburg Grows – urban farm in Lynchburg that provides locally grown produce and flowers; collaboration with Virginia State University to assist with specialty crop production
- Land rich which enhances the ability to produce – acres available, prices have come down
- Livestock Market in Lynchburg – well-regarded with good participation

- Cattle operations – have seen more profitability with rise in beef prices
- Number of unique, small agriculture operations in the region
- 4-H and FFA – pockets in the region with lots of activity and recognition (e.g. in Appomattox County)

<u>Forestry</u>

- Strong forestry land base – acres/volume and network of landowners, loggers, and timber dealers
- Paper mills and saw mills located in the region (e.g. International Paper, Georgia Pacific, Grief)
- Georgia Pacific – has three facilities in Region 2000 (Big Island (Bedford County) – paper mill with 330 employees; Brookneal (Campbell County) – produces oriented strand board (similar to plywood) at a facility with 130 employees; Brookneal Chip Mill – facility is contracted out with 17 employees); buy wood chips from approximately 70 sawmills in the area; facility been in the area since 1891, owned by Georgia Pacific since 1990; don't have much trouble finding qualified employees for majority of hourly positions; have to recruit a wider area for some specialized positions
- Biomass energy – two power plants in Region 200 that are 100% wood-fired

Constraints/Challenges in Region 2000

- Connecting small producers to markets – better ways for producers to get involved in direct marketing, connected to large buyers and also for those interested in locally grown to have understanding of what produce, meat, etc. is available locally at any given time so it can be accessed – one common resources for this would be beneficial
- For locally grown produce, ability to have reliable volume and quality to meet orders of larger buyers – need capacity and capability for it to be viable rather than just a few months each year
- Agriculture education programs in K-12 could be grown – ways to incorporate 4-H and FFA into urban areas and get students in rural areas interested in agriculture again
- Awareness of job opportunities in agriculture – not just farmers but includes marketing, processing facilities, logistics, etc. and making students, particularly those at the region's colleges and universities aware of these opportunities
- Education about Agriculture and Forestry – misconceptions from the public and ways to provide better information about its economic impact in the region and job opportunities available
- Food deserts – areas in Lynchburg without easy access to fresh produce and nutritious foods
- Need for more processing facilities based in the region (e.g. grain processing facilities, meat processers)
- Increased competition particularly with introduction/growth of new products (e.g. almond and soy milk)
- Lending to specialty crop producers – not traditional so it can be difficult for lenders to provide loans – need a better understanding of financial opportunity
- Oversight of small operation, local meat – some issues with quality control and level of certification (state vs. USDA) and making quality consistent to the consumer (e.g. different requirements for what is sold at a farmers market than what is sold at a grocery store)
- Poultry – lack of operations in the region, constrained due to local policies enacted; also no local processing facilities

- National/State networks for selling product – might want to buy from local producers but tied into networks that determine what goes where (e.g. product from Shenandoah Valley or Pennsylvania goes to Lynchburg; product from region goes to North Carolina)
- Growth of area and increased urbanization can impact available farm acreage and timberland
- Agri-tourism – some activities but not as well organized as in other regions in Virginia

Opportunities to Improve/Strengthen Agriculture and Forestry in Region 2000

- Regularly updated list of available locally grown products – producers can provide updates and this can be distributed to restaurants, employers (e.g. hospitals, colleges/universities, K-12 schools), consumers, etc.
- Sustainable Forestry/tree planting initiative – opportunity to work with Virginia Forestry Association and promote better awareness of forestry in the region
- Internship programs to help regional employers work with colleges and universities in the area to raise awareness of their job options and build employees internally from interns
- Agri-tourism – great opportunity to develop a collaborative approach to link the region's assets (e.g. orchards, vineyards, pumpkin patches, etc.) and promote to visitors and regional residents
- Farmers Market – marketing and continuing to grow and utilizing technical assistance and resources available (e.g. Colonial Farm Credit has monetary assistance available)
- Potential for urban ag research center/training center in Lynchburg – preliminary discussions underway between Virginia State University and Lynchburg Grows
- Education to producers about specialty crops and how they can be profitable (get more of return on investment on smaller amount of acreage) – technical assistance available from Virginia State University and Virginia Tech
- Better inform regional residents about the economic impact of agriculture and forestry in the region
- Investigate feasibility for meat processing, grain processing facilities
- Hire/identify dedicated, full-time staff focused on agriculture and economic development in the region; focus is on gathering, maintaining information on available products, connecting producers to additional markets, promoting agri-tourism, etc.
- Information to regional cattle producers on export markets – Commonwealth is exploring how to better connect and ways to improve process to make profitable
- FFA/4-H in urban schools – connecting city students with agriculture
- Investigate food hub with realistic objectives and financial considerations in mind – needs model that suits market economy and will garner support/buy-in from larger purchasers
- Promote healthy lifestyle and nutrition to regional residents and where to purchase fresh, locally grown produce, meat, etc.
- Connect local workforce training specific to agriculture and forestry
- Provide new farmer training initiatives and programming to educate about practices and production in marketing
- Utilize services and resources available from Cooperative Extension Service, Farm Bureau, Farm Credit, etc.

Appendix F: SWOT Analysis

The Consulting Team prepared a Strengths, Weaknesses, Opportunities, and Threats (SWOT) Analysis utilizing findings from the launch meeting with the AFID Grant Management Team, locality input sessions, and one-on-one interviews. A draft of the SWOT Analysis was presented by the Consulting Team to the AFID Grant Management Team during a planning session held in Lynchburg on February 19, 2014. Additions and changes were incorporated into the SWOT Analysis based on feedback provided during the planning session. The SWOT Analysis informed the development of Guiding Principles, Goals, and Projects defined in the Strategic Plan.

STRENGTHS

- **Population Center** – customers and opportunities for direct and value-added products in Lynchburg metropolitan area
- **Central Location** – accessible to multiple markets in Virginia as well as in the Mid-Atlantic (e.g. proximity to Charlotte, Richmond, Baltimore, Washington, D.C.)
- **Diversified Economy** – major employer operations located in the region (e.g. Abbott Laboratories, AREVA, B&W, Georgia Pacific, Frito Lay, Greif, etc.)
- **Higher Education** – large number of college students (e.g. CVCC, Liberty University, Lynchburg College, Randolph College, Sweet Briar College, Virginia University of Lynchburg)
- **High quality environment for agriculture with good soil and water resources**
- **Growing direct to consumer activities** (e.g. Lynchburg Community Market, farmers markets, Lynchburg Grows)
- **Presence of a local food movement** and enthusiasm of young leaders
- **Active Organizations (e.g. Cattleman's Association) with networking opportunities**
- **Pockets of Strong 4-H/FFA activities** (e.g. Appomattox County FFA with land lab)
- **Cattle operations** – have seen more profitability with rise in beef prices
- **Active Virginia Cooperative Extension offices in the localities**
- **Strong forestry land base** – acres/volume and network of landowners, loggers, and timber dealers
- **Paper mills and saw mills located in the region (e.g. International Paper, Georgia Pacific, Greif)**
- **Biomass energy** – two power plants in Region 2000 that are 100% wood-fired

WEAKNESSES

- **Education about Agriculture and Forestry** – misconceptions from the public and ways to provide better information about its economic impact in the region and job opportunities available
- **Food deserts** – areas in Lynchburg without easy access to fresh produce and nutritious foods
- **Processing facilities based in the region** – lack of grain processing facilities, meat processers
- Producers **lack of knowledge, technical assistance about direct marketing**

- **Broadband access** – some rural areas with bad connections and not easy to access resources and monitor web-based activities
- **Youth involvement in agriculture**– decreased participation in some FFA, 4-H chapters, how to get more involved and education on careers available in agriculture
- **Capital-intensive** – there are higher costs to entry, preventing new producers from entering the market
- **Lending to specialty crop producers** – not traditional so it can be difficult for lenders to provide loans – need a better understanding of financial opportunity
- **Silos** – lack of communication between organizations doing similar or connecting things
- **Reliable volume and quality of locally grown produce** – ability to meet orders of larger buyers
- **Local USDA inspection of food products** – have state inspections but need USDA inspection to sell to larger buyers
- **Poultry** – lack of operations in the region, constrained due to local policies enacted; also no local processing facilities
- **Awareness of Sustainable Forestry** – forestry is an asset than many landowners have, but they do not see the value or how to take advantage of it
- **Forestry land use taxation** – much needed to take pressure off land owners to bear county taxes (e.g. Appomattox County)
- **Agri-tourism** – some activities but not as well organized as in other regions in Virginia

OPPORTUNITIES

- **Awareness about Agriculture and Forestry in the Region** – educate internal audiences and tie-in with external economic development efforts
- **Agri-tourism** – great opportunity to develop a collaborative approach to link the region's assets (e.g. orchards, vineyards, pumpkin patches, etc.) and promote to visitors and regional residents
- **Growing the local food economy** – take advantage of the opportunities that are available with an urban agriculture setting
- **Local branding** programs such as Buy Fresh/Buy Local – technical assistance for direct marketing
- **Education and experiential learning opportunities** in agriculture and forestry for local students – look at field trips, internship, summer work opportunities
- **Regularly updated list of available locally grown products** – producers can provide updates and this can be distributed to restaurants, employers (e.g. hospitals, colleges/universities, K-12 schools), consumers, etc.
- **Support and encourage a community that fosters agriculture in many segments** – local government, non-ag industry, service providers (such as feed, other input suppliers, insurance, banking), and the linkages between these types of organizations and business
- **Support for entrepreneurship activities in agriculture** – understanding specialty crops, niche markets, etc.

- **Hire/identify dedicated, full-time staff** focused on agriculture and forestry in the region; focus is on gathering, maintaining information on available products, connecting producers to additional markets, promoting agri-tourism, etc.
- **Provide new farmer training initiatives** – programming to educate about practices and production, direct marketing, etc.

THREATS

- **Growth of area and increased urbanization** – can impact available farm acreage and timberland
- **Major barrier is cash flow for new farming operations** – challenging to get credit, purchase land, and turn profit
- **No real manufacturing or other industry left in certain counties** – need to have jobs locally so residents do not leave
- **Personal and consumer apathy –** health and value of locally grown, fresh products
- **Farming not a full-time job (provides less than 50% of income)** – don't always have the time or resources to put more into the farm when there needs to be another job to make a living
- **Attitude surrounding agriculture** – producers themselves need to focus on being positive in the way they talk about farming, especially to kids
- **Buy-in from local governments –** work on zoning and ordinances in localities that support agriculture, forestry, and food production/distribution options
- **National/State networks for selling product** – might want to buy from local producers but tied into networks that determine what goes where (e.g. product from Shenandoah Valley or Pennsylvania goes to Lynchburg; product from region goes to North Carolina)

Appendix G: Data Snapshots

Appendix H: Asset Map Inventory and Digital Asset Map

Asset Map Inventory

The Asset Map Inventory provides contacts at agencies, suppliers, resources, and technical assistance available to support agriculture and forestry operations as well as information on major ag-related and forestry-related employers in the region. It first provides regional and local contacts for agriculture resources, forestry resources, and educational resources. It then provides county-specific contacts at local businesses available to support producers, information on major local agriculture and forestry employers, and contacts at economic development organizations. It concludes with contacts at statewide agencies and organizations. Many thanks to the members of the AFID Grant Management Team for their support in developing the Asset Map Inventory.

Digital Asset Map

The Asset Map Inventory is translated into a web-based Digital Asset Map utilizing the Google Maps platform. It can be viewed here: https://mapsengine.google.com/map/embed?mid=zg0ss2ELI-90.kiFR8LIV_TMw. An Excel Worksheet of information in the asset map is available for each locality. Representative from the locality economic development organization and Virginia Cooperative Extension (VCE) office should review annually to make updates. A member of the AFUD Grant Management Team should be designated to combine and incorporate into the Digital Asset Map following the provided instructions.

Embedding the Digital Asset Map into Existing Websites

The capability is there to incorporate the Digital Asset Map into Virginia's Region 2000 website, existing locality economic development organization websites, office websites, and other regional websites. The instructions on the next page describe how this is accomplished. They were adapted from Google Earth Outreach (see link: https://www.google.com/earth/outreach/tutorials/websitemaps.html).

1. Go to Google Maps. Open the map that you wish to embed in your website. You can embed a map of driving directions, a local search or a map you've created using Custom Maps. If you want to view your saved maps, sign in with your Google Account. If you don't have a Google Account, sign up here.
2. Click **Link to this page** and copy the code from the **Paste HTML to embed in website** field. To resize and preview the map, click **Customize and preview embedded map**.
3. Go to your webpage editing application and locate the best place for the map within your website.
4. Paste the map code you copied into the HTML code where you'd like your map to appear on your website.
5. Save your web page and view the map you just embedded.

A tutorial video is available here: https://www.youtube.com/watch?feature=player_embedded&v=Zo-0AV54jPw.

LYNCHBURG CITY COUNCIL
Agenda Item Summary

MEETING DATE: **September 23, 2014** AGENDA ITEM NO.: 5

CONSENT: REGULAR: WORK SESSION: **X** CLOSED SESSION: (Confidential)

ACTION: INFORMATION: **X**

ITEM TITLE: **On-Street Metered Parking Pilot Program**

RECOMMENDATION: Acknowledge the Parking Authority's recommendation and the staff's intention to conduct a pilot program for on-street metered parking in selected areas downtown.

SUMMARY: Director of Economic Development Marjette Upshur has been contacted by a retailers and commercial property owners on Main Street expressing concerns about how the current management of on-street parking is having a negative impact on business to the point that one retailer is considering a move from downtown. For some time the Parking Authority has discussed the establishment of a pilot on-street metered parking program in an area experiencing parking challenges. Although the Authority had considered making a recommendation for such a program on Court Street, the concerns raised by the retailer and Ms. Upshur resulted in its reconsideration.

At its meeting of September 9, 2014, the Parking Authority adopted a motion calling for the implementation of a pilot on-street metered parking program in the 1200 block of Main Street. An excerpt from the draft minutes of that meeting follows:

On-Street Metered Parking-

a. Mr. Malewitz stated that Kim Payne and Marjette Upshur support the On-Street Meter Parking as a pilot program for the 1200 block of Main Street. There is a push by business owners to have something implemented soon. He reminded the board that the original pilot was going to be placed on Court St but the logistics have changed to force the move to the 1200 block of Main St. He explained that to implement the pilot program it may not be required to go before council. As the trial period proves successful, a more definitive plan will be developed to take to Council for the Parking Authority to take over on-street parking. An RFP will be put together and have qualified vendors submit their trial period bids, have a committee accept the vendor and get the pilot up and working. Ms. Jaeger questioned not going before Council first. Mrs. Upshur commented that she has been contacted by downtown businesses that may leave the area if something is not done quickly. She feels the implementation of the pilot program can be expedited with Mr. Payne's backing. Ms. Jaeger expressed the need to implement the pilot program in the Community Market along with the 1200 block of Main. Mr. Koepenick and Mr. Farmer agreed. Mr. Gabathuler mentioned contacting the owner of the Benchmark lot and was concerned with the overflow of parking on Saturdays. Mr. Koepenick made the motion that the implementation of the pilot program move forward with a trial run. Ms. Jaeger seconded. Four board members approved. Mr. Gabathuler did not approve. Ms. Jaeger recommended the motion be changed to include Saturdays. Mr. Koepenick seconded. All approved. Motion carried.

The City Code provides that the City Manager has the authority to supervise and control the management of parking in the City. (Excerpts of the City Code attached.) The enabling legislation that established the Parking Authority only gives it jurisdiction over off-street parking. Clearly, on-street and off-street parking are intrinsically connected and need to be managed comprehensively. Accordingly, the Manager has worked closely with the Parking Authority and parking management staff to coordinate efforts.

Because the Parking Authority has requested the implementation of a pilot on-street metered parking program, I wanted Council to be aware of my intention to work with the Authority and staff to fulfill the Authority's wishes, subject to Council's acknowledgement of this initiative.

PRIOR ACTION(S): N/A

FISCAL IMPACT: Undetermined. To be evaluated during the pilot.

CONTACT(S): Kimball Payne, City Manager, 455-3990; Marjette Upshur, Director of Economic Development, 455-4492; David Malewitz, Parking Manager, 455-3997.

ATTACHMENT(S): Excerpts from the City Code re Parking

REVIEWED BY: lkp

132K

<u>Excerpts from the Lynchburg City Code re Parking</u>

Sec. 25-37. Powers of city manager—Generally.

The city manager shall have general supervision and control of the management and direction of all vehicular and pedestrian traffic and of the parking and routing of vehicles in the interest of the public safety, comfort and convenience not inconsistent with the provisions of Code of Virginia, Title 46.2. The city manager may cause appropriate signs to be erected and maintained, designating residence and business districts, school, hospital and safety zones, highways and railway crossings, arterial streets, arterial stops, turns at intersections, traffic lanes and such other signs as may be necessary to carry out the provisions of this chapter. The City Manager shall have power to regulate the traffic by means of traffic officers or semaphores or other signaling devices on any portion of the highway where traffic is heavy or continuous, or where in his judgment conditions may require, and may prohibit other than one-way traffic upon certain highways, and may regulate the use of the highways by processions and assemblages. The city manager shall have the power to regulate the parking and stopping of vehicles on the public streets including the power to establish restricted parking areas. The city manager may adopt any such regulations not inconsistent with the provisions of this chapter which shall be deemed advisable and necessary, including the repeal, amendment or modification of any such regulations; provided, however, that such regulations, laws or rules shall not be deemed to be violated, if at the time of the alleged violation any sign or designation required under the terms of this chapter is missing, effaced, mutilated or defaced so that an ordinarily observant person under the same circumstances would not be apprised of or aware of the existence of such rule. (Code 1959, § 20-3; Ord. No. O-95-242, 9-12-95)

Sec. 25-247. Restricted and no-parking areas.

The city manager or his designee is hereby authorized and directed to determine and define street areas within which the volume of vehicular traffic is such as to require restrictions upon parking of vehicles; to classify vehicles with reference to parking; to designate the time, place and manner in which such vehicles may be allowed to park upon the highways; to make such rules and regulations as traffic conditions may require in various areas and under the varying conditions which may prevail at different times. A listing of such restrictions shall be maintained in the traffic engineering files. It shall be the duty of the traffic engineer, upon the promulgation of such regulations, and before the same shall become effective, to give such public notice thereof, by establishing and posting signs, or otherwise, as may be reasonably adequate to make clear to the operators of vehicles in "no-parking" or "restricted parking" areas, the existence, nature and requirements of such regulations. From and after the effective date of regulations imposed in any area by virtue of the provisions of this chapter, it shall be unlawful for any person to stop or park any vehicle in any restricted or prohibited area otherwise than in accordance with these regulations. (Code 1959, § 20-129; Ord. No. O-09-123, 10-13-09, eff. 1-1-10)

Sec. 25-247.1. Restricted or prohibited parking areas.

(a) The city council hereby finds that that the free circulation of traffic through the streets of the city is necessary to the health, safety and general welfare of the public; that over the years the revitalization of the city's central business district has increased the number of residents, customers and visitors in the central business district and has greatly increased the parking of motor vehicles of all kinds on the public streets in the central business district creating parking congestion on the streets in the central business district; and, that such parking congestion prevents the free circulation of traffic in and through the central business district. Therefore, it is the intention of city council to address parking issues in the central business district and to support the recent and planned growth and development in the central business district by providing for the orderly and efficient use of the available parking spaces. This ordinance is adopted pursuant to the authority granted to the city council by Section 46.2-1220 of the Code of Virginia, 1950, as amended.

(b) No person shall park any vehicle in any restricted or prohibited parking area within the central business district for a period of time in excess of the maximum time shown for the parking area as indicated on signs posted on the street where the parking area is located. The central business district is designated as that area of downtown from fifth street to the route 29 business expressway and from clay street to the riverfront.

(c) No person shall park a vehicle within the central business district for longer than the posted time limit on either side of the same street within the same block within an 8 hour period during the same day. For purposes of this section, a "block" is defined as that portion of both sides of the same street between two intersecting streets or what would be the continuation of two intersecting streets. However, parking for longer than the posted time limit in one block does not preclude parking an additional consecutive period of time on another block within the central business district.

(d) The provisions of this section shall apply between the hours designated by the city on all days, except Sundays or on the following holidays: New Year's Day, Martin Luther King Jr.'s birthday, President's Day, Memorial Day, Fourth of July, Labor Day, Thanksgiving Day and day after, Christmas Eve and Christmas Day. (Ord. No. O-09-123, 10-13-09, eff. 1-1-10; Ord. No. O-11-134, 11-22-11)

Sec. 25-247.2. Parking pay station.

(a) No person shall park any vehicle in a parking space for a period of time in excess of the maximum time shown on the parking pay station for the parking space or indicated on signs in the block where the parking pay stations are located, or for a time period in excess of the time limits posted on the street or in a city parking facility.

(b) Within a consecutive time period equal to the time limit posted, no person shall park a vehicle for longer than the posted time limit for the time zone or block.

(c) The provisions of this section shall apply between the hours designated by city council or the city manager on all days, except Sundays or on the following holidays: New Year's Day, Martin Luther King, Jr.'s birthday, President's Day, Memorial Day, Fourth of July, Labor Day, Thanksgiving Day and day after, Christmas Eve and Christmas Day or as otherwise designated by city council or the city manager.

(d) In absence of other posted limits, parking pay stations shall be presumed to be in operation and require the deposit of the required parking fees between the hours of 7:00 a.m. and 5:00 p.m.

(e) No person shall deposit or cause to be deposited in a parking pay station any coin for the purpose of increasing or extending the parking time of any vehicle beyond the legal parking time.

(f) No person shall deface, injure, tamper with, open or willfully break, destroy or impair the usefulness of any parking pay station or sign installed under this division. (Ord. No. O-09-123, 10-13-09, eff. 1-1-10)

// A regular meeting of the Council of the City of Lynchburg was held on the 9th day of September, 2014, at 7:30 P.M. in the Council Chamber, City Hall, Michael Gillette, President, presiding. Council Member Nelson gave the Invocation, followed by the Pledge of Allegiance. The following Members were present:

Present: Foster, Helgeson, Johnson, Nelson, Perrow, Tweedy, Gillette 7

Absent: 0

// Copies of the minutes of the July 8, 2014 meeting, having been previously furnished Council, reading was dispensed with, and on motion of Vice Mayor Johnson, seconded by Council Member Helgeson, Council by the following recorded vote approved the minutes as presented:

Ayes: Foster, Helgeson, Johnson, Nelson, Perrow, Tweedy, Gillette 7

Noes: 0

// Copies of the minutes of the August 12, 2014 meeting, having been previously furnished Council, reading was dispensed with, and on motion of Vice Mayor Johnson, seconded by Council Member Helgeson, Council by the following recorded vote approved the minutes as presented:

Ayes: Foster, Helgeson, Johnson, Nelson, Perrow, Tweedy, Gillette 7

Noes: 0

// In the matter of Parks and Recreation - General, Item #3 was removed from the Consent Agenda and voted on separately. Resolution #R-14-099 to amend the FY 2015 Parks and Recreation General Fund budget and appropriating $135,720 with resources of $135,720 from the General Fund Reserve for Contingencies to continue operation and management of two neighborhood community centers, laid over from the August 12, 2014 meeting, was again presented and read, and on motion of Council Member Nelson, seconded by Vice Mayor Johnson, Council by the following recorded vote adopted the Resolution:

Ayes: Foster, Johnson, Nelson, Tweedy, Gillette 5

Noes: Helgeson, Perrow 2

// In the matter of Parks and Recreation – General, Resolution #R-14-100 to amend the FY2015 Parks and Recreation General Fund budget and appropriating $8,000 with resources of $4,000 from the FY 2015 General Fund Reserve for Contingencies and $4,000 from Schools Operating Fund to provide Wi-Fi access in the neighborhood community centers, laid over from the August 12, 2014 meeting, was again presented and read, and on motion of Vice Mayor Johnson, seconded by Council Member Helgeson, Council by the following recorded vote adopted the Resolution:

Ayes: Foster, Helgeson, Johnson, Nelson, Perrow, Tweedy, Gillette 7

Noes: 0

// In the matter of City Council, City Council Report #5 was considered. On motion of Vice Mayor Johnson, seconded by Council Member Helgeson, Council by the following recorded vote adopted Resolution #R-14-101, as presented, amending the re-adoption of the Finance Committee Guidelines to include the Greater Lynchburg Transit Company (GLTC) in the quarterly financial reviews:

Ayes: Foster, Helgeson, Johnson, Nelson, Perrow, Tweedy, Gillette 7

Noes: 0

// In the matter of Fire – General, City Council Report #6 was considered. On motion of Vice Mayor Johnson, seconded by Council Member Helgeson, Council by the following recorded vote introduced and laid over to a later meeting for final action Resolution #R-14-102 as presented, to amend the FY 2015 City/Federal/State Aid Fund budget and appropriate $39,418 with resources of $18,684 from the Virginia Office of Emergency Medical Services-Rescue Squad Assistance Fund (RSAF) grant and $20,734 transferred from the FY 2015 General Fund Fire Department budget to purchase one (1) Physio Life Pak 15 cardiac monitor/defibrillator and four (4) sets of Tactical EMS gear for the Fire Department:

Ayes: Foster, Helgeson, Johnson, Nelson, Perrow, Tweedy, Gillette 7

Noes: 0

// In the matter of Public Works – Street Vacation, a public hearing was held regarding City Council Report #7 for the petition of Peyton Morgan to vacate a portion of unopened right-of-way known as New Street located between 2019 and 2101 Elm Street. The area is approximately sixty-nine thousandths (.069) of an acre. The dimensions of the proposed vacation are one hundred (100) feet long by thirty (30) feet in width. Tom Martin, City Planner, gave a summary of the request. There was no one else present who wished to speak to this item, and the public hearing was closed. Council Member Perrow, Chair of the Physical Development Committee (PDC) stated that this matter came before the PDC and the Committee recommended approval. This motion does not require a second, and Council by the following recorded vote adopted Resolution #R-14-103, as presented, to vacate a portion of unopened right-of-way known as New Street located between 2019 and 2101 Elm Street:

Ayes: Foster, Helgeson, Johnson, Nelson, Perrow, Tweedy, Gillette 7

Noes: 0

// In the matter of Public Works – General, a public hearing was held regarding City Council Report #8 on a request to grant Verizon an easement on city-owned property (New Heritage High School) at 3020 Wards Ferry Road. City Engineer Lee Newland gave a summary of the request. There was no one else present who wished to speak to this item, and the public hearing was closed. Council Member Perrow, Chair of the Physical Development Committee (PDC) stated that this matter came before the PDC and the Committee recommended approval. This motion does not require a second, and Council by the following recorded vote adopted Resolution #R-14-104, as presented, to grant Verizon an easement on city-owned property (New Heritage High School) at 3020 Wards Ferry Road:

Ayes: Foster, Helgeson, Johnson, Nelson, Perrow, Tweedy, Gillette 7

Noes: 0

// In the matter of Public Works – General, a public hearing was held regarding City Council Report #9 regarding a request to grant Appalachian Power Company an easement on city-owned property (New Heritage High School) at 3020 Wards Ferry Road. City Engineer Lee Newland gave a summary of the request. There was no one else present who wished to speak to this item, and the public hearing was closed. Council Member Perrow, Chair of the Physical Development Committee (PDC) stated that this matter came before the PDC and the Committee recommended approval. This motion does not require a second, and Council by the following recorded vote adopted Resolution #R-14-105, as presented, to grant Appalachian Power Company an easement on city-owned property (New Heritage High School) at 3020 Wards Ferry Road:

Ayes: Foster, Helgeson, Johnson, Nelson, Perrow, Tweedy, Gillette 7

Noes: 0

// In the matter of Public Works – General, a public hearing was held regarding City Council Report #10 regarding a request to grant a License Agreement to Peg Bandwidth to place fiber optic cable in City-owned right-of-way from 5067 Boonsboro Road to 182 Irvington Springs Road. City Engineer Lee Newland gave a summary of the request. There was no one else present who wished to speak to this item, and the public hearing was closed. Council Member Perrow, Chair of the Physical Development Committee (PDC) stated that this matter came before the PDC and the Committee recommended approval. This motion does not require a second, and Council by the following recorded vote adopted Resolution #R-14-106, as presented, to grant a License Agreement to Peg Bandwidth to place fiber optic cable in City-owned right-of-way from 5067 Boonsboro Road to 182 Irvington Springs Road.

