



**CITY COUNCIL AGENDA
Monday, October 3, 2016**

6:00 p.m. **Closed session as provided by Section 2.2-3712 of the Virginia Code**
Second Floor Conference Room (City Manager Review)

7:00 p.m. **Regular Meeting - CALL TO ORDER**
Council Chambers

**PLEDGE OF ALLEGIANCE
ROLL CALL**

**AWARDS/RECOGNITIONS
ANNOUNCEMENTS** Focused Ultrasound Foundation; Domestic Violence Awareness Month;
International City/County Management Association (ICMA) Go Program

**APPOINTMENTS TO BOARDS & COMMISSIONS
CITY MANAGER RESPONSE TO MATTERS BY THE PUBLIC**

MATTERS BY THE PUBLIC Public comment provided for up to 12 speakers publicized at noon the day of the meeting (limit 3 minutes per speaker) and for an unlimited number of speakers at the end of the meeting on any item, provided that a public hearing is not planned or has not previously been held on the matter.

1. CONSENT AGENDA* (Items removed from consent agenda will be considered at the end of the regular agenda.)

- a. Minutes for September 19
- b. APPROPRIATION: \$10,000 Returned from Charlottesville Affordable Housing Fund Award to Albemarle Housing Improvement Program and Habitat for Humanity (2nd of 2 readings)
- c. APPROPRIATION: FY 2017 Fire Programs Aid to Locality Funding – \$141,082 (2nd of 2 readings)
- d. APPROPRIATION: Additional Funding for Social Services Programs – \$94,133.85 (2nd of 2 readings)
- e. APPROPRIATION: Insurance Settlement for Damaged Vehicle – \$2,729.53 (1st of 2 readings)
- f. RESOLUTION: Facilities Capital Projects Lump Sum Account Transfer for the Key Recreation Center Improvements Project – \$140,000 (1st of 1 reading)
- g. RESOLUTION: Facilities Capital Projects Lump Sum Account Transfer for the Charlottesville High School Black Box Theater Improvements Project – \$50,000 (1st of 1 reading)

2. RESOLUTION* Albemarle Housing Improvement Project (AHIP) 2017 Annual Allocation Request – \$851,700 (1st of 1 reading) – **20 mins**

**OTHER BUSINESS
MATTERS BY THE PUBLIC**

GUIDELINES FOR PUBLIC COMMENT

**We welcome public comment;
it is an important part of our meeting.**

Time is reserved near the beginning and at the end of each regular City Council meeting for Matters by the Public.

Please follow these guidelines for public comment:

- If you are here to speak for a **Public Hearing**, please wait to speak on the matter until the report for that item has been presented and the Public Hearing has been opened.
- Each speaker has **3 minutes** to speak. Please give your name and address before beginning your remarks.
- Please **do not interrupt speakers**, whether or not you agree with them.
- Please **refrain from using obscenities**.
- If you cannot follow these guidelines, you will be escorted from City Council Chambers and not permitted to reenter.

**CITY OF CHARLOTTESVILLE, VIRGINIA.
CITY COUNCIL AGENDA**



Agenda Date:	September 19, 2016
Action Required:	Approval of Appropriation
Staff Contacts:	Stacy Pethia, Housing Program Coordinator
Presenter:	Stacy Pethia, Housing Program Coordinator
Title:	Appropriation of Funds - \$10,000 Returned from Charlottesville Affordable Housing Fund (CAHF) Award to Albemarle Housing Improvement Program (AHIP) and Habitat for Humanity of Greater Charlottesville (Habitat)

Background:

On November 21, 2011, City Council awarded \$35,000 in CAHF funds jointly to AHIP (which would serve as the fiscal agent) and Habitat. These funds were approved to allow these two organizations to undertake planning and a pilot demonstration project for the “Build a Block” program. This funding was approved based on the need to identify an approach that would allow the City, through these non-profits, to address substandard housing in one or more defined impact areas (to be identified through the planning process) while preserving affordable housing without the harmful effects of gentrification. The budget included \$25,000 for planning related expenses related to AHIP’s involvement and another \$10,000 for a pilot initiative that would be undertaken by Habitat.

The planning process resulted in a report and a subsequent request by AHIP for CAHF funding of the Block by Block Charlottesville project in the Tenth and Page neighborhood.

