

## HOUSING ADVISORY COMMITTEE

Meeting Notes

Basement Conference Room City Hall

August 21, 2008

12:00 pm

### Present:

Charlie Armstrong

Peter Loach

Edith Good

Reed Banks

Karen Waters

Joy Johnson

Dave Norris

Overton McGehee

### Staff

Melissa Celi

Jim Tolbert

**Introductions—guest/visitors:** Jennifer McKeever, CDBG Task Force; Angela Vanderhoof, IMPACT

**Minute Approval:** *Motion to approve meeting minutes from July 31, 2008 made, seconded, and approved.*

**Update from the Chair:** No Update.

**Update from Staff:** City Council meeting regarding the Charlottesville Housing Fund moved to September 15, 2008.

### **Discussion of Sub-Committee Findings: Defining Affordability**

The defining affordability sub-committee met last Friday to discuss how they saw affordability and who is not being served. They presented their findings and recommendations. The sub-committee defined affordability as:

“No person or family under 80% AMI should spend more than 30% of their income on housing costs. Furthermore, affordability does not gentrify and allows people to remain in their homes.”

Members had questions about the amount of money that 30% of each income group equals. There was discussion about the elusiveness of affordability including how much individuals pay for housing and how much an individual makes. The point was made that defining affordability helps the developer by saying how much a person can make and how much they should be spending on housing costs. Members asked that the affordability definition includes the definition of housing costs.

There was a discussion about whether all projects receiving CHF funding needed to go through the RFP process; there was concern about the time constraints of an urgent matter. Some members felt that no matter would ever be that urgent that an emergency

CDBG Task Force meeting could not be held before making a decision. The consensus of members was that all projects should be subject to the RFP process and that Council could also overrule any decision they did not agree with. There was a discussion of fair market rents set up by HUD. These rents are an attempt at setting fair rents at market rate, which is not necessarily an affordable rate.

There was strong consensus from the group to accept the sub-committees definition and recommendations. After making a few revisions, the report will be bundled with the other sub-committees and a report will be presented to Council.

**Discussion of CHF Policy Recommendations:**

There was clarification of the name of the fund. CAHIP is a budget/finance term, but for the purposes of this group the fund should be called the Charlottesville Housing Fund.

Mr. Tolbert summarized the four policies under review. Policy 1 addresses Council's request for a list of priority type of projects to be funded. Policy 2 addresses what can be done to provide incentives to developers to provide affordable housing. Policy 3 looks at the criteria/evaluation method that will be used to award funding for projects that meet Policy 1. And lastly, Policy 4 refers to a specific pot of money Council has set aside for a specific type of project to ensure eligible projects include affordable units. This pot of money can be used to entice a project from the County to the City, and thus increase the tax base and monies that could be added to the CHF. These projects are part of Economic Development and won't come through the CDBG Task Force.

There was a discussion on the Policy comments submitted by the HAC members. The policies are being revised to include these comments. General discussion comments include changing the definition of very-low income from 30% to 40% with a preference for 30%, in order to allow projects to meld with federal criteria. It was suggested that in the future, the HAC attach to the policies a statement of goals in terms of # of units needed.

**Other business:** None

The next HAC meeting is **Thursday September 18 at 12:00 pm.**