Ayes: Foster, Helgeson, Johnson, Nelson, Perrow, Tweedy, Gillette 7

Noes: 0

// In the matter of Public Works – General, a public hearing was held regarding City Council Report #11 regarding a request to grant a blanket License Agreement to Peg Bandwidth to install fiber optic cable in City-owned right-of-way in various locations of the City. City Engineer Lee Newland gave a summary of the request. Mr. Morefield spoke before Council to ask approval of the request. There was no one else present who wished to speak to this item, and the public hearing was closed. During Council discussion concerns were raised on what a blanket License Agreement consists of. City Attorney Walter Erwin gave a definition and explained the criteria of the right use of a blanket License Agreement. Council Member Perrow requested that the minutes (from the Physical Development Committee) and map be made available with this report. Council Member Perrow, Chair of the Physical Development Committee (PDC) stated that this matter came before the PDC and the Committee recommended approval. This motion does not require a second, and Council by the following recorded vote adopted Resolution #R-14-107, as presented, to grant a blanket License Agreement to Peg Bandwidth to install fiber optic cable in City-owned right-of-way in various locations of the City:

Ayes: Foster, Helgeson, Johnson, Nelson, Perrow, Tweedy, Gillette 7

Noes: 0

// In the matter of Community Development – General, a public hearing was held regarding City Council Report #12 regarding amending Chapter 10: Natural Systems of the *Comprehensive Plan 2013-2030* by adding criteria that should be considered when the City is requested to support or hold a conservation easement and clarifying that if a property is deemed appropriate to be placed in a conservation easement that the property should be designated as Resource Conservation on the *Future Land Use Map*. City Planner Tom Martin gave a summary of the Natural Systems of the Comprehensive Plan 2013-2030. Mr.

Martin stated that the Planning Commission recommended approval of the plan amendment. Mr. Martin went on to say that properties placed in conservation easements would result in a reduction of property tax. One individual spoke regarding properties that are placed in conservation easements. There was no one else present who wished to speak to this item, and the public hearing was closed. On motion of Council Member Perrow, seconded by Council Member Nelson, Council by the following recorded vote adopted Ordinance #O-14-108, as presented, amending Chapter 10: Natural Systems of the *Comprehensive Plan 2013-2030:*

Ayes: Foster, Helgeson, Johnson, Nelson, Perrow, Tweedy, Gillette 7
Noes: 0

// In the matter of City Code/Fire – General, Donald T. Roberts spoke before Council on the efforts of the Lynchburg Fire Fighters to collect donations for M.D.A.

// In the matter of Economic Development – General, City Council Report #14 was considered. On motion of Council Member Foster, seconded by Vice Mayor Johnson, Council by the following recorded vote adopted Resolution #R-14-109, as presented, approving the issuance of up to $10,000,000.00 in bonds through the Lynchburg Economic Development Authority (LEDA) for the benefit of Virginia Episcopal School (VES):

Ayes: Foster, Helgeson, Johnson, Nelson, Perrow, Tweedy, Gillette 7
Noes: 0

// In the matter of Police – General, City Council Report #15 was considered. On motion of Council Member Helgeson, seconded by Council Member Nelson, Council by the following recorded vote adopted Resolution #R-14-110, as presented, approving the continued participation in the Regional Investigative Squad by the Lynchburg Police Department:

Ayes: Foster, Helgeson, Johnson, Nelson, Perrow, Tweedy, Gillette 7
Noes: 0

// In the matter of Public Works – Sanitary Landfill, City Council Report #16 was considered. On motion of Council Member Nelson, seconded by Vice Mayor Council by the following recorded vote introduced and laid over to a later meeting for final action Resolution #R-14-111 as amended, to amend the FY 2014 General Fund budget and appropriate ~~$1,839,215~~ $1,863,653 with resources of ~~$1,234,931~~ $1,259,369 from the FY 2014 General Fund Assigned Fund Balance and $604,284 from the FY 2014 General Fund Committed Fund Balance to fund closure costs for the Concord Turnpike Landfill:

Ayes: Foster, Helgeson, Johnson, Nelson, Perrow, Tweedy, Gillette 7
Noes: 0

// The meeting was adjourned at 8:42 P.M.

____
Clerk of Council

LYNCHBURG CITY COUNCIL
Agenda Item Summary

MEETING DATE: **September 23, 2014** AGENDA ITEM NO.: 11

CONSENT: REGULAR: **X** WORK SESSION: CLOSED SESSION: (Confidential)

ACTION: **X** INFORMATION:

ITEM TITLE: **PUBLIC HEARING AND APPROVAL OF THE *Program Year 2013 (FY 2014) CONSOLIDATED ANNUAL PERFORMANCE AND EVALUATION REPORT (CAPER)* FOR THE COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) AND HOME PROGRAMS**

RECOMMENDATION: Hold a public hearing to receive comments regarding the *Program Year 2013 (FY 2014) Consolidated Annual Performance and Evaluation Report (CAPER)* for the Community Development Block Grant (CDBG) and HOME Programs and adopt a resolution approving the CAPER for submission to the U.S. Department of Housing and Urban Development.

SUMMARY: The U.S. Department of Housing and Urban Development (HUD) requires each jurisdiction receiving HUD-administered grants (CDBG and HOME) to draft a *CAPER* and submit it for public review and comment. The *CAPER* describes the City's progress towards the housing and community development goals established within the 2010-2015 Consolidated Plan and the 2013 Annual Action Plan. This *CAPER* is for the period of July 1, 2013 through June 30, 2014. With City Council's approval, the *CAPER,* including a summary of any public comments, will be submitted to the HUD Richmond Field Office on Thursday, September 25, 2014.

PRIOR ACTION(S): N/A

FISCAL IMPACT: N/A

CONTACTS:
Melva Walker, Grants Manager/455-3916
Bonnie Svrcek, Deputy City Manager/455-3990

ATTACHMENT(S): Resolution; *Draft Program Year 2013 (FY 2014) Consolidated Annual Performance and Evaluation Report (CAPER)*

REVIEWED BY: bms

RESOLUTION

BE IT RESOLVED that City Council approves the submission of *the 2013 (FY 2014) Consolidated Annual Performance and Evaluation Report (CAPER)* to the U.S. Department of Housing and Urban Development (HUD).

Adopted:

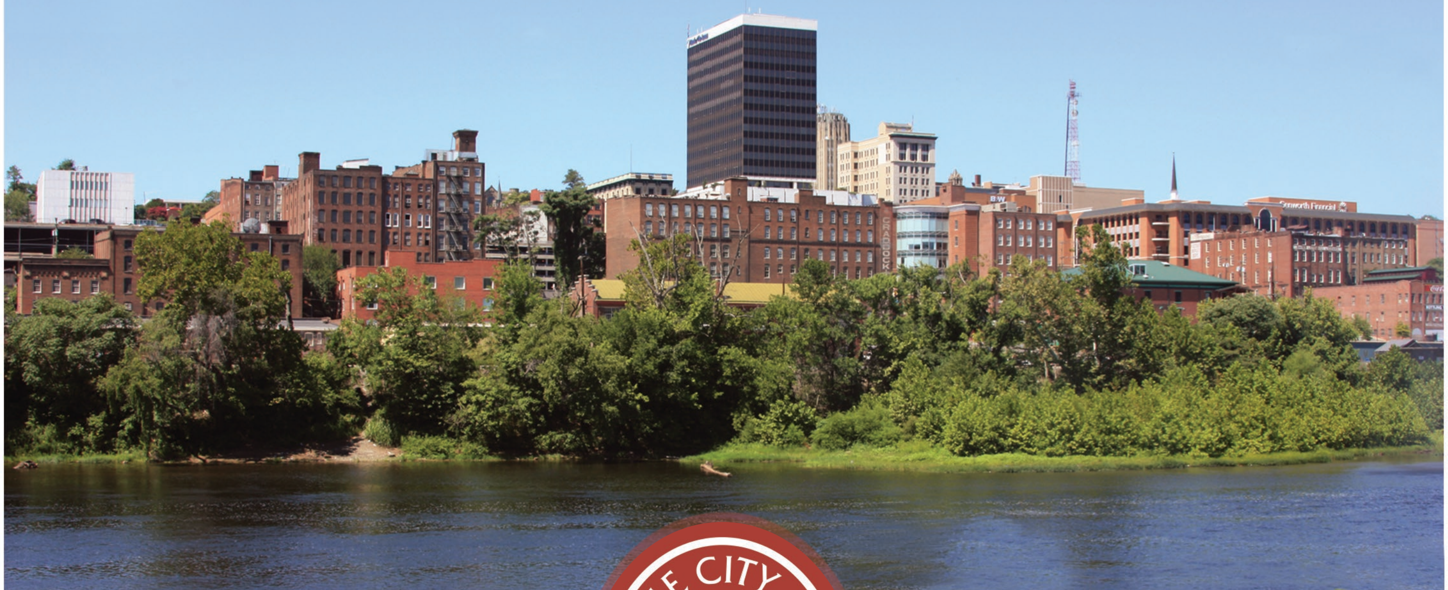
Certified: ________________________________
Clerk of Council

124K

DRAFT

CAPER

Consolidated Annual Performance and Evaluation Report



THE CITY OF LYNCHBURG

City of Lynchburg, Virginia
Grants Administration Office

Program Year 2013
July 1, 2013 - June 30, 2014

Fourth Program Year (2013) CAPER

The Consolidated Plan Management Process (CPMP) Tool Consolidated Annual Performance and Evaluation Report (CAPER) includes Narrative Responses to CAPER questions that Community Development Block Grant (CDBG), HOME, Housing Opportunities for Persons with Aids (HOPWA), and Emergency Shelter Grant (ESG) grantees must respond to each year in order to be compliant with the Consolidated Planning Regulations. The Executive Summary narratives are optional.

As a grantee, the City must also submit an updated Financial Summary Report (PR26) in the Department of Housing and Urban Development (HUD) Integrated Disbursement Information System (IDIS).

GENERAL

Executive Summary

Program Year 4 CAPER Executive Summary response:

The City of Lynchburg reports annually to the U.S. Department of Housing and Urban Development (HUD) on program and project accomplishments funded through the Community Development Block Grant (CDBG) and Home Investment Partnerships (HOME) entitlement grant programs through the Consolidated Annual Performance and Evaluation Report (CAPER). The questions reflected in the CAPER are drawn from the requirements of the 1995 Consolidated Plan regulations, which were subsequently interpreted in memorandum format and submitted to all Field Directors and Entitlement Grantees in 1998. The City has provided narrative responses, tables, charts, and other supporting data to assure compliance with HUD Consolidated Planning regulations and requirements.

Lynchburg's Program Year 2013 (PY13) / Fiscal Year 2014 (FY14) CAPER is the fourth report for the Five-Year 2010-2015 Consolidated Plan. The report describes the City's progress towards the housing and community development goals for the period of July 1, 2013 through June 30, 2014. During this period, the City received entitlement funds in the amount of $687,496 and $311,795 in the CDBG and HOME Program, respectively, for programs and activities to assist our community. This funding was utilized to facilitate the City's and HUD's mutual goals of providing decent housing, creating a suitable living environment, and expanding economic opportunity for persons and families earning at or below 80% of the Area Median Income (AMI).

The City's Grants Administration Office retains the primary responsibility for the program administration of the CDBG and HOME Program.

The CAPER is prepared each year to summarize expenditures made in the previous year for the CDBG and HOME Program. The CAPER is intended to present community development accomplishments from a broad perspective, in addition to demonstrating what has been accomplished with the programs made possible with HUD funding.

On January 8, 2013 City Council approved the goals for housing and non-housing development, which constitute the priority needs stated in the Plan. The primary objective of the CDBG is to continue to develop viable urban communities through decent housing, suitable living environments, and expanded economic opportunities for low and moderate-income persons; the City of Lynchburg supports assisting individuals with disabilities, persons who suffer from substance abuse or addiction, persons with AIDS, persons the homeless, and the elderly. The goals are to:

1. Increase the number of owner-occupied units.

2. Rehabilitate substandard housing units. Emphasis is to be placed on programs that require an investment of funds and/or labor on the part of the owner commensurate with the owner's resources.

3. Support initiatives to increase permanent affordable rental and housing ownership opportunities.

4. Promote programs that assist eligible persons in retaining their homes.

5. Eliminate neighborhood deterioration, blight and blighting influences.

6. Support the organized efforts in neighborhoods to leverage their resources to improve and sustain community livability and services.

7. Support economic development efforts which will expand job opportunities and retention.

8. Promote activities which support the healthy development of the City's at-risk youth, adults, and families.

Within the City of Lynchburg's Five-Year Consolidated Plan, the City committed to the overarching goal of undertaking activities that would result in substantial public benefit through the revitalization of depressed areas and in assistance to low and moderate-income residents. These are the central City neighborhoods that surround the downtown business district and are the six contiguous census tracts that comprise the CDBG target area: Census Tracts 4, 5, 6, 7, 11, and 19. The Census Tract Map attached to this document (Appendix A - Map 1) depicts the boundaries of the CDBG target areas in the City.

Population, demographics, and surveys of the target areas show that these neighborhoods have the highest degree of housing need and are where many of the City's very low and low-to-moderate-income persons reside. CDBG and HOME funds were allocated City-wide providing persons and/or households with assistance who met the eligibility criteria of the applicable program. The Project Map attached to this document (Appendix A -Map 2) illustrates the location of all projects funded with Program Year 2013 CDBG and HOME grant funds, with the exception of project activities conducted on a City-wide basis.

The 2013 HUD income guidelines for area median family income (AMFI) for Lynchburg is $57,900 for a family of four. Income levels in these neighborhoods continually trend below income levels City-wide. In addition, a disproportionately greater number of non-whites live in the target market (62.8%) while the City-wide non-white population is 33.1% of the population. There is a high incidence of rental units in these tracts. Indications of housing cost-burdens, overcrowding, substandard conditions, and the presence of boarded/vacant units is predominate in these neighborhoods.

Within the City there are many public and private resources assisting residents of these neighborhoods in meeting their housing and community development needs. Current market conditions and available resources are documented in the Plan and the service and housing providers one identified. Many of these providers receive funds from the CDBG and HOME programs. The Consolidated Plan lays out specific objectives that are designed to reach the goals and that provide quantifiable benchmarks for review during the subsequent yearly process of the Action Plan.

An overriding objective stated in the Plan is to maximize existing partnerships between the private and public sector so that City funds will continue to be leveraged with outside resources. It is through such collaborative efforts that the citizens of Lynchburg can address housing and non-housing needs where they are felt the greatest. Other objectives include:

1) Setting an optimum balance in neighborhoods where 70% are owner-occupants;
2) Placing a priority on helping existing owners maintain their homes;
3) Coordinating services with housing, especially for persons with special needs and disabilities;
4) Preserving existing housing by identifying appropriate uses for existing structures and by applying available resources, such as tax credits, for low-income and for historic renovation;
5) Continuing the rental inspection program; and
6) Coordinating the City's downtown revitalization efforts with housing improvement efforts in the target area.

SUMMARY OF RESOURCES AND DISTRIBUTION OF FUNDS

In the Fourth Year of the Consolidated Plan, Program Year 2013 (FY14), the City received $687,496 in CDBG entitlement funds and $311,795 in HOME Program entitlement funds. Along with these entitlement funds, reprogrammed prior year funds of $148,605.89 and $8,176, respectively, in the CDBG and HOME Program were allocated to eligible projects. The City also estimated program income in the amount of $2,030 for the CDBG Program. Therefore, the total amount of CDBG and HOME funds the City allocated for projects and activities during the Program Year 2013 was $1,158,103. This represented a total of $838,131.89 in CDBG and $319,971 in HOME Program dollars.

The City allocated the majority of its CDBG and HOME funds for projects and activities classified as housing, parks and recreation, public improvements, and public services. The details and specifics of the services, programs, and accomplishments, as well as an analysis of expenditures, are provided in this CAPER.

The following tables outline how the City allocated its CDBG and HOME funds during this reporting period.

CDBG PROGRAM PROJECTS (2013-2014)

Project	Award Amount
Bluffwalk Section 108	$ 284,048.00
City Administration	88,100.00
5th Street CDC Phase III - City	175,490.89
Tinbridge Hill Neighborhood	45,000.00
LRHA Admin & Delivery Costs ***	135,277.00
LRHA Rental Rehabilitation	30,000.00
Continuum of Care-Coordinated Assessment Intake Social Worker	30,000.00
Relocation of Miller Park Basketball Court	50,216.00
Total CDBG	$ 838,131.89

HOME PROGRAM PROJECTS (2013-2014)

Project	Award Amount
City Administration	$ 22,000.00
Habitat for Humanity	60,000.00
LNDF Homeownership Fund	30,000.00
Lyn-CAG Substantial Rehab	111,201.00
Lyn-CAG Homebuyer (CHDO)	46,770.00
LNDF Single Family Dev.	50,000.00
Total HOME	$ 319,971.00

On September 6, 2014 a public notice was published in the *News and Advance* stating that a draft of the proposed Program Year 2013 Consolidated Annual Performance Report (CAPER) was available for public review for a 15-day public comment period. The advertisement stated that City Council would be conducting a public hearing on September 23, 2014 to receive public comments regarding the draft CAPER.

In addition to the 15-day public comment period and the public hearing held by City Council, copies of the draft CAPER were made available for public review at the following locations in and throughout the City:

- Grants Administration Office, Second Floor, City Hall, 900 Church Street, Lynchburg, Virginia 24504

- Lynchburg Public Library, 2311 Memorial Avenue, Lynchburg, Virginia
- Downtown Branch Library, City Hall, Basement Floor, 900 Church Street, Lynchburg, Virginia 24504
- City website at: http://www.lynchburgva.gov/grants

Citizen Comments – Any comments received during the public comment period and the City Council public hearing will be incorporated into the final CAPER for submittal to HUD.

General Questions

1. **Assessment of the five-year goals and objectives:**

    a. **Describe the accomplishments in attaining the goals and objectives for the reporting period.**
    b. **Provide a breakdown of the CPD formula grant funds spent on grant activities for each goal and objective.**
    c. **If applicable, explain why progress was not made towards meeting the goals and objectives.**

Program Year 4 CAPER General Questions Response:

ASSESSMENT OF HOUSING GOALS AND PRIORTIES

This section of the CAPER examines the similarities and differences in the proposed and actual accomplishments of the goals identified within the 2010-2015 Consolidated Plan. These goals helped to form the priorities identified in the City's 2013 Consolidated Annual Action Plan and the strategies to be used or implemented in order to achieve the stated goals. To provide this comparison, the City has narrated the actual achievements for each program/activity in which funds were expended during the Program Year 2013, which is the fourth reporting period of the 2010-2015 Consolidated Plan.

PRIORITY #1: CREATE NEW HOMEOWNERSHIP OPPORTUNITIES FOR LOW-TO-MODERATE-INCOME FAMILIES

Goal 1: Increase the number of owner-occupied units.

To the degree that predominance of rental units in a neighborhood is seen as destabilizing, the City wants to provide incentives for qualified persons and low- and moderate-income to consider the benefits of homeownership, especially if it is more cost-effective than renting and if it builds wealth for the individual household. Several programs are supported by the City that incorporates these elements.

PRIORITY #2: REHABILITATION OF SUBSTANDARD HOUSING UNITS
PRIORITY #3: SUPPORT PROGRAMS THAT ASSIST LOW-TO-MODERATE INCOME PERSONS IN RETAINING THEIR HOMES

Goal 2: Rehabilitate substandard housing units through support of public and private programs. Emphasis is to be placed on programs which require an investment of funds and/or labor on the part of the owner, which are commensurate with the owner's resources. In addition, maintenance of homes will be enforced through applicable ordinances and building code requirements, and through owner initiatives to rehabilitate existing rental properties.

To achieve the objective of making all housing units safe, decent, and affordable it is necessary to extend assistance to private property owners, particularly low and moderate-income homeowners. These goals also provide the opportunity for the homeowner to have their homes rehabilitated and retain ownership.

Goal 3: Support programs that assist persons in retaining their homes in challenging economic times.

Another important aspect of improving and sustaining community livability and services is to build on the existing assets within the various neighborhoods.

The City is accomplishing this goal by investing in existing housing stock through renovations and rehabilitation of properties in the target neighborhoods. As a direct result of these improvements, the neighborhoods retain and attract residents thereby positively affecting the stability of the neighborhood and increasing property values. Specific housing characteristics of the target area support the need for rehabilitation and revitalization. The aging homes in these beautiful older neighborhoods can be modernized and revitalized through the investment of funds and targeted community development activities.

As the majority of the City's vacant and deteriorated housing is located in the target area, the City's goal is to make its housing stock active and revive the neighborhoods, thereby increasing value and stability.

The City has made significant efforts in providing financial support for the rehabilitation of substandard housing units through partnerships with agencies and organizations such as Lynchburg Neighborhood Development Foundation (LNDF), Lynchburg Redevelopment and Housing Authority (LRHA), Greater Lynchburg Habitat for Humanity (GLHFH), Rebuilding Together Lynchburg (RTL), Lynchburg Covenant Fellowship (LCF), other agencies, and non-profit organizations. Some of the investments that have been made during this program year include the following:

COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG)

Lynchburg Community Action Group (Lyn-CAG)

Lyn-CAG through its Housing Rehabilitation Program in the Tinbridge Hill Neighborhood expended funds in the amount of $68,500 to provide housing rehabilitation assistance to one (1) owner-occupied household. This household was comprised of one (1) African-American, female head-of-household; and was within the very low (31-50%) of the Area Median Income (AMI) level.

In addition to the CDBG and HOME funds expended for housing rehabilitation, Lyn-CAG received a total of $144,000 from the Virginia Department of Housing and Community Development (VDHCD) for weatherization and emergency home repairs. An additional 48 households were assisted with these funds.

