

SECTION IV

HOUSING RESOURCES FOR LOWER INCOME HOUSEHOLDS

This section of the report will identify the number and location of publicly subsidized housing units on Virginia's Eastern Shore. This section will also describe how State and federal housing programs have traditionally been used on the Eastern Shore.

A Rental Housing

i Public Housing

Although there is a public housing authority with jurisdiction on the Eastern Shore, there are no HUD funded Low Income Public Housing units. The Accomack-Northampton Regional Housing Authority (RHA) was established under the Code of Virginia and is governed by a three member Board of Commissioners. Although RHA applied to HUD in 1995 for 40 units of public housing, the application did not receive funding approval.

ii Section 8 Rental Assistance

The RHA is a Section 8-only PHA. The RHA manages a total of 498 Section 8 vouchers. Of this total, 348 vouchers are used in the RHA's standard Section 8 Program. Twenty-eight of the 348 vouchers are project based and are used at Mill Run Apartments and Sawmill Apartments. The remaining 150 Section 8 vouchers are used as part of the RHA's "Mainstream" program, which targets assistance to non-elderly disabled persons.

As of June 2001, there were 421 households on the RHA's waiting list. There is very little turnover of Section 8 vouchers. The primary need for vouchers is by single mothers with children.

Approximately 70 percent of voucher holders on the Eastern Shore receive income from employment. Since wages are low on the Eastern Shore, Section 8 rental assistance is needed to supplement the income of working households. There are very few elderly households on the Authority's Section 8 waiting list.

Landlords are reportedly anxious to participate in the Section 8 program. Landlords view RHA's Section 8 program as a mechanism for timely payment of rent.

The RHA reports few problems in finding rental units that meet HUD's housing quality standards. When deficiencies occur, landlords are willing to make repairs at their own expense. Since there are few apartment buildings on the Eastern Shore, approximately 30 percent of voucher holders reside in mobile homes. The balance of the Section 8 households reside in detached single family homes that are used as rental properties.

iii Other assisted rental housing

As of June 2001, there were 548 assisted units of rental housing in operation or in the pre-development or construction stage on the Eastern Shore. The assisted rental housing is described on the Assisted Rental Housing Inventory charts on the following pages. Photographs of each rental housing development are included in Appendix A of Section VIII of this document.

The breakdown of the 548 assisted rental housing units in terms of occupancy type is as follows:

Eastern Shore Assisted Rental Housing by Occupancy Type		
Type of Occupancy	Number of Units	Percent of Total Assisted Rental Units
General Occupancy	187	34%
Elderly	274	50%
Migrant Farm Workers	34	6%
Special Needs (persons with disabilities)	38	7%
Special Needs (homeless)	15	3%
Total	548	100%

Source: Mullin & Lonergan Associates

All of the assisted rental housing developments are small scale and lower density in character. There is no undue concentration of assisted rental units on the Eastern Shore. The largest development is 93 units of single story elderly housing in Cape Charles (Heritage Acres). The assisted rental housing stock is generally in good condition with low turnover, very few vacancies, extensive waiting lists and well-managed. New projects lease up rapidly. The sole exception is the former Candlelight Motel Transitional Housing, which is vacant due to an adjustment in the mission and purpose of the property owner. A new owner or management agent is being sought for this transitional housing facility.

Most of the assisted rental housing units on the Eastern Shore have been subsidized with US Department of Agriculture (USDA) Rural Development financing and HUD 202 financing.

USDA's Rural Development financing has been utilized to develop 225 of the 548 or 41 percent of the assisted rental housing stock on the Eastern Shore, as follows:

USDA Rural Development Assisted Housing - 2001		
Name of Project	Number of Units	Financing
William Hughes Apartments	34	USDA 514/516
Exmore Village I	36	USDA 515
Exmore Village II	65	USDA 515
Pine Street Apartments	30	USDA 515
Sea Breeze Apartments	28	USDA 515
Bayview Heritage Gardens	32	USDA 515
Total	225	

