Albemarle County

Legislation Text

File #: 22-338, **Version:** 1

AGENDA DATE: 7/20/2022

TITLE:
Requests for Housing Fund Support

SUBJECT/PROPOSAL/REQUEST: Consider funding of affordable housing projects from the Housing Fund Reserve**.**

ITEM TYPE: Regular Action Item

STAFF CONTACT(S): Richardson, Walker, Hudson, Herrick, Dimock, Pethia

PRESENTER (S): Stacy Pethia, Housing Policy Manager

LEGAL REVIEW: Yes

REVIEWED BY: Jeffrey B. Richardson

BACKGROUND: Between September and November 2021, the County solicited applications for funding through both the Agency Budget Review Team (ABRT) and American Rescue Plan Act (ARPA) processes. A total of eight funding requests to support affordable housing projects were received during the application periods, with one additional funding request received outside of the ABRT and ARPA processes. The combined total funding amount associated with these requests equals $22,187,152, which would support the construction of 445 and preservation of 133 affordable housing units.

On April 20, 2022, the Board approved the use of $1,296,520 from the Housing Fund Reserve to support the construction and preservation of 78 affordable housing units. During this meeting, staff identified two additional affordable housing projects to be recommended for funding in Fiscal Year 2023 (FY 23).

With the adoption of the FY 23 Budget on May 4, 2022, the Board of Supervisors approved a total of $548,870 in ABRT funding, and $2,735,680 in ARPA funding to support additional affordable housing projects and programs. The Board also approved the transfer of $3.1 million in FY 21 General Fund balance, and $698,410 from the American Rescue Plan Act (ARPA) Reserve to the Housing Fund Reserve.

STRATEGIC PLAN: Quality Government Operations - Ensure County government's capacity to provide high quality service that achieves community priorities.

DISCUSSION: At the completion of the both the ABRT and ARPA application processes, an inter-departmental County team reviewed the housing project-specific applications to identify any applications that could potentially receive funding through the County's Housing Fund Reserve. The review team recommended five of those projects for additional funding, three of which were approved for FY 2022 funding by the Board on April 20, 2022. The review team also recommended an allocation of a total $3,306,504 from the FY 2023 Housing Fund Reserve available balance as follows:

Agency: Piedmont Housing Alliance

Project: Southwood Apartments
Amount: $3,000,000

Agency: Greater Charlottesville Habitat for Humanity
Project: Master Leasing for Resident Relocation Efforts
Amount: $306,504

If the Board chooses to approve these funding requests, the funds would be used to support the construction of 121 affordable rental units in the Southwood Apartments project, and to provide up to two years of rental assistance for Southwood residents needed to be relocated from their current units during Southwood Phase 2 construction work.

The table found in Attachment A provides complete summaries and comparisons of both of these funding requests, as well as summaries and comparisons of all ABRT and ARPA evaluated by the review team members.

BUDGET IMPACT: The total amount of recommended FY 23 project funding equals $3,306,504. After accounting for the proposed project funding, and approved set-asides of $900,000 for the Southwood Performance Agreement, $421,520 for AHIP, $625,000 for the Piedmont Community Land Trust, $250,000 for the Energy Efficiency program, and $85,201 for a Southwood Project Manager, $457,152.80 would remain in the Housing Fund Reserve to support future affordable housing projects.

RECOMMENDATION:
Staff recommends the Board approve the additional allocations for the Southwood Apartments and the Master Leasing for Resident Relocation Efforts from the FY2023 Housing Fund Reserve at the recommended funding levels.

ATTACHMENTS:
A - Comparison of Funding Requests for Affordable Housing Projects