Rebuilding Together Lynchburg (RTL)- Housing Rehabilitation

Rebuilding Together Lynchburg (RTL) is the local chapter of the national organization called Rebuilding Together. Rebuilding Together Lynchburg is very active in providing repair assistance to low-to-moderate-income homeowners with a particular emphasis or concentration on the elderly and disabled.

Since a disproportionate amount of the repairs are actually performed by volunteers, the organization receives grant funding and contributions for operational costs such as, cost of materials, executive director's salary, and labor costs for specialty contractors (i.e., plumber, electrician, mechanical HVAC, etc.).

In Program Year 2010 RTL received $70,000 in CDBG funds to assist owner-occupied households. During Program Year 2013 the remaining funds from the PY 2010 award of $13,724 were expended for housing rehabilitation assistance to four (4) households. Of these households: two (2) were White; six (6) were African-American; and all households were low income (51-80%) of the Median Family Income (MFI) level.

During Program Year 2012, RTL was allocated $15,000 to provide housing rehabilitations in the Tinbridge Hill Neighborhood. These funds were expended on four (4) housing rehabilitations within the neighborhood. Rebuilding Together Lynchburg received funds in the amount of $141,441 from other non-profits, foundations, corporations, and persons that enabled them to assist sixty-one (61) other low and very low-income homeowners with minor rehabilitation repairs. These properties were located in the City and within the Region 2000 area. In addition, volunteers contributed 8,380 hours of volunteer labor in completing these minor rehabilitations.

The Lynchburg Redevelopment and Housing Authority (LRHA)

The Lynchburg Redevelopment and Housing Authority (LRHA) received $135,277 of Program Year 2013 CDBG funds to address slum and blighted properties within targeted areas and neighborhoods. The funds were allocated for the acquisition, disposition, and direct costs associated with deteriorated housing structures and/or vacant lots that impose a detrimental impact on surrounding properties and neighborhoods.

During this reporting period, LRHA expended $125,654 of Program Year 2013 and prior years' allocations for acquisitions, disposition and direct costs associated with the Spot Blight Program. Within this amount, LRHA expended $17,000 for the acquisition of 70 Federal Street. In addition, the following properties were re-conveyed to LRHA at no purchase cost: 1801 Floyd Street, 702 and 708 5th Street.

During this reporting period, LRHA continued to maintain its housing rehabilitation program in conjunction with the Spot Blight Program. The primary goal of this housing program is to encourage and increase the rehabilitation of vacant and deteriorating structures in the targeted neighborhoods. Participants, who submit an acceptable rehabilitation proposal to the Authority, must be willing to rehabilitate the properties under the program terms and conditions. The major conditions besides the normal timeframes and specifications for construction are as follows:

1) should the applicant who is doing the renovation desire to occupy the structure after renovations they must:
    a) verify that their income is at or below 80 % of the median income for the area; and
    b) agree to use the structure as their main place of residence for a period of not less than one year;
2) should the applicant desire to rent the structure after rehabilitation they must:
    a) show proof that the renters income is at or below 80% of the median income for the area; and
    b) rent the structure for a period of not less than one year; or
3) should the applicant desire to sell the property, the sale must benefit a family whose income is at or below 80 % of the median income for the area.

Currently, LRHA has five (5) properties under rehabilitation agreements.

Lynchburg Redevelopment and Housing Authority (LRHA) – Rental Rehabilitation Program

In an effort to encourage owners of substandard rental properties to make improvements to their properties, LHRA provides financial assistance through a Rental Rehabilitation Grant Program. A portion of CDBG funds that the City allocates to LRHA annually are used to support this program. In order to participate in the program the properties must be located in the designated areas or boundaries within the City of Lynchburg.

Fifty percent (50%) of the total amount of the improvements, or a maximum of $5,000 whichever is less, is provided to the rental property owners on a matching basis only. The improvements generally include updating, replacement or conversion of heating and air systems, window and roof replacement, and other internal or external repairs.

LRHA received $30,000 of Program Year 2013 CDBG funds and had $10,329 remaining in previous years' allocations for the Rental Rehabilitation Program. During this reporting period, LRHA expended $20,548 of these funds for the rehabilitation of five (5) housing units: 306 Smyth Street, 2006 Early Street, 1105 11^{th} Street, and 1810 and 1812 Ozone Street. These units are occupied by low-to-moderate income persons.

Note: In addition to the CDBG Program, the above goals and priorities are also related to the HOME Program. See HOME Program Narrative (Pages 41-46) for these accomplishments.

PRIORITY #4: SUPPORT AFFORDABLE PERMANENT HOUSING INITIATIVES:

Goal 4: Support initiatives to increase permanent affordable rental and housing ownership for low-income households. In addition, the City supports assisting persons with disabilities, substance abuse or addiction, persons with AIDS, persons that are homeless, and elderly persons.

This priority allocation recognizes the need to increase the availability of affordable housing for renters and for homeowners, especially housing that meets the varied needs of the City's lower-income population. With a priority for decent and affordable rental housing for the very low-income, this goal expands the City's previous position on mixed use in its older neighborhoods.

The City will continue to support and partner with housing and public service providers to meet the needs of low-to-moderate-income persons, homeless persons and families, and persons with disabilities or other special needs. The City approved CDBG and HOME funds (specifically for housing development and rehabilitation) that were used to address the need for permanent and/or long-term housing for the City's special needs population.

During this reporting period, the following permanent supportive housing programs have been administered to serve persons who were homeless and persons with disabilities:

City of Lynchburg, Lynchburg Neighborhood Development Foundation (LNDF) – Special Needs Housing

In addition to the CDBG funding, the City, as the recipient of a Shelter Plus Care (S+C) grant, continues to work, in conjunction with the Lynchburg Neighborhood Development Foundation (LNDF), to achieve the overall goals and objective of the grant program. The S+C program promotes the achievement of self-sufficiency for formerly homeless persons with disabilities by providing permanent supportive housing. LNDF continued, in Program Year 2013, as the supportive services provider and was responsible for provision of the permanent housing or the Tenant Rental Assistance (TRA) Program. The S+C grant reporting period was March 1, 2013 – May 31, 2014. During the reporting period, LNDF provided TRA to twelve (12) households for a total of $83,973 in rental assistance, which averaged approximately $5,598 per month. The total annual amount of the supportive services match was $83,944.

Outlined below is a demographic breakdown of the S+C participants that received tenant rental assistance during the reporting period.

# OF SINGLES NOT IN FAMILIES	# OF ADULTS IN FAMILIES	#OF CHILDREN IN FAMILIES	# OF FAMILIES
6	8	10	8

Rush Homes of Central Virginia

Rush Homes, Inc. provides housing along with supportive services to people with disabilities who are experiencing homelessness in Central Virginia. The agency provides or employs services necessary for eligible clients to achieve self-sufficiency. Such services include case management, education, employment assistance, child care, etc. Rush Homes has three (3) housing units in Lynchburg and two (2) in Madison Heights in which they provide case management to six (6) residents. Funds received to provide operational support for this program included $53,969 from HUD. The racial data for the persons served included five (5) White persons and one (1) African American person. All of the persons were extremely low-income persons.

Note: This priority is also related to the HOME Program. See HOME Program Narrative (Pages 41-46) for the HOME Program accomplishments.

NON-HOUSING COMMUNITY DEVELOPMENT GOALS AND PRIORTIES

PRIORITY #5: ELIMINATE NEIGHBORHOOD BLIGHT AND BLIGHTING INFLUENCES

Goal 5: Eliminate neighborhood deterioration, blight, and blighting influences.

COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG)

Lynchburg Redevelopment and Housing Authority (LRHA)

LRHA continues to work with the City's designated redevelopment and conservation areas and neighborhoods to eliminate blighted and deteriorated properties and other influences to achieve the goal and objectives of a healthy neighborhood initiative. LRHA promotes this initiative, and equally the goal of increased homeownership opportunities, by identifying and acquiring unimproved parcels and making gift conveyances to local non-profit housing agencies for the construction of first-time homebuyer units.

The City has had an ongoing funding commitment to LRHA for the support of such community development efforts and neighborhood revitalization activities as identified below. The support that the City provides to LRHA, and the other non-profit organizations previously narrated, positively contribute to:

- The rebuilding of predominately residential neighborhoods as well as areas that were historically active and flourishing commercial "hubs" of the community such as the Fifth Street Revitalization Corridor;
- Creating housing opportunities and supportive services and amenities for low and low-to-moderate-income persons; and
- The rehabilitation and improvement of deteriorating housing stock, for both owner and tenant occupied, in order to increase their functional and economic lives.

Listed below is a breakdown of the LRHA programs/activities that received and expended CDBG funds from the City during this reporting period.

Program/Activity	**Amount of Funds Allocated for PY 2013 (FY 2014)**	**Amount of Funds Expended PY 2013 (FY 2014)***
Spot Blight/Abatement	$ -0-	$ 21,042
Rehabilitation-Direct Costs	23,878	19,184
Disposition-Direct Costs	35,818	15,994
Acquisition-Direct Costs	50,725	42,788
Administration	24,856	24,500
Rental Rehabilitation	30,000	20,547
Property Maintenance	-0-	2,147
Total Allocated/Expended Amounts	$165,277	$146,202

***The total amount of expenditures this period was from Program Year 2013 allocations and previous years' grant allocations for rehabilitation, acquisition, and disposition delivery costs (DC). LRHA is proceeding with expending the remaining funds allocated from previous years and those allocated in Program Year 2013.

During this reporting period LRHA staff made a concerted effort to dispose of properties that had remained on the City/LRHA Property Inventory for a number of years. Two (2) properties were sold to new owners for rehabilitation of the housing unit for occupancy by a low-to-moderate income person(s). For the remaining twenty-five (25) properties the planned use of the properties at the time of acquisition was to eliminate the specific conditions of blight and physical decay that posed a serious and immediate threat to the health or welfare of the specific property or within the neighborhood in which the properties are located. The subsequent use and/or disposition of the acquired properties was for the general purpose of providing low-to-moderate income housing or economic development activities benefiting low-to-moderate income persons within a CDBG targeted census tract. In accordance with CDBG regulations, City/LRHA staff determined that the subsequent use of the properties had not met a Broad National Objective (BNO) as stated in the regulations; therefore, the properties were sold at or above the current fair market/assessed value and are no longer subject to the CDBG regulations. The sale proceeds in the amount of $231,407 were received as CDBG program income and have been reprogrammed in Program Year 2014 for other CDBG eligible projects.

Listed below are the properties (both vacant and with structures) that were disposed of during this reporting period:

<u>PROPERTIES DISPOSED BY LRHA DURING PROGRAM YEAR 2013</u>

1) 808 Dinwiddie Street (Rehabilitation Underway)
2) 800 Mansfield Avenue (Rehabilitation Underway)
3) 715 Spring St
4) 1008 9th St
5) 42 Hollins Mill Rd
6) 1007 Tyree St
7) 1801 Globe St
8) 1008 10th St
9) 1015 2nd St
10) 1017 2nd St
11) 1018 2nd St
12) 504 Federal St
13) 510 Federal St
14) 516 Federal St
15) 520 Federal St
16) 524 Federal St
17) 1100 Polk St
18) 1102 Polk St
19) 1104 Polk St
20) 701 5th St
21) 703 5th St
22) 707 Fifth St
23) 709 Fifth St
24) 711 - 715 Fifth St
25) 717 Fifth St
26) 408 Federal St
27) 119 I St

<u>PROPERTIES ACQUIRED BY LRHA DURING PROGRAM YEAR 2013</u>

70 Federal Street

The acquisition and/or disposition of these vacant parcels and structures have assisted in the implementation of the strategies that are necessary to accomplish many of the goals and priorities cited and addressed in this report.

PRIORITY #6: NEIGHBORHOOD SUSTAINABILITY AND LIVABILITY

Goal 6: Support the organized efforts in neighborhoods to leverage their resources to improve and sustain community livability and services.

Neighborhoods are an important foundation for improving and sustaining community livability and services. Strong neighborhoods create more active and informed citizens which, in turn, result in a stronger community. Within neighborhoods, there are shared identities, issues, concerns, and interests. Each neighborhood has its own unique priorities and character. The neighborhoods within Lynchburg's Historic Districts may be working to preserve the historical aesthetics of the neighborhood. Some neighborhoods have traffic problems while others are dealing with beautification, crime, youth, socio-economic, and/or family concerns. There are a variety of neighborhood issues; each neighborhood needs an avenue to deal with their own needs so that the community continues to be strengthened and protected.

Supporting the work of neighborhoods in order to create opportunities for citizens to take a leading role in their future is important for improving and sustaining community livability and services. The process must include citizens, government, community organizations, and other stakeholders working together to develop a common goal, mission, and vision to address neighborhood concerns. The purpose of supporting organized neighborhood efforts to leverage their resources to improve and sustain community livability and services is ultimately to develop mutual responsibility and collaboration in community building and problem solving.

Another important aspect of improving and sustaining community livability and services is to build on the existing assets within the various neighborhoods by investing in existing housing stock through revitalization and rehabilitation efforts. Also, creating opportunities to make home ownership available to qualified persons and providing assistance to help homeowners keep their homes helps to strengthen neighborhoods.

City staff is continuing the development of a formalized effort regarding the sustainability of neighborhoods. Although still under development, operating principles that are proposed to guide the City's work in neighborhoods include:

-Sustaining neighborhoods through partnerships with non-profits, developers, businesses, neighborhood groups, and citizens.
-Recognizing and preserving neighborhood identity, character, history, and diversity.
-Deeming as a necessity public safety is for vibrant and sustainable neighborhoods.
-Promoting well designed neighborhoods where residents are able to work, shop, and play close to home.
-Fostering connectivity within and among neighborhoods.

Proposed Goals that support the draft operating principles for neighborhoods include:
-Supporting mixed-use neighborhoods with accessible green space.
-Encouraging innovative, safe, and affordable housing choices.
-Recognizing the uniqueness of all neighborhoods and partnering in revitalization efforts.
-Promoting neighborhood partnerships to maximize community resources and facilitate self-sufficiency.
-Connecting neighborhoods through infrastructure and public services.

Objectives and specific benchmarks will be closely linked with the goals noted above. The following neighborhood activities are underway or have been completed for the accomplishments associated with this priority/goal.

In Program Year 2013 the City supported the various neighborhood associations by having staff attend some or all of the neighborhood meetings throughout the City, particularly in the targeted areas. Those targeted area neighborhood associations that met on a consistent basis included: Tinbridge Hill, College Hill, Seminary Hill, Federal Hill, Fairview Heights, Dearington, Birchwood, Garland Hill, Dearing Street, and Diamond Hill.

Below are specific accomplishments for neighborhood activities that were supported with CDBG funds.

Tinbridge Hill Neighborhood

Within the 2010-2015 Consolidated Plan, the City moved towards focusing funds and efforts in the Tinbridge Hill Neighborhood. Several non-profit groups, churches, and the Friends of Tinbridge Hill joined together to focus on improving the quality of housing and infrastructure in this neighborhood. Tinbridge Hill is anchored by the very active Yoder Community Center.

In 2013, the City launched an initiative to prepare a Sustainable Neighborhood Plan for the area of Tinbridge Hill, to engage neighborhood residents and community leaders in a dialogue about the future of this historic area. The goal of a sustainable community in Lynchburg means a community with social, cultural, economic, and environmental vitality, now and for future generations. The Plan has been completed and is titled: *Growing Tinbridge Hill: A Sustainable Neighborhood for Tinbridge Hill*.

To complete the Plan, the City hired a consultant team, led by Clarion Associates from Chapel Hill, North Carolina, to gather information, identify neighborhood assets and needs, and develop a set of recommendations and priorities for action to achieve community goals for the Tinbridge Hill area. The overall context for this initiative is the Plan, which offers a framework for decision-making and action, including specific strategies for the Tinbridge Hill Neighborhood.

Tinbridge Hill includes the Old City Cemetery and the area surrounding it at Taylor and Fourth Streets. The neighborhood extends to Fifth Street, Federal Street, and Hollins Mill Road. The area is primarily residential and is also home to churches, parks, community gardens, the City Cemetery, the Yoder Center, the Legacy Museum, and commercial establishments.

The preparation of the Plan was a collaborative venture, drawing upon the resources and participation of City departments, a consultant team, area organizations, local college and university interests, and the work and energy of neighborhood residents. There is a rich history and culture in Tinbridge Hill. The community has been creative in seeking ways to address issues of substandard housing, crime, employment opportunities, recreation needs, and infrastructure needs. There has been active leadership bringing residents and interested parties together to work on solutions. The Plan represents an important milestone in this ongoing process.

A Neighborhood Assessment was prepared. Drawing on community interviews, review of available data and statistics, and a visual survey of all properties, the report examined the neighborhood on a number of different aspects: people and housing, employment, physical environment, land use and zoning, property values, rehabilitation, and violations. It also included an assessment of the condition of properties and structures in the neighborhood. The report highlighted key ideas to include in the Plan.

Partnerships with organizations and agencies are in place and expanding. Faith communities, nonprofit organizations, and college resources are participating in the work: helping to improve the housing stock, mentoring young people, identifying employment and job training opportunities, and contributing spirit and energy. The Friends of Tinbridge Hill, along with community partners, have worked with the City to renovate the community's Yoder Center and the City regularly sponsors programs for young people and adults. Neighborhood revitalization is firmly underway.

Financial resources in support of neighborhood initiatives are growing increasingly scarce. Key objectives of the Plan are to identify opportunities for community-based efforts and partnerships that can keep the progress going, encourage new and emerging leadership, and achieve the goals that have been expressed. The Plan provides important information about neighborhood conditions and possibilities, and includes specific recommended strategies as an action plan, focusing on housing, safety, infrastructure, family support, and leadership.

The Tinbridge Hill Plan was adopted by City Council in March 2014. In Program Years 2012 and 2013, CDBG funds in the amount of $55,500 were allocated and expended for the development of the Plan.

There has been $409,850 of Program Year 2014 CDBG allocations awarded to the neighborhood for priority sidewalk improvements. Sidewalks will be installed in areas that lack adequate pedestrian facilities. Since walking is often a frequent mode of transportation for low-income neighborhoods it was important to connect the residents to important uses around them: Fifth Street Commercial Corridor, Johnson Health Center, Yoder Recreational Center, Hollins Mill Park and Blackwater Creek Trail. There will be other vital improvements that will be necessary to enhance the livability of the neighborhood in coming years.

Lynchburg Community Action Group (Lyn-CAG) was allocated $36,500 of CDBG funds for the rehabilitation of one (1) housing unit in the Tinbridge Hill Neighborhood. During this reporting period Lyn-CAG expended $60,000 of Program Year's 2011 and 2012 CDBG funds for the rehabilitation of 86 Federal Street. There is an additional homeowner rehabilitation project underway that will be completed in Program Year 2014.

During Program Year 2012, RTL was allocated $15,000 to provide housing rehabilitations in the Tinbridge Hill Neighborhood. Within this reporting period, these funds were expended on four (4) housing rehabilitations within the neighborhood.

To continue the efforts of this Plan, the housing partners of the City have been encouraged to focus their efforts in this neighborhood in order to improve the housing stock, whether it is through new construction or rehabilitation.

Fifth Street Master Plan - Infrastructure

The City of Lynchburg, in partnership with the Fifth Street Community Development Corporation (CDC), is continuing to redevelop/revitalize the Fifth Street Corridor within the scope of the Fifth Street Corridor Plan. The Plan was adopted by City Council on May 23, 2006. The purpose of the Plan is to provide a vision and a blueprint for the revitalization of the Fifth Street corridor between Main Street and the Martin Luther King, Jr. Memorial Bridge. Fifth Street serves as a gateway to the City's Downtown and the College Hill, Garland Hill and Tinbridge Hill neighborhoods which are located within CDBG targeted census tracts.

Construction of the first phase of the Fifth Street improvements was completed in September 2009 and included a two block area fronting Fifth Street between Harrison and Jackson Streets. Phase I was completed at a cost of $1.75 million which included $122,949 in CDBG funds.

Since completion of Phase I, benches, trash cans, bus shelters, and electrical service to the roundabout have been added to the Corridor. These additions were funded with $54,800 in American Recovery and Reinvestment Act (ARRA) Stimulus funding.

Phase II of the Fifth Street improvement project included the blocks from Harrison to Main Street. Construction began in September 2011 and was completed in December 2013. The project included the same streetscape amenities as constructed in Phase I, but included more significant water and sewer line replacements funded by the City's utilities fund. During this reporting period, $175,491 of CDBG funds were allocated and expended on the Phase II project. An additional $17,000 in CDBG funding was allocated in Program Year 2011 for the purchase of street benches and identity banners upon completion of the Phase II construction. There was $7,748 expended during this reporting period to complete the purchase of the benches and banners.

Lynchburg Neighborhood Development Foundation (LNDF), through a partnership with the Fifth Street Community Development Corporation (CDC), completed the stabilization of the structures located at 702 and 708 Fifth Street. The properties had been slated for demolition. City staff and the Fifth Street Community Development Corporation assisted LNDF with the stabilization of these properties. Through this partnership, there was $60,000 of CDBG funds used to further stabilize the buildings for future renovation and return to use. The stabilization of these buildings was crucial in the Fifth Street Area being placed on the State & National Register of Historic Places.

During this reporting period the properties located at 707-717 Fifth Street and 408 Federal Street were sold to the Economic Development Authority (EDA) by the Lynchburg Redevelopment & Housing Authority. The EDA is currently in contract negotiations with a national retailer to locate at 408 Federal Street and 717 Fifth Street. This would be the first significant new construction project in the corridor in over forty years.

Phase III of the Fifth Street Improvement project will include the blocks from Jackson to Taylor Street and will include the same streetscape improvements as in Phases I & II, but will have less substantial underground utility work. The availability of CDBG funds is crucial to the completion of Phase III.

The Fifth Street Corridor is one of the major gateways to Downtown Lynchburg. It encompasses at least three (3) of the seven (7) "Hills" (College Hill, Garland Hill, and Tinbridge Hill), all of which are within the CDBG-targeted census tracts.

Miller Park Improvements – Relocation of Basketball Court

A Master Plan was completed for Miller Park in 2007. Since finishing the Plan work completed in the park includes improvements to the bathhouse and pump house at Miller Park Pool, installation of a new slide at Miller Park Pool, and installation of new playgrounds. Work will continue in FY 2014 to include construction of a parking area on the Grove Street side of the park, and design work to improve the athletic field complex.

CDBG funds in the amount of $50,216 were allocated for additional work in the park during FY 2014 to construct a new basketball court in a location more conducive to play. The current basketball court needs repair and, because of its current location, contributes to park user group disputes. The new court will provide a better surface and court for the many basketball players, be located closer to Park Avenue and the main parking lot, and offers opportunity for the addition of site amenities, including benches, bike rack and trash cans.

During this reporting period a contract was issued and there was $17,402 expended for the improvements to the basketball court. This activity will be completed in Program Year 2014.

PRIORITY #7: SUPPORT ECONOMIC DEVELOPMENT

Goal 7: Support economic development efforts, which will expand job opportunities and support job retention for low- and moderate-income persons.

The City's goal is to encourage more commercial and industrial development in order to provide more jobs in the inner City. The City utilizes the following strategies: (1) increase participation in downtown redevelopment and revitalization especially to support the majority of residents who are low- and moderate-income; (2) review and seek to continue to provide financial assistance for facade improvement grants to businesses in the Downtown census tract to further redevelopment in this area and instill pride in Main Street; (3) encourage continued support from the area banks in the privately-funded Enterprise Zone Loan Pool, which provides reduced rate loans to eligible businesses; (4) continue to support the Business Development Centre, a non-profit organization which provides Small Business Administration loans, other loans, and technical assistance to emerging businesses; and (5) continue participation in the Welfare to Work program that encourages welfare recipients to take advantage of job opportunities that will promote work and encourage the formation and maintenance of stable families. The City continues to support projects that recruit and train low income persons and assist them in obtaining employment.

The City has continued its implementation of the Downtown/Riverfront Master Plan adopted in March 2001. Sasaki & Associates and Economics Research Associates developed the twenty-year (20) plan encompassing a sixty-block (60) area.

Implementation continues to focus on four (4) areas: infrastructure/public space improvements, culture and entertainment, commercial development, and government projects. City Council agreed to accelerate completion of the Lower Bluffwalk project.

Housing is a critical component of the Downtown/Riverfront Master Plan and increases demand for retail and entertainment. Downtown revitalization continues with thousands of square feet of newly renovated residential and commercial space coming online. Over 72 new residential units are on the market, with the Midpoint Apartments on Jefferson Street, the most recently completed redevelopment project. Stimulated by the expanding residential population, eight (8) new businesses opened and 20 new jobs were created. State and Federal Historic Tax Credits continue to be a productive financing vehicle for downtown redevelopment.

Public downtown and Riverfront redevelopment/infrastructure projects over the past year have been totally focused on the Lower Bluffwalk Phases 2 and 3. This project consists of constructing a pedestrian walking area, pocket parks, and plazas between the buildings facing Jefferson and Commerce Streets spanning from Ninth Street to Washington Street. In January 2012 the City allocated $5,715,420 for this project. During this reporting period $2,899,883 was expended on this project. The expected completion date for this project is January 2015.

