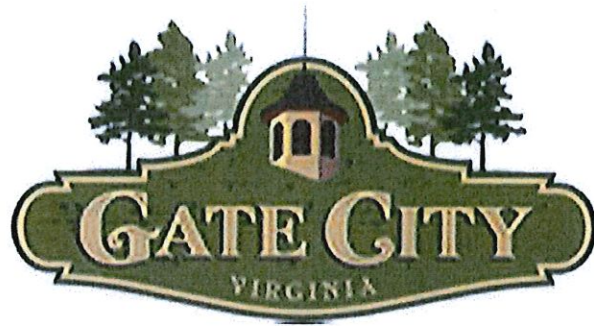


TOWN-WIDE HOUSING NEEDS ASSESSMENT

TOWN OF GATE CITY, VIRGINIA



APRIL 2019

ACKNOWLEDGEMENTS

This plan was prepared under the guidance of the Town of Gate City,
which would like to acknowledge the following members of
the Town-Wide Housing Assessment Management Team
for their efforts in the plan's development:

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INTRODUCTION

The Town of Gate City has a vested interest in understanding and quantifying the condition of its housing and residential neighborhoods. Healthy, stable neighborhoods provide a solid foundation for a healthy, vibrant community. The Town has undertaken a comprehensive community-wide survey of housing and infrastructure conditions to determine the extent of deficiencies at the neighborhood level. The purpose of the study is twofold: 1) identify those neighborhoods with the highest levels of housing deficiencies, and 2) develop a plan to rehabilitate those housing units and improve neighborhood infrastructure.

The age of the current housing stock means that many Town residents with low-to-moderate incomes will be increasingly burdened and unable to maintain their homes. Given the level of need and fiscal strain, resources are limited and must be strategically targeted to those neighborhoods demonstrating the most need.

The Town of Gate City applied for and received a housing needs assessment planning grant from the Virginia Department of Housing and Community Development (DHCD) in October 2018. The Town was tasked with making visual assessments of housing units utilizing a five-point scale. The scale rated each property as 1) sound; 2) minor deficiencies; 3) intermediate deficiencies; 4) major deficiencies; or 5) dilapidated. The ratings were translated onto a color-coded map for each neighborhood to reveal concentrations of blighted housing. The LENOWISCO Planning District Commission and Rehab Specialist Services assisted the Town with the assessment and implementation of the planning grant. Infrastructure assessments were conducted by Town staff.

Through this plan, the Town has identified viable neighborhoods for concentrated improvement efforts with an emphasis on addressing housing issues. This master plan for revitalization will be the Town's roadmap in its efforts to promote safe neighborhoods and sustainable housing.

PURPOSE AND INTENT

The Town of Gate City has an interest and need to understand and quantify the current state of housing in the Town. Substandard housing can lead to other problems throughout the community, such as resident safety, property values, health issues, and other quality of life factors. Concentrations of deficient neighborhood conditions can have a downward effect on the entire community, and it is in the interest of Town leadership to address those concentrated areas of substandard housing and prevent other neighborhoods from transitioning to that state.

The Town has utilized the information gathered during the needs assessment to quantify the approximate number of substandard housing units and identify those areas where concentrations of substandard housing units exist. This information has been used, in part, to identify project areas that are potentially eligible for Virginia Community Development Block Grant (CDBG) assistance. The Neighborhood Needs Assessment Management Team has prioritized those areas with the highest concentrations of substandard housing units and other neighborhood deficiencies so the Town can address those areas in an orderly fashion. Other strategies will be utilized by the Town to address scattered site issues.

BACKGROUND

Like many of its neighbors in far southwestern Virginia, the Town of Gate City ranks among the more fiscally distressed communities in the Commonwealth, and has an aging housing stock.

The following data, taken from the U.S. Census Bureau's 2010 decennial Census and 2013-2017 American Community Survey (ACS), illustrate the need identified on a Town-wide level:

- The Town of Gate City has a median household income of \$37,472, less than 55 percent of Virginia's \$68,766.
- The Town's poverty rate is 18.6 percent, compared to the state rate of 11.2 percent.
- There are 1,076 housing units in the Town; 901, or 83.7 percent, are occupied.
- Percentage of households spending more than 30 percent of their income on housing:
 - Owners with a mortgage, 26.8 percent
 - Owners without a mortgage, 3.6 percent
 - Renters, 55.9 percent
- 74.5 percent of all housing units are 40 years old or older; only 25.5 percent of units have been constructed since 1980

Gate City serves as the county seat of Scott County, an ARC-designated At-Risk county

DEMOGRAPHIC ANALYSIS

A demographic analysis of the existing Gate City housing market provides insight into the current state of housing within the Town. While certain demographic factors (primarily household income) are directly applicable to eligibility for future CDBG funding, other demographic characteristics provide insight into the existing conditions of the Town of Gate City, and how those conditions may affect housing. *It should be noted that decennial Census data and, particularly, American Community Survey estimates may vary from on-the-ground documentation.*

Population

The population of Gate City has decreased significantly in recent decades. U.S. Census data reveal a decline from 2,494 persons in 1980 to 2,034 persons in 2010, a drop of 18.4 percent. Interim 2017 population estimates of 1,907 persons reflect a total decline of 23.5 percent during that timeframe.

Age

The median age in the Town increased from 36.7 years in 1980, to 45.5 years in 2010. This "aging" of the Town's population is reflected in the age distribution in Table 1 below.

TABLE 1
Age Distribution

Age	1980	1990	2000	2010
Median Age	36.7	42.6	42.7	45.5
Under 5 years	5.8%	4.5%	5.7%	4.0%
5 to 17 years	18.5%	13.9%	14.2%	14.6%
18 to 64 years	60.2%	59.6%	57.9%	59.7%
65 years & over	15.5%	22.0%	22.2%	21.7%

Source: U.S. Census Bureau, Decennial Census

Income

Table 2 shows recent average household income for both owner- and renter-occupied households. While owner-occupied income has seen a noticeable increase (by comparison, Virginia owner-occupied income rose by 12.7 percent in the same timeframe), the overall income has dropped, due to a sizeable decline in renter income levels.

TABLE 2
Average Household Income

	2010	2017	Change
All households	\$38,774	\$37,472	- 3.4%
Owner-occupied	\$48,609	\$59,141	21.7%
Renter-occupied	\$14,452	\$13,224	- 8.5%

Source: U.S. Census Bureau, American Community Survey 5-year estimates, 2006-2010, 2013-2017

Housing Occupancy

Table 3 reflects a slight decrease over the past decade in both total housing units and occupied housing units, with a more significant increase in vacant units.

TABLE 3
Occupied Housing Units, Vacancy Rate

	2000		2010		2017		Change	
Total housing units	1,119		1,087		1,076		- 43	- 3.8%
Occupied	984	87.9%	955	87.8%	901	83.7%	- 83	- 8.4%
Vacant	135	12.1%	132	12.2%	175	16.3%	40	29.6%

Source: U.S. Census Bureau, Decennial Census, American Community Survey 5-year estimates, 2013-2017

Housing Physical Characteristics and Value

Single-family detached homes comprise 82.2 percent of the housing units in the Town, with mobile homes accounting for 6.1 percent. The remaining units are multi-family or attached single-family units.

