Albemarle County

Legislation Text

File #: 20-161, **Version:** 1

AGENDA DATE: 3/4/2020

TITLE:
Resolution - Revitalization Area Designation for Southwood LIHTC Project

SUBJECT/PROPOSAL/REQUEST: Resolution supporting determinations for Virginia Housing Development Authority Low Income Housing Tax Credit financing for a project in Southwood.

ITEM TYPE: Consent Action Item

STAFF CONTACT(S): Richardson, Walker, Kamptner, Baumgartner, Filardo, Pethia

PRESENTER (S): N/A

LEGAL REVIEW: Yes

REVIEWED BY: Jeffrey B. Richardson

BACKGROUND: The Piedmont Housing Alliance (PHA) is pursuing Low Income Housing Tax Credit (LIHTC) financing for an 80-unit affordable rental housing project on Block 12 (TMP 09000-00-00-0001A) in Phase 1 of the Southwood Mobile Home Park redevelopment. To support a successful LIHTC application for project financing, PHA is requesting the Albemarle County Board of Supervisors designate the development site as a revitalization area as defined by Virginia Code Section 36-55.30:2(A).

STRATEGIC PLAN: Infrastructure Investment: Prioritize, plan, and invest in critical infrastructure that responds to past and future changes and improves the capacity to serve community needs. Revitalize Aging Urban Neighborhoods: Continue the partnership with Habitat for Humanity using the Team Approach with a focus on quality community & non-displacement until the completion of the build out for Phase 1 of Southwood.

DISCUSSION: Piedmont Housing Alliance (PHA) is proposing to build 80 affordable rental units in Phase 1 of the Southwood redevelopment. The proposed project will be located on the portion of TMP 09000-00-00-0001A designated as Block 12 in the Phase 1 Concept Plan (Attachment D). To help finance the project, PHA is applying for Low Income Housing Tax Credits (LIHTC) through the Virginia Housing Development Authority (VHDA). This financing program requires that, at a minimum, 40 percent of the residential units in the development be reserved for households earning not more than 60 percent of area median income (area median income is currently $89,400 for a four-person household in Albemarle County).

To increase the likelihood of obtaining this financing, VHDA recommends that the local governing body adopt a resolution designating the development site as a Revitalization Area as defined under Virginia Code Section 36-55.30:2(A). The designation for the proposed project is based on the following conditions: (1) the project is located in an area that is blighted, deteriorated or, if not rehabilitated, likely to deteriorate by reason that the buildings, improvements, or other facilities in such area are subject to one or more of the following conditions: dilapidation, obsolescence, overcrowding, inadequate ventilation, light or sanitation, excessive land coverage, deleterious land use, or faulty or otherwise inadequate design, quality or condition; and (2) private enterprise

and investment are not reasonably expected, without assistance, to produce the construction or rehabilitation of decent, safe and sanitary housing and supporting facilities that will meet the needs of low and moderate income persons and families in such area and will induce other persons and families to live within such area and thereby create a desirable economic mix of residents in such area.

The proposed project addresses critical affordable housing needs in Albemarle County. Additionally, the project will satisfy the conditions outlined in Section 5(B) of the Southwood Performance Agreement to "Construct or Install at Least 80 LIHTC Affordable Dwelling Units."

BUDGET IMPACT: There is no direct budgetary impact related to this action.

RECOMMENDATION:
Staff recommends the Board adopt the attached resolution (Attachment A) making the determinations requested by Piedmont Housing Alliance for the proposed Southwood LIHTC project.

ATTACHMENTS:
Attachment A - Resolution
Attachment B - Developer request for determination
Attachment C - Project description
Attachment D - Southwood Phase 1 Concept Plan