In a recent review of the project, City staff identified that while funds were released for the pilot initiative that a demonstration effort never materialized due to a variety of factors. Accordingly, the \$10,000 released by the City was never used. Based on discussions with both AHIP and Habitat to determine what happened and what factors led to this, staff determined that the circumstances were beyond the control of AHIP / Habitat, but that the funds should be returned to the CAHF.

Discussion:

Funds received from AHIP, \$10,000, (which served as the fiscal agent for this project) need be appropriated to the Charlottesville Affordable Housing Fund (CP-084), effectively returning these funds to their original source.

Community Engagement:

There has been no direct community engagement on this issue.

Alignment with City Council Vision and Strategic Plan:

Approval of this agenda item aligns indirectly with Council’s vision for Charlottesville to provide *Quality Housing Opportunities for All* and Goal 1, Objective 1.3 of the Strategic Plan to *increase affordable housing options*.

Budgetary Impact:

The funds will be appropriated into the Charlottesville Affordable Housing Fund, which is a part of the City’s Capital Improvement Program Fund.

Recommendation

Staff recommends approval of the appropriation.

Alternatives:

There is no viable alternative for appropriation of the funds, as these funds need to be returned to their original source (Charlottesville Affordable Housing Fund).

Attachments: N/A

APPROPRIATION
Charlottesville Affordable Housing Fund (CAHF)
Return of Funds by
Albemarle Housing Improvement Program (AHIP)
and Habitat for Humanity of Greater Charlottesville (Habitat) - \$10,000

WHEREAS, the City of Charlottesville has received funds from AHIP and Habitat (\$10,000) for the unused portion of a FY 11/12 CAHF project that was initially budgeted for a pilot demonstration program; and

WHEREAS, funds should be reimbursed to the Charlottesville Affordable Housing Fund; and

NOW, THEREFORE BE IT RESOLVED by the Council of the City of Charlottesville, Virginia, that the sum of \$10,000 is appropriated as follows:

Revenues

\$10,000	Fund: 426	Project: CP-084	G/L Code: 451050
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Expenditures

\$10,000	Fund: 426	Project: CP-084	G/L Code: 599999
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CITY OF CHARLOTTESVILLE, VIRGINIA CITY COUNCIL AGENDA



Agenda Date:	September 19, 2016
Action Required:	Appropriation
Presenter:	Mike Rogers, Deputy Chief – Operations, Charlottesville Fire Dept.
Staff Contacts:	Mike Rogers, Deputy Chief – Operations, Charlottesville Fire Dept.
Title:	Fiscal Year 2017 Fire Programs Aid to Locality Funding (Firefund) Appropriation - \$141,082

Background: The Code of Virginia provides for the collection of an annual levy each fiscal period from the insurance industry. Such levy is collected by the State Corporation Commission, and the amounts collected are then transferred into the Fire Program Fund (Firefund). These aid to locality monies are then distributed to the jurisdictions to supplement the localities funding for fire service based training, training supplies, training equipment, prevention activities, and some response equipment. This is an annual allotment of funding. All usage and any carryovers are reported out to the Department of Fire Programs at the end of the fiscal period before the next fiscal period monies are granted. The City of Charlottesville has been awarded \$141,082 in these funds for FY 2017.

Discussion: The Aid to Locality monies are distributed annually to aid departments in their training, prevention, and equipment efforts. While the monies cannot be used to directly/indirectly supplant or replace other locality funds, they help us to provide for additional firefighting training resources, logistics, courses, and equipment as outlined in the Department of Fire Programs Aid to Locality allowable uses chart.

Alignment with Council Vision Areas and Strategic Plan: The Aid to Locality/Firefund allocation supports the City’s mission “To provide services and facilities that promote an excellent quality of life for everyone in the community” by providing supplemental training and equipment funding for fire prevention, firefighting, hazardous materials, and technical rescue. With this additional funding being put towards these purposes we are better able to prepare our responders to deliver emergency services and/or information to the citizens, students, business community members, and guests of the City.

The assistance from this annual funding allotment also aligns with Goal 2.1, Provide an effective and equitable public safety system, as well as the elements within Goal 4 - Be a well-managed and successful organization.