Source: Mullin & Lonergan Associates

**ACCOMACK-NORTHAMPTON REGIONAL HOUSING ASSESSMENT
ASSISTED RENTAL HOUSING INVENTORY**

June 2001

No	Name and Address of Facility	Subsidy type	Contact person and phone number	Type of occupancy (elderly, family, etc.)	Total number of units/fully accessible units	Unit Breakdown					Total number of occupied units	Occupancy characteristics					Total number of vacant units	Total number of applicants on waiting list	Owner	Management Agent	Comments
						0 BR	1 BR	2 BR	3 BR	Other		0 BR	1 BR	2 BR	3 BR	Other					
1	William Hughes Apartments Eastville, VA Northampton County	USDA 514/516 deep subsidy rental assistance FHLB	Sandy Joe Dungan Delmarva Rural Ministries (302) 678-3652 ext. 26	Family: migrant farm workers	34		3	12	15	4	30		1 vac	1 vac	1 vac	4	1 BR - 8 2 BR - 12 3 BR - 9	Delmarva Rural Ministries	Horacio Mejias, Site Manager East Coast Properties Accomac, VA	Must be a farm worker in order to be eligible for occupancy	
2	Accomack Senior Village Apartments Onancock, VA Accomack County		(757) 787-7726	Elderly	• 33 units • 30 access.		33				33					0	16 (updated every 3 months)	Mr. Willard Wright Vest & Wright Route 2 Box 17T Dublin, VA 24084 (540) 674-1647	Humphrey Management Association	Kim Borile Humphrey Group Rockville, MD (443) 259-4902	
3	Exmore Village I 12375 Ru Court Exmore, VA 23350 Northampton County	USDA 515	Julie Matthews (757) 442-9471	Elderly	• 36 • 2 access.		36				36					0	40 (updated regularly)	North Hampton Partners, LLP	Mark-Dana Corp.	10 one-story individual buildings; 9 buildings of 4 apts. & one laundry building	
4	Exmore Village II 12375 Ru Court Exmore, VA 23350 Northampton County	USDA 515	Julie Matthews (757) 442-9471	Elderly	• 65 • 4 access.		64	1			65					0	20 (updated regularly)	Virginia Realty Company	Mark-Dana Corp.	1 two-story building; unit w/2 bedrooms is manager's apt.	
5	Pine Street Apartments 6 Carter Street Onancock, VA Accomack County	USDA 515 with rental subsidy	Colin Kean (757) 787-4753 East Coast Properties	General Occupancy	• 30 • 1 access.		10	20			30					0	25 (updated every 6 months)	Accomack Northampton Housing & Redevelopment Corporation	East Coast Properties Accomac, VA		
6	Sea Breeze Apartments Cape Charles, VA Northampton County	USDA 515	Hope Morris Site Manager 757-331-4011 or 757-331-1419	General Occupancy	• 28 • 1 access.			14	14		28			14	14	0	4		Shelter Management Newport News, VA (757) 874-7255	1 unit turnover per year	

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						0 BR	1 BR	2 BR	3 BR	Other		0 BR	1 BR	2 BR	3 BR	Other					
7	Peter Cartwright Manor Willis Wharf Road Exmore, VA Northampton County	HUD 202	Robert Regan VA United Methodist Housing Dev. Corp. P. O. Box 698 Locust Grove, VA 22508 (540) 972-0521	Elderly	47		47				0					0	0	VA United Methodist Housing Dev. Corp.	Amurcon Richmond, VA	Under construction: will be ready for occupancy in December 2001	
8	Heritage Acres Cape Charles, VA Northampton County	HUD 202	Pearline Winder (757) 331-4148	Elderly	<ul style="list-style-type: none"> 93 10 access. 		93				92		92			1	3	Heritage Acres Limited Partnership	Triple S Company	Very low turn over; residents generally stay on long term basis	
9	Mill Run Belle Haven, VA Northampton County	CDBG HOME Section 8 Project Based	Colin Kean (757) 787-4753 East Coast Properties	General occupancy	14		4	5	5		14					0	35 (don't update regularly)	Accomack Northampton Regional Housing Authority	East Coast Properties Accomac, VA		
10	Sunnyside Village Cheriton, VA Northampton County	CDBG HOME	Colin Kean (757) 787-4753 East Coast Properties	General occupancy	16		11	4	1		16					0	use local Section 8 Waiting List	Accomack Northampton Regional Housing Authority	East Coast Properties Accomac, VA		
11	Virginia Street Apartments Exmore, VA Northampton County	Virginia Housing Partnership	Colin Kean (757) 787-4753 East Coast Properties	General occupancy	10		3	7			10					0	no waiting list	Accomack Northampton Regional Housing Authority	East Coast Properties Accomac, VA	10 single family units; low turn over rate; surrounding area is stigmatized with poor history (crime, etc.)	
12	Dogwood View 10151 Sila Court Nassawadox, VA Northampton County	HUD 202	Cheryl Davis (757) 442-3933	Severely and mildly retarded persons	24						24					0			Eastern Shore Community Services Board		
13	ARC House 36128 Indian Lane Belle Haven, VA	HUD 202	Cheryl Davis (757) 442-3933	Severely and mildly retarded persons	14						14					0			Eastern Shore Community Services Board		