While more than 10 percent of the Town's housing stock was built prior to 1940, the bulk was constructed in the decades following World War II. Less than two percent has been built in the past two decades.

TABLE 4
Physical Characteristics, Age of Housing Stock

Units In Structure				Year Built		
1-unit, detached	885	82.2%		2014 or later	0	0.0%
1-unit, attached	0	0.0%		2010 to 2013	16	1.5%
2 units	5	0.5%		2000 to 2009	56	5.2%
3-4 units	31	2.9%		1990 to 1999	59	5.5%
5-9 units	21	2.0%		1980 to 1989	143	13.3%
10-19 units	20	1.9%		1970 to 1979	212	19.7%
20 or more units	48	4.5%		1960 to 1969	211	19.6%
Mobile home	66	6.1%		1950 to 1959	179	16.6%
				1940 to 1949	86	8.0%
				1939 or earlier	114	10.6%

Source: U.S. Census Bureau, American Community Survey 5-year estimates, 2013-2017

The median value of owner-occupied housing units in Gate City is \$95,900, which is slightly higher than surrounding Scott County (\$90,500), but barely more than a third of Virginia's median value (\$255,800) for owner-occupied housing units.

TABLE 5
Value of Owner-Occupied Housing

Owner-occupied units	603	
Less than \$50,000	67	11.1%
\$50,000 to \$99,999	261	43.3%
\$100,000 to \$149,999	94	15.6%
\$150,000 to \$199,999	47	7.8%
\$200,000 to \$299,999	69	11.4%
\$300,000 to \$499,999	62	10.3%
\$500,000 to \$999,999	3	0.5%
\$1,000,000 or more	0	0.0%
Median (dollars)	\$95,500	

Source: U.S. Census Bureau, American Community Survey 5-year estimates, 2013-2017

The average (owner-occupied) household size in Gate City is 2.99 persons, notably higher than Scott County at 2.5 persons. The median number of rooms for housing units located within the Town is 5.1 rooms, similar to 5.2 rooms in the County. The vast majority of houses in Gate City have two or three bedrooms (70.7 percent), compared to 78.9 percent in Scott County. The Town has a much higher percentage of one bedroom units (16.2 percent) than Scott County (7.3 percent), yet an identical percentage (11.7) percentage of units with four or more bedrooms.

TABLE 6
Average Household, Housing Unit Size

Average Household Size		
Owner-occupied	2.99	
Renter-occupied	1.95	
Median Number of Rooms	5.1	
Total Housing Units	1,076	
No bedroom	15	1.4%
1 bedroom	174	16.2%
2 bedrooms	357	33.2%
3 bedrooms	404	37.5%
4 bedrooms	84	7.8%
5 or more bedrooms	42	3.9%

Source: U.S. Census Bureau, American Community Survey 5-year estimates, 2013-2017

Manufactured Housing

As noted in Table 4 above, roughly six percent of Town housing units are manufactured homes. Because of their age and condition, many of these units cannot be repaired to suitable standards under existing federal funding guidelines, and will likely need to be replaced with conventionally-constructed or modern modular units.

Housing Affordability

While annual incomes are similar in Gate City and Scott County, there is a marked difference between homeowners, where annual incomes are much within the Town, and renters, where Town incomes are notably lower. Housing costs as a percentage of income is higher within the Town, particularly for renters.

TABLE 7
Housing Cost

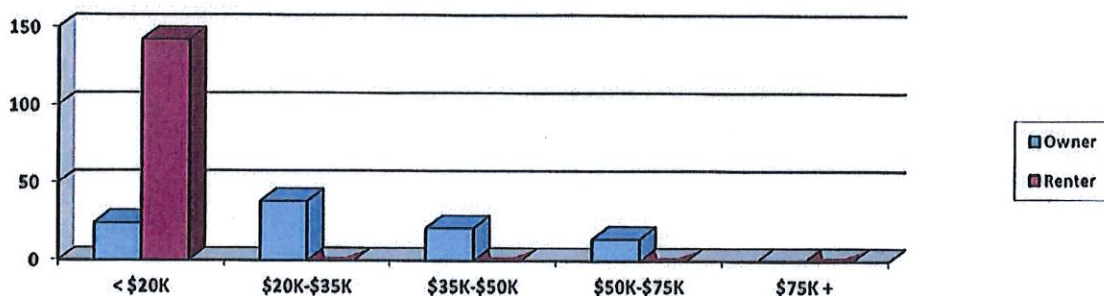
	Gate City		Scott County	
	Median Income	Housing Cost	Median Income	Housing Cost
Occupied units	\$37,472	16.9%	\$38,725	13.5%
Owner	\$59,141	11.9%	\$43,656	11.1%
Renter	\$13,224	45.9%	\$22,089	28.7%

Source: U.S. Census Bureau, American Community Survey 5-year estimates, 2013-2017

While the average owner-occupied household pays much less than 30 percent of its income for housing in Gate City, there are still some households for which housing is unaffordable¹.

Chart 8 illustrates that households that spend more than 30 percent of their income for housing are most commonly renter-occupied households with annual incomes less than \$20,000/year. Additionally, there are a number of owner-occupants with median incomes as high as \$75,000 whose housing costs exceed 30 percent of household income.

CHART 8
Households Paying 30 Percent or More for Housing



Source: U.S. Census Bureau, American Community Survey 5-year estimates, 2013-2017

¹ Housing Unaffordability is defined as monthly housing costs that exceed 30% of monthly income.

Just under 54 percent of homeowners in the Town of Gate City have a mortgage.

Table 9 illustrates the median cost of housing for homeowners using selected monthly costs for owner-occupied units. These selected costs include property expenses such as mortgages, property insurance, real estate taxes, utility and fuel bills, and, where appropriate, condominium fees and mobile home costs. Monthly costs are shown separately for units with and without a mortgage.

The median monthly cost for homeowners with a mortgage in the Town of Gate City is \$1,091. Just over 42 percent of the Town's homeowners with a mortgage pay less than 20 percent of their household income to monthly costs, while 61 percent pay less than 25 percent. Roughly 19 percent of Town homeowners pay more than 35 percent of their household income to monthly costs.

The median monthly cost for homeowners without a mortgage in the Town is \$308. The vast majority, nearly 74 percent, of homeowners without mortgages in the Town pay less than 15 percent of their household income toward household costs, while less than 6 percent require more than 25 percent of their monthly income to cover housing needs.