During Program Year 2013 the City's Office of Economic Development reported the following accomplishments within the realm of economic development for the City:

1) Again in 2013, the Office of Economic Development expanded the city's two Enterprise Zones, providing development and job creation assistance to growing businesses in commercial areas throughout town. In the past few years, the City has made several thousand additional acres of commercial property eligible for investment grants; over 170 jobs were created in Lynchburg's Enterprise Zones with $138,000 in state grants supporting an estimated $4.35 million in new payroll. Investments in commercial real estate were even more significant. Real Property Investment Grants of $1.18 million leveraged private commercial property investments of almost $26 million.

2) The Local Enterprise Zone Redevelopment Grant provides an investment overlay district corresponding to existing Enterprise Zone boundaries. Designed to support small business real property investments and expand real estate tax receipts for the City, the grant has been effective in incentivizing public-private partnerships and private investments. To date $154,000 in grants incentivized $10 million in private commercial property investments and increased valuation of property in the City.

3) The James River Arts & Cultural District has served to define the character of Lynchburg. The Arts and Cultural District Project Grant Program provides support for events and activities in the arts and humanities. In 2013-2014, $30,000 in local funding combined with $5,000 from the National Endowment for the Arts and Virginia Commission for the Arts was provided to support fourteen events or projects. Not only did the grants help to bring a variety of arts and cultural activities to Arts & Cultural District in the City of Lynchburg, they also generated $165,477 in private investment and over $1.7 million in total economic activity. Arts-related businesses within the district are also eligible for certain incentives.

4) Several million dollars of business financing was available to Lynchburg companies in FY 2014 to support existing business expansion and entrepreneurial development. Combined across programs, $3,914,836 of capital in the form of loans and grants was made available to industry and small business in Lynchburg. The EDA Revolving Loan Fund approved an additional $950,000 in small business loans, supporting five small firms throughout the city. While these businesses have directed funds toward growth and employment, their success has generated reimbursements of $338,648 that can be re-loaned to other businesses.

5) New business attraction from outside the local economy accelerates economic activity and drives local wealth creation. Economic development marketing and deal flow work to attract this investment. Among the 616 newly-licensed businesses in 2013 was Porter's Fabrication, a North Carolina-based manufacturer of sheet metal products. A former supplier to Diebold, Porter's acquired Diebold's Lynchburg plant, invested in new machinery, and retained 80 existing positions while creating 40 new jobs. Porter's invested $1.8 million in its Lynchburg facility.

6) Existing business retention and expansion continues to be the primary driver of Lynchburg's economy, and economic development objectives focus on the growth of local business and industry. Long-standing corporate citizen Areva, Inc. announced almost $11 million in new machinery and equipment expenditures as part of a $26.3 million investment in their Operational Center of Excellence for Nuclear

Products and Services. This project expands existing operations in the Lynchburg area and retains almost 2,000 jobs. Hanwha Azdel announced a $21 million expansion, retention of 123 existing jobs and the creation of 33 new jobs at their facility located in Enterprise Zone 46.

7) The Lynchburg Economic Development Authority purchased five parcels on Fifth Street from the Lynchburg Redevelopment and Housing Authority in FY 2014 in an effort to redevelop and better market these commercial properties. The Lynchburg Economic Development Authority is currently working with a developer on this project.

In addition, the Lynchburg Economic Development Authority partnered with the Fifth Street Community Development Corporation to produce a brochure outlining the incentives available for infill and/or redevelopment of this important corridor as well as job creation on Fifth Street. The Office of Economic Development participated in the 2nd Opportunities Fair on Fifth Street to promote this information. This event highlighted the many educational and economic development opportunities on Fifth Street for residents and potential investors.

8) The City's commitment to downtown revitalization remains strong with thousands of square feet of newly renovated residential and commercial spaces coming online. With Phase I of the Bluffwalk project completed, significant progress has been made on Phase II or the Lower Bluffwalk. The City's focus on downtown revitalization continues to encourage private sector investment in thousands of square feet of newly renovated residential and commercial space. In FY 2014, $5 million in new private capital was invested, not including significant progress on existing projects and new property acquisitions. Over 72 new residential units are on the market, with the Midpoint Apartments on Jefferson Street, the most recently completed redevelopment project and James River Place, a new condominium project. Downtown now contains more than 550 residential units. These new residents are driving demand downtown, spurring the establishment of new business. The number of downtown businesses has increased by more than 205% in ten years. Sustained by the expanding residential population, eight (8) new businesses opened and 20 new jobs were created.

9) The Lynchburg Economic Development Authority partnered with Lynchburg City Schools to offer a Housing Incentive for Professional Educators (HIPE). The program provides a $5,000 housing stipend for the first year and $2,000 and $1,000 respectively for the next two years to these difficult to find educators. The incentives are designed to assist Lynchburg City Schools to recruit highly qualified new educators in math and science to Lynchburg. The money can be used for rent, lease payments or mortgage payments. Teachers must live within the city of Lynchburg to qualify and will receive their payments at the end of every semester. Lynch's Landing, the City of Lynchburg's Main Street organization, will also participate with an additional $500 for each teacher who lives downtown in the City's Central Business District.

10) Along with diverse industries, the workforce has afforded Lynchburg a comparatively stable labor market. Unemployment in Lynchburg averaged 7.2 percent in 2013, with a seasonal spike during the summer months of 8.4 percent. Beyond the trend of a seasonal improvement in end-of-year unemployment, the 12-month low of 6.4 percent also signals an improving employment picture.

Finally, working with Atlanta-based Garner Economics, the Office of Economic Development and Lynchburg Economic Development Authority embarked on a comprehensive economic development strategic planning process in 2013-2014 titled: Opportunity Lynchburg: Lynchburg's Strategy for Jobs & Competitiveness. The report and the process provided critical insight into the local economy and helped align economic development goals and operations. Input was solicited from business stakeholders and community leaders throughout the local economy in a series of "discovery sessions. This information was combined with an economic analysis of Lynchburg and a target market study to provide a dashboard of the City's economic assets and challenges.

In the Consolidated Plan (2000-2005) the City guaranteed $3,200,000 in HUD Section 108 loan funds for the Bluffwalk Center project. The project has produced approximately $8,838,038 in Historic and New Market Tax Credit equity, most of which went directly into the Lynchburg economy in terms of construction jobs and construction materials. As a result of these investments, 54.6 full-time equivalent jobs were made available to low-to-moderate-income persons within this project.

During this reporting period the hotel component of the Bluffwalk Center project has continued to experience financial challenges. In Program Year 2013, the City paid $234,310 of the Section 108 principal and interest payment loan obligation to HUD. In addition, during this program year, the developer refinanced this project and the City received $1,430,364 for repayment of the total CDBG Entitlement Funds used to make principal and interest payments for the Section 108 Loan for the Bluffwalk Center. City staff has reported these funds as program income to HUD. The City will use these funds in lieu of the CDBG Entitlement Funds, in conjunction with the developer's continued payments to the City, to make the future principal and interest payments for the remaining debt obligation of the original Section 108 loan.

PRIORITY #8: SUPPORT OF PROGRAMS FOR THE HEALTHY DEVELOPMENT OF THE CITY'S AT-RISK YOUTH, ADULTS AND FAMILIES

Goal 8: Promote activities which support the healthy development of the City's at-risk youth, adults and families

The City supports and will continue to serve at-risk youth, adults and families to provide comprehensive, collaborative, and quality services that empower youth and families. Goals established include: identifying the needs of youth and families and working collaboratively to meet those needs, providing high quality service and programs needed by youth and community programs that impact youth and families, and development of prevention resources and programs.

As evidenced in identifying families with children, especially those of low-income having significant housing needs, the City also recognizes that support services to these families are needed in addition to housing resources. Therefore, significant resources are invested in the City's many neighborhood and community centers which are beginning to benefit from partnerships with private sector groups and organizations to maximize the public benefit.

In addition, the City continues to support public service providers in order to meet the needs of the low-to-moderate income persons, persons with disabilities, substance abuse or addiction, persons with AIDS, persons that are homeless, and elderly persons. In addition to the services provided by the City's Division of Social

Services there are many nonprofit organizations that coordinate with the City to provide services. These organizations include: Young Women's Christian Association (YWCA)–Domestic Violence Prevention Center, United Way of Central Virginia, Miriam's House, The Gateway, Lyn-CAG, and Rush Homes.

Programs/activities that received and expended CDBG funds during this reporting period for this goal included the following:

Continuum of Care Coordinated Assessment Intake Social Worker

One of the requirements of The Homeless Emergency Assistance and Rapid Transition to Housing Act of 2009 (HEARTH Act), enacted into law on May 20, 2009, was that the Continuum of Care (CoC) Program homeless providers/agencies establish and operate a centralized or coordinated assessment system that provides an initial comprehensive assessment of the needs of individuals and families for housing and services. As a result of the HEARTH Act, in July 2012 HUD published the CoC Interim Rule that included the requirements for the establishment of a centralized or coordinated assessment system.

Prior to the enactment of the HEARTH Act CoC Interim Rule, agencies within the Continuum of Care Homeless and Housing Coalition of Central Virginia had been in the development stages of a coordinated assessment/centralized intake location for the homeless population in Lynchburg. Each homeless provider/agency was completing the assessment/intake process on-site, which was neither efficient nor cost effective.

As recipients of the CDBG entitlement funds, the City is highly encouraged to provide support to the CoC Coalition agencies and to further HUD's objective of ending homelessness. City staff coordinated with the various member organizations regarding the benefits of a centralized intake location for homeless persons and the staffing required for this service.

In pursuing the establishment of this coordinated assessment/centralized intake process, it was determined that Lynchburg's Division of Social Services (DSS) was rendering services to a large percentage of the homeless population. From January 1, 2012 to December 31, 2012 Lynchburg's homeless assistance programs served 132 families. Of these 132 families, 94 or 71% were receiving benefits administered by the DSS to include TANF, SNAP, and Medicaid. For this same period, Lynchburg's homeless assistance programs served 360 homeless single persons. Of these 360 single persons, 153 or 43% were receiving benefits administered by DSS. (Note: Statistics are from the Homeless Management Information System (HMIS) and percentages do not include The Gateway clients who typically do not receive benefits until after entering the program.)

City Council approved the funding of a part-time position that would provide the staff person to conduct the assessment/intake of homeless persons and coordinate the referrals to the appropriate homeless providers/agencies.

In Program Year 2013 the City allocated $30,000 of CDBG funds to this activity. There was $14,123 expended and 195 persons served at the Central Intake Office.

2. **Describe the manner in which the recipient would change its program as a result of its experiences.**

The City acknowledges the challenges of producing affordable housing options and providing programs and services to low-income communities and people. The City continues to review its approach to how we administer, evaluate, make decisions, and implement the CDBG and HOME programs. We intend to address this by redefining desired outcomes for all of our programs and strategically planning a path by which to achieve these outcomes.

The City annually reviews its subrecipient agreements to update any necessary regulation changes, revisits policies and procedures, provides additional oversight and monitoring of agencies utilizing federal funds, and is available to provide training for non-profits and entities applying for and receiving CDBG and HOME Program funds. In addition to the training, recipients of federal funds are provided one-on-one technical assistance based upon their individual needs. City staff continues to take advantage of training opportunities to build internal capacity.

With these strategic and deliberate steps the City strives to continue to improve the quality of service delivery and housing in our community. However, as the housing market continues to recover from the recent global recession and increases in the cost of doing housing rehabilitation, the City will be challenged to come up with strategies to address these issues.

3. Affirmatively Furthering Fair Housing:

a. Provide a summary of impediments to fair housing choice.

In Program Year 2012 the City allocated $30,000 to conduct an Analysis of Impediments to Fair Housing (AI). During Program Year 2013 the firm of Mullin & Lonergan Associates, Inc. (M&L) was retained as consultants to conduct the Analysis of Impediments to Fair Housing Choice.

M&L utilized a comprehensive approach to complete the AI utilizing many different data sources, City documents, and specifically conducted interviews and focus group sessions with agencies and organizations that provide housing and housing related services to members of the protected classes.

The AI included an analysis of public and private sector policies, programs and statutes which impact the development, financing, regulation and siting of housing in the City. The City has identified within the AI: (a) impediments to fair housing choice; and (b) recommended strategies/action steps that would eliminate the impediments to housing choice. (See Attachment A)

b. Identify actions taken to overcome effects of impediments identified.

In the attached Chart (Attachment A) are the actions that have been identified in the AI to be implemented for Program Year 2014 and/or have been implemented in Program Year 2013.

In addition, during this reporting period, the following actions were taken to further fair housing in our community:

- Grants Management staff attended Fair Housing Training conducted by the Virginia Fair Housing Office. Staff received a Certificate of Completion for this training.

- Recruitment for volunteers to serve on various Council-appointed board and commissions was advertised in the *City* Source, a joint publication of the City of Lynchburg and Lynchburg City Schools and in the City's Employee Newsletter, *Changing Times*.
- The *BURG*, a weekly entertainment guide, published by The *News and Advance*, includes an advertisement for equal housing opportunity stating that it will not knowingly accept any advertising for real estate which is in violation of the law (see Attachment A)
- The *News and Advance* is including in its daily classified section and weekly Real Estate publication an advertisement for equal housing opportunity stating that it will not knowingly accept any advertising for real estate which is in violation of the law (see Attachment A)
- Lyn-CAG conducted a Homebuyer's Club. This is a 12-month curriculum designed to prepare persons for homeownership. Lyn-CAG conducted monthly club meetings and had 12 participants.
- Lyn-CAG sponsored the annual Fair Housing Training conducted by the Virginia Fair Housing Office. There were 38 persons in attendance.
- Fair Housing brochures were made available for distribution to the public through the CDBG and HOME Program subrecipients and to persons visiting City Hall, the public libraries, multiple off-site City departments located throughout the City, and the Grants Administration Office.
- Lynchburg Redevelopment and Housing Authority (LRHA) posted in every building where Section 8 occupants are located a Federal Fair Housing Poster. There is also a poster in each LRHA staff person's office located at 918 Commerce Street.
- In addition to the web site and newspaper advertisements, City staff ensured that all bid documents and contract solicitation for City, Federal and State projects included solicitation of minority-owned and women-owned businesses.
- A public notice was published in April 2014 for "Fair Housing Month".
- All non-profits that receive CDBG and HOME Program funds have their own marketing policy that indicates recruitment and solicitation of minority-owned and women-owned businesses where possible.
- City staff assisted contractors in obtaining the certified list of minority-owned and women-owned businesses. The vendor/contractor list provided on the State of Virginia's web site was distributed to contractors, as requested.

4. Describe Other Actions in Strategic Plan or Action Plan taken to address obstacles to meeting underserved needs.

To assist in addressing the housing and community development needs of underserved citizens, the City of Lynchburg focused a significant amount of federal resources on rehabilitation and home buying activities. Several non-profit agencies were funded with CDBG and HOME Program funds to undertake rehabilitation and homeownership activities.

Financing availability continues to be one of the main obstacles in addressing underserved needs of the City's residents. With declining government program support, the private sector will have to play a key role in making up for this loss.

The City, particularly through its partnership with local non-profits, has continued to promote the involvement of private citizens, banks, corporations, and others in community development activities. As more people become involved the proper and effective coordination of this involvement will become even more challenging.

The City of Lynchburg continues to support cooperative ventures, and initiate cooperation where it is lacking. City Council exercised a coordinating role in its allocation of CDBG and HOME Program funds to subrecipient organizations, and through the establishment of the Consolidated Plan. Other examples of coordination include the Community Code Compliance Team, where citizens and City staff meet in neighborhoods to discuss code violation issues and plan corrective actions to be taken to address the issues.

Shared responsibility also implies the open exchange of information and the combination of scarce resources. The City maintains a leadership role in this regard, while opening the process to all interested parties, including low- and moderate-income citizens.

The City continues to seek reduction in the number of households with incomes below the poverty line by 10% each year through long-term solutions such as education (including adult education and job skill training), economic development, and coordinated supportive services. These areas are traditionally within the local government's sphere of influence and the Lynchburg City Council has placed significant emphasis and funding in these areas through the allocation of CDBG and HOME Program funds.

City staff reviews the quarterly reports for each CDBG and HOME project that is funded to ensure that the City is meeting the goals and objectives stated in the Consolidated Plan. For projects that are not meeting the goals established in the Consolidated Plan and Annual Action Plan, City staff contacts the agency to discuss the project and the necessary action that will be needed to bring the project to a current status.

City staff reviews each CDBG and HOME project to ensure that funds are being expended in accordance with the program regulations and that the project funds are being expended in a timely manner. If a project has not expended funds during the quarterly review, City staff contacts the agency to discuss the project status and the importance of expending the project funds in a timely manner.

For ongoing HOME Program rental projects City staff requires the agency responsible for the project to submit to the City an annual Project Compliance Report for Rental Housing, and Project Compliance Checklist. This information is reviewed for HOME Program compliance.

The City's CDBG and HOME Program funds are audited in conjunction with the City's annual audit.

5. Leveraging Resources:

a. Identify progress in obtaining "other" public and private resources to address needs.

The utilization of CDBG, HOME Program, and other federal grant funds has had a substantial impact on the City's ability to leverage other resources to redevelop economically distressed neighborhoods and provide renewed opportunities for our residents. The City of Lynchburg, particularly through the Lynchburg Economic Development Authority (LEDA), offers various incentives at the local level, and a vast array of other public and private resources are available to address the needs of our community. The section below provides details of this leverage.

b. How Federal resources from HUD leveraged other public and private resources.

Public Resources*:*

The City of Lynchburg operates several programs and services which contribute to community revitalization. These include the following:

- The Water Resources Department operates the Combined Sewer Overflow ("CSO") Program, the largest of all the City's capital improvement programs. This program reduces the volume and frequency of overflows from the City's combined sewer system. Thus far, the Program has spent $38 million of local funding (provided by sewer fees); $138 million in State funding (VCWRLF loans); $42 million in federal and state funding (grants); and $19 million in Federal Stimulus (ARRA) funding. The current Long Term Control Plan for this program will take more than thirty (30) years and nearly $267 million to complete. However, the City has proposed a new Long Term Control Plan to Department of Environmental Quality (DEQ) which is under final review. This new plan will allow the program to be completed within 15 years costing approximately $63 million to complete assuming no new regulatory obligations.

- The Inspections Division of the Community Development Department administers a complaint-based Property Maintenance (land and structure) or Code Compliance Program. Under this Program properties are cited for various violations of the City's Property Maintenance Code where owners are given certain deadlines for compliance. If compliance is not attained, the City takes the owner to Court for judgment and resolution of the violation(s).

- The Code Compliance Division of the Community Development Department enforces ordinances regarding abandoned vehicles, illegal dumping, and weeds.

- The City's Division of Social Services (DSS) manages twelve (12) programs that coincide with other public service activities provided by nonprfits. Many of the non-profit agencies utilize the services provided by the City for their clients. They are listed as follows:

    - Child Care Services: Provided to enable low-income families (regardless of Temporary Assistance to Needy Families (TANF) status) to be employed or to prepare for employment.
    - Prevention Services: Works with families to prevent foster care.
    - Employment Services: Provided to TANF recipients to help secure employment, education, or training. Several services are offered.
    - Services to Adults: Services to the elderly and disabled, including emergency assistance with prescription medications, food, clothing, and shelter.
    - Energy Assistance Program: Programs to offset rising costs of heating (and, if available, cooling). Also provides assistance with heating equipment and fuel.

- Supplemental Nutrition Assistance Program (SNAP): Supplements the food purchasing power for low-income households.
- Medicaid Assistance Program (MEDICAID): Pays for medical, dental, pharmaceutical, and optometry care for recipients of public assistance and medically needy persons.
- Temporary Assistance to Needy Families (TANF): Monthly assistance to needy families with children ages birth to 18 years.
- Temporary Assistance to Needy Families - Unemployed Parent (TANF-UP): Monthly assistance to needy two-parent families with children ages birth to 18 years when the primary wage-earner is unemployed.
- Virginia Initiative for Employment not Welfare (VIEW): Clients are given up to two years of supportive services and an additional year of transitional services to obtain gainful employment. This program is required for all TANF recipients.
- Protective Services To Children (CPS): Includes the receiving of reports of abuse/neglect, determining the validity of these reports, conducting an investigation or family assessment to determine if there is evidence to substantiate a report, identifying service needs for families who are the subject of these reports, and providing services to enhance child safety and prevent further abuse/neglect of children.
- Foster Care/Adoption: Foster care is a temporary living arrangement providing care and parenting for children who can no longer live in their homes because of abuse, neglect or other severe family problems. Family Service Specialists help families resolve problems so that their children can return home without further incidence of abuse or neglect. When children are unable to return home safely, the agency works to identify appropriate adoptive families so that children are able to have a permanent, safe, and nurturing family.

Other HUD grants used in the community are funded through the McKinney-Vento Homeless Assistance funds and the HUD Continuum of Care Program. Recipients of these funds are: Miriam's House, Lyn-CAG, LNDF, Rush Homes, and the Young Women's Christian Association (YWCA).

Quasi-Public Resources:

The non-profit subrecipients did an excellent job of gathering and utilizing other public and private financial resources to complement the investments from the entitlement allocations. Our community partners used a variety of resources from other localities, the State, United Way and private foundations to meet their matching requirements and to financially support their programs and client services.

Private Resources:

The Salvation Army and Lynchburg Daily Bread are two places in the City where people from the Greater Lynchburg area receive a hot meal every day, with no questions asked. The Salvation Army offers breakfast and supper, whereas Lynchburg Daily Bread offers lunch. The Salvation Army has been serving Lynchburg and the surrounding counties of Campbell, Bedford, Amherst, Appomattox, and Nelson for over 100 years.

In addition, at The Salvation Army there is the Center of Hope facility which offers transitional shelter, emergency shelter services, and the community meals program. There are family suites available in the transitional shelter section.

The Salvation Army also houses a day care program on its campus. Salvation Army staff offer life skills and lay-counseling to needy persons and helps them to find employment and establish credit.

Lynchburg Daily Bread receives food from businesses, churches, persons, and the USDA. Any excess is shared with other non-profit organizations. When lunch is over, the facility is used as a day shelter for persons and families.

The Gateway House, Inc. is a program for homeless men recovering from substance abuse. The Gateway receives in-kind contributions, and donations from churches, community organizations, businesses, and persons. Volunteers live at the Gateway four nights per week to assist residents.

In Program Year 2013 the United Way of Central Virginia funded fifty-six (56) programs for twenty-nine (29) agencies in Central Virginia, including agencies who also received HUD grant funds. Local foundations that fund area non-profits include: Greater Lynchburg Community Trust, Centra Foundation, Retail Merchants Foundation, Easley Foundation, Plymale Foundation, and Food Lion Charitable Foundation.

The Free Clinic of Central Virginia, a private, non-profit corporation, exists "to provide primary medical, nursing, dental, pharmaceutical, and educational services to those in Central Virginia who do not have the resources to obtain this basic health care." The Free Clinic screens clients and targets the underinsured and uninsured. Funding for the Free Clinic is provided by the United Way and charity events such as the Smith Mountain Lake Home Tour, the Downtown Lofts Tour, and the James River Basketball Tournament. The majority of the professionals and support staff provide their services free of charge, thus maximizing the impact of each dollar raised to support the Free Clinic.

Lynchburg Covenant Fellowship (LCF) began as an ecumenical ministry launched by The Church of the Covenant. It has grown over the past sixty-three (63) years to become its own organization. Over the years LCF has been involved in many programs, some of which have spun off into separate 501(c) (3) organizations such as Interfaith Outreach Association, Camp Kum-Bah-Yah, Rush Homes and The Gateway. In 1970, LCF saw a need for housing for low-income individuals and families and focused its efforts on providing safe, decent and affordable housing for these individuals, disabled, elderly and families. LCF owns and/or manages several project-based Section 8 Housing communities. LCF partners with Horizon Behavioral Health Services (formerly Central Virginia Community Services) providing a group home for mentally challenged individuals in Appomattox and two group homes in Amherst. Another small project-based Section 8 apartment community in Lynchburg provides housing for mentally ill individuals who are referred by Horizon Behavioral Health Services. Other Department of Housing and Urban Development (HUD) subsidized housing communities include Lynchburg High Apartments, Shalom Apartments and Frank Roane Apartments. Lynchburg High provides affordable housing for elderly, disabled and multi-families and Shalom provides affordable housing for individuals and families. Frank Roane is an elderly community for individuals 62 years of age and older. LCF owns 26 “market rate” apartments in the

City. Although these are labeled market rate, the rents are much lower than typical market rate apartments. LCF also owns the Hospice House that is rented and staffed by CENTRA.