Community Engagement: N/A

Budgetary Impact: There is no impact to the General Fund, as these are grant funds. The initial FY 2017 disbursement at 90% is slated to transfer to the City's grant fund no later than 9/23/16, with the remaining 10% to be transferred later in the given fiscal year.

Recommendation: Staff recommends approval and appropriation of grant funds.

Alternatives: If Aid to Locality funding is not appropriated, the Fire Department will not be able to utilize this supplemental funding to help support its training, prevention, and equipment efforts.

Attachments: N/A

APPROPRIATION

Fiscal Year 2016 Fire Programs Aid to Locality Funding (Firefund) Appropriation - \$141,082

WHEREAS, the Virginia Department of Fire Programs has awarded a grant to the Fire Department, through the City of Charlottesville, specifically for fire service applications.

NOW, THEREFORE BE IT RESOLVED by the Council of the City of Charlottesville, Virginia, that a total of \$141,082.00 be appropriated in the following manner:

Revenues - \$141,082

\$141,082 Fund: 209 I/O: 1900010 G/L Account: 430110

Expenditures - \$141,082

\$141,082 Fund: 209 I/O: 1900010 G/L Account: 599999

BE IT FURTHER RESOLVED, that this appropriation is conditioned upon the receipt of \$141,082 from the Virginia Department of Fire Programs.

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**CITY OF CHARLOTTESVILLE, VIRGINIA.
CITY COUNCIL AGENDA.**



Agenda Date:	September 19, 2016
Action Required:	Approve Appropriation
Presenter:	Diane Kuknyo, Director, Department of Social Services
Staff Contacts:	Diane Kuknyo, Director, Department of Social Services Laura Morris, Chief of Administration, Department of Social Services
Title:	Additional Funding for Social Services Programs - \$94,133.85

Background:

The Virginia General Assembly appropriated additional funding to local departments of social services to be used for staffing and operations. The Charlottesville Department of Social Services has received \$94,133.85 from this additional funding.

Discussion:

The Charlottesville Department of Social Services plans to use the additional funding for staffing and operations needs including:

Continuing short term temporary staffing and overtime opportunities due to vacancies and overdue benefit programs application processing.

Increasing a Benefit Programs Specialist position from 20 hours to 30 hours per week

Evaluating staff travel needs to meet enhanced monthly client visit requirements.

Providing smart phones for staff who are out of the office frequently to increase their safety and security and exploring other technological needs.

Providing ongoing training opportunities for staff development and engagement.

Alignment with Council Vision Areas and Strategic Plan:

Approval of this agenda item aligns with the City's Mission to provide services that promote an excellent quality of life for everyone in our community and strategic plan goal: 4.3: recruit and cultivate quality employees.

Community Engagement:

Department staff work directly with citizens to provide social services, protect vulnerable children and adults, and promote self sufficiency.

Budgetary Impact:

Funds have been received and will be appropriated into the Social Services Fund. No local funds are required.

Recommendation:

Staff recommend approval and appropriation of these funds.

Alternatives:

Funds that are not appropriated will need to be returned to the Virginia Department of Social Services.

Attachments:

N/A

APPROPRIATION.
Additional Social Services Funding
\$94,133.85.

WHEREAS, The Charlottesville Department of Social Services has received funding in the amount of \$94,133.85 to be used for staffing and operations.

NOW, THEREFORE BE IT RESOLVED by the Council of the City of Charlottesville, Virginia, that the sum of \$94,133.85 is hereby appropriated in the following manner:

Revenue – \$94,133.85

Fund: 212 Cost Center: 9900000000 G/L Account: 430080

Expenditures - \$94,133.85

Fund: 212	Cost Center: 3301001000	G/L Account: 530210	\$10,000.00
Fund: 212	Cost Center: 3301001000	G/L Account: 520900	\$5,000.00
Fund: 212	Cost Center: 3301005000	G/L Account: 510030	\$10,000.00
Fund: 212	Cost Center: 3301008000	G/L Account: 510030	\$10,000.00
Fund: 212	Cost Center: 3301002000	G/L Account: 510025	\$8,000.00
Fund: 212	Cost Center: 3301005000	G/L Account: 510060	\$10,000.00
Fund: 212	Cost Center: 3301008000	G/L Account: 510060	\$10,000.00
Fund: 212	Cost Center: 3301008000	G/L Account: 530100	\$8,279.69
Fund: 212	Cost Center: 3301001000	G/L Account: 530670	\$10,000.00
Fund: 212	Cost Center: 3301005000	G/L Account: 525251	\$2,570.83
Fund: 212	Cost Center: 3301008000	G/L Account: 525251	\$10,283.33