TABLE 9
Monthly Costs for Homeowners

Owner-Occupied Units	603				603	
Units with Mortgage	324	53.7%		Units Without Mortgage	279	46.3%
Selected Monthly Owner Costs				Selected Monthly Owner Costs		
Less than \$500	19	5.9%		Less than \$250	59	21.1%
\$500 - \$999	124	38.3%		\$250 - \$399	160	57.3%
\$1000 - \$1499	85	26.2%		\$400 - \$599	50	17.9%
\$1500 - \$1999	63	19.4%		\$600 - \$799	5	1.8%
\$2000 - \$2499	24	7.4%		\$800 - \$999	5	1.8%
\$2500 - \$2999	0	0.0%		\$1,000 or more	0	0.0%
\$3000 or more	9	2.8%		Median (dollars)	\$308	
Median (dollars)	\$1,091					
Selected Monthly Owner Costs as % of Household Income				Selected Monthly Owner Costs as % of Household Income		
Less than 20.0 percent	137	42.3%		Less than 10.0 percent	170	60.9%
20.0 - 24.9 percent	61	18.8%		10.0 - 14.9 percent	36	12.9%
25.0 - 29.9 percent	39	12.0%		15.0 - 19.9 percent	48	17.2%
30.0 - 34.9 percent	25	7.7%		20.0 - 24.9 percent	10	3.6%
35.0 percent or more	62	19.1%		25.0 - 29.9 percent	5	1.8%
				30.0 - 34.9 percent	6	2.2%
				35.0 percent or more	4	1.4%

Source: U.S. Census Bureau, American Community Survey 5-year estimates, 2013-2017

Gross rent, or total housing costs for tenants, is the contract rent plus the average monthly cost of utilities and fuels paid by the renter. The median gross rent paid by Town renters is \$506, with nearly all falling below \$1,000 per month.

The median cost of gross rent is lower than the monthly cost for Town homeowners with a mortgage, but more than the monthly cost of Town homeowners without a mortgage. More than half of Town renters require over 35 percent of their income to meet monthly housing costs.

TABLE 10
Monthly Costs for Renters

Occupied Units paying rent	254				254	
Gross Rent				Gross Rent as % of Household Income		
Less than \$500	123	48.4%		Less than 15.0 percent	20	7.9%
\$500 - \$999	126	49.6%		15.0 - 19.9 percent	30	11.8%
\$1000 - \$1499	0	0.0%		20.0 - 24.9 percent	28	11.0%
\$1500 - \$1999	0	0.0%		25.0 - 29.9 percent	34	13.4%
\$2000 - \$2499	5	2.0%		30.0 - 34.9 percent	11	4.3%
\$2500 - \$2999	0	0.0%		35.0 percent or more	131	51.6%
\$3000 or more	0	0.0%				
Median (dollars)	\$506					
No rent paid	44			Not computed	44	

Source: U.S. Census Bureau, American Community Survey 5-year estimates, 2013-2017

NEIGHBORHOOD DEFINITION

In the winter of 2019, a windshield survey was performed through each neighborhood area, canvassing all residential streets to identify general neighborhood housing conditions and concentrated areas where the houses are in greatest need of housing rehabilitation. At least five subdivisions were identified as stable with no significant housing deficiencies.

Using mapping provided by the LENOWISCO Planning District Commission, the Town was divided into four areas, using Jackson Street as a primary identifier for the study. Each area contains a mixture of housing types and dates of construction. Areas 2 and 4 have the largest number of homes and also the most recently constructed houses.

The following outlines each of the four neighborhood assessment areas:

#	Area Name	Windshield Assessment
1.	Area One	Southeast area of Town, with a mixture of businesses, schools, and housing. Homes closer to schools are newer and in very good condition. Margie Street, Magnolia Avenue, Broadwater, and Old Nickelsville Road have 32 out of 43 houses in need of major rehabilitation. East Jackson Street also has some pockets of poor property maintenance.
2.	Area Two	West side of Town, from Fir Street to the corporate limits at U.S. 23. West Jackson, Highland, and Park Streets have 58 percent of houses in need of rehabilitation and 17 percent of the houses on those streets either abandoned or vacant.
3.	Area Three	North central area of Town, from Estil Street to Woodland Street. Area made up of 17 streets with 197 houses. Neighborhood has 33 abandoned and vacant houses. Some streets are very steep and narrow, with few spots wide enough for two cars. 60 percent of houses on Manville Road need rehab.
4.	Area Four	Northeast section of Town, with a large number of well-maintained homes in newer subdivisions. Ravine Street, Red Hill Road, and Reed Hollow Road have a large number (83 percent) of houses in need of major rehabilitation. These streets also have 14 vacant or abandoned houses.

METHODOLOGY

The Town of Gate City contracted with Anna F. Meade, Rehab Specialist Services, to conduct a housing conditions assessment of residential structures in the town. A street-by-street windshield survey of housing conditions was conducted for the Town during February and March, 2019. The visual assessments were based on observations of building exteriors from the public right-of-way. The condition ratings utilized in this initial assessment were:

- Sound/Good Condition – well maintained appearance
- Requiring Rehab – failing exterior condition, such as roof, windows, porches, siding, etc.
- Major Deficiencies – broken windows/doors, failing roof coverings, damaged foundations, structural failures, etc.
- Vacant – houses with no visual residents, posted for sale or rent, or listed with realtor
- Abandoned – houses in non-livable condition with structural damage, burned out, or overgrown structures and sites

The condition assessment categories were based on the amount of Virginia Community Development Block Grant funds available per unit for rehabilitating each property using Virginia Department of Housing and Community Development Housing Quality Standards. If the property appeared to require more than the \$30,000 maximum to rehabilitate, the house was noted as having "Major Deficiencies" and will probably require auxiliary funds or be addressed as a "Substantial Reconstruction" property.

Table 11 summarizes the housing conditions assessment by neighborhood areas. Street-by-street summaries within each Area are included in Appendix A.

TABLE 11
Housing Conditions Assessment
By Neighborhood Area, Total Counts

Area	Total Houses	Good/Sound	Requiring Rehab	Major Deficiencies or Substantial Reconstructions	Vacant For Sale or Rent	Abandoned
Area 1 (Southeast) 13 streets	133	64	21	34	7	7
Area 2 (West Side) 25 streets	337	160	83	53	20	21
Area 3 (North Central) 17 streets	197	70	51	43	17	16
Area 4 (Northeast) 19 streets	219	156	18	27	6	12
Totals	886	450	173	157	50	56

Does not include 13 privately owned apartment buildings with at least 38 apartments (6 on Moore, 12 on Benton, 8 on Una, 4 on Flr, 2 on Manville, 4 on Willow, 2 on Reed Hollow) and 1 mobile home park on Dillon with 6 trailers.

HOUSING CONDITIONS ASSESSMENT

Table 12 tabulates the housing conditions assessments, which were based on visual observations of residential building exteriors from the public right-of-way, using a set of defined condition ratings. Exterior conditions were presumed to represent overall condition of the structure, as detailed interior inspections were not feasible. The condition ratings utilized in the assessment are explained in the Methodology Section, scored on the following scale:

- 1) **Sound/Good:** No defects beyond regular maintenance needs - 1 point
- 2) **Intermediate Deficiencies:** One or more deficiencies beyond regular maintenance warranting rehabilitation - 3 points
- 3) **Major Deficiencies:** Warranting substantial rehabilitation - 4 points
- 4) **Dilapidated:** Unsuitable for rehabilitation/warranting demolition and removal - 5 points