LCF has had and continues to have housing contracts with HUD for the HUD subsidized properties. LCF also has relationships with the Virginia Housing Development Authority (VHDA), the City of Lynchburg, the Lynchburg Housing and Development Authority, Horizon Behavioral Health Services, Rush Homes, Lynchburg Neighborhood Development Foundation, Interfaith Outreach Association, CENTRA, Department of Social Services, Central Virginia Area Agency on Aging, Lynchburg Health Department, Lynchburg Presbyterian Home and Alliance for Families, Department of Housing and Community Development, Virginia Community Capital, Boston Capital and other private, local businesses along with businesses and companies located in other areas within the state and outside of Virginia.

Lyn-CAG "serves to effectively assist low-income families and persons in the Central Virginia Region 2000 community to move from economic and social dependency to self-sufficiency." Region 2000 encompasses the Cities of Lynchburg and Bedford and the counties of Amherst, Appomattox, Bedford, and Campbell. Lyn-CAG is a United Way agency. Lyn-CAG offers crisis intervention, shelters, housing, transportation, housing improvement, financial and educational training, and community reentry (for released inmates) services. The Housing Rehabilitation Program is funded by the CDBG Program. The Substantial Rehabilitation Program is funded by the HOME Program. Lyn-CAG is one of the City's two Community Housing Development Organizations (CHDOs) and rehabilitates and/or constructs homes for first-time home buyers.

c. How matching requirements were satisfied.

The HOME program requires that participating jurisdictions (PJs) provide match funds in amounts equal to no less than 25 % of the total HOME funds drawn down from the jurisdictions HOME program account for project costs. Allowable reductions are made for PJs that experience fiscal distress or major disasters in accordance with the Stafford Act.

Fiscal distress can be categorized by the following criteria: 1) the family poverty rate is 125% or more of the national poverty rate; and 2) the per-capita income is less than 75% of the national average. When a PJ meets one of these distress criteria, it is determined to be in fiscal distress and thereby receives a 50% reduction of its match requirement. If a local jurisdiction satisfies both of the distress criteria, it is determined to be in severe fiscal distress and receives a 100% reduction of its match requirement. The City does not meet the criteria to be classified as severely distressed but has been determined to be in fiscal distress and received the 50% reduction of its match requirement for Program Year 2013.

With respect to HOME Program funds, the City began the Program Year 2013 period with $1,844,280 in excess match carried over from the prior year. During Program Year 2013, the City accrued $334,173 in additional match credit from Greater Lynchburg Habitat for Humanity (GLHFH) HOME-assisted units. Based on the HOME Matching Liability Report (PR33) from the HUD Integrated Disbursement and Information System (IDIS), a total of $136,837 in HOME funds were disbursed requiring a match liability from July 1, 2013 to June 30, 2014, of which $17,105 was subject to the 12.5% match requirement applied to the City. A balance of

$2,161,348 in excess match to carry over to Program Year 2014 remains available for future years.

Managing the Process

1. **Describe actions taken during the last year to ensure compliance with program and comprehensive planning requirements.**

Program Year 4 CAPER Managing the Process response:

The City of Lynchburg has a Grants Management Team within the Grants Administration Office and Department of Financial Services that is dedicated to properly administering the approved projects and monitoring expenditures of the city's HUD-dispensed federal entitlement grants. Each year the Team, at the direction of the Community Development Advisory Committee (CDAC) and City Council, oversees and ensures the completion of the approved projects for the CDBG and HOME Program. These projects are what make up our Consolidated Annual Action Plan.

City staff ensures compliance with program and local requirements by incorporating approved accounting procedures, providing internal and external audits, monitoring and following HUD regulations and requirements.

Citizens provide an additional layer of compliance monitoring through community input and the Citizen Participation Plan. Additionally, comprehensive planning with other governmental entities ensures continual adjustments to long-term statistics relative to housing, homeless and other special needs populations.

Citizen Participation

Program Year 4 CAPER Citizen Participation response:

1. **Provide a summary of citizen comments.**

On September 6, 2014 a public notice was published in the *News and Advance* stating that a draft of the proposed Program Year 2013 Consolidated Annual Performance Report (CAPER) was available for public review for a 15-day public comment period. The advertisement stated that City Council would be conducting a public hearing on September 23, 2014 to receive public comments regarding the draft CAPER.

In addition to the 15-day public comment period and the public hearing held by City Council, copies of the draft CAPER were made available for public review at the following locations in and throughout the City:

- Grants Administration Office, Second Floor, City Hall, 900 Church Street, Lynchburg, Virginia 24504
- Lynchburg Public Library, 2311 Memorial Avenue, Lynchburg, Virginia
- Downtown Branch Library, City Hall, Basement Floor, 900 Church Street, Lynchburg, Virginia 24504
- City website at http://www.lynchburgva.gov/grants

The draft report provided citizens with details concerning the federal funds made available to the City for furthering the objectives of the Consolidated Plan. The report also identified the total amount of funds available (including program income), the total amount of funds expended during the reporting period, and the geographic distribution of expenditure of funds within the various census tracts.

Any citizen comments received during the public comment period or at the City Council public hearing will be addressed in the final submission of the CAPER to HUD.

2. **In addition, the performance report provided to citizens must identify the Federal funds made available for furthering the objectives of the Consolidated Plan. For each formula grant program, the grantee shall identify the total amount of funds available (including estimated program income), the total amount of funds committed during the reporting period, the total amount expended during the reporting period, and the geographic distribution and location of expenditures. Jurisdictions are encouraged to include maps in describing the geographic distribution and location of investment (including areas of minority concentration). The geographic distribution and expenditure requirement may also be satisfied by specifying the census tracts where expenditures were concentrated.**

The goal of this report is to compare the anticipated benefits projected in the City's Annual and Five-Year Plans with the actual accomplishments achieved. This report also allows local citizens and elected officials, and representatives of HUD to evaluate the City's performance and assess its status in meeting the five-year goals established in the 2010-2015 Five-Year Consolidated Plan.

The CAPER reviews how the City of Lynchburg used federal funding provided by HUD to successfully implement programs and projects that address its community development objectives during Program Year 2013 (July 1, 2013 through June 30, 2014).

Within the City of Lynchburg's Five-Year Consolidated Plan, the City committed to the overarching goal of undertaking activities that would result in substantial public benefit through the revitalization of depressed areas, and in assistance to low- and moderate-income residents. These are the central City neighborhoods that surround the downtown business district and are the seven contiguous census tracts that comprise the CDBG target area: Census Tracts 4, 5, 6, 7, 11, and 19. The Census Tract Map attached to this document (Appendix A - Map 1) depicts the boundaries of the CDBG target areas in the City. In addition, within the HOME Program, homebuyer assistance was provided to low-to-moderate income persons based on individual needs for affordable housing.

The majority of the CDBG and HOME Program funding this reporting period was allocated for activities classified as housing, parks and recreation, public improvements, and removal of blighted properties. Details of the programs, accomplishments, and an analysis of expenditures are provided throughout the CAPER and within the IDIS reports included with this CAPER. The Project Location Map (Appendix A - Map 2) depicts the locations of the funded projects.

Institutional Structure

1. **Describe actions taken during the last year to overcome gaps in institutional structures and enhance coordination.**

Program Year 4 CAPER Institutional Structure response:

To minimize gaps and to ensure coordination of the Federal CDBG and HOME Program funds, as well as the City's General Fund, these funds are overseen by several City committees, commissions, and City departments. The City Council, as the governing body of the City of Lynchburg, is responsible for all policy decisions and approves all City funding recommendations. Ultimately funding for housing and non-profit providers is coordinated through City Council.

Information of funding proposals and awards are advertised and distributed to non-profit entities and other interested organizations and City departments so that they are aware of available funding and funding awards. Applicants provide information on other funding sources for the project and for their organization.

The City's Community Development Advisory Committee (CDAC) reviews all funding requests and makes recommendations to the City Council on all activities proposed to be funded through the CDBG and HOME programs. City Council makes the final funding decisions. The Grants Administration Office oversees the administration of the CDBG and HOME Program and reviews the progress of subrecipient grantees toward meeting their programmatic goals.

City of Lynchburg residents and other interested persons had several opportunities during the program year to comment and offer suggestions on funding through regular meetings and public hearings.

The Grants Administration Office is responsible for the preparation of the City's Consolidated Plan, Annual Action Plan and Consolidated Annual Performance and Evaluation Report (CAPER). The Grants Administration Office also coordinates interdepartmental discussion regarding priorities and programs which arise from or affect the City's planning process and ensures that federally funded programs are addressing the City's priority needs in compliance with its Consolidated Plan.

Monitoring

Program Year 4 CAPER Monitoring Response:

1. **Describe how and the frequency with which you monitored your activities.**

The Grants Administration Office is responsible for monitoring programs that receive CDBG and HOME Program funds. A subrecipient agreement is prepared for all agencies outside of the local government. This agreement contains the required HUD applicable statutory and regulatory requirements.

Monitoring of projects is done in several ways. First, subrecipients are typically reimbursed for expenses, rather than provided funds in advance. The City requires receipts, time sheets, and other relevant documentation with the reimbursement request. Also, subrecipients are required to submit quarterly performance reports, which are reviewed for consistency with the City's programs and financial records.

During this reporting period, the City's Monitoring Policy was to conduct at least four annual subrecipient on-site monitoring visits. These monitoring visits were conducted by the Grants Administration and Finance Department staff. At the on-site monitoring visits for the housing and acquisition projects, a random selection of address files were reviewed for program compliance. For all other projects a visual inspection was made of the various accomplishments completed with program funds and a narrative submitted on the benefits for low and low-to-moderate-income persons. There is a monitoring checklist that is completed at the time of the review and then summarized. The financial reviews include a selection of reimbursements from the City. The reimbursements are traced through receipt and disbursement of funds. When all staff has completed their reviews the monitoring comments are compiled and a letter written to the agencies advising them of the results of the monitoring reviews and if any corrective action is needed. Technical assistance is provided as needed, or requested.

In addition, the various CDBG and HOME Program activities are monitored remotely through quarterly performance reports and information provided with reimbursement requests.

2. Describe the results of your monitoring including any improvements.

The City has conducted on-site monitoring visits at the following agencies for the Program Year 2013 CDBG and HOME funded projects:

1) Greater Lynchburg Habitat for Humanity;
2) Lynchburg Redevelopment and Housing Authority;
3) Lynchburg Community Action Group; and
4) Lynchburg Neighborhood Development Foundation.

City staff reviewed written agreements, agency procedures and client records with each monitoring source. The written monitoring reports have been provided to the agencies. Overall each agency was in compliance with the CDBG and HOME program regulation and guidelines for the various programs/activities completed.

3. Self Evaluation

a. Describe the effect programs have in solving neighborhood and community problems.

Using HUD funds, the City of Lynchburg continues to play a critical role in ensuring the sustainability and operation of activities and programs of significant benefit to our residents. The City has used CDBG funds to provide services to Lynchburg's most vulnerable populations, with programs that include facilities and services for the homeless, programs for at-risk youth, programs for persons experiencing domestic violence, and seniors. CDBG funds have also been used to improve parks, public facilities, and provide business and technical assistance for businesses located in low-income areas. HOME Program and CDBG funds have been used to improve substandard housing, provide assistance to purchase homes, and create new affordable housing. These activities directly enhanced the overall quality of life in the target areas.

b. Describe progress in meeting priority needs and specific objectives and help make community's vision of the future a reality.

The City of Lynchburg's Consolidated Plan contains goals to address community needs and improve the quality of life for its residents, especially low- and moderate-income residents. City staff annually reviews the five-year goals and priority needs as defined in the City's 2010-2015 Consolidated Plan and recommends any modifications to programs based on those reviews. Any amendments to the Consolidated Plan are presented to the Community Development Advisory Committee (CDAC) for review. If approved by CDAC, amendments are submitted to City Council for approval before submission to the HUD Richmond Office.

The City believes that it has effectively used its HUD funding to address as broad a range of community development objectives as possible. It plans to continue to support a wide range of programs and activities that will provide services, affordable housing and economic development opportunities for low-and moderate-income persons.

c. Describe how you provided decent housing and a suitable living environment and expanded economic opportunity principally for low- and moderate-income persons.

The City obligated all of its CDBG and HOME funds to specific programs, projects, and activities. Using the federal entitlements and program income Lynchburg funded: seven (7) housing projects this program year with CDBG and HOME Program funds. Of the HOME funds, one (1) HOME CHDO project, Lyn-CAG, was funded during this reporting period to acquire and rehabilitate one housing unit for a low-to-moderate income person. There was one (1) project funded in the CDBG Program for public improvements that was located in a CDBG targeted neighborhood.

The City maintained its effort in promoting the priority needs, goals, and objectives stated in its Annual Action Plan. The City did not make any changes to the program year objectives. It focused on addressing housing needs in the CDBG-targeted areas and City-wide. The City continued to evaluate ways to increase available resources, improve the strategic use of resources to leverage more non-profit and private sector activity, and increase activity that would eliminate major blighting influences that might impede the conservation and redevelopment of neighborhoods.

d. Indicate any activities falling behind schedule.

There is one (1) CDBG activity behind schedule: In Program Year 2012 the City allocated funds for improvements to be made within Riverside Park. The Parks and Recreation Department has stated that the design work is in progress and that a contract should be issued in the Fall of 2014 for completion by the spring of 2015. City staff is closely monitoring this project for completion and draw down of funds.

e. Describe how activities and strategies made an impact on identified needs.

During the reporting period, CDBG and HOME Program funds made possible a number of activities to address the housing, economic, human and neighborhood development, and homeless services needs of the community. Under the General

Questions Section (Pages 6-22) a partial list of the results achieved is provided in reaching over 15,282 persons, families and households. The impact on their needs was achieved through activities and strategies focused on:
-- developing homeownership opportunities
-- eliminating blighting structures and conditions
-- repairing and rehabilitating owner-occupied housing
-- maintaining and operating shelters and services for the homeless
-- developing decent, affordable multi-unit rental housing
-- elderly and other special needs housing assistance
-- neighborhood parks and infrastructure improvements
-- developing project experience for neighborhood organizations

f. Identify indicators that would best describe the results.

At the present time, the output indicator of over 3,230 people with access to additional services and fifteen (15) units of housing assistance (homeownership and homeowner rehabilitation) provide reasonable indicators of the results achieved during the reporting period. For additional output indicators, see item 1.a. under the General Questions Section (Pages 6-22).

g. Identify barriers that had a negative impact on fulfilling the strategies and overall vision.

The overall economic climate and reduced funding allocations in the City's federal programs have provided barriers to the City's progress in fulfilling strategies and vision. The consistent reduction in federal funding directly impacts the ability of the City and non-profit agencies to meet low-income, underserved populations in our community.

h. Identify whether major goals are on target and discuss reasons for those that are not on target.

Major housing and non-housing goals were on target during this program year.

i. Identify any adjustments or improvements to strategies and activities that might meet your needs more effectively.

Areas to expand and improve in Program Year 2014 include:

- City staff will monitor expenditures and actively work to ensure that programs and projects are completed within a timely manner; Review policies, procedures, guidelines and other documents for the CDBG and HOME programs; and
- Provide training opportunities for staff and subrecipients, as needed.
- Attend HUD-sponsored training offered for changes related to the HOME Program Final Rule 2013

Lead-based Paint

1. Describe actions taken during the last year to evaluate and reduce lead-based paint hazards.

Program Year 4 CAPER Lead-based Paint response:

In Lynchburg, approximately 85% of the homes built prior to 1978 contain some lead. Children, particularly those under the age of six, are at risk of lead poisoning if living or repeatedly being in a housing unit containing lead-based paint. Research suggests that lead poisoning has societal costs that include, medical care, special education, behavioral problems, reduced long-term educational attainment, reduced long-term income attainment, increased criminal behavior, and increased hypertension in adolescents and adults.

In accordance with applicable requirements, lead-paint assessments, treatments and/or clearances are conducted on each structure built prior to 1978 in which CDBG and HOME Program funds are expended. City staff provides each subrecipient, through the written agreements, a copy of the lead-based paint regulations and forms that are to be completed according to the scope of work for the various activities.

To protect against this risk, on April 22, 2008, EPA issued a rule requiring the use of lead-safe practices and other actions aimed at preventing lead poisoning. Under the rule, beginning April 22, 2010, contractors performing renovation, repair and painting projects that disturb lead-based paint in homes, child care facilities, and schools built before 1978 must be certified and must follow specific work practices to prevent lead contamination. Contractors are certified through the U. S. Environmental Protection Agency (EPA). This agency provides training programs across the State of Virginia and allows for contractors to submit their application for certification online. A list of the training programs offered and the application are found on the EPA website: EPA Lead Training Programs

Subrecipients are required to ensure that all contractors obtain the proper certification prior to completing a renovation or repair project utilizing CDBG and HOME Program funds. During this reporting period Lyn-CAG utilized five (5) contractors and all had current certifications to conduct lead-based paint renovation, repair, and painting activities pursuant to 40 CFR Part 745.89.

HOUSING

Housing Needs

Program Year 4 CAPER Housing Needs response:

1. **Describe Actions taken during the last year to foster and maintain affordable housing.**

Preserving existing housing and promoting the production of new affordable housing is a primary mission of the City of Lynchburg. To that end, the City funded a number of programs aimed at addressing this issue. Agencies funded included Lynchburg Redevelopment and Housing Authority (LRHA), Lynchburg Community Action Group (Lyn-CAG), Lynchburg Neighborhood Development Foundation (LNDF), Rebuilding Together Lynchburg, Rush Homes, and Greater Lynchburg Habitat for Humanity (GLHFH).

A strong emphasis remains on citizen participation through public hearings, technical assistance, and public notices in the newspaper. City staff also works continuously with persons and agencies to assess housing needs, identify plans of action, and ensure that projects that are funded with federal funds meet those needs.

Specific Housing Objectives

1. **Evaluate progress in meeting specific objective of providing affordable housing, including the number of extremely low-income, low-income, and moderate-income renter and owner households comparing actual accomplishments with proposed goals during the reporting period.**

It is extremely difficult to commit to serving a specific number of households at given income levels, because these numbers tend to change due to the financial structure of a development or situation. Housing development is generally a multi-year process that is dependent on many funding sources and is often vulnerable to delays and cost increases. A housing development or project proposed to serve extremely low-income families is often not awarded the amount of subsidy needed to reach the targeted income scale. Also, this type of project may need to be restructured to serve higher income families because there is insufficient subsidy to make the rents or payments low enough to pay operating costs, mortgages, and other expenses.

There are a variety of housing types starting to become available to low-moderate income families. An enhanced importance of handicap accessibility (Section 504 compliance) has been placed on low-income projects. For example, the Lynchburg Redevelopment & Housing Authority has undertaken converting several low income units into accessible units.

The City has formed a Housing Collaborative which consists of various non-profit housing partners of the City, as well as larger institutions and stakeholders from around the City. The Collaborative has reviewed and commented on various housing initiatives including but not limited to, Analysis of Impediments to Fair Housing Choice, Tinbridge Hill Neighborhood Plan, the City's update of the Comprehensive Plan, and the State & National Historic District designation of the Pierce Street Historic District.

The City worked to provide affordable housing assistance to owners and renters at various income levels throughout the program year. The City allocated $330,707 in CDBG funding and $297,971 in HOME Program funds for housing projects and activities that will ultimately benefit primarily extremely low-income, low-income, and moderate-income renter and owner households.

2. Evaluate progress in providing affordable housing that meets the Section 215 definition of affordable housing for rental and owner households comparing actual accomplishments with proposed goals during the reporting period.

The Section 215 definition of affordable housing relates to units assisted with HOME funds. Please see 1.a. under "HOME / American Dream Downpayment Initiative (ADDI)" for detailed discussions of the projects involved and the income levels of beneficiaries (Pages 41-46).

3. Describe efforts to address "worst-case" housing needs and housing needs of persons with disabilities.

"Worst case" housing needs involved persons, often (but not exclusively) renters, with very low-incomes who spend more than half of their gross income on housing costs or who live in severely inadequate housing. The City's efforts to address this circumstance is through assistance for rehabilitation of owner-occupied housing, assistance to homebuyers, and assistance for the development of low-income rental housing. During the reporting period, owner-occupied rehabilitation activities were conducted by Lyn-CAG, Rebuilding Together Lynchburg (RTL), and Lynchburg Redevelopment and Housing Authority (LRHA) through its Rental Rehabilitation Program. These activities assist with limited and minor repairs that often resolve substandard conditions. Homeownership assistance during the reporting period was conducted by LNDF and Habitat for Humanity.

Suggesting to owners of substandard rental units to rehabilitate their property is never an easy matter. The City has a Rental Inspection Program which compels owners to make improvements to meet Code. However, because of the federal rules involved with the use of CDBG and HOME Program funds, owners of substandard rental property often choose not to avail themselves of assistance that may be available. Most progress that is made, therefore, is as a result of Code compliance due to rental inspections.

With respect to addressing the housing needs of the disabled, Rush Homes is currently in the construction stage of the rehabilitation and a new construction addition to the former Armstrong School building located at 1721 Monsview Place. When completed, the development will provide 28 one-and two-bedroom apartment units known as Armstrong Place. All of the apartments will be accessible to people with physical disabilities and 50% of the units will conform to HUD's interpretation of the accessible design requirements of Section 504 of the Rehabilitation Act of 1973. The City contributed $175,000 in HOME Program Community Housing Development Organization (CHDO) funds to this project during Program Year 2012. Construction is underway and the project should be completed in Program Year 2014.

In some cases, homeownership may be a feasible alternative to substandard rental housing, even for very-low-income families. In worst case situations, such families may be spending more for rent than may be arranged for homeownership. In such instances, a combination of downpayment and closing cost assistance from the City, a reduced purchase price (made possible by HOME development subsidies) and low-interest financing from such sources as Virginia Housing Development Authority (VHDA) and private lending instutuions, may be packaged and offer an appropriate path out of inadequate housing.

The City has enhanced its ability to address the housing needs of the disabled through policy and educational initiatives. These involve establishing a focus on the requirements of Section 504 of the Rehabilitation Act, the Americans with Disabilities Act and the Fair Housing Act as they pertain to the use of the City's CDBG and HOME Program funds by housing providers.

Public Housing Strategy

1. **Describe actions taken during the last year to improve public housing and resident initiatives.**

Program Year 4 CAPER Public Housing Strategy response:

During the past year the Lynchburg Redevelopment & Housing Authority (LRHA) has completed several capital fund projects. Two (2) units were renovated to meet Section 504/American with Disabilities Act (ADA) accessible compliance. Site lighting at one (1) complex was upgraded to provide greater safety and night visibility. One (1) complex replaced the roofs on all of the buildings in the complex.

The Public Housing Admissions and Continued Occupancy Policy (ACOP) and Section 8 Administrative Plan (Admin Plan) were updated and approved by the LRHA Board of Commissioners on September 19, 2013. The Utility Allowances were updated for Public Housing and Section 8 and were adopted by the Board of Commissioners in February, 2014 with an effective date of May 1, 2014.

In February, the Resident Council groups (previously created for each complex) were merged together as one and elected a new slate of officers. Several activities have been held including a Father's Day celebration and a Back to School Bash.

LRHA applied for, and was awarded, CDBG funds to renovate our two community rooms to meet Section 504/ADA compliance. LRHA plans to renovate four (4) additional units to meet Section 504/ADA compliance and install energy efficient windows in our oldest complex. The community room renovations are currently underway with the other projects in the planning and development stage.

In addition, all LRHA staff attended Fair Housing training.

Barriers to Affordable Housing

1. **Describe actions taken during the last year to eliminate barriers to affordable housing.**

Program Year 4 CAPER Barriers to Affordable Housing response:

A primary barrier to affordable housing in the target area is the very low property values in the targeted census tracts. This is a large disincentive to development through renovation because the cost of repair typically exceeds the value of the renovated property. Therefore, only non-profit organizations that can access soft costs funds (i.e. finance and construction related costs) and grant funds are able to conduct rehabilitation projects in these areas. The for-profit developers are unable to conduct the extent of renovation necessary to make the houses in the target market amenable to modern housing demands. However, the City did allocate CDBG and HOME Program funds to non-profit entities to address the needs of extremely low and low-income families and persons. Agencies funded included the LNDF, Rebuilding Together Lynchburg, LRHA, Greater Lynchburg Habitat for Humanity, and Lyn-CAG.

Lynchburg is a City of relatively low housing costs. Therefore, average income and cost-of-living reflect these somewhat lower housing costs. Recently, there has been a resurgence of housing development, primarily in the outlying areas of the City closest to a local university. Development in the CDBG target areas remain limited to non-profit and subsidized activity. This is due in part to the very low property values in these census tracts and a greater value being placed on improvements to property than to the land itself. In the target areas, this high value on improvements, or buildings, had the effect of costing more than clearing land, and thereby, negating the opportunities of redevelopment. This is also a large disincentive to development through renovation because the cost of repair typically exceeds the value of the renovated property.

The usual barriers, zoning, building code, and density issues for the targeted census tracts have been interpreted to encourage appropriate development in these areas. This is especially true in the development by non-profit housing providers where the City has waived or offset utility and other fees for making the project more affordable for the very low and low-income residents.

