



Albemarle County

Legislation Details (With Text)

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Date	Ver.	Action By	Action	Result
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AGENDA DATE: 4/20/2022

TITLE:

Requests for Housing Fund Support

SUBJECT/PROPOSAL/REQUEST: Approval to award funding to affordable housing projects from the Housing Fund Reserve

ITEM TYPE: Regular Action Item

STAFF CONTACT(S): Richardson, Walker, Hudson, Baumgartner, 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. All ARPA applications were reviewed and rated by a team comprised of staff from various County departments. Application scores were then reviewed by the Department of Finance and Budget and the County Executive's Office, with funding recommendations being incorporated into the overall FY 2023 budget development process. Final decisions about funding are made by the Board of Supervisors with the adoption of the final budget.

Not all of the funding requests to support affordable housing projects are being recommended for funding, and some of these requests are being recommended for funding at a lower amount than requested. An available balance in the Housing Fund Reserve could be used to fill some of these gaps in project funding. Housing staff worked with a team of County staff to review all of the requests related to affordable housing projects and develop recommendations for additional funding. These recommendations are presented below.

One additional request for funding was received outside of either application process. This request was included in the staff review and is included in the following discussion.

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

DISCUSSION: 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. A complete summary of all funding requests is included as Attachment A. The application review team recommends allocating a total of \$1,296,520 from the FY22 Housing Fund Reserve available balance as follows:

Agency: Albemarle Housing Improvement Program (AHIP)
Project: Critical Home Rehab & Repair
Amount: \$421,520

Agency: Piedmont Community Land Trust
Project: Long-term Affordable Homeownership
Amount: \$625,000

Agency: Local Energy Alliance Program (LEAP)
Project: Assisted Home Performance Program
Amount: \$250,000

The review team also considered project funding requests utilizing the anticipated FY22 Housing Fund Reserve. Accordingly, should the Board approved the recommended transfer of \$3.1 million to the Housing Fund Reserve from the FY21 year-end undesignated General Fund balance, the application review team recommends allocating a total of \$3,306,504 to the following projects and in the following amounts:

Agency: Piedmont Housing Alliance
Project: Southwood Apartments A
Amount: \$3,000,000

Agency: Greater Charlottesville Habitat for Humanity
Project: Southwood Resident Relocation & Anti-Displacement Plan - Temporary On-site Housing
Amount: \$306,504 (for master leasing associated with Southwood Phase 1)

BUDGET IMPACT: The total amount of recommended FY22 project funding equals \$1,296,520. After accounting for the proposed project funding, and approved set-asides of \$900,000 for the Southwood Performance Agreement, and \$170,000 for a Southwood Project Manager, there will be \$473,055 remaining in the Housing Fund Reserve to support future affordable housing projects.

Additionally, should the Board approve the recommended transfer of \$3.1 million in FY21 General Fund balance to the Housing Fund Reserve in FY22, and should the Board approve the recommended \$3,306,504 to support the Southwood Apartments A and Southwood resident relocation projects, there will be \$266,551 remaining in the Housing Fund Reserve to support future affordable housing projects.

RECOMMENDATION:

Staff recommends the Board approve the recommendation to allocate \$1,296,520 from the FY22 Housing Fund Reserve available balance as follows:

Agency: Albemarle Housing Improvement Program (AHIP)
Project: Critical Home Rehab & Repair
Amount: \$421,520

Agency: Piedmont Community Land Trust
Project: Long-term Affordable Homeownership
Amount: \$625,000

Agency: Local Energy Alliance Program (LEAP)
Project: Assisted Home Performance Program
Amount: \$250,000

Staff further recommends that the Board direct staff to return in June with an appropriation request in the amount of \$3.1 million from FY21 year-end General Fund fund balance to the Housing Fund to be allocated with the existing Housing Fund Reserve as follows:

Agency: Piedmont Housing Alliance
Project: Southwood Apartments A
Amount: \$3,000,000

Agency: Greater Charlottesville Habitat for Humanity
Project: Southwood Resident Relocation & Anti-Displacement Plan - Temporary On-site Housing
Amount: \$306,504 (for master leasing associated with Southwood Phase 1)

ATTACHMENTS:

A - Affordable Housing Project Funding Request Summaries