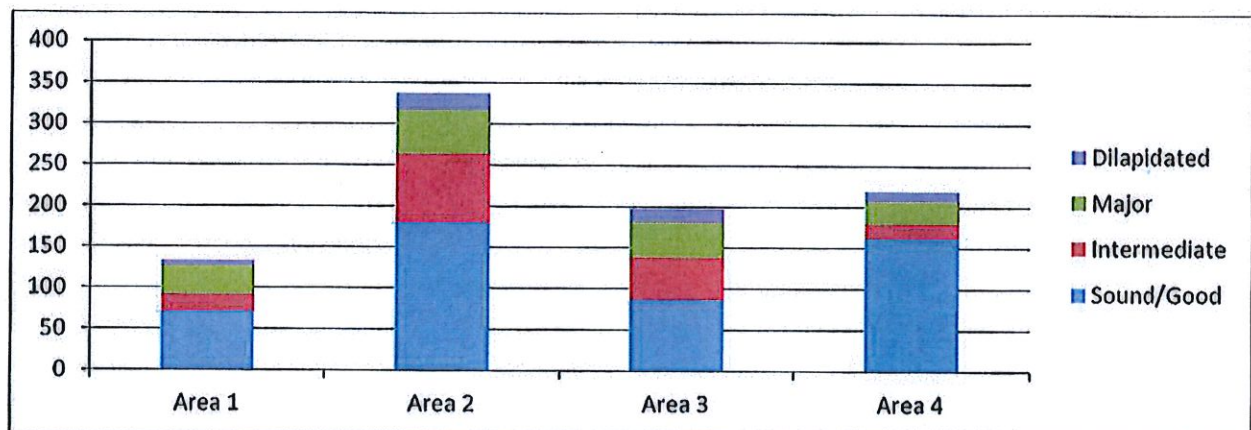
Buildings scored between 3 and 5 are considered blighting influences, as they are in various stages of disrepair beyond regular maintenance needs. All areas have some degree of blighting influences and a wide range of building conditions. A summary of the housing conditions for each neighborhood follows:

TABLE 12
Housing Conditions Assessment
Average Condition by Unit, Total Counts

Building Condition	Sound/Good 1	Intermediate 3	Major 4	Dilapidated 5	Total	Average Condition
Area 1	71	21	34	7	133	2.3
Area 2	180	83	53	21	337	2.2
Area 3	87	51	43	16	197	2.5
Area 4	162	18	27	12	219	1.8
Total	500	173	157	56	886	2.1
%	56%	20%	18%	6%		

Source: Rehab Specialist Services, Field Assessment, 2019

CHART 12A



While housing conditions throughout the Town of Gate City consist primarily of homes in sound condition, there are five streets with maximum need:

1. Park Street has 23 houses needing rehab and 12 vacant or abandoned houses.
2. Margie Street has 15 out of 18 houses in need of rehabilitation.
3. Manville Road has 28 houses with major deficiencies.
4. Ravine Street has 10 mobile homes and 4 houses, a mixture of rehab and substantial reconstructions.
5. Old Nickelsville Road has 7 homes in the flood way, which were flooded during rains in February 2019, when windshield survey was conducted.

A total of 56 abandoned houses were noted through the Town of Gate City during the windshield surveys.

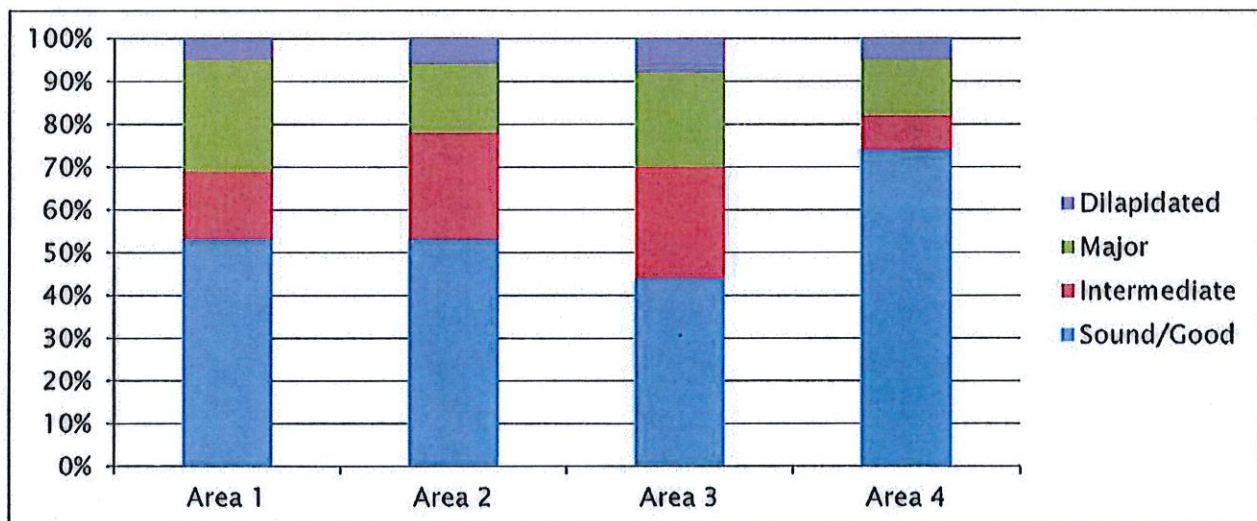
Overall, 56 percent of the housing stock in Gate City is in sound condition. Homes in the Quillen Hill, Knob Court, Moccasin Hills, Barker Subdivision, and other later constructed neighborhoods were determined to be in sound condition with 10 or fewer needing some exterior repairs. Those are the areas with the newest houses and with the most houses in sound or good condition.

TABLE 13
Housing Conditions Assessment
Average Condition by Percentage

Building Condition	Area 1	Area 2	Area 3	Area 4
Sound/Good	53%	53%	44%	74%
Intermediate	16%	25%	26%	8%
Major	26%	16%	22%	13%
Dilapidated	5%	6%	8%	5%

Source: Rehab Specialist Services, Field Assessment, 2019

CHART 13A



INFRASTRUCTURE ASSESSMENT

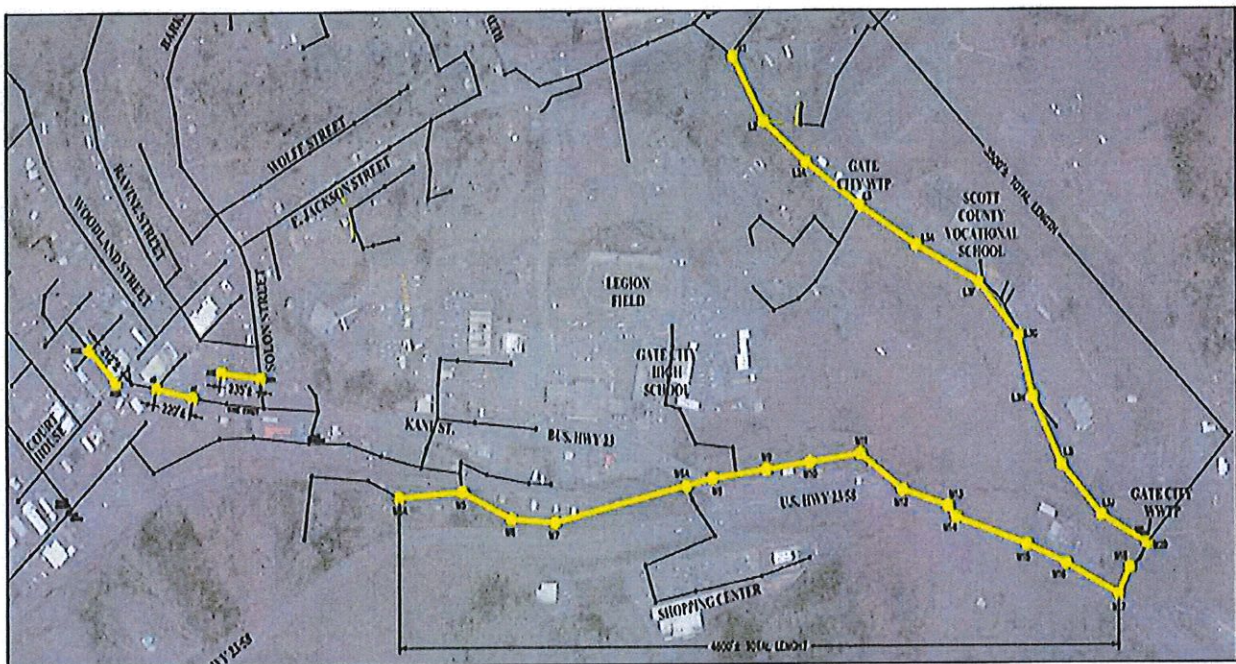
The following assessments were compiled by Town staff in August 2018 as part of CDBG Planning Grant activities.