The City has also undertaken rewriting its Zoning Ordinance which is over 35 years old and promotes suburban style development. One of the main goals of the rewrite is to allow for a variety of housing types and densities. Such criteria related to affordable housing that is being reviewed as part of the rewrite is a reduction in building setbacks to allow for denser development and housing unit density bonuses for locating near transit, pedestrian facilities, or dedicating a portion of the development as affordable units. The ordinance is planned to be finalized in early 2015.

Despite the cost-to-value disparity, there are several incentives that the City offers to private and corporate entities interested in development in the targeted census tracts. Businesses located in the Enterprise Zone benefit from tax exemptions on improvements and other tax incentives. Developers may be given incentives if access to public transportation is located at the development site.

On occasion, the City will either waive or offset fees (e.g., utilities and liens) in cases of non-profit housing providers developing affordable housing units in a manner consistent with the City's plans.

In order to assist in addressing barriers to affordable housing, City Council has taken the appropriate role of supporting cooperative ventures and initiate cooperation where it is needed. City Council has also exercised this coordinating role in its allocation of CDBG and HOME Program funds to nonprofit organizations for housing related projects. All of the homeownership programs funded with federal dollars include an educational component for potential homebuyers about mortgage financing, credit and budgeting issues, and the responsibilities of homeownership.

HOME/ American Dream Down Payment Initiative (ADDI)

Program Year 4 CAPER HOME/ADDI response:

1. Assessment of Relationship of HOME Funds to Goals and Objectives

   a. Evaluate progress made toward meeting goals for providing affordable housing using HOME funds, including the number and types of households served.

On January 8, 2013, City Council approved the goals for housing and non-housing development, which constitute the priority needs stated in the Plan for the reporting period of July 1, 2013 through June 30, 2014. These goals reflect the needs that historically have been the needs of the very low-, low-, and moderate-income persons living within the target census tracts and the City. Four (4) of those goals apply to the HOME Program.

PRIORITY #1: CREATE NEW HOMEOWNERSHIP OPPORTUNITIES FOR LOW-TO-MODERATE-INCOME FAMILIES
PRIORITY #2: REHABILITATION OF SUBSTANDARD HOUSING UNITS
PRIORITY #3: SUPPORT PROGRAMS THAT ASSIST LOW-TO-MODERATE INCOME PERSONS IN RETAINING THEIR HOMES

Goal 1: Increase the number of owner-occupied units.

To the degree that predominance of rental units in a neighborhood is seen as destabilizing, the City wants to provide incentives for qualified persons and low- and moderate-income to consider the benefits of homeownership, especially if it is more cost-effective than renting and if it builds wealth for the individual household. Several programs are supported by the City that incorporates these elements.

Greater Lynchburg Habitat for Humanity (GLHFH)

The Greater Lynchburg Habitat for Humanity (GLHFH) used HOME Program funds to provide assistance for down payment and closing costs to its program participants, and to finance some of the pre-construction costs associated with site development.

In Program Year 2013, GLHFH was allocated $60,000 of HOME Program funds to provide assistance to eligible first-time homebuyers. During this reporting period GLHFH expended $65,000 of HOME funds from Program Years 2011 and 2013 and provided assistance to five (5) homebuyers with down payment and closing costs. Additionally, there was $214,493 in private funding used for the rehabilitation and construction of these five (5) housing units. Because of these new homeownership opportunities, the homeownership rate in the targeted neighborhoods was increased. These projects were located in Census Tracts 4, 6, 8 and 11. The beneficiaries included seventeen (17) persons, of which sixteen were African-American and one (1) White. All of the households were within the 30-50% area median income level.

Lynchburg Neighborhood Development Foundation (LNDF) – Lynchburg Homeownership Program (LHP)

LNDF has been a long-time advocate and developer of affordable homeownership in the City of Lynchburg. In Program Year 2013, LNDF was allocated $30,000 in HOME funds to help financially facilitate the LHP.

During Program Year 2013 LNDF was unable to serve any new homebuyers due, in large part, to the lack of private assistance for mortgage funding. City staff is working with the agency to either secure private funding or return these HOME funds to the City for reallocation to other eligible HOME Program activities.

Lynchburg Neighborhood Development Foundation (LNDF) – Single- Family Development Program

During Program Year 2013 LNDF was allocated $50,000 for a single-family development project. LNDF spent a major part of this period re-evaluating programs, developing strategies for future growth, and, most recently, cutting staff hours due to funding challenges. This slowed progress in moving the project forward and LNDF was unable to acquire and/or rehabilitate/construct a housing unit. These funds were returned to the City's HOME Program and was reallocated in Program Year 2014 for other eligible HOME Program activities.

Lynchburg Neighborhood Development Foundation (LNDF) - Neighborhood Stabilization Program (NSP)/Homeownership Program

The Neighborhood Stabilization Program (NSP) funds were awarded to LNDF in 2009 for $1,056,600 by the Virginia Department of Housing and Community Development (DHCD). The intent of the Program was to stabilize neighborhoods hurt from the foreclosure crisis in Virginia, by purchasing foreclosed and abandoned properties, rehabilitating them and reselling them to low moderate-and middle-income families.

LNDF partnered with Lynchburg Community Action Group, Rush Homes, and the Greater Lynchburg Habitat for Humanity (GLHFH) in the acquisition, rehabilitation, and transfer of ten (10) properties that were in foreclosure. This has resulted in nine (9) low-to-moderate income individuals or families becoming homeowners. In addition, the property that Rush Homes acquired was a duplex and has been leased to two tenants as a part of their supportive housing program. As the properties were transferred, program income was returned to DHCD and redistributed to grantees continuing in the Program. LNDF was able to acquire two additional properties, 1100 16th Street and 201 Warren Avenue.

The rehabilitation of 1100 16th Street is now complete; the property is being leased to Roads to Recovery, formerly known as SAARA of Virginia, for operation of a managed residential home for men recovering from substance abuse. LNDF finalized a three year master lease agreement with Roads to Recovery in March 2013. The program recently completed 18 months of successful operation, usually at full capacity. Their latest occupancy data shows all eight (8) rooms filled.

The rehabilitation of 201 Warren Avenue is now complete. LNDF continues to market the property to low-moderate income homebuyers.

Goal 2: Rehabilitate substandard housing units through support of public and private programs. Emphasis is to be placed on programs which require an investment of funds and/or labor on the part of the owner, which are commensurate with the owner's resources. In addition, maintenance of homes will be enforced through applicable ordinances and building code requirements, and through owner initiatives to rehabilitate existing rental

properties.

Goal 3: Rehabilitate substandard housing units through support of public and private programs. Emphasis is to be placed on programs which require an investment of funds and/or labor on the part of the owner and which are commensurate with the owner's resources.

Note: These two goals are directly related, therefore, the accomplishments for them are combined.

Lynchburg Community Action Group (Lyn-CAG) - Substantial Rehabilitation Program

Lyn-CAG received $111,201 in HOME funds for Program Year 2013 to finance its "Substantial Homeowner Rehabilitation Program". The Substantial Rehabilitation Program targets low-to-moderate-income homeowners who are in need of assistance to make extensive repairs and/or address significant building code related problems.

Through this Program, Lyn-CAG expended HOME Program funds in the amount of $142,745 from prior program years for substantial rehabilitation assistance for three (3) households. These properties were located at: 846 Rivermont Avenue, 3316 Campbell Avenue, and 115 Yeardly Avenue. These assisted households consisted of eight (8) persons and the incomes were within the 50-60% of the Area Median Income (AMI) level. In addition, Lyn-CAG has issued construction contracts for five (5) additional substantial homeowner rehabilitations. These activities will be completed in Program Year 2014.

Lynchburg Community Action Group (Lyn-CAG) - CHDO Homeownership Project

In Program Year 2013 Lynchburg Community Action Group (Lyn-CAG), as a certified Community Housing Development Organization (CHDO), acquired, rehabilitated, and sold the property located at 714 Pierce Street. This property is located within the Tinbridge Hill neighborhood. A total of $85,186 was expended for the acquisition, rehabilitation, and down payment assistance provided to the homebuyer. Lyn-CAG was able to sell this housing unit to a first-time homebuyer through its affordable housing assistance program.

In Program Year 2013 Lyn-CAG was allocated $46,770 of HOME Program CHDO funds for the acquisition and rehabilitation of an additional housing unit. Lyn-CAG staff is currently pursuing an additional property for acquisition and rehabilitation to expend the remaining CHDO funds. During this reporting period Lyn-CAG expended $58,210 of CHDO proceeds and assisted ten (10) homeowners with housing rehabilitations and HOME Program training for Lyn-CAG staff.

PRIORITY #4: SUPPORT AFFORDABLE PERMANENT HOUSING INITIATIVES:

Goal 4: Support initiatives to increase permanent affordable rental and housing ownership for low-income households. In addition, the City supports assisting persons with disabilities, substance abuse or addiction, persons with AIDS, persons that are homeless, and elderly persons.

Rush Homes of Central Virginia (Rush Homes) – HOME CHDO

Rush Homes, as a designated HOME Program Community Housing Development Organization (CHDO), is a nonprofit organization that provides affordable and accessible housing opportunities to people with disabilities and low incomes in the greater Lynchburg region.

As a CHDO project, Rush Homes is in the construction stage of an affordable housing project known as Armstrong Place. This development is an adaptive reuse of the Armstrong Elementary School and new construction. The property is located within Census Tract 4, which is within the local targeted area for eligible HOME Program projects. In conjunction with the CHDO funds the other funding sources include: Low Income Housing Tax Credits (LIHTC); Federal and State Historic Tax Credits; Virginia Housing Development Authority (VHDA); the Department of Housing and Community Development (DHCD) HOME Program funds; and Federal Home Loan Bank Affordable Housing Program funds.

The housing units within the project will be fully accessible units designed for individuals with disabilities whose rents will be affordable at the Low Income Housing Tax Credit (LIHTC) and HOME Program limits, whichever is the least amount. Construction consists of historic rehabilitation for the adaptive reuse of a vacant elementary school (Armstrong Elementary School) into 16 apartments. An additional 12 new construction units are under development on the site as well. In addition, Rush Homes will renovate the gymnasium and make it available to the City of Lynchburg and the Monsview/Bedford Avenue area for community activities.

The City allocated $175,000 of Program Year 2012 Home Program funds for the development of this project and $150,000 has been expended during this reporting period. There will be 11 HOME-assisted units within this development.

2. HOME Match Report

a. Use HOME Match Report HUD-40107-A to report on match contributions for the period covered by the Consolidated Plan program year.

The HOME Match Report (HUD Form 40107-A) is included in the CAPER as Appendix E.

3. HOME MBE and WBE Report

a. Use Part III of HUD Form 40107 to report contracts and subcontracts with Minority Business Enterprises (MBEs) and Women's Business Enterprises (WBEs).

The HOME MBE and WBE Report (HUD Form 40107) is included in the CAPER as Appendix E.

4. Assessments

a. Detail results of on-site inspections of rental housing.

In Program Year 2013 there were eighty-nine (89) annual inspections completed by the Management Agency, Community Housing Partners (CHP), for the Hilltop Homes, Central City and College Hill rental units. In addition to these annual inspections, periodic monthly inspections are completed.

City Rental Inspections Program staff conducted thirty-nine (39) inspections of the above rental housing units.

There were nine (9) annual inspections completed by CHP for the Cornerstone rental units. In addition, City Inspections staff completed two (2) rental inspections for these units. There are regular inspections/visits conducted by case management workers of these units.

b. Describe the HOME jurisdiction's affirmative marketing actions.

The City of Lynchburg requires HOME Program recipients, who develop more than five housing units, to submit affirmative marketing plans. The City monitors HOME rental housing projects annually to ensure that projects are in compliance with affirmative marketing policies and meet minimum housing quality standards.

c. Describe outreach to minority and women owned businesses.

Programs and projects conducted or assisted by the City are expected to make a good faith effort to engage minority- and women-owned business enterprises when procuring construction-related and other services. To enhance the capacity to do so, the City has made efforts to update its listings of such vendors.

Where federal grants or monies are involved, it is the policy of the City through its agents and employees to comply with the requirements set forth - Standards Governing State and Local Grantee Procurement - of the U.S. Office of Management and Budget Circular N. A-102, Uniform Administrative Requirements for Grants-in-Aid to State and Local Governments, as they pertain to small and minority business utilization.

During this reporting period, Lyn-CAG successfully provided four (4) minority business enterprises (MBE) owned contracts for HOME projects. These contracts totaled approximately $158,800.

5. Recapture Provisions

In accordance with HOME program regulations at 24 CFR Part 92, properties assisted must remain affordable during the affordability period. Under recapture provisions, this period is based on the direct HOME subsidy to the homebuyer and includes down payment assistance, "gap" financing, and interest rate buy-downs, as available.

The HOME affordability periods are as follows:

HOME Investment Per Unit	Length of the Affordability Period
Less than $15, 000 subsidy	5 years
$15, 000 - $40,000 subsidy	10 years
More than $40,000 subsidy	15 years
New construction of rental housing	20 years

HOME-assisted units are subject to affordability for the entirety of the affordability period. These HOME-assisted units are subject to a recapture provision in order to assure that the units either remain affordable (i.e. housing eligible clients) or that the City recovers its investment based on the terms of the agreement. Funds are recaptured only from the net proceeds of the sale or foreclosure. Please see specific HOME Program details for recapture provision specifics.

HOMELESS

Homeless Needs

Program Year 4 CAPER Homeless Needs response:

1. Identify actions taken to address the needs of homeless persons.

During Program Year 2013 the Homeless and Housing Coalition of Central Virginia (HHC-CVA) changed its name to the Central Virginia Continuum of Care (CVCoC) in order to clearly communicate its role within the community as a CoC. The CVCoC is a regional membership organization that serves as the lead entity for the homeless assistance response in the community. The CVCoC currently has more than thirty-five (35) listed member organizations, agencies, persons, programs and businesses. Members are primarily from organizations that interface with the homeless population. The City is a member of the CVCoC.

Through the participation of its members, the CoC can more effectively address the needs of homeless persons and families. Areas addressed include the following: homeless prevention and diversion, coordinated homeless intake and assessment, emergency shelters, domestic violence shelters, rapid re-housing programs, transitional housing and permanent supportive housing.

The specific priority needs outlined in the Continuum of Care (CoC) strategy place high priority on the creation of new permanent housing beds for the chronically homeless, job training, and employment programs, and decreased lengths of time homeless for all persons in the homeless response system. The CoC's homeless activities during the five-year period of the Consolidated Plan also coordinate homeless prevention services to those at risk of becoming homeless.

Most homelessness initiatives in the City are coordinated through the CoC, a recipient of funding through the Stewart B. McKinney programs (Continuum of Care Program) Also participating in the CoC are the counties of Amherst, Appomattox, Bedford, and Campbell.

The City of Lynchburg utilized $83,973 of its Program Year 2012 (March 1, 2013 - May 31, 2014) annual allocation for the Shelter Plus Care Program to provide rental assistance to twelve (12) homeless persons for permanent housing. The City has received its renewal grant in the amount of $88,298 for Program Year 2013.

In addition, the following agencies received $275,566 of McKenny Vento Homeless Act funds through the Supportive Housing Program for Program Year 2013.

Applicant	Project	Amount
Lynchburg Community Action Group	The Family Living Center	$ 44,665
Lynchburg Neighborhood Development Foundation (LNDF)	The Cornerstone	$ 68,323
Miriam's House	Homeless Management Information System(HMIS)	$ 21,357
Miriam's House	Supportive Housing	$ 87,252
Rush Homes, Inc.	Rush Homes	$ 53,969
	Total:	**$ 275,566**

Below is the data that was collected from the Point-in-Time (PIT) Survey conducted in January 2014:

Point-in-Time (PIT) Summary Homeless Populations Summary for VA-508 - Lynchburg CoC

Date of PIT Count: 1/23/2014

Population: Sheltered and Unsheltered Count

Total Households and Persons

	Sheltered			Unsheltered	Total
	Emergency	Transitional	Safe Haven		
Total Number of Households	106	35	0	3	144
Total Number of Persons	159	58	0	3	220
Number of Children (under age 18)	39	22		0	61
Number of Persons (18 to 24)	15	5	0	1	21
Number of Persons (over age 24)	105	31	0	2	138

The CoC provides a comprehensive response to the different needs of homeless persons and families so that they can make the critical transition from the streets to independent living.

It is important that a balance of prevention, emergency, rapid re-housing, transitional, and permanent supportive housing be provided, case management and other supportive services, so that the transition of homeless persons to self-sufficiency becomes permanent.

2. Identify actions taken to help homeless persons make the transition to permanent housing and independent living.

During this reporting period, the CoC began the process of adopting coordinated intake to the homeless response system. All CoC funded programs participate in this process to ensure that households are experiencing decreased lengths of time homelessness through receiving appropriate resources. Persons experiencing homelessness in this community contact Coordinated Homeless Intake and Access (CHIA) in order to be assessed for whether or not they can be prevented from becoming homeless or diverted from the homeless response system. If neither of these options are possible, homeless persons are referred to one of two local emergency shelters. Once in shelter, the household works with a case manager to establish a housing plan. This process occurs within the first two weeks of entering shelter. If the housing case manager and homeless household are unable to identify a housing plan, the household is referred back to CHIA for a more thorough assessment. This second step assessment identifies which next step resources (rapid re-housing, transitional housing, permanent supportive housing) are necessary in order for the household to transition to independent living. The CHIA coordinator makes the appropriate referral based upon the household's barriers to housing. Households with low to moderate barriers are referred to rapid re-housing, ones with moderate to high barriers are referred to transitional housing and ones with highest barriers are referred to permanent supportive housing. By matching households with the appropriate services, it is expected that there will be less recidivism and more success in households gaining permanent housing.

Rush Homes, one of the City's two (2) CHDOs, has a mission "to provide the opportunity for permanent, affordable homes to adults with low-incomes and significant mental and physical disabilities in Central Virginia." To that end, it has two (2) programs for independent living: the Home of Your Own Program and Supportive Housing Program (SHP). The SHP is for persons with disabilities who are homeless. Services provided by SHP include case management, money management, property maintenance assistance, health care assistance, and transportation. Rush Homes' recent activities are in Lynchburg and nearby Madison Heights, within Amherst County. In Madison Heights, Rush Homes has renovated one three-bedroom home and a quadplex to create five (5) new units in "Mays Street Housing." Rush Homes receives HOME Program and SHP grant money, and is also funded through the Virginia Housing Development Authority (VHDA), Federal Home Loan Bank of Atlanta, private foundations, and fundraising.

Cornerstone is a project that is owned and managed by LNDF. Shelter Plus Care and Continuum of Care grant funds are part of this project. It is one of the first independent living arrangements for homeless persons, and receives applicants on a referral basis.

A Veterans Affairs Outpatient Clinic is able to meet the needs of homeless veterans in the area.

3. Identify new Federal resources obtained from Homeless SuperNOFA.

The Continuum of Care (CoC) is in a Hold Harmless Renewal status.

Specific Homeless Prevention Elements

1. Identify actions taken to prevent homelessness.

Program Year 4 CAPER Specific Housing Prevention Elements response:

Lyn-CAG's Homeless Solutions Prevention Program targets low-income individuals and families who are eligible for services. The primary objective of the Program is to prevent displacement of households who are potentially homeless; to assist homeless persons in securing permanent housing; and to assist high risk homeless persons with rental arrears. Clients who are in danger of high risk arrears must provide verification of potential arrearage. This will be done through written documentation from reliable sources not limited to employment, medical and benefit services (namely unlawful detainer). Clients must submit documentation that verifies that the household lacks the financial resources and support networks needed to obtain immediate housing or remain in its existing housing. The Virginia Department of Housing and Community Development (DHCD) awarded a grant in the amount of $110,625 to Lyn-CAG. During this reporting period, 72 households were served and a total of 130 individuals were within those households.

2. **Identify actions taken to help homeless persons make the transition to permanent housing and independent living**

The ultimate objective of the homeless response system is to prevent homelessness, decrease the length of time households experience homelessness, increase exits from homelessness into permanent housing and decrease recidivism. All homeless response programs continue to work closely with community agencies to rapidly move homeless persons and families into permanent housing. This is accomplished through building relationships with local subsidized housing agencies and private landlords. Participants in homeless assistance programs receive regular case management to identify housing attainment plans. Attaining housing is possible through partnerships with service providers in the community. These linkages are to agencies in the areas of mental health, healthcare, financial assistance, education, employment, substance abuse, and children's services. The CoC agencies continue to work with local governments and other policy making entities to advocate for increases in assistance for rental subsidies and the availability of support services to increase the number of persons who can successfully transition to permanent housing.

Emergency Shelter Grants (ESG)

Program Year 4 CAPER ESG response:

Not applicable to the City of Lynchburg.

1. **Identify actions to address emergency shelter and transitional housing needs of homeless persons and families (including significant subpopulations such as those living on the streets).**

2. **Assessment of Relationship of ESG Funds to Goals and Objectives**
    a. **Evaluate progress made in using ESG funds to address homeless and homeless prevention needs, goals, and specific objectives established in the Consolidated Plan.**
    b. **Detail how ESG projects are related to implementation of comprehensive homeless planning strategy, including the number and types of persons and persons in households served with ESG funds.**

3. **Matching Resources**
    a. **Provide specific sources and amounts of new funding used to meet match as required by 42 USC 11375(a)(1), including cash resources, grants, and staff salaries, as well as in-kind contributions such as the value of a building or lease, donated materials, or volunteer time.**

4. **State Method of Distribution**
    a. **States must describe their method of distribution and how it rated and selected its local government agencies and private non-profit organizations acting as sub-recipients.**

5. **Activity and Beneficiary Data**
    a. **Completion of attached Emergency Shelter Grant Program Performance Chart or other reports showing ESGP expenditures by**

type of activity. Also describe any problems in collecting, reporting, and evaluating the reliability of this information.

b. **Homeless Discharge Coordination**
    i. **As part of the government developing and implementing a homeless discharge coordination policy, ESG homeless prevention funds may be used to assist very-low-income persons and families at risk of becoming homeless after being released from publicly funded institutions such as health care facilities, foster care or other youth facilities, or corrections institutions or programs.**
c. **Explain how your government is instituting a homeless discharge coordination policy, and how ESG homeless prevention funds are being used in this effort.**

COMMUNITY DEVELOPMENT

Community Development

Program Year 4 CAPER Community Development response:

1. **Assessment of Relationship of CDBG Funds to Goals and Objectives**
   a. **Assess use of CDBG funds in relation to the priorities, needs, goals, and specific objectives in the Consolidated Plan, particularly the highest priority activities.**
   b. **Evaluate progress made toward meeting goals for providing affordable housing using CDBG funds, including the number and types of households served.**
   c. **Indicate the extent to which CDBG funds were used for activities that benefited extremely low-income, low-income, and moderate-income persons.**

COMMUNITY DEVELOPMENT

1. a, b, & c. ASSESSMENT OF CDBG FUNDS TO PRIORITIES, GOALS AND OBJECTIVES IDENTIFIED IN THE 2010-2015 CONSOLIDATED PLAN

The summary below depicts the City's progress in meeting its stated annual goals in relation to the five-year Consolidated Pan.

Housing Ownership, Rehabilitation and Rental

PROGRAM	FIVE-YEAR GOALS					ANNUAL ACTUAL ACCOMPLISHMENTS				
	2010 (FY11)	2011 (FY12)	2012 (FY13)	2013 (FY14)	2014 (FY15	2010 (FY11)	2011 (FY12)	2012 (FY13)	2013 (FY14)	2014 (FY15)
Homeownership-Owner-occupied (CHDO)	1	2	1	1	1	1	2	1	1	
Homeownership-Homebuyer	10	10	10	10	10	15	10	3	5	
Homeownership-Retention/ Housing Rehabilitation	5	5	5	5	30	48	20	34	13	
Rental Units	0	24	24	28	0	0	49	1*	**	

*FY 13 goal was achieved ahead of schedule in FY 12
**FY 14 goal has not been achieved. Rush Homes is currently developing Armstrong Place which will provide the 28 rental units for this goal.

The City's goal in the Consolidated Plan is to make every housing unit safe, decent, and affordable. Assistance programs also extend to eligible rental activities. Another goal and important aspect of improving and sustaining community livability and services is to build on the existing assets within the various neighborhoods through revitalization and rehabilitation efforts. The City's plans also include creating opportunities to make home ownership available to qualified persons and providing assistance to help homeowners keep their homes. This in turn will help strengthen neighborhoods.

Lyn-CAG completed the occupancy requirements for 210 C Street. This property was acquired and rehabilitated with the use of CHDO funds previously allocated from HOME Program funds. The housing unit was sold during this reporting period and is occupied by a low-to-moderate income family.

A total of $65,900 in HOME funds was expended for Homeownership Homebuyer projects this program year by providing down payment assistance to five (5) households. These funds were expended by Greater Lynchburg Habitat for Humanity (GLHFH). Additionally, GLHFH utilized $214,493 in private funding for the construction and rehabilitation of five (5) housing units where down payment assistance was provided to the homebuyers.

Of the twelve (12) housing units that were rehabilitated, there was $240,000 in CDBG and HOME Program funds expended for these properties. These funds were expended by Lyn-CAG and Rebuilding Together Lynchburg. These rehabilitation efforts in our CDBG-targeted neighborhoods helped to increase the property values as well as improve the overall aesthetics of the neighborhoods.