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						0 BR	1 BR	2 BR	3 BR	Other		0 BR	1 BR	2 BR	3 BR	Other					
14	Onancock Square 160 Jacob Street Onancock, VA 23417 Accomack County	Low Income Housing Tax Credits	Shawentta Dennis (757) 787-2723	General Occupancy	40		16	24			37		15	22			3	6		T. M. Associates Mgmt. (757) 787-2723	Vacant units due to rehab activities
15	Bayview Heritage Gardens Bayview Circle Cheriton, VA 23316 Northampton County	USDA 515	Alice Coles (757) 331-1840	General Occupancy	32		13	13	6		0								Bayview Heritage Gardens LLC	East Coast Properties Accomack, VA	Received tax credit reservation, expect January, 2002 start of construction
16	Candlelight Motel Transitional Housing 10380 Lankford Hwy. Birds Nest, VA Northampton County	HUD Supportive Housing Program	Dr. Art Carter and Lee Map (757) 442-4509	Homeless	15					SRO 15	0						15	0	Virginia Eastern Shore Economic Empowerment and Housing Corporation	None	Awaiting disposition to new owner
17	Sawmill Apartments Nassawadox, VA Northampton County	HUD CDBG and HOME	(757) 442-4661 Tom Hill (757) 787-3014	General Occupancy	14 apts. 3 SF homes 17 total		7	7	3		17		7	7	3		0	Property leases up by word of mouth	Tom Hill	Tom Hill	Property is presently available for sale
TOTAL					548	0	340	107	44	57	446						23	48			

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More recently, developers on the Eastern Shore have been syndicating USDA 515 projects with Low Income Housing Tax Credits, which raises equity from private investors that is blended with the longer amortization periods (40 years) of the USDA 515 loan program. Although Low Income Housing Tax Credits became available in 1986, only the 40 units at Onancock Square have been completed using tax credits.

HUD's Section 202 financing has been used to develop a total of 174 assisted housing units on the Eastern Shore. Thirty-four of the units (Dogwood View and ARC House) are older 202 projects for persons with disabilities. The 47 unit Peter Cartwright Manor is under construction. The developer of Peter Cartwright Manor, VA United Methodist Housing Development Corporation, has expressed interest in developing another 202 project on the Eastern Shore, possibly in Accomack County.

HUD 202 Assisted Housing - Eastern Shore		
Name of Project	Number of Units	Type of Occupancy
Dogwood View	20	Persons with disabilities
ARC House	14	Persons with disabilities
Heritage Acres	93	Elderly
Peter Cartwright Manor	47	Elderly
Total	174	

Source: Mullin & Lonergan Associates

Several smaller assisted rental housing developments, including Mill Run, Sunnyside Village and Virginia Street Apartments, have been financed with a blend of State and federal grants. The projects are unique in that they were designed as replacement rental housing resources for broader neighborhood revitalization initiatives in Belle Haven, Cheriton and Exmore.

iv Special Needs Housing

The following tables report information regarding the inventory of special needs housing on the Eastern Shore. Part VI(E) of this document provides a review of the service providers and identifies some of the problems and unmet needs.

Special Needs Housing Inventory		
Provider	Capacity	Population Served
Emergency Shelters		
Lighthouse Ministry	17 beds in 2 buildings	All homeless persons.
Eastern Shore Coalition Against Domestic Violence	2 units, 8 beds each unit	Victims of domestic violence and their children.
Permanent Supportive Housing		
Eastern Shore Community Service Board	<ul style="list-style-type: none"> • 24 bed 20 unit home in Nassawadox. • 14 bed group home in Belle Haven. • 2 - 3 bed group homes in Onancock. • 1 - 3 bed group home in Belle Haven. 	MR with the 2 larger group homes for severely and mildly retarded persons, the 3 smaller group homes are for persons recently released from an institution. All are supervised.
Accomack-Northampton Regional Housing Authority	<ul style="list-style-type: none"> • 150 Section 8 Disability Vouchers from HUD. • Funds for housing assistance. 	<ul style="list-style-type: none"> • 75 for the disabled or elderly. • 75 exclusively for the disabled, including the severely mentally ill, used for persons recently released from an institution.
Accomack-Northampton Housing and Redevelopment Corporation and Eastern Shore Health District	Tenant based rental assistance through Housing Opportunities for Persons With AIDS (HOPWA) from HUD.	Persons with HIV/AIDS.