Sewer Collection System

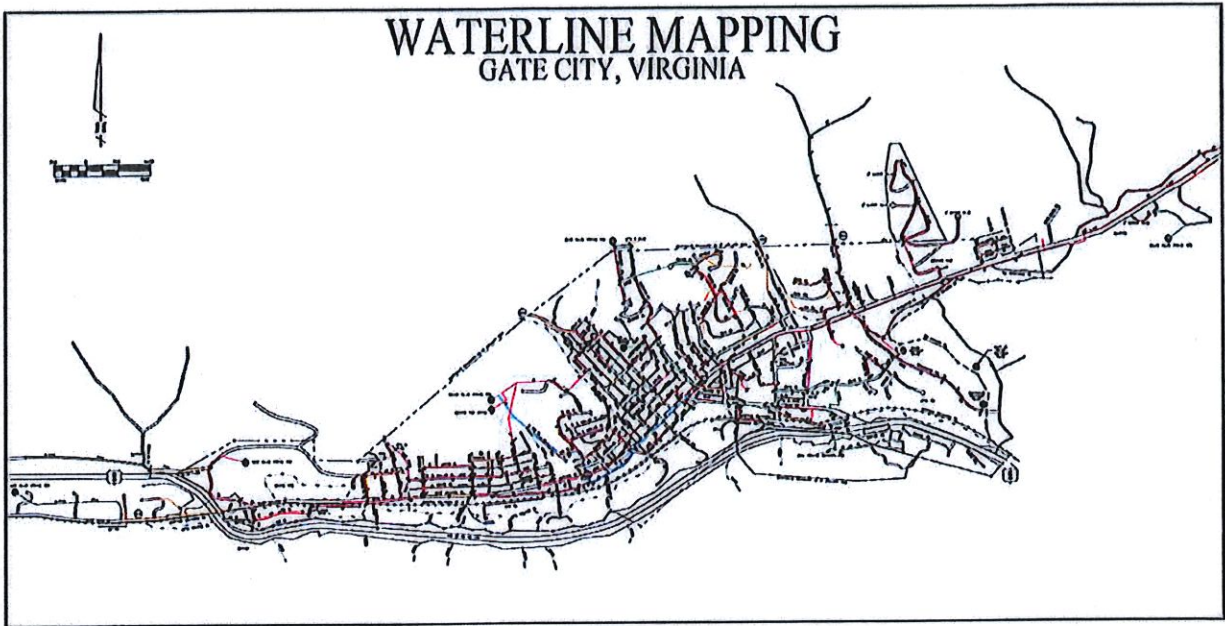
In 2001, the Gate City Sanitation Authority and the Scott County Public Service Authority entered into an agreement wherein the Gate City Sewage Treatment Plant would be closed and the construction of the Holston Regional Wastewater Treatment Plant in Weber City would be constructed. Under the terms of this agreement, Gate City wastewater would be treated by the new regional plant and billed accordingly.

The waste water collection lines in Gate City were installed back in the late 1960s and early '70s. Since then, there were no maintenance activities conducted, during which time the original developed infiltration issues. A recent study determined that for every 1 inch of rain water received, an additional one million gallons of wastewater is treated at the Holston regional plant. In 2018, Gate City was awarded \$1.7 million in funding to replace the main trunk lines. This project, which will take about one year to complete, will significantly reduce the Town's treatment cost.

The Sanitation Authority that is charged with the administration of the Town's sewer lines has updated its policies. It is now illegal to connect storm drains to the wastewater collection lines. The Sanitation Authority has also purchased a smoke machine to survey the service area and neighborhoods to ensure that illegal connections are identified and corrected.



Water Distribution System



The Gate City water treatment plant and water distribution system have been awarded the Gold Standard award from the Virginia Department of Health for the past eight years. The Gate City water treatment plant is the number one ranked water plant in the Commonwealth of Virginia.



The water plant and main distribution lines are in good condition. The maintenance and repairs have been kept up to date. The main service line along Kane Street was replaced in 2012; new digital residential water meters were installed in 2014, along with filter media and sedimentation basin upgrades; two new high service pumps in 2015; and new fluoride treatment process in 2016. The Town was awarded funding to complete the digital water meter replacement for all commercial and business connections in 2018. A new telemetry system is scheduled to be installed during the fall of 2018.

Galvanized pipes are steel pipes that have been dipped in a protective zinc coating to prevent corrosion and rust. Galvanized piping was commonly installed in the 1950s. When it was invented, galvanized pipe was an alternative to lead pipe for water supply lines. Today, however, we have learned that decades of exposure to water will cause galvanized pipes to corrode and rust on the inside.

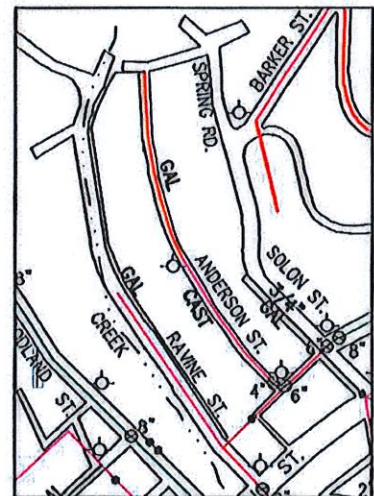


Corroded galvanized water line

There are a few smaller galvanized water lines that service neighborhoods in Gate City that do need to be replaced. These galvanized lines were installed in the 1950s. In several neighborhoods, the housing stock has increased over the years, but the water lines were never replaced with the correct size or material to adequately service the demand. In addition, many sections of the galvanized lines have rusted through causing water leaks and loss of pressure.