Rebuilding Together received funds in the amount of $141,441 from other non-profits, foundations, corporations, and persons that enabled them to assist other low and very low-income persons within the CDBG targeted areas and the City of Lynchburg with minor rehabilitation repairs.

Support of Neighborhoods

PROGRAM	FIVE-YEAR GOALS					ANNUAL ACTUAL ACCOMPLISHMENTS				
	2010 (FY11)	2012 (FY12)	2012 (FY13)	2013 (FY14)	2014 (FY15)	2010 (FY11)	2012 (FY12)	2012 (FY13)	2013 (FY14)	2014 (FY15)
Neighborhood/ Community Meetings	5	5	5	5	5	96**	88**	97**	59**	
Infrastructure Improvements	1	1	1	1	1	1	1	1	1	

**Includes neighborhood meetings in Tinbridge Hill, Federal Hill, Fairview Heights, Dearington, Birchwood, Garland Hill, Dearing Street, Diamond Hill, College Hill, Seminary Hill, White Rock Hill, Richland Hills, Three Fountains, Georgetown Forest, Fort Early, Walden Pond, James Crossing, Woodside, Peakland, McGurk House, Dearing Street, Gates Street, and Edley Addition.

Neighborhoods are an important foundation for improving and sustaining community livability and services. Strong neighborhoods help to create more active and informed citizens which in turn result in a stronger community. Within neighborhoods there are shared identities, issues, concerns, and interests. Each neighborhood has its own unique priorities and character. The neighborhoods within Lynchburg's Historic Districts may be working to preserve the historical aesthetics of the neighborhood. Some neighborhoods have traffic problems while others are dealing with beautification, crime, youth, socioeconomic, and/or family concerns. Each neighborhood needs an avenue to deal with its individual needs so that the community continues to be strengthened and protected.

During this reporting period, the City's Code Compliance Team and other neighborhood groups met and conducted three (3) "walk-throughs" in CDBG targeted areas to review housing and Code related issues. These "walk-throughs" occurred on Dearing Street, Pansy Street, and White Rock Hill.

During this reporting period, the neighborhood associations met monthly and discussed their accomplishments and concerns related to issues within the neighborhood (i.e. crime, safety, aesthetics). City representatives from different departments attended these meetings and assisted the residents in resolving their concerns. A total of fifty-nine (59) neighborhood meetings were held in Tinbridge Hill, Federal Hill, Fairview Heights, Dearington, Birchwood, Garland Hill, Dearing Street, Diamond Hill, College Hill, Seminary Hill, White Rock Hill, Richland Hills, Three Fountains, Georgetown Forest, Fort Early, Walden Pond, James Crossing, Woodside, Peakland, McGurk House, Dearing Street, Gates Street, and Edley Addition.

Phase II of the Fifth Street improvement project which includes the blocks from Harrison to Main Street started construction in September 2011 and has been completed. The project included the same streetscape amenities as constructed in Phase I, but includes more significant water and sewer line replacements funded by the City's utilities fund. During this reporting period, $175,491 of CDBG funds were expended on the Phase II project. An additional $7,748 of CDBG funding was expended to purchase street benches and identity banners.

The Fifth Street Corridor is one of the major gateways to Downtown Lynchburg. It encompasses at least three (3) of the seven (7) "Hills" (College Hill, Garland Hill, and Tinbridge Hill), all of which are within the CDBG-targeted census tracts.

In addition to the Fifth Street infrastructure project, the City's Public Works Department utilized $418,212 in City funds during the reporting period of July 1, 2013 through June 30, 2014 on 48 projects located in low/mod areas. These projects included repairs to paving, handrails, sidewalk, guardrail and curb and gutter work.

Economic Development Efforts

PROGRAM	FIVE-YEAR GOALS					ANNUAL ACTUAL ACCOMPLISHMENTS				
	2010 (FY11)	2011 (FY12	2012 (FY13	2013 (FY14	2014 (FY15	2010 (FY11	2011 (FY12	2012 (FY13	2013 (FY14)	2014 (FY15)
Enterprise Zone	2	2	2	2	2	2	2	2	2	
Downtown Redevelopment Improvements	1	1	1	1	1	1	2	1	1	

The City's goal is to encourage more commercial and industrial development in order to provide more employment opportunities in the inner city.

The City has two Enterprise Zones: Enterprise Zone Number 2 - Downtown and Enterprise Zone Number 46 – Lynchpin. Downtown redevelopment and commercial development increases the number of jobs and wages available for low-to-moderate-income persons, decreases vacant and/or dilapidated non-revenue producing properties, increases business sales volume in the revitalized neighborhoods, and increases small business loans in targeted neighborhoods.

During this reporting period, the Office of Economic Development expanded the City's two Enterprise Zones, providing development and job creation assistance to growing businesses in commercial areas throughout town. In the past few years, the City has made several thousand additional acres of commercial property eligible for investment grants; over 170 jobs were created in Lynchburg's Enterprise Zones with $138,000 in state grants supporting an estimated $4.35 million in new payroll. Investments in commercial real estate were even more significant. Real Property Investment Grants of $1.18 million leveraged private commercial property investments of almost $26 million.

Public downtown and Riverfront redevelopment/infrastructure projects have been totally focused on the Lower Bluffwalk Phases 2 and 3. This project consist of constructing a pedestrian walking area, pocket parks, and plazas between the buildings facing Jefferson and Commerce Streets spanning from Ninth Street to Washington Street. In January 2012 the City allocated $5,715,420 for this project. During this reporting period $2,899,883 was expended on this project. The expected completion date for this project is January 2015.

Public Service Providers for At-risk Youth, Adults and Families

PROGRAM	FIVE-YEAR GOALS					ANNUAL ACTUAL ACCOMPLISHMENTS				
	2010 (FY11)	2011 (FY12)	2012 (FY13	2013 (FY14)	2014 (FY15)	2010 (FY11	2011 (FY12)	2012 (FY13)	2013 (FY14)	2014 (FY15)
Housing for Homeless Agencies	2	2	2	2	2	2	2	1	1	
Public Service Providers (Youth Activities-Recreation and Education, Senior Program, Domestic Violence)	2	2	2	2	2	2	2	**	1	

**In Program Year 2010 City Council updated its Citizen Participation Plan (CPP) and restructured programs and activities that would be funded with CDBG funds. This restructuring provided for public service activities to be conducted in partnership with City department projects. During Program Year 2013 there was one public service activity funded with CDBG funds. This activity was provided $30,000 of CDBG funds to provide staff support within the Division of Social Services to implement the Coordinated Homeless Intake and Access (CHIA), homeless response system. CHIA allows for an assessment to be completed determining whether or not the client can be prevented from becoming homeless or diverted from the homeless response system. If neither of these options is possible, homeless persons are referred to one of two local emergency shelters. There was $14,123 expended for the operation of this activity.

The City continues to support public service providers in order to meet the needs of the low-to-moderate income persons, persons with disabilities, substance abuse or addiction, persons with AIDS, persons that are homeless, and elderly persons. In addition to the services provided by the City's Division of Social Services, there are many nonprofit organizations that coordinate with the City to provide the services needed.

The City was awarded the Shelter Plus Care Grant during Program Year 2013. This grant provided assistance to twelve (12) persons and/or families that were homeless and was in need of permanent housing.

During this reporting period, the City allocated $30,000 for the Continuum of Care Coordinated Assessment Intake Social Worker public service activity. There was $14,123 expended and 195 potentially homeless and/or homeless persons served at the central intake office.

Residential Rental Property Inspections Program and Property Maintenance Inspections

PROGRAM		FIVE-YEAR GOALS				ANNUAL ACTUAL ACCOMPLISHMENTS				
	2010 (FY11)	2011 (FY12)	2012 (FY13)	2013 (FY14)	2014 (FY15)	2010 (FY11)	2011 (FY12)	2012 (FY13)	2013 (FY14)	2014 (FY15)
Rental Property Inspections	462	450	450	450	450	760	394	436	305	
Property Maintenance Inspections	2400	2300	2200	2100	2000	5078	5033	2465	3506	

The City continues to provide support for the Rental Inspection Program by reducing the number of rental properties that have Code violations and are health, safety, and public welfare concerns. While there were no HUD funds specifically expended on the Residential Rental Inspection Program, the City utilized General Operating funds to continue the enforcement of Property Maintenance Code violations in the rental housing stock in the CDBG-targeted neighborhoods. There were 305 rental inspections completed during this reporting period.

The Property Maintenance Code inspections that were completed during this reporting period include: pre-court inspections, court ordered inspections, initial inspections, and follow-up inspections. This Code enforcement effort provides a reduction in blighted properties and makes rental properties safer, more decent, and affordable for low-to-moderate-income persons. There were 3,506 Property Maintenance Inspections completed during this reporting period.

Demolition and Code Enforcement

PROGRAM	FIVE-YEAR GOALS					ANNUAL ACTUAL ACCOMPLISHMENTS				
	2010 (FY11)	2011 (FY12)	2012 (FY13)	2013 (FY14)	2014 (FY15)	2010 (FY11)	2011(FY 2)	2012 (FY13	2013 (FY14)	2014 (FY15)
Demolitions	2	2	2	2	2	3	2	3	2	
Weed Ordinance-Property Clearance	200	250	250	250	250	905***	896***	1529 ***	1512 ***	
Removal of Abandoned Vehicles	60	85	100	125	135	***	***	***	***	

***The TrakIt Data System categorizes the data for weed ordinance/property clearance and abandoned vehicles in one database; therefore, this data is reported as a combined accomplishment.

The City's goal is to continue to eliminate neighborhood deterioration, blight, and blighting influences through staged redevelopment of public infrastructure, rehabilitation activities, code enforcement, or clearance where needed. The Code Compliance Team completed 1,512 inspections during this reporting period.

The City expended $9,663 in local funds for the demolition of two (2) structures in the CDBG-targeted neighborhoods. The demolition and Code enforcement efforts reduced the number of derelict properties and further enhanced the living environment within the targeted neighborhoods.

2. Changes in Program Objectives

a. Identify the nature of and the reasons for any changes in program objectives and how the jurisdiction would change its program as a result of its experiences.

There were no changes in the City's program goals and objectives during the program year. Activities were consistent with the goals specified in the 2010-2015 Consolidated Plan.

3. Assessment of Efforts in Carrying Out Planned Actions

a. Indicate how grantee pursued all resources indicated in the Consolidated Plan.

The City pursued all resources available to the grantee. Funds received from a variety of federal, state, and local sources significantly leveraged Consolidated Plan grants. The CAPER section on leveraging provides an overview of the additional funds and in-kind contributions received by the City during the program year.

b. Indicate how grantee provided certifications of consistency in a fair and impartial manner.

The City of Lynchburg provided Certifications of Consistency with the Consolidated Plan to all agencies that met the test of consistency. Grant Administration staff reviews each project application and certify that the proposed activity is consistent with the City's Consolidated Plan. Certification requests are reviewed to determine that the project location is within the City's jurisdiction; that the project's scope of services is consistent with the City's Consolidated Plan priorities; and that the project's services are received primarily by City residents.

During the Program Year 2013, the City processed certifications in the areas of public housing, competitive homeless grant programs, and transitional housing providers.

c. Indicate how grantee did not hinder Consolidated Plan implementation by action or willful inaction.

The City did not knowingly hinder Consolidated Plan implementation by action or willful inaction, and affirmatively pursued the goals, priorities, and strategies outlined in the Consolidated Plan. The City adhered to all requirements and certifications contained within the grant agreement executed with HUD for the CDBG and HOME Program.

4. For Funds Not Used for National Objectives

a. Indicate how use of CDBG funds did not meet national objectives.
b. Indicate how did not comply with overall benefit certification.

CDBG and all federal funds were used only in connection with the three National Objectives set forth in the regulations governing the CDBG grant, and the City fully complied with the requirement to expend at least 70% of federal funds received to benefit low-to-moderate-income persons over a three-year period. The City, as in years past, exceeded this requirement during this program year as detailed in the PR 26 (Financial Summary) report. The City fully complied with the overall benefit certification during the reporting period.

5. **Anti-displacement and Relocation – for activities that involve acquisition, rehabilitation or demolition of occupied real property**

    a. **Describe steps actually taken to minimize the amount of displacement resulting from the CDBG-assisted activities.**
    b. **Describe steps taken to identify households, businesses, farms or non-profit organizations who occupied properties subject to the Uniform Relocation Act or Section 104(d) of the Housing and Community Development Act of 1974, as amended, and whether or not they were displaced, and the nature of their needs and preferences.**
    c. **Describe steps taken to ensure the timely issuance of information notices to displaced households, businesses, farms, or non-profit organizations.**

The City has adopted and follows an Anti-Displacement and Relocation Policy as part of the Citizen Participation Plan. It is the policy of the City of Lynchburg to minimize the displacement of families and persons from their homes and neighborhoods as a result of activities assisted with funds provided under the HOME and CDBG programs.

There were no temporary or permanent displacements that occurred during the reporting period.

6. **Low/Mod Job Activities – for economic development activities undertaken where jobs were made available but not taken by low or moderate-income persons.**

    a. **Describe actions taken by grantee and businesses to ensure first consideration was or will be given to low/mod persons.**
    b. **List by job title of all the permanent jobs created/retained and those that were made available to low/mod persons.**
    c. **If any of jobs claimed as being available to low/mod persons require special skill, work experience, or education, provide a description of steps being taken or that will be taken to provide such skills, experience, or education.**

There were no economic development projects funded in this program period.

7. **Low/Mod Limited Clientele Activities – for activities not falling within one of the categories of presumed limited clientele low- and moderate-income benefit**

a. **Describe how the nature, location, or other information demonstrates the activities benefit a limited clientele at least 51% of whom are low- and moderate-income.**

The one CDBG funded activity that had a Broad National Objective (BNO) as low-to-moderate income area was located within the CDBG-targeted Census Tracts 5 and 6. Both of these Tracts have more than 51% of the residents who are low to-moderate income.

8. **Program income received.**

a. **Detail the amount of program income reported that was returned to each individual revolving fund, e.g., housing rehabilitation, economic development, or other type of revolving fund.**

N/A

b. **Detail the amount repaid on each float-funded activity.**

N/A

c. **Detail all other loan repayments broken down by the categories of housing rehabilitation, economic development, or other.**

N/A

d. **Detail the amount of income received from the sale of property by parcel.**

Lynchburg Redevelopment and Housing Authority disposed of the following properties during this reporting period:

Address of Property	Sold/Conveyed to	Program Income Received
800 Mansfield Ave.	Maybrook Investments	$ 500
808 Dinwiddie St.	Thaduis Dunnum	$ 5,000
1100 Polk St.	James C. Adams, Jr.	$ 1,501
1102 Polk St.	James C. Adams, Jr.	$ 1,501
1104 Polk St.	James C. Adams, Jr.	$ 1,501
504 Federal St.	Teresa Jackson	$ 4,800
510 Federal St.	Teresa Jackson	$ 3,900
516 Federal St.	Teresa Jackson	$ 2,100
520 Federal St.	Teresa Jackson	$ 2,100
524 Federal St.	Teresa Jackson	$ 2,100
1015 Second St.	Teresa Jackson	$ 2,001
1017 Second St.	Teresa Jackson	$ 2,001
1018 Second St.	Teresa Jackson	$ 2,001
408 Federal St.	Economic Development Authority	$ 40,000
707 Fifth St.	Economic Development Authority	$ 11,000
709 Fifth St.	Economic Development Authority	$ 40,000
711-715 Fifth St.	Economic Development Authority	$ 15,000
717 Fifth St.	Economic Development Authority	$ 30,000
1801 Floyd	Samuel K. Roskelley and Ernest Beaumont	$ 1
119 I St.	Teresa Roberson	$ 3,000
1008 Tenth St.	Nicole M. Holloway	$ 1,000
1007 Tyree St.	Roderick & Mary Green	$ 3,800
1801 Globe St.	Roderick & Mary Green	$ 3,000
701 Fifth St.	Josua's House LLC	$ 24,100
703 Fifth St.	Josua's House LLC	$ 25,000
42 Hollins Mill Rd	William Hamilton Jr.	$ 2,000
715 Spring St.	Conveyed to LRHA Special Income	$ 500
1008 Ninth St.	Conveyed to LRHA Special Income	$ 2,000
Total Program Income Received		$ 231,407

9. Prior period adjustments – where reimbursement was made this reporting period for expenditures (made in previous reporting periods) that have been disallowed, provide the following information:

a. The activity name and number as shown in IDIS;

N/A

b. The program year(s) in which the expenditure(s) for the disallowed activity(ies) was reported;

c. The amount returned to line-of-credit or program account; and

d. **Total amount to be reimbursed and the time period over which the reimbursement is to be made, if the reimbursement is made with multi-year payments.**

10. Loans and other receivables

a. **List the principal balance for each float-funded activity outstanding as of the end of the reporting period and the date(s) by which the funds are expected to be received.**

N/A

b. **List the total number of other loans outstanding and the principal balance owed as of the end of the reporting period.**

Bluffwalk - One loan with outstanding principal of $1,940,000 – Appendix G

c. **List separately the total number of outstanding loans that are deferred or forgivable, the principal balance owed as of the end of the reporting period, and the terms of the deferral or forgiveness.**

N/A

d. **Detail the total number and amount of loans made with CDBG funds that have gone into default and for which the balance was forgiven or written off during the reporting period.**

N/A

e. **Provide a List of the parcels of property owned by the grantee or its sub-recipients that have been acquired or improved using CDBG funds and that are available for sale as of the end of the reporting period.**

The Real Property Inventory is included as Appendix F in the CAPER report.

Lump sum agreements

f. **Provide the name of the financial institution.**
g. **Provide the date the funds were deposited.**
h. **Provide the date the use of funds commenced.**
i. **Provide the %age of funds disbursed within 180 days of deposit in the institution.**

N/A

11. Housing Rehabilitation – for each type of rehabilitation program for which projects/units were reported as completed during the program year.

a. **Identify the type of program and number of projects/units completed for each program.**
b. **Provide the total CDBG funds involved in the program.**
c. **Detail other public and private funds involved in the project.**

This information is included in Section 1 of this CAPER.

12. Neighborhood Revitalization Strategies – for grantees that have HUD-approved neighborhood revitalization strategies describe progress against benchmarks for the program year. For grantees with Federally-designated EZs or ECs that received HUD approval for a neighborhood revitalization strategy, reports that are required as part of the EZ/EC process shall suffice for purposes of reporting progress.

The City does not have an approved Neighborhood Revitalization Strategy.

13. Returned Funds

As a result of HUD's financial review of the Program Year 2012 CAPER, $2,800 was returned to HUD. The breakdown is as follows: 921 Taylor Street-$21; 1017 Floyd Street-$684; Daniel's Hill Acquisition-$1,100; Spot Blight Abatement/Acquisition Program-$995

Antipoverty Strategy

1. **Describe actions taken during the last year to reduce the number of persons living below the poverty level.**

Program Year 4 CAPER Anti-poverty Strategy response:

The City seeks to reduce the number of households with incomes below the poverty line this year by continuing with the long-term solutions such as education (including adult education and job skill training), economic development, and coordinated supportive services. These areas are traditionally within the local government's sphere of influence, and the Lynchburg City Council has placed significant emphasis and funding in these areas.

NON-HOMELESS SPECIAL NEEDS

Non-homeless Special Needs

Program Year 4 CAPER Non-homeless Special Needs response:

1. **Identify actions taken to address special needs of persons that are not homeless but require supportive housing, (including persons with HIV/AIDS and their families).**

The facilities currently available for persons with supportive housing needs are limited to those offered by the ARC of Central Virginia, Horizon Behavioral Health, Central Virginia Training Center, Rush Homes, L'ARCHE Blue Ridge Mountains, Heart Haven, DePaul Family Services, Presbyterian Homes and Family Services, Lynchburg Covenant Fellowship (LCF), and selected housing facilities with units restricted for use by elderly or persons who are disabled. There are other for-profit companies that provide group homes, support services, and foster care for adults with mental retardation. Some of these include Laury Homes Residential Services, Lamano Agency, and Creative Family Solutions.

LCF owns and/or manages over 200 housing units for low-income, disabled, and elderly households. LCF has helped Horizon Behavioral Health develop 60 units for persons who have developmental disabilities in Lynchburg. Rush Homes (RLH) currently owns twelve (12) homes that provide permanent housing for adults with significant mental and physical disabilities that prevent them from owning and maintaining their own home.

Specific HOPWA Objectives

Program Year 4 CAPER Specific HOPWA Objectives response:

The City of Lynchburg does not receive HOPWA funds.

1. **Overall Assessment of Relationship of HOPWA Funds to Goals and Objectives**
   Grantees should demonstrate through the CAPER and related IDIS reports the progress they are making at accomplishing identified goals and objectives with HOPWA funding. Grantees should demonstrate:
   a. **That progress is being made toward meeting the HOPWA goal for providing affordable housing using HOPWA funds and other resources for persons with HIV/AIDS and their families through a comprehensive community plan;**
   b. **That community-wide HIV/AIDS housing strategies are meeting HUD's national goal of increasing the availability of decent, safe, and affordable housing for low-income persons living with HIV/AIDS;**
   c. **That community partnerships between State and local governments and community-based non-profits are creating models and innovative strategies to serve the housing and related supportive service needs of persons living with HIV/AIDS and their families;**
   d. **That through community-wide strategies Federal, State, local, and other resources are matched with HOPWA funding to create comprehensive housing strategies;**
   e. **That community strategies produce and support actual units of housing for persons living with HIV/AIDS; and finally,**
   f. **That community strategies identify and supply related supportive services in conjunction with housing to ensure the needs of persons living with HIV/AIDS and their families are met.**

2. **This should be accomplished by providing an executive summary (1-5 pages) that includes:**
   a. **Grantee Narrative**
      i. **Grantee and Community Overview**
         (1)A brief description of your organization, the area of service, the name of each project sponsor and a broad overview of the range/type of housing activities and related services
         (2)How grant management oversight of project sponsor activities is conducted and how project sponsors are selected
         (3)A description of the local jurisdiction, its need, and the estimated number of persons living with HIV/AIDS
         (4)A brief description of the planning and public consultations involved in the use of HOPWA funds including reference to any appropriate planning document or advisory body
         (5)What other resources were used in conjunction with HOPWA funded activities, including cash resources and in-kind contributions, such as the value of services or materials provided by volunteers or by other persons or organizations
         (6)Collaborative efforts with related programs including coordination and planning with clients, advocates, Ryan White CARE Act planning bodies, AIDS Drug Assistance Programs,

homeless assistance programs, or other efforts that assist persons living with HIV/AIDS and their families.

ii. Project Accomplishment Overview

(1) A brief summary of all housing activities broken down by three types: emergency or short-term rent, mortgage or utility payments to prevent homelessness; rental assistance; facility based housing, including development cost, operating cost for those facilities and community residences

(2) The number of units of housing which have been created through acquisition, rehabilitation, or new construction since 1993 with any HOPWA funds

(3) A brief description of any unique supportive service or other service delivery models or efforts

(4) Any other accomplishments recognized in your community due to the use of HOPWA funds, including any projects in developmental stages that are not operational.

iii. Barriers or Trends Overview

(1) Describe any barriers encountered, actions in response to barriers, and recommendations for program improvement

(2) Trends you expect your community to face in meeting the needs of persons with HIV/AIDS, and

(3) Any other information you feel may be important as you look at providing services to persons with HIV/AIDS in the next 5-10 years

b. Accomplishment Data

i. Completion of CAPER Performance Chart 1 of Actual Performance in the provision of housing (Table II-1 to be submitted with CAPER).

ii. Completion of CAPER Performance Chart 2 of Comparison to Planned Housing Actions (Table II-2 to be submitted with CAPER).

OTHER NARRATIVE

Include any CAPER information that was not covered by narratives in any other section.

Program Year 4 CAPER Other Narrative response:

<u>INTEGRATED DISBURSEMENT AND INFORMATION SYSTEM (IDIS) REPORTS</u>

The Integrated Disbursement Information System (IDIS) is sponsored by the Office of Community Planning and Development (CPD) within the U. S. Department of Housing and Urban Development (HUD). The reporting system allows grantees who receive formula grant programs, Community Development Block Grant (CDBG) and HOME Program, to provide HUD with performance results related to their Consolidated Plan and Annual Action Plans. The required IDIS Reports are being submitted along with the CAPER narrative to HUD in the final document.

A draft copy of the IDIS reports and appendices are available in the Grants Administration Office for review.

Agenda Item #12

9-14-14

Dear Mrs. Valarie Chambers:

My name is Consuela Mosley. Parental Alienation: The Impact it has on children. Parental Alienation is psychological and emotional abuse on innocent children. Thank you for your cooperation.