Source: Mullin & Lonergan Associates

B Homeowner Rehabilitation Programs

i USDA Rural Development Section 504 Program

Public interest in USDA's Section 504 Program is increasing on the Eastern Shore. In FY 2000, USDA extended rehabilitation loans to seven households (\$50,344) and rehabilitation grants to 12 households (\$65,924). Through the first nine months of FY 2001, USDA had approved rehabilitation loans to ten households (\$157,735) and rehabilitation grants to 13 households (\$90,536).

Under the Section 504 Program, lower income homeowners with properties in need of repair are eligible to receive loans at an interest rate of one percent. Elderly lower income homeowners are eligible to receive home repair grants. In addition to code improvements, Section 504 funds may be used for accessibility improvements to homes occupied by persons with disabilities.

ii *CDBG and HOME Program*

Funding through the CDBG and HOME programs is obtained through an application to the Virginia Department of Housing and Community Development Corporation (DHCD). The PDC prepares the applications on behalf of Eastern Shore localities, which are received by DHCD once each year, usually in March under a State-wide competition. DHCD receives 60 to 80 applications each year for approximately \$20 million. DHCD usually can fund about 20 applications. Eastern Shore localities have been very successful and usually secure approval for one or two applications funded each year. Annually the PDC usually submits two or three applications on behalf of Eastern Shore localities. For 2001 funds, one application was submitted for revitalization in downtown Chincoteague. The following are the CDBG application funding limits:

-	Comprehensive Development Grant	\$1,250,000
-	Housing Rehabilitation	\$ 500,000
-	Public Facilities	\$ 750,000

The PDC has also done a good job of spreading assistance around the two Counties and leveraging funds from other programs. Leveraging is a scoring criteria utilized by DHCD. The PDC indicates that leveraging is becoming more difficult. For example, the underwriting criteria is tough for the Rural Development 502 and 504 programs. Also, DHCD has set caps. The rehabilitation cap is \$25,000 per unit and the replacement housing cap is \$30,000. It is becoming increasingly difficult to accomplish substantial rehabilitation within the caps. The PDC has suggested to DHCD that there is no need for a cap. The caps have discouraged contractors from bidding. Applications to DHCD for County-wide rehabilitation programs do not rank competitively. A large amount of the PDC staff time is spent trying to encourage contractors to bid and then getting them to start the work. The PDC continues to address housing rehabilitation needs in the face of very limited funding. The PDC relies heavily on CDBG and the State's Indoor Plumbing Program for housing rehabilitation assistance.

iii *Indoor Plumbing Program*

The Indoor Plumbing program is funded by DHCD and administered by the Accomack-Northampton Housing and Redevelopment Corporation. The purpose of the program is to address the need for indoor plumbing in owner occupied residential properties. The Indoor Plumbing program is operated as a loan and grant program. Annual funding for the program is \$100,000 for Accomack County and \$60,000 for Northampton County.

C *Homeownership Programs*

i *USDA Rural Development Section 502 Program*

In the past, USDA provided direct financing for homeownership under its 502 Program with little regard for credit-worthiness on the part of the homeowner. Recently, USDA has placed more emphasis on credit-worthiness. As a result, 502 loan volume on the Eastern Shore diminished during

the early 1990s. However, the number of loans and grants issued by USDA under the 502 Program has been increasing in recent years.

For example, in FY 2000, USDA issued only one very low income (\$76,780) and six low income loans (\$275,415). Through the first nine months of FY 2001, USDA had already issued four very low income loans (\$157,735) and seven low income loans (\$387,434).

Under the Section 502 direct loan program, households with annual incomes below 80 percent of the median income are eligible to receive loan assistance. Loan assistance may be used for the purchase of either an existing home or a new home.

In addition to direct loans, USDA provides assistance to eligible borrowers in the form of a Section 502 guaranteed loan equal to 100 percent of the purchase price of the home. The program guarantees conventional loans through commercial lenders. Should the borrower default on the mortgage loan, the USDA makes restitution to the commercial lender.

ii CDBG and HOME

Federal CDBG and HOME funding is used by the PDC in its Comprehensive Community Development Projects. The number of units made available for homeownership varies with each project. Several citizen groups indicated the need to provide training services for prospective homebuyers on money management since many of them have never learned to budget their income resources properly.

iii. Single Family Regional Loan Fund

The Accomack Northampton Housing and Redevelopment Corporation is responsible for the first time homeownership program known as the Single Family Regional Loan Fund. The program is funded through VHDA, HOME and DHCD. Financing is provided in the form of 4.75 percent fixed thirty year mortgage loans. Households at or below 60 percent of median income are eligible to participate in this program. There were nine loans issued in 2000 on the Eastern Shore. The program has been available for approximately three years. Assistance for 15 to 20 households per year is anticipated on the Eastern Shore.

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