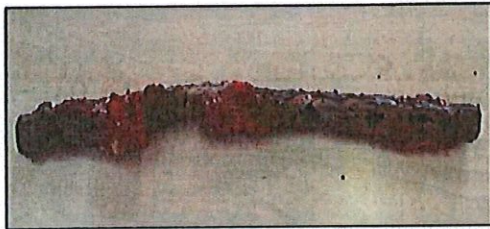
Ravine and Anderson Streets

Ravine and Anderson Streets currently have approximately 50 residential homes. These homes are provided water from a galvanized water line that is $\frac{3}{4}$ inch in size. Back in the 1950s, there were only a couple homes in this area. Over the years housing was developed, but the water service line was never upgraded. The residents receive around 35 pounds of pressure from the $\frac{3}{4}$ -inch line. However, if a leak were to occur the pressure would drop drastically. A leak in this area combined with a loss of pressure could cause contaminants to be introduced into the water supply.

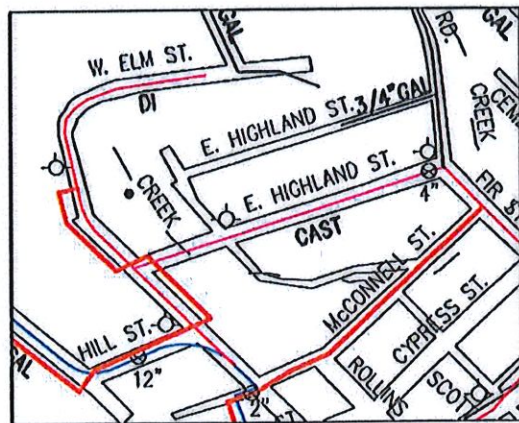


Elm and McConnell Streets

There are 35 residential homes located on Elm and McConnell Streets. These homes are serviced by galvanized water lines that range in size from $\frac{3}{4}$ inch to 2 inches. There have been multiple water leaks on Elm Street over the years. The water line servicing this area is undersized. Loss of pressure can happen during water leak events, which could lead to the infiltration of contaminants into the public water supply.

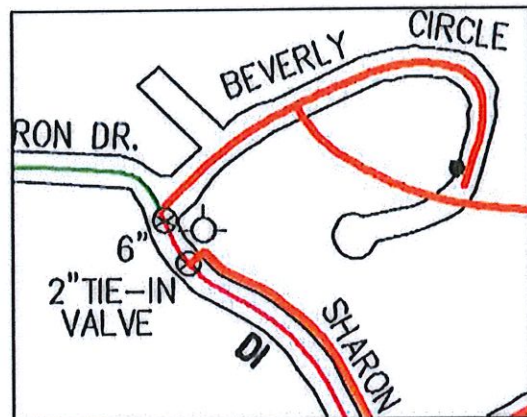


Section of galvanized water line from Elm Street



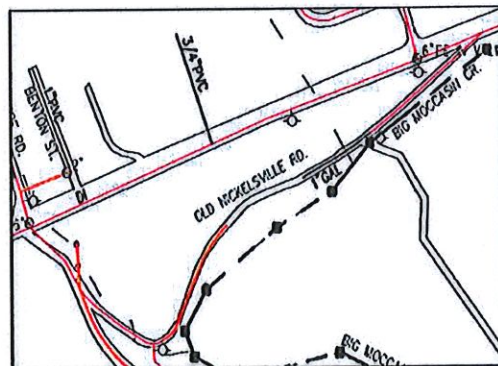
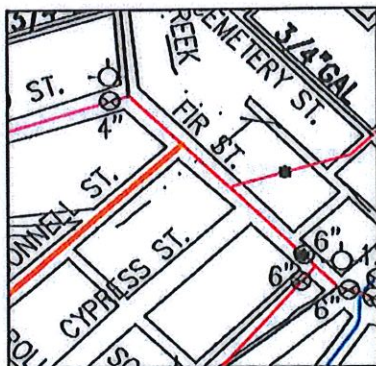
Beverly Circle

The housing stock in Beverly Circle is in very good condition. There are about 30 residential homes in this neighborhood, which is serviced by a 1½-inch galvanized water line that is undersized. There haven't been many water line repairs due to leaks recorded in the area. The water lines, however, are undersized and could be affected by low pressure in the event of a water leak.

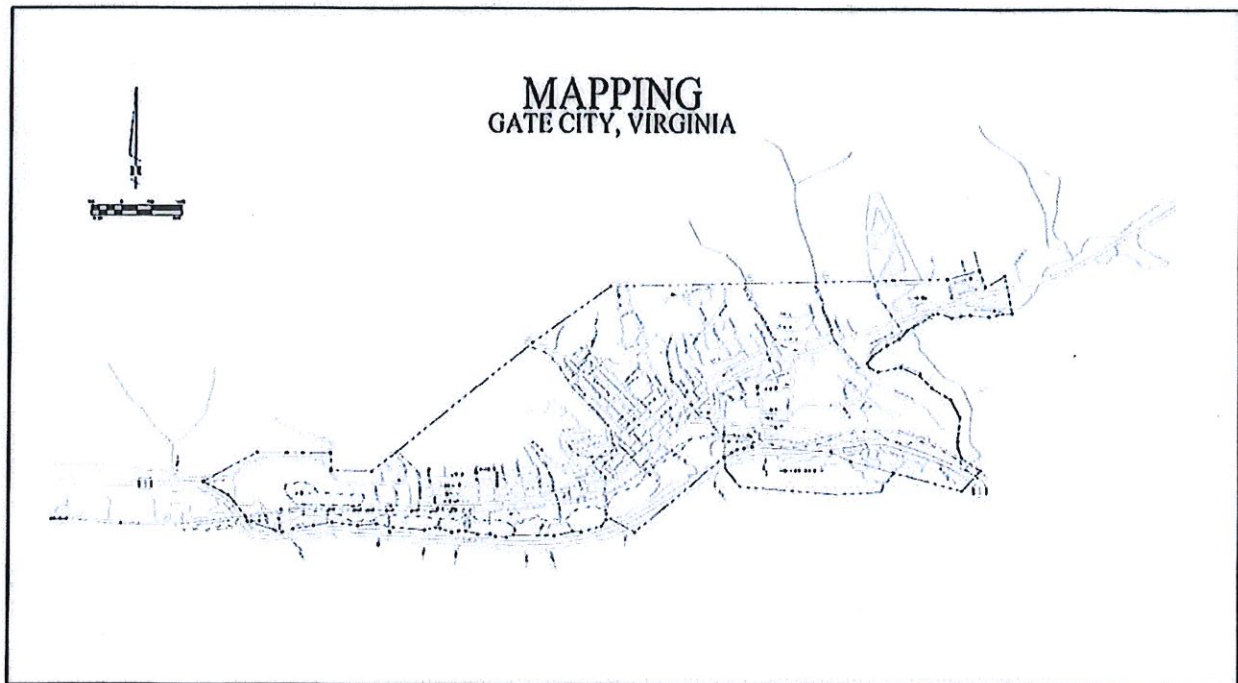


Other Areas

There are about 50 residential homes on Fir Street and 10 residential homes on Old Nickelsville Road. The galvanized water lines in these areas range from $\frac{3}{4}$ inch to 4 inches. There are sections in both neighborhoods where the water line is undersized.