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CITY OF CHARLOTTESVILLE, VIRGINIA
CITY COUNCIL AGENDA



Agenda Date:	October 3, 2016
Action Required:	Approve Appropriation
Presenter:	Diane Kuknyo, Director, Department of Social Services
Staff Contacts:	Diane Kuknyo, Director, Department of Social Services Laura Morris, Chief of Administration, Department of Social Services
Title:	Insurance Settlement for Damaged Vehicle - \$2,729.53

Background:

Brethren Mutual Insurance has provided a check in the amount of \$2,729.53 as payment on a claim for a totaled vehicle.

Discussion:

A 1998 Chevrolet Lumina owned by the Department of Social Services was involved in an accident and deemed by the insurance company to be a total loss with an estimated value of \$2,729.53.

Alignment with Council Vision Areas and Strategic Plan:

Approval of this agenda item aligns with City Council's Vision to be a Smart, Citizen-Focused Government.

Community Engagement:

N/A

Budgetary Impact:

There is no impact on the General Fund. Funds appropriated into the Social Services cost center will be used to off-set the cost of a replacement vehicle. The vehicle replacement cost is \$17,089.00.

Recommendation:

Staff recommends approval and appropriation of these funds.

Alternatives:

N/A

Attachments:

N/A

APPROPRIATION
Insurance Settlement for Damaged Vehicle
\$2,729.53

WHEREAS, The Charlottesville Department of Social Services has received payment in the amount of \$2,729.53 for a totaled vehicle

NOW, THEREFORE BE IT RESOLVED by the Council of the City of Charlottesville, Virginia, that the sum of \$2,729.53 is hereby appropriated in the following manner:

Revenue – \$2,729.53

Fund: 212 Cost Center: 3301008000 G/L Account: 451110

Expenditures - \$2,729.53

Fund: 212 Cost Center: 3301008000 G/L Account: 541040

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CITY OF CHARLOTTESVILLE, VIRGINIA.
CITY COUNCIL AGENDA.



Agenda Date:	October 3, 2016
Action Required:	Adoption of Resolution
Presenter:	Mike Mollica, Division Manager, Facilities Development
Staff Contacts:	Mike Mollica, Division Manager, Facilities Development Ryan Davidson, Senior Budget & Management Analyst, Budget and Performance Management
Title:	Fund Transfer to Facilities Capital Projects Lump Sum Account for the Key Recreation Center Improvements Project - \$140,000

Background: The City of Charlottesville’s Facilities Development Division is overseeing the Key Recreation Center Improvements Project – which includes building envelope and exterior site improvements, as well as select interior renovations. The project is in the design phase, with construction targeted for next spring (2017). Exterior improvements are currently being funded by the Facilities Capital Projects Lump Sum Account with an approximately \$252,000 budget.

Discussion: This request is to consolidate funds into one project account as required by City policy #200-09, which requires all phases of a project to use the same project account from start to finish. The request, if approved by Council, would transfer \$140,000 from the Facilities Repair Lump Sum Account (FR-001), intended for the interior renovation, into the Facilities Capital Projects Lump Sum Account for the Key Recreation Center Improvements Project (CP-016). The interior and exterior project scopes are intertwined and logically belong in one bid package. The total project budget would then be increased to approximately \$392,000.

Alignment with Council Vision Areas and Strategic Plan: This project supports City Council’s “Smart, Citizen-Focus Government” vision. It contributes to Goal 4 of the Strategic Plan, to “be a well-managed and successful organization,” and objective 4.1, to “align resources with City’s strategic plan”.

Community Engagement: N/A

Budgetary Impact: The funds to be transferred and consolidated were all previously appropriated by City Council.

Recommendation: Staff recommends approval of this resolution.

