



Albemarle County

Legislation Text

File #: 21-536, **Version:** 1

AGENDA DATE: 12/15/2021

TITLE:

The Southwood Redevelopment Project

SUBJECT/PROPOSAL/REQUEST: Proposed additional support the Southwood Redevelopment project

ITEM TYPE: Consent Information Item

STAFF CONTACT(S): Stacy Pethia

PRESENTER (S): Stacy Pethia

LEGAL REVIEW: Not Required

REVIEWED BY: Jeffrey B. Richardson

BACKGROUND: In October 2016, Albemarle County and Habitat for Humanity of Greater Charlottesville entered into a public-private partnership for the redevelopment of the Southwood Mobile Home Village. Since that time, the County has invested \$5,025,000 in the redevelopment project, including \$1,050,000 in Community Development Block Grant funds, \$675,000 from the Housing Fund, \$3,200,000 in county revenue and property tax rebates through the 2019 Performance Agreement, and an estimated \$100,000 of staff time.

STRATEGIC PLAN: Infrastructure Investment - Prioritize and invest in critical infrastructure that responds to past and future changes and improves the capacity to serve community needs.

DISCUSSION:

Work on the project is progressing and staff has identified two additional project-related items in need of county support - the hiring of a full-time project manager dedicated to the Southwood project and matching funds for a Virginia Brownfields Remediation and Economic Revitalization (VBAF). Both items are outlined briefly below.

Project Manager for the Southwood Redevelopment Project - \$170,000

Each of the funding streams above is obligated to its own scheduling, compliance, and regulatory requirements. It is vital that Habitat staff understands the nuances of the Performance Agreement as well as State and Federal grant requirements. The ability to navigate all of the compliance and reporting requirements of the funding streams will allow Habitat to succeed in reaching its milestones. Delays in reporting or inconsistencies reaching compliance measurements for both State and Federal grants could put the County at risk of not being able to apply for future grants. In addition to impacting future funding opportunities, this may also lead to delays in project deliverables.

Since committing to being a partner in this project, several different County employees have worked closely with the Habitat community. These employees have been spread out among different County departments such as the Performance & Strategic Planning (P&SP), Finance, Housing and Community Development.

While achieving great progress as partners, having multiple staff involved in the project has made it difficult to achieve a cohesive understanding of the project as a whole. The addition of one Housing Projects Manager dedicated to the Southwood project would provide the County and Habitat with a dedicated point of contact and key facilitator for the many departments, outside agencies, and Habitat process owners to ensure successful collaboration, planning, scheduling, and coordinating of all work related to the redevelopment of Southwood. The Project Manager for the Southwood Redevelopment Project will be a 2-year, temporary position in the Office of Housing.

Matching Fund for the Virginia Brownfields Remediation and Economic Revitalization (VBAF) Grant - \$500,000

In August 2021, Habitat identified a total of 75 additional heating oil Underground Storage Tanks in the existing mobile home park that must be removed before Phase II work can begin. In September 2021, Habitat identified the Virginia Brownfields Remediation and Economic Revitalization (VBAF) grant program as a potential resource to help cover the cost of the Underground Storage Tank removal and soil remediation, and requested the County submit the grant application on their behalf. The VBAF program provides up to \$500,000 for site remediation and requires a 100% local match. After discussions with Habitat, staff agreed to submit the VBAF application with the condition Habitat agree to provide the matching funds if and until such time an alternative source of funds could be identified.

After a review of potential revenue sources to support both the hiring of a Project Manager and the VBAF grant match, staff have identified the County's Housing Fund as an appropriate source for those funds, and will return to the Board during future meetings with the full funding requests.

BUDGET IMPACT: The Housing Fund has \$1,939,575 in a Housing Fund Reserve intended to support housing initiatives that are one-time costs and will support the County's strategic and housing goals. Staff believes each of the items discuss above meet the intended uses of the Housing Fund Reserve. Should the Board choose the approve both items at a future date, the Housing Reserve Fund balance will decrease by \$670,000 for a balance of \$1,269,575.

RECOMMENDATION:

This is an informational item only. No action is needed at this time.

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