Street Assessment



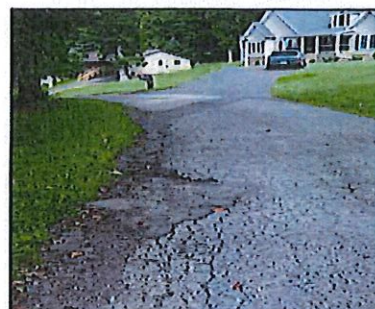
Approximately 90 percent of the streets in Gate City are owned by the Virginia Department of Transportation. The Street Committee, a sub-committee appointed by the Gate City Town Council, assesses the Town's streets on an annual basis and determines the paving schedule. The Town of Gate City, contingent on budget constraints, tries to repave at least one street per year.

Knob Court



Knob Court is deemed the worse road in Gate City. It is scheduled to be repaired/repaved in early 2019. There are three residential homes located on this street. The street is not only an eyesore that devalues nearby property values, but also presents a safety hazard. Many streets in Gate City have cracks or "spidering" that start out small and end up destroying the pavement. This effect exists when water gets underneath pavement, and is the result of a compromised aggregate foundation.

Sharon Street



Sharon Street is another example of a compromised aggregate foundation. There are several potholes on this street as well. There are six well maintained residential homes on Sharon Street. Sharon Street is scheduled to be repaved in FY 2020.

Baker Alley



Baker Alley is scheduled to be repaved in FY 2021. This street is a service access street to several businesses off East Jackson Street. Baker Alley has become compromised due to heavy equipment.

McConnell Street



McConnell Street has minor spidering and pot holes. This street has a few residential homes that are serviced by an undersized galvanized water line. McConnell Street is scheduled to be repaved in FY 2022.

CDBG ELIGIBILITY

The Virginia Community Development Block Grant (CDBG) program is administered by the Virginia Department of Housing and Community Development.

The Virginia CDBG program, as established under the *Housing and Urban Development Act of 1974*, states that all projects must meet at least one of three national objectives:

- The benefit of low-to-moderate income (LMI) persons
- The elimination of slums and blight
- Response to an urgent need such as a natural disaster

Neighborhood revitalization projects that include housing rehabilitation and infrastructure improvements are typically funded under the first national objective: the benefit to LMI persons.

Since CDBG applications for construction assistance are awarded on a competitive basis, several other factors play a crucial role in developing a successful project. These factors include, but are not limited to, support from the local governing body, interest and support from project area residents (deemed "beneficiaries" in application/project management), quantification of need that warrants grant funding, and a desire by the Town to correct all deficiencies in the neighborhood, as practicable. All of these factors were considered when the neighborhoods were prioritized.

PRIORITIZATION OF NEIGHBORHOODS

The Needs Assessment Planning Grant process requires the project management team to identify concentrations of blight and prioritize those areas for a more in-depth study. DHCD expects that the Town will address these areas by applying for CDBG construction funds according to a timetable established by the Town.

The Needs Assessment Management Team gathered on _____ to review the results of the needs assessment, identify concentrations of blight, and prioritize the areas for additional study and development of a comprehensive housing plan.

The management team considered numerous factors in addition to the housing conditions including infrastructure deficiencies, overall eligibility of the area, and anticipated future developments. The Town's management team members include Greg Jones, Wayne Bledsoe, Roger Cassell, Debbie Kindle, Debbie Williams, Kelly Charapich, Anna Meade, Rebecca Crockett, and Deana Stoddard.

Project area boundaries, as identified during the planning process, may evolve over time as conditions in the areas change. It was noted in each case that the neighborhoods as currently defined are each large, contiguous areas which will likely require phased projects. Project budget considerations also affect the final project area size and number of units to be addressed. Individual project area maps are included in the Appendix.

Based on the neighborhood assessment, housing assessment, and consideration of the condition of each neighborhood, the Management Team determined a prioritization of neighborhoods as follows for future study and development of future CDBG projects.

Priority	Area	Management Team comments

PROPOSED TIMELINE FOR PROJECT IMPLEMENTATION

The Town's long term goal is to address each of the identified neighborhoods. The Town recognizes that, due to the size of numerous neighborhoods, housing rehabilitation projects will likely be best addressed in phases, requiring multiple projects over several years to properly address community needs.

The Town is eligible to have up to \$2.5 million in active CDBG projects at a given time, therefore allowing, in theory, the Town to concurrently conduct planning and project development for multiple phases.

The potential schedule for addressing each neighborhood is:

Adherence to this schedule assumes each project is completed in a timely manner. As noted, planning grant activities may determine that the size of a particular neighborhood and the identified need would be best served in phases, requiring multiple projects to properly address community needs throughout the Town.

HOUSING PROGRAMS, PARTNERSHIPS, AND POLICIES

The overall improvement of housing conditions in the Town of Gate City will require a multi-faceted approach that includes pursuing grant funding, partnering with existing housing non-profit groups, promoting the establishment of new non-profit groups, and implementing policies that encourage those citizens who are able to undertake the rehabilitation of their properties. The following programs, partnerships and policies are recommended for consideration by the Gate City Town Council and Town staff. While all properties may not be sufficiently addressed under these actions, a large number of substandard properties could ultimately benefit from their implementation.

Community Development Block Grant program

The Commonwealth of Virginia receives an annual allocation of CDBG funds from the Department of Housing and Urban Development (HUD) for the state's non-entitlement communities. These funds are distributed to eligible communities through a competitive application process and are directed to projects that focus on benefiting low-to-moderate income households, removing slums and blight, or addressing an urgent need after a federally declared disaster. The CDBG Program also provides planning grants to develop projects within defined neighborhoods.

Indoor Plumbing Rehabilitation (IPR) Program

The Indoor Plumbing Rehabilitation (IPR) program provides zero-percent interest, forgivable loans in eligible localities for the installation of indoor plumbing to owners of substandard housing where indoor plumbing does not exist, or where the existing water delivery or waste disposal systems have failed. Loan repayments are determined by the homeowner's ability to make payments. The program also provides for the general rehabilitation of these units and for accessibility improvements to units occupied by persons with disabilities or where overcrowded conditions exist. The Virginia Department of Housing and Community Development (DHCD) contracts with locally appointed sub-recipients, including local governments, nonprofit housing providers, and housing authorities, to administer the IPR program. The sub-recipients are responsible for most program operations, including outreach, application intake, beneficiary and property eligibility determination, and construction management. The IPR Regional Administrator for Region 1 is Mount Rogers Planning District Commission.

Habitat for Humanity

Habitat for Humanity is a national non-profit known for assisting low-income households with owning a home and, more recently, with the renovation of existing homes. Habitat works with eligible low-income persons who aspire to own a house and are willing to provide the sweat equity to build a new house or renovate an existing one.

Rebuilding Together

Rebuilding Together, a non-profit that utilizes citizen and skilled volunteer assistance, has provided extensive home rehabilitation and modification services to homeowners in need for nearly 25 years. The Rebuilding Together network and its 200 affiliated non-profits bring together 200,000 volunteers and completes 10,000 projects each year. Aside from housing rehabilitation, Rebuilding Together projects may also include community center rehabilitation, playground builds, and partnerships with organizations focused on energy efficiency, sustainable community gardens, volunteer engagement, and education.