Alternatives: N/A

Attachments: N/A

RESOLUTION.

Fund Transfer to Facilities Capital Projects Lump Sum Account for the Key Recreation Center Improvements Project - \$140,000.

NOW, THEREFORE BE IT RESOLVED by the Council of the City of Charlottesville, Virginia that the following is hereby transferred in the following manner:

Transfer From

\$140,000 Fund: 107 WBS: FR-001 G/L Account: 561426

Transfer To

\$140,000 Fund: 426 WBS: CP-016 (P-00881) G/L Account: 599999

\$140,000 Fund: 426 WBS: CP-016 (P-00881) G/L Account: 498010

CITY OF CHARLOTTESVILLE, VIRGINIA.
CITY COUNCIL AGENDA.



Agenda Date:	October 3, 2016
Action Required:	Adoption of Resolution
Presenter:	Mike Mollica, Division Manager, Facilities Development
Staff Contacts:	Mike Mollica, Division Manager, Facilities Development Ryan Davidson, Senior Budget & Management Analyst, Budget and Performance Management
Title:	Fund Transfer to Facilities Capital Projects Lump Sum Account for the Charlottesville High School Black Box Theater Improvements Project - \$50,000

Background: The City of Charlottesville’s Facilities Development Division is overseeing the Charlottesville High School (C.H.S.) Black Box Theater Improvements Project – which includes correcting catwalk safety deficiencies and performance lighting improvements. The project is in the design phase, with construction targeted for next summer (2017). It’s currently being funded by the Facilities Capital Projects Lump Sum Account with a \$250,000 budget.

Discussion: This request is to consolidate funds into one project account as required by City policy #200-09, which requires all phases of a project to use the same project account from start to finish. The request, if approved by Council, would transfer \$50,000 from the School Small Cap Projects Account (SC-003), intended for performance lighting improvements, into the Facilities Capital Projects Lump Sum Account for the C.H.S. Black Box Theater Improvements Project (SH-016). The project scopes are intertwined and logically belong in one bid package. The total project budget would then be increased to \$300,000.

Alignment with Council Vision Areas and Strategic Plan: This project supports City Council’s “Smart, Citizen-Focus Government” vision. It contributes to Goal 4 of the Strategic Plan, to “be a well-managed and successful organization,” and objective 4.1, to “align resources with City’s strategic plan”.

Community Engagement: N/A

Budgetary Impact: The funds to be transferred and consolidated were all previously appropriated by City Council.

Recommendation: Staff recommends approval of this resolution.

Alternatives: N/A

RESOLUTION.

Fund Transfer to Facilities Capital Projects Lump Sum Account for the Charlottesville High School Black Box Theater Improvements Project - \$50,000.

NOW, THEREFORE BE IT RESOLVED by the Council of the City of Charlottesville, Virginia that the following is hereby transferred in the following manner:

Transfer From

\$50,000 Fund: 426 WBS: SC-003 G/L Account: 599999

Transfer To

\$50,000 Fund: 426 WBS: SH-016 (P-00882) G/L Account: 599999

**CITY OF CHARLOTTESVILLE, VIRGINIA
CITY COUNCIL AGENDA**



Agenda Date:	September 19, 2016
Action Required:	Approval of Resolution
Presenter:	Stacy Pethia, Housing Program Coordinator
Staff Contacts:	Stacy Pethia, Housing Program Coordinator
Title:	Allocation of Charlottesville Affordable Housing Fund (CAHF) for Albemarle Housing Improvement Program (AHIP) Scattered Site Rehabilitation, Block by Block Charlottesville (BXBC) 10th & Page Phase 2, BXBC Orangedale & Prospect Phase 1, and Emergency Repair Program- \$851,700

Background:

Since 1995, the Albermarle Housing Improvement Program, or AHIP, has been providing critical home repair and rehabilitation services to the City's low-income homeowners. The services provided through AHIP's Scattered Site Rehabilitation and Emergency Repair programs not only help ensure low-income homeowners have a safe and healthy home environment, but support the preservation of the City's existing housing stock, as well. Additionally, by concentrating rehabilitation efforts in high need neighborhoods through the Block by Block Charlottesville program, AHIP's activities extend program benefits beyond the homeowners served by: reducing neighborhood blight, maintaining (or increasing) property values, and enhancing neighborhood stability through long-term residency of existing homeowners.