Thank You,

Consuela Mosley

Consuela Mosley
1125 LAkeside DR. #34-C
Lynchburg, Va 24501
(434)473-2243

129K

RECEIVED
SEP 15 2014
Council/Manager
Offices

LYNCHBURG CITY COUNCIL
Agenda Item Summary

MEETING DATE: **September 23, 2014** AGENDA ITEM NO.: 13

CONSENT: REGULAR: **X** WORK SESSION: CLOSED SESSION: (Confidential)

ACTION: **X** INFORMATION:

ITEM TITLE: **Police Department Participation in the DMV Highway Safety Grant - Speed**

RECOMMENDATION:
Adopt a resolution to amend the FY 2015 City/Federal/State Aid Fund budget and appropriate $11,827 with resources of $7,500 from the Department of Motor Vehicles Highway Safety Grant, an in-kind service and equipment match of $3,750, and $577 transferred from the FY 2015 General Fund Police Department budget to provide funds for speed enforcement activities.

SUMMARY:
The Department of Motor Vehicles Highway Safety Program has awarded the City an $11,827 grant. The funds will be used for speed enforcement activities.

This grant excludes reimbursement of FICA (Medicare and Social Security) benefit costs associated with the allotted overtime; however, funding of $577 is available for transfer from the FY 2015 Police Department budget to cover this expense.

An in–kind match of $3,750 in police equipment and services is part of the grant agreement.

PRIOR ACTION(S):
September 23, 2014 Finance Committee

BUDGET IMPACT:
The grant requires the locality pay the FICA (Medicare and Social Security) benefits associated with the allotted overtime funds; $577 will be transferred from the FY 2015 General Fund Police Department budget to cover this expense.

CONTACT(S):
Police Chief Parks Snead, 455-6104
Captain M.L. Jamison, Police Department, 455-6168

ATTACHMENT(S):
Resolution

REVIEWED BY:
bms

RESOLUTION:

BE IT RESOLVED that the FY 2015 City/Federal/State Aid Fund budget is amended and $11,827 is appropriated with resources of $7,500 from the Department of Motor Vehicles Highway Safety Grant, an in-kind service and equipment match of $3,750, and $577 transferred from the FY 2015 General Fund Police Department budget to provide funds for speed enforcement activities.

Introduced: Adopted:

Certified: ______________________________
Clerk of Council

128K

LYNCHBURG CITY COUNCIL
Agenda Item Summary

MEETING DATE: **September 23, 2014**			AGENDA ITEM NO.: 14
CONSENT:	REGULAR: **X**	WORK SESSION:	CLOSED SESSION: (Confidential)
ACTION: **X**		INFORMATION:	

ITEM TITLE: **Police Bulletproof Vest Partnership 2014 Grant Funding**

RECOMMENDATION:
Adopt a resolution to amend the FY 2015 City/Federal/State Aid Fund budget and appropriate $33,733 with resources of $16,866 from the Bulletproof Vest Partnership 2014 Grant Program and $16,867 transferred from the FY 2015 General Fund Police Department ($15,636) and Sheriff's Office ($1,231) budgets to purchase 43 replacement bulletproof vests for law enforcement officers.

SUMMARY:
The Police Department and Sheriff's Office have been awarded a grant under the Bulletproof Vest Partnership. Funding will be used to purchase 43 replacement bulletproof vests for law enforcement officers.

Total vest replacement costs are $33,733. The grant requires a 50% local match; these funds are available in the FY 2015 General Fund Police Department and Sheriff's Office operating budgets.

PRIOR ACTION(S):
September 23, 2014 Finance Committee

FISCAL IMPACT:
The required local match is budgeted in the FY 2015 General Fund Police Department and Sheriff's Office operating budgets; therefore, no additional funds are required.

CONTACT(S):
Police Chief Parks Snead, 455-6104; Captain M.L. Jamison, 455-6168;
Sheriff Ron Gillispie, 847-1301; Chief Deputy D.T. Sloan, 847-1301

ATTACHMENT(S):
Resolution

REVIEWED BY:
bms

RESOLUTION:
BE IT RESOLVED that the FY 2015 City/Federal/State Aid Fund budget is amended and $33,733 is appropriated with resources of $16,866 from the Bulletproof Vest Partnership 2014 Grant Program and $16,867 transferred from the FY 2015 General Fund Police Department ($15,636) and Sheriff's Office ($1,231) budgets to purchase 43 replacement bulletproof vests for law enforcement officers.

Introduced: Adopted:

Certified: ______________________________
Clerk of Council

126K

LYNCHBURG CITY COUNCIL
Agenda Item Summary

MEETING DATE: **September 23, 2014** AGENDA ITEM NO.: 15

CONSENT: REGULAR: **X** WORK SESSION: CLOSED SESSION: (Confidential)

ACTION: **X** INFORMATION:

ITEM TITLE: **2014 Edward Byrne Memorial Justice Assistance Grant (JAG)**

RECOMMENDATION: Adopt a resolution to amend the FY 2015 City/Federal/State Aid Fund budget and appropriate $40,951 with resources from an Edward Byrne Memorial Justice Assistance Grant (JAG) to purchase forensic computer software and hardware, map boards for field supervisor vehicles, an evidence refrigerator, impact munitions, a high capacity printer, and tasers.

SUMMARY: The City is eligible to receive $40,951 in Edward Byrne Memorial Justice Assistance Grant (JAG) funding. Funding will be utilized to purchase forensic computer software and hardware, map boards for field supervisor vehicles, an evidence refrigerator, impact munitions for the Police Department ($32,182); a high capacity printer for the Office of the Commonwealth's Attorney ($3,781); and tasers for the Sheriff's Department ($4,988). Total equipment cost is $40,951, which is fully reimbursable by the grant. No local matching funds are required.

PRIOR ACTION(S):
May 27, 2014 City Council – Approval of application submission
September 23, 2014 Finance Committee

FISCAL IMPACT:
None, no local match is required.

CONTACT(S):
Police Chief Parks Snead, 455-6104
Captain M.L. Jamison, 455-6168

ATTACHMENT(S):
Resolution

REVIEWED BY:
bms

RESOLUTION:

BE IT RESOLVED that the FY 2015 City/Federal/State Aid Fund budget is amended and $40,951 is appropriated with resources from the 2014 Edward Byrne Memorial Justice Assistance Grant (JAG) to purchase forensic computer software and hardware, map boards for field supervisor vehicles, an evidence refrigerator, impact munitions, a high capacity printer, and tasers.

Introduced: Adopted:

Certified: ______________________________
Clerk of Council

127K

LYNCHBURG CITY COUNCIL
Agenda Item Summary

MEETING DATE: **September 23, 2014** AGENDA ITEM NO.: 16

CONSENT: REGULAR: **X** WORK SESSION: CLOSED SESSION: (Confidential)

ACTION: **X** INFORMATION:

ITEM TITLE: **Police Department Participation in the DMV Highway Safety Grant – DUI Enforcement**

RECOMMENDATION: Adopt a resolution to amend the FY 2015 City/Federal/State Aid Fund budget and appropriate $51,509 with resources of $32,809 from the Department of Motor Vehicles Highway Safety Grant, an in-kind service and equipment match of $16,405, and $2,295 transferred from the FY 2015 General Fund Police Department budget to provide selective DUI and occupant restraint enforcement activities, attend related training, and purchase equipment.

SUMMARY: The Department of Motor Vehicles Highway Safety Program has awarded the City a $51,509 grant. The funds will be used for selective DUI and speed enforcement activities, to attend related training, and to purchase equipment for DUI enforcement.

This grant excludes reimbursement of FICA (Medicare and Social Security) benefit costs associated with the allotted overtime; however, funding of $2,295 is available for transfer from the FY 2015 General Fund Police Department budget to cover this expense.

An in–kind match of $16,405 in police equipment and services is part of the grant agreement.

PRIOR ACTION(S):
September 23, 2014 Finance Committee

BUDGET IMPACT:
The grant requires the locality pay the FICA (Medicare and Social Security) benefits associated with the allotted overtime funds; $2,295 will be transferred from the FY 2015 General Fund Police Department budget to cover this expense.

CONTACT(S):
Police Chief Parks Snead, 455-6104
Captain M.L. Jamison Police Department, 455-6168

ATTACHMENT(S):
Resolution

REVIEWED BY:
bms

RESOLUTION:

BE IT RESOLVED that the FY 2015 City/Federal/State Aid Fund budget is amended and $51,509 is appropriated with resources of $32,809 from the Department of Motor Vehicles Highway Safety Grant, an in-kind service and equipment match of $16,405, and $2,295 transferred from the FY 2015 General Fund Police Department budget to provide selective DUI and occupant restraint enforcement activities, attend related training, and purchase equipment.

Introduced: Adopted:

Certified: ______________________________
Clerk of Council

125K

LYNCHBURG CITY COUNCIL
Agenda Item Summary

MEETING DATE: **September 23, 2014** AGENDA ITEM NO.: 17

CONSENT: REGULAR: **X** WORK SESSION: CLOSED SESSION: (Confidential)

ACTION: INFORMATION: **X**

ITEM TITLE: **Update on Freedom Aviation's Request to Assume the Lease of Virginia Aviation**

RECOMMENDATION: No action required. Staff would like Council's thoughts on the direction of future discussions with Freedom Aviation.

SUMMARY: Since the public hearing on Freedom Aviation's request to assume the lease of Virginia Aviation for certain facilities at the Lynchburg Regional Airport, a number of activities have occurred with a goal of bringing forth a proposal that accomplishes several purposes:

- Preserve and enhance commercial air service at the airport
- Support and enhance the general aviation community
- Support businesses providing aeronautical services
- Maintain an open and competitive business environment for existing or new businesses
- Maximize airport revenues in order to eliminate the General Fund subsidy

Staff has met with Freedom Aviation representatives on several occasions to discuss its request and has kept the Airport Commission informed.

On August 11, 2014 a General Aviation Forum was held to solicit input from that community. Three questions were asked:

1. What services, facilities or amenities at Lynchburg Regional Airport are most important to the General Aviation community/

2. What unrealized opportunities are there that, if realized, would benefit the GA community?

3. What other issues should be considered as we determine how to move forward?

Comments from participants were recorded and are compiled in the attachment. The Airport Commission reviewed and discussed the comments on August 25th and identified the following issues as of particular interest:

- Customer Service (timely, professional, value, quality)
- Cost of Fuel (benchmark + OH + "profit") ("rack rate")
- Hangar Space (projections GA + LU; no reduction of GA)
- Maintenance
- Meeting the needs of School of Aeronautics (But don't bump the GA)

As the discussions have continued four basic options have been identified:

- Allow the acquisition of the Virginia Aviation lease by Freedom Aviation to stand (possibly with certain facility divestitures and for no longer than the term of the former lease, possibly shorter);

- Have the airport/City take over basic (limited) FBO services to include retail fuel (most) and airline/military fuel (as an exclusive), GA terminal and related aircraft storage;

- Bid out the Virginia Aviation leasehold to a potential competitor, or accept proposals; or,

- Airport/City operation of the limited airport FBO under a management contract.

Freedom Aviation would prefer the first option with as few changes as possible and staff has expressed a preference for the second option. That option is currently being evaluated to determine potential financial impact.

As this process continues, the next steps will include a special meeting of the Airport Commission in October; a public hearing by the Airport Commission and a recommendation to City Council, a public hearing before Council and Council's decision.

This agenda item is intended to provide Council with an update on this matter, to answer any questions, and to receive any suggestions from Council as the discussion moves forward.

PRIOR ACTION(S): June 24, 2014 Public Hearing (Airport Director Mark Courtney's comments and a letter from Freedom Aviation are attached for reference.)

FISCAL IMPACT: To be determined.

CONTACT(S): Kimball Payne, 455-3990; Mark Courtney, Airport Director, 455-6089

ATTACHMENT(S): Courtney Comments, June 24, 2014 Public Hearing; Letter from Freedom Aviation dated June 23, 2014; Comments from General Aviation Forum held August 11, 2014;

REVIEWED BY: lkp

131K

June 24, 2014 Council Presentation
Remarks of Mark Courtney, Airport Director
Request to Assign Virginia Aviation Lease to Freedom Aviation/Liberty University

Mr. Mayor and Members of Council:

I. As the Council Reports indicates, this public hearing deals with a joint request by LYH's two fixed base operators, Freedom Aviation and Virginia Aviation, for City Council to approve an assignment of VA's lease to Freedom Aviation as part of an April 2014 Stock Purchase Agreement to acquire Virginia Aviation.

II. Without a doubt, this request raises a number of airport use and economic issues, which — from a technical perspective—creates complex public interest concerns involving the establishment of monopoly control of public assets that will eliminate FBO competition at LYH. Compounding that are other concerns… including the granting of an exclusive right in possible violation of FAA grant assurances… the possible forced elimination of existing sub-tenants of VA which provide added competition and vital community aviation services…as well as the reduced availability of GA services, and the possible dislocation of numerous general aviation customers.

III. With that in mind: The key issue for Council to consider with this request is whether to waive or amend existing language in VA's lease which not only specifically prohibits such an assignment…but also expressly prohibits the very kind of sale that has been proposed.

IV. Let me be clear: Your ultimate decision on this request could have a major impact on the future direction of LYH…particularly with regards to the airport's ability to maintain free-market FBO competition for years to come. **Bottom line**: Once it's gone…it's gone.

V. History.

A. By way of background, the current FBO competitive environment at LYH had its genesis over ten years ago with the establishment of the airport's first retail aviation services competitor to Virginia Aviation, Britannia Aviation. Britannia initially operated as a specialized maintenance business, but…over time and through subsequent ownership… evolved into a second FBO through several <u>Council-approved</u> assignments…<u>all</u> with no airport, Commission or customer objections.

B. Why? Because each of these assignments <u>preserved and protected airport competition…</u>and were intentionally and progressively built on a model designed to create and maintain a competitive FBO <u>environment</u> at LYH.

C. And how do I know that balance exists? Simply because both FBOs claim the other has the better deal!

VI. This evolution resulted in the sharing of FBO facilities as shown here.

A. [SHOW LEASEHOLD DRAWINGS]

VII. **Guiding Principles** -- With that perspective in mind, let me explain some of the basic guiding principles that were designed to balance the airport's FBO leases. Overall, the goal was:

1. To preserve the existing FBO competition model that has worked for the last 10 years.

2. To adhere to LYH's Mission as established by the Airport Commission in 2012, which states:

   Lynchburg Regional Airport shall endeavor to provide a full-range of quality aeronautical services in order to serve the aviation needs of the greater community while operating in a self-sustainable manner. …It shall be customer service focused, emphasize safety continuously, be financially responsible, and maintain a competitive airport business environment while at all times operating in the public interest.

3. Yet another guiding principle simply is the concept of a tenant honoring its commitment, which means: a lease is a lease…a contract is a contract … and intended by airport management to be negotiated in good faith and not renegotiated unilaterally.

4. A particularly important guiding principle involves adherence to the City's FAA obligations.

   1. For example, the City has agreed to certain federal, contractual obligations (called sponsor assurances) as a recipient of FAA grant funds. [SHOW FAA SLIDE] I have been informed by the FAA that Sponsor Assurance #23, as shown here, may apply to this acquisition based on it having the potential to effectively create an "exclusive right" at LYH in violation of FAA policy.

   2. Yet, at the same time, these sponsor assurances also specifically grant the airport the exclusive right to be the sole provider of any aeronautical service, including fuel. And why does the FAA give airport sponsors this right? For the very situation we are dealing with in order to protect a competitive environment and ensure the public interest.

VIII. **Now, turning to the terms of the VA lease, nothing has changed:** It was agreed to by VA last summer with the addition of two key provisions,[SHOW LEASE SLIDE], shown here, that not only prohibits any lease assignment…but included automatic lease termination language in the event of a sale. In fact, these provisions were intentionally added in anticipation of the very request that is before you tonight.

IX. I'd also like to address the notion that some have raised that LYH cannot support two FBOs:

A. First & foremost: Every airport is unique. In other words…If you've seen one airport, you've seen one airport.

B. In this case, each FBO offers unique aviation services that give them specific market advantages that counter-balance. Essentially, the Liberty SOA program creates a captive, high-margin university flight training program that generates premium revenues, and can generally support—by itself—sufficient market demand to support one FBO.

C. On the other hand, VA's model is the more traditional, fuel-centric FBO model that historically has relied upon the sale of aviation fuel to visiting corporate jets, business aircraft and the airlines.

D. Examples have been made that both CHO and ROA have only 1 FBO. But just because they both only have <u>one</u> FBO, doesn't mean they <u>couldn't</u> support two FBOs. For example, a smaller GA airport like Easton, Md. has two FBOs that are both doing quite well…or MLB, a comparable small commercial service airport where Florida Tech's SOA is located (my alma mater)…offers similar university flight programs like Liberty's. Yet MLB not only supports FIT Aviation, but two other FBOs as well.

X. Now… since this proposed FBO consolidation has been announced, GA customers and other airport businesses have expressed serious concerns that primarily center on the detrimental effects of creating a "fortress monopoly" environment at LYH. These include the establishment of:

A. Monopoly pricing [SHOW JET A SLIDE]. Here's just one example:

B. GA users also noted… the negative impact on GA community access to services/facilities, along with possible lower priority treatment.

C. The displacement of existing sub-tenants and based aircraft customers.

XI. It was these very concerns that the Airport Commission struggled with at its May Special Meeting to make a recommendation to Council… and ultimately concluded that this assignment request was not in the public interest due to the fact that it would eliminate the existing FBO competitive environment at LYH… and but also lacked any public benefit while threatening GA interests. (And if Council would like further input on that decision, the chairman of the Airport Commission, Stewart Hobbs, is also here tonight to answer any questions.)

XII. Accordingly, staff concurs with the Commission and recommends that Council deny waiving the provision in Virginia Aviation’s current lease which prohibits this assignment, and retain the provision that any such sale as proposed will automatically terminate Virginia Aviation’s lease.

XIII. Thank you for your attention, and I will be available for questions following the public hearing.

FREEDOM
AVIATION

Freedom Aviation
310 Hangar Road
Lynchburg, VA 24502
June 23, 2014

Via Hand Delivery and Email

L. Kimball Payne, III, City Manager
City of Lynchburg
900 Church Street, 3rd Floor
Lynchburg, VA 24504
kpayne@lynchburgva.gov

Michael A. Gillette, Mayor
City of Lynchburg
900 Church Street, 3rd Floor
Lynchburg, VA 24504
michael.gillette@lynchburgva.gov

Re: Assignment of Lease of Property – Aircraft Hangars, Offices and General Aviation Terminal dated July 1, 2013 by and between City of Lynchburg and Aviation Resources, Inc. dba Virginia Aviation (the "Lease") from Virginia Aviation to Freedom Aviation

Dear Kim and Mike:

Reference is made to the letter dated April 11, 2014, pursuant to which counsel for each of Virginia Aviation and its owner, James R. Walker, and Freedom Aviation submitted a joint request of the City of Lynchburg to approve an assignment of the above-referenced Lease (the "Assignment") in connection with Mr. Walker's sale of Virginia Aviation (aka Aviation Resources, Inc.) to Freedom Aviation (fka Falwell Aviation) (the "Transaction"). The parties intend to close on the Transaction by the end of this week.

In furtherance of the request made by the parties that will come before the City Council on June 24, 2014, Freedom Aviation proffers the following as additional consideration under the Lease for the City to approve the Assignment:

(1) Virginia Aviation (under its new ownership by Freedom Aviation) will agree to pay $16,000 per month in rent to the City beginning on July 1, 2014. Currently, the Lease requires Virginia Aviation to pay $11,044 per month in rent. As a result, the City will receive an additional $59,472 in rent each year, for a total of $237,888 in additional rent for the remaining four (4) years of the term of the Lease.

(2) Virginia Aviation (under its new ownership by Freedom Aviation) will reserve and limit usage of the General Aviation Terminal Building exclusively for general aviation services to benefit the general aviation community and general public. In other words, neither Virginia

Aviation nor Freedom Aviation will conduct any of its flight school training operations out of the General Aviation Terminal Building.[1]

(3) Virginia Aviation (under its ownership by Freedom Aviation) will invest at least $100,000 each year to enhance the current General Aviation facilities and/or amenitieswhich in turn will improve the economic value to the City and incentivize the general aviation community to increase its business in the Lynchburg area. In other words, Virginia Aviation will invest a total of at least $400,000, over the remaining four (4) years of the term of the Lease, towards capital improvement projects that will benefit General Aviation.

(4) Virginia Aviation (under its ownership by Freedom Aviation) and Freedom Aviation will significantly upgrade the service levels and professional appearance of staff serving General Aviation, including uniforms for both indoor and ramp employees, to achieve a first class level of greeting and service to business travelers coming to the Lynchburg area through the Airport's General Aviation facilities.

(5) Virginia Aviation (under its ownership by Freedom Aviation) and Freedom Aviation will work together with the City with the goal of establishing a Maintenance Repair and Overhaul (MRO) facility at the Lynchburg Airport to further support the general aviation community and enhance the economic value of the Airport to the City.

In summary, we offer the following benefits to the City:(i) an additional $237,888 in rent payments over the next four (4) years, (ii) a commitment to continue supporting general aviation exclusively at the General Aviation Terminal Building, (ii) an investment of at least $400,000 to improve and enhance the Airport's general aviation facilities, (iv) a commitment to create a first-class general aviation facility and operation at the Airport, and (v)enhancement of the economic value of the Airport to the City with a Maintenance Repair and Overhaul (MRO) facility that will further support general aviation.

We look forward to continued opportunities to extend and expand Freedom Aviation's relationship with the Lynchburg Regional Airport and believe that we move closer to accomplishing such as well as enhancing the economic value of the Airport to the Lynchburg community by closing on the Transaction.

Should you have any questions or concerns regarding any of the above, please contact me directly before the City Council's meeting.

[1]There is limited capacity at the Lynchburg Regional Airport for expansion of flight training programs. Freedom Aviation and the Liberty University School of Aeronautics have already expanded and established satellite flight training facilities with regional airport partners in Newport News, Manassas, Warrenton, Leesburg and Stafford. This should alleviate any concern that the City may have that the Transaction is being pursued by Freedom Aviation for the sole purpose of expanding flight training programs. Liberty University's model for expansion of flight training is to expand through the satellite airport locations and to only accommodate growth at the Lynchburg Airport as the airport facilities, air traffic control and local flight training areas will adequately support.

310 Hangar Road • Lynchburg, VA 24502 • 434.237.7002 • fax 434.237.5305

FREEDOM
AVIATION

Sincerely,

Jerry L. Falwell, Chairman

cc: *Via Email*
Walter C. Erwin, III City Attorney
James R. Walker, Virginia Aviation
David L. Young, Freedom Aviation
Robert C. Wood, III, Esq., Edmunds & Williams
David L. Young, Freedom Aviation
Judy Lin Bristow, Esq., Williams Mullen

GA Community Forum
August 11, 2014
Comments

1. What services, facilities or amenities at LYH are most important to the GA Community?

- Need to define GA – any type of non-commercial activity
- Value: affordability of services; benchmark appropriately
- Hangar space
- Familiarity and trust
- Services/facilities most important
  - Customer service
  - Fuel prices (low)
  - Maintenance availability
  - Rental availability
  - Local agreements with restaurants, tourist venues
  - Self-service fuel
  - Single FBO concerns (no choices)
  - Parking issues with school
  - Tie-down fees waived
  - Lighting, striping
  - Tower (traffic to maintain)
  - Runway 17-35
  - Clean, well-maintained hangars
  - Amenities: transient pilot (movies, gym, etc.)
  - Concierge services, courtesy cars
  - Observation area
  - Lower fuel prices
  - Restaurant
  - Civil air patrol valued
  - Length/certainty of lease agreements
  - Competition essential
  - Lease agreements should not be "all or nothing"
  - Values competition
  - Facilities for pilots (flight planning space)

2. What unrealized opportunities are there that, if realized, would benefit the GA community?

- Creation of an "airport community" to hang out
- Restaurant
- MRO (maintenance, repair, overhaul)

- Customs stop\Joe Beans drive through
- Make LYH a destination (locals and visitors)
- Promote a flying club
- Hangars
- Self-service fuel
- Simulators for GA
- Safety seminars
- Independent high school program (magnet)
- Marketing partnership with tourism partners
- Recognize that fuel prices need to be competitive with those outside VA
- Invigorate enthusiasm for GA similar to commercial
- Other flight schools

3. What other issues should be considered as we determine how to move forward?

- Economic impact of airport
- Classic business dilemma (Walmart v. Mom and Pop grocer)
- Experience of a new GA provider, including City
- Preference re: Freedom Aviation
- Showcase events – Airshow
- Glance back-forward 30 years
- Shower, etc. for corporate pilots
- LU School of Aeronautics and Freedom Aviation: can FA accommodate both
- No recourse under fuel/maintenance monopoly
- Need for formal method to challenge prices
- Hangar space during growth
- Study group to determine options
- Landing fees – eliminate parking/ramp fees
- Focus on internal vs. regional
- Concern with fictitious competition (City)
- Allow GA hangar leases with City
- Encourage Campbell County to have fuel purchased from City
- Concerns with LU bell tower
- Add annual performance measures written into minimum standards for lease agreements to alleviate monopoly/single competitor concerns
- LYH has huge opportunity to capitalize on forecasted pilot shortage by creating/expanding/maximizing flight training business and activities

G: Shared, Council Reports