There is currently no provider for Scott County or southwestern Virginia. The national office can be contacted at:

Rebuilding Together National Headquarters
1899 L Street NW, Suite 1000
Washington, DC 20036
1-800-473-4229

Weatherization Assistance Program

This project is funded through the US Department of Energy, administered by the Virginia Department of Housing and Community Development, and implemented by the Appalachian Community Action & Development Agency. The program utilizes grant funding to improve the energy efficiency of residential units, thereby reducing heating and cooling costs of eligible low-income households. The program focuses on those low-income households that include elderly persons, individuals with disabilities, and families with children, but eligibility is determined by income level. Eligible households receive an on-site energy audit that identifies areas of improvement to reduce heating and cooling costs. Typical weatherization services include sealing air leaks, installation of ventilation fans, repairing deficient duct systems, repairing or replacing inefficient or unsafe heating and cooling systems, and installation of energy efficient lighting.

Provider Contact Information:

Appalachian Community Action & Development Agency (AppCAA)
P.O. Box 279
Gate City, VA 24251
Phone: (276) 679-5988
Website: www.appcaaa.org

Association of Energy Conservation Professionals (AECp)

P.O. Box 152
Floyd, VA 24091
Phone (540) 745-2838
Email: aecp@swva.net
Website: www.aecp.org

Housing Tax Abatement Program

The Town can implement a tax abatement program that promotes private residential rehabilitation by property owners. This program requires minimal oversight by Town staff and encourages Town residents to make improvements on their own. Tax abatement programs typically include the following requirements:

- The property must be no less than 20 years old
- Rehabilitation must increase the value of the structure by a minimum of 40 percent
- All required permitting must be obtained at the time of application for tax abatement
- Rehabilitated structures must meet zoning requirements
- The rehabilitated structure cannot exceed the square footage of the original structure by more than 110 percent

CONCLUSION

The Management Team for the Town of Gate City Town-Wide Housing Needs Assessment convened on _____ to review the identified concentrations of blight and select the priority neighborhoods.

APPENDIX A

STREET-BY-STREET SUMMARY

Gate City Housing Needs Assessment

Street-by-Street Summary

Gate City Town wide	Sound / Good	Requiring Rehab \$25,000 to \$35,000	Major Deficiencies or Substantial Reconstruction \$ 40,000 & over	Vacant For sale or rent	Abandoned	Total Houses
Area 1	64	21	34	7	7	133
Area 2	160	83	53	20	21	337
Area 3	70	51	43	17	16	197
Area 4	156	18	27	6	12	219
Moore St 6 apts						
Benton Dr 6 duplexes						
Dillon St 6 trallers						
Una St 8 apts						
Fir St 4 apts						
Manville Rd 1 duplex						
Willow St 4 apts						
Reed Hollow 1 duplex						
Totals	450	173	157	50	56	886

Gate City Housing Needs Assessment
Street-by-Street Summary

Streets In Area 1 (Southeast)	Sound / Good	Requiring Rehab \$25,000 to \$35,000	Major Deficiencies or Substantial Reconstruction \$ 40,000 & over	Vacant For sale or rent	Abandoned	Total Houses
Margie St	3	2	12	1		18
Clyde Williams Ave	3					3
Magnolia Ave		4	1	1	1	7
South Solon			3	1	1	5
Tucker St		2				2
Hemlock Dr	4			1		5
Cedar St	8					8
Short St	7					7
Beech St	3					3
Broadwater		3	2		1	6
Harry Fry Dr	10					10
Old Nickelsville Rd		1	7		2	10
East Jackson St	26	9	9	3	2	44
Totals	64	21	34	7	7	133

Gate City Housing Needs Assessment
Street-by-Street Summary

Streets in Area 2 (West Side) West Side to Fir St.	Sound / Good	Requiring Rehab \$25,000 to \$35,000	Major Deficiencies or Substantial Reconstruction \$ 40,000 & over	Vacant For sale or rent	Abandoned	Total Houses
Park St	3	16	7	5	7	38
Gazebo Dr			3			3
West Jackson	21	25	12	5	2	65
Ava, Ena, Eva, Una Subdivision	22	3	1	1		27
Paul Wade Dr	5	1	1			7
Linda St	3					3
Bowen St	3					3
Jay St	5					5
Frances St	6					6
Sue St	7					7
Starnes St		1	2		1	4
Highland St	13	19	7	2	4	45
Franklin St	1		1		1	3
Richmond St	4	1		1		6
Benton Dr	8		3		2	13
Darter St	4	4	4		1	13
Campbell St	6	2	4	1	1	14
Cypress St	14		2	1	2	19
Elm St	23	2		1		26
Hill St	5	1				6
Fir St	7	8	6	3		24
Totals	160	83	53	20	21	337

Gate City Housing Needs Assessment
Street-by-Street Summary

Streets in Area 3 (North Central) Estil St to Woodland St	Sound / Good	Requiring Rehab \$25,000 to \$35,000	Major Deficiencies or Substantial Reconstruction \$ 40,000 & over	Vacant For sale or rent	Abandoned	Total Houses
Estil St		4	2	1		7
Walnut St		1	7	2		10
Sherman St	4	2	3	2		11
Chesnut St	1	3	1		2	7
Cherry St		3				3
Poplar St	5	1		2	3	11
Willow St		2				2
Birch St		3				3
Promise St		3	1		3	7
Back St			1	1		2
Cleveland St	10	5	4	2	1	22
Manville Rd	12	12	16	3	3	46
Elliot Dr	4	3	5	2	1	15
Monte Vista Dr	3	1				4
Woodland St	11	8	3	2	3	28
Hillcrest	15					15
Hunters Crossing Dr	5					5
Totals	70	51	43	17	16	197

Gate City Housing Needs Assessment
Street-by-Street Summary

Streets in Area 4 (Northeast) Ravine St to Rt. 72	Sound / Good	Requiring Rehab \$25,000 to \$35,000	Major Deficiencies or Substantial Reconstruction \$ 40,000 & over	Vacant For sale or rent	Abandoned	Total Houses
Ravine St	3		13	1	3	20
Anderson St	17					17
Wolfe St	1	2	5		1	9
Oak St	2	3	1	1		7
North Solon St et al	13	2				15
Quillen Dr et al	15			1		16
Sargent St	8	1				9
Red Hill Rd	1	3	3	1	2	10
Lynn Dr	12					12
Barbara Rd	8					8
Embar Rd	6				1	7
Anita Ave	4					4
Reed Hollow Rd	6	7	5	2	5	25
Arora St	4					4
Moccasin Hills Subdivision	43					43
Davidson St	1					1
Valley View	5					5
Ellen Dr	4					4
Massey Dr	3					3
Totals	156	18	27	6	12	219

**PARK STREET HOUSING REHABILITATION
RESPONSIBILITY ROSTER
TOWN OF GATE CITY
CDBG # 18-18**

PROJECT MANAGEMENT TEAM

NAME	AFFILIATION	ROLE
Greg Jones	Town Manager	Grant Administrator
Rebecca Crockett	LENOWISCO PDC	Project Management
Frances Perry	Town Mayor	Town Council Representative
Roger Cassell	Town Council Member	Town Council Representative
Debbie Williams	Citizen	Sparkplug
Debbie Kendle	Citizen	Sparkplug
Robert Mullins	Building Inspector	Building Inspector

PROJECT REHABILITATION BOARD

NAME	AFFILIATION	ROLE
Greg Jones	Town Manager	Grant Administrator
Robert Mullins	Building Inspector	Building Inspector