



County of Albemarle
Department of Social Services

PREMIER CIRCLE PROJECT UPDATE

February 2, 2022

BACKGROUND

On February 17, 2021 the Board of Supervisors approved a rezoning of the Red Carpet Inn site (Tax Map Parcel 61M-6) to allow the construction of up to 140 affordable dwelling units, approximately 40,000 square feet of non-residential space, and up to 16,335 square feet of amenity and green space areas. The project is the result of a collaboration between three local nonprofit housing and homeless services providers: Piedmont Housing Alliance (PHA), the Thomas Jefferson Area Coalition for the Homeless (TJACH), and Virginia Supportive Housing (VSH).

The redevelopment of the site will be carried out in four phases, beginning with the renovation of approximately 115 of the existing hotel rooms to be used to provide safe, non-congregate emergency shelter operations during the construction process. Residential construction will occur in Phase II and Phase III, with non-residential construction comprising Phase VI activities. Once complete, the project will provide permanent supportive housing opportunities for approximately 80 individuals experiencing chronic homelessness or who have very low-incomes, additional affordable housing options for approximately 60 low-income households, and a two-story commercial building fronting on Route 29. Site redevelopment is anticipated to be completed in latter half of 2026. An illustration of the construction phasing is attached for reference.

PROJECT ACTIVITIES TO-DATE

Following is an overview of each project component, as well as updates on project progress.

Non-Congregate Emergency Shelter

Work to prepare the hotels rooms for shelter operations began in the Spring 2021. Renovation activities are focused on creating safe, healthy, and comfortable environments for residents including mold and bedbug remediation; the replacement of all beds, mattresses, and box springs; flooring repairs and cleaning; and the repainting of room walls. As of December 2021, 75 rooms have been renovated and placed into service, with another 36 rooms slated for renovation. Seven of the completed rooms are vacant, and undergoing routine maintenance.

Local homeless service provider PACEM (People and Congregations Engaged in Ministry) is providing oversight and management of the emergency shelter operations. TJACH is contracting with an organization to provide overnight security. Bi-monthly, onsite health clinic

services are being provided by the University of Virginia, and Region Ten's PATH Street Outreach and mental health and substance use support services are providing part-time case management services for residents. Other onsite services include food distribution, and connections to community services such as employment assistance, and housing assistance. Additionally, TJACH and PACEM work with each resident to secure permanent housing options, or other shelter options if permanent housing cannot be secured. Since the start of the shelter services, Premier Circle has provided shelter and supportive services to a total of 103 individuals, with 64 persons currently staying at the property. Once construction of the first apartment building commences, 55 rooms will remain for use as a non-congregate emergency shelter.

Permanent Supportive Housing

Premier Circle Permanent Supportive Housing will include approximately 80 studio apartments, including 12 ADA accessible units, with wrap-around services in a permanent supportive housing model. Forty apartments will have rental subsidies for homeless adults, and the remaining units will have rental subsidies for individuals at or below 50% of area median income (AMI).

Each unit will be approximately 350 square feet and will be modestly furnished, with a bed, dresser, table and chairs, kitchenette with full refrigerator and range oven, and full bathroom. The building will have an extensive security system and adequate off-street parking. In addition to apartments, the building will contain resident amenities such as a computer room, a fitness room, and laundry facilities. The front desk will be staffed sixteen hours per day with a night monitor at night.

Virginia Supportive Housing (VSH) will provide onsite supportive services, including individual case management, employment training and support, educational opportunities, and activities to connect residents with the broader Albemarle community among other services. The permanent supportive housing model has an extraordinary track record - over 95% of VSH residents stay housed and do not return to homelessness. Additionally, significant benefits accrue to regional emergency resources. In a recent study of VSH supportive housing community residents, emergency room visits were reduced by 54%; return ER visits in less than 60 days were reduced by 67%, and payments per inpatient visit increased by 126%. A closer analysis of the 20% of VSH residents who were the highest ER and inpatient service utilizers while homeless showed a 71% decrease after being housed.

VSH has retained the services of BRW Architects for project design and construction drawings, and anticipates a May 2023 construction start date.

Other Affordable Housing

Coming online in the third phase of redevelopment, Premier Apartments will consist of approximately 60 affordable apartments for family and senior households with incomes from 30%-80% AMI. The primary financing mechanism, the Low Income Housing Tax Credit (LIHTC) program, will be coupled with other funding sources to enable the development. Premier Apartments will be designed to Enterprise Green Communities, Zero Net Energy Ready, and Passive House standards. The building(s) will provide direct benefits to residents through increased durability, healthy interiors, and reduced utility bills. PHA, the owner and manager of the Premier Apartments, will also attempt to finance solar panel installation to further project

sustainability goals and increase operational efficiencies. PHA anticipates a construction start date during the second quarter 2025.

Commercial Space

The final phase of the project will establish a prime commercial outparcel along the frontage of Rt. 29, which can accommodate up to 40,000 sf of commercial, office, R&D or light industrial space. As the time for the commercial development approaches, project partners will explore options that might provide direct benefit to onsite residents. Other improvements to the site will include a transit stop, sidewalks, upgrades to Premier Circle, and more than an acre of greenspace and resident amenity areas. Estimated construction start date is fourth quarter 2026.

ATTACHMENT A: PREMIER CIRCLE PHASING PLAN