Discussion:

With the City's generous support, through the Charlottesville Affordable Housing Fund (CAHF), AHIP completed 94 rehabilitation and repair projects for 75 low-income City of Charlottesville homeowners during fiscal year 2016. The additional funding of \$851,700, requested through the attached proposal, combined with other private and public funding sources will enable AHIP to perform approximately 119 repair, rehabilitation and energy upgrade projects (65 projects directly funded by this request) for City homeowners and their families. The table below provides a breakdown of program allocation for the requested funds. More detailed descriptions of proposed activities follow.

Program	Requested Funding FY 2017	Estimated Number of Households Served
Emergency Repairs	\$85,000	45
Neediest Cases Emergency Repairs	\$55,000	5
Scattered-Site Rehab	\$84,700	2
Neediest Case Scattered-Site Rehab	\$165,000	2
BXBC – 10 th and Page	\$297,000	6
BXBC – Orangedale and Prospect	\$165,000	5
TOTAL	\$851,700.00	65

Emergency Repair Program (ERP) – The ERP addresses emergency home repair needs, such as heating system failures; plumbing, electrical or structural emergencies; and the installation of handicap ramps. The funds invested through this program (typically \$1,000 to \$5,000 per project) enable AHIP to stabilize homes until more substantial repairs can be completed. AHIP is requesting CAHF support in the amount of \$85,000. This amount, in conjunction with the \$50,000 previously allocated for the ERP on August 16, 2016, will fund emergency repairs for 45 of the 81 households currently on AHIP’s ERP waitlist.

“Neediest Cases” Emergency Repairs – Projects completed through this program address large (up to \$10,000) home repair needs, such as HVAC or roof replacements, septic/water line issues, or electrical system upgrades. In the past, AHIP has been able to access federal funds through the Department of Housing and Urban Development (HUD) to support this work; however, this funding source is no longer available. In order to continue this program, AHIP is requesting \$55,000 in CAHF support, which will provide major emergency repair services for five low-income homeowners in the City of Charlottesville.

Scattered-Site Rehab – AHIP’s Scattered-Site Rehab efforts serve homeowners residing outside of the Block by Block Charlottesville (BXBC) program neighborhoods. Currently, 99 families are on the program waiting list. With CAHF funding of \$84,700, AHIP will be able to provide home rehabilitation services for two families during FY17 at an average cost of \$38,500.

“Neediest Cases” Scattered-Site Rehab – AHIP is requesting \$165,000 to assist two low-income families address substantial home rehabilitation needs. The increased average cost per project (\$75,000 each) associated with this program is necessary to address housing deterioration due to an aging housing stock and deferred home maintenance as a result of very low household incomes. Without this program, many of our City’s lowest income households risk serious housing related health and safety issues, and the City risks a decrease in its stock of affordable homeownership units.

Due to the large average cost per project, AHIP requests the City waive the 110 percent loan-to-value (LTV) ratio requirement for project approval. Staff recognizes the challenges low-income families may have meeting this LTV ratio, but is also cognizant of the need to mitigate risks associated with City investments. However, given the significant impact on household well-being these larger rehab projects may have for impacted families, as well as the need to preserve low-income homeownership opportunities within the City of Charlottesville, staff supports this requests on condition the LTV waiver is assessed on a case-by-case basis.

BXBC: 10th & Page Phase 2 -- The BXBC program combines public and private funding, volunteer work and partner resources to provide home rehabilitation projects in targeted low-income neighborhoods. The program addresses home safety issues, while preserving homeowner assets, as well as protecting the diversity, history and well-being of entire communities. Following the successful implementation of BXBC 10th & Page Phase 1, Phase 2 of the program was approved and implemented in FY 2016. To date, AHIP has completed the initially approved 24 home rehab projects and an additional home rehab project, utilizing surplus funds as a result of cost savings, is underway.

Phase 2 of the program began in FY 2016. A total of 6 home rehabilitation projects have been completed (three utilizing private funding and three funded with CAHF support). Seventeen families remain on the program waiting list; five of these families are in various stages of the project approval process. AHIP has secured \$140,000 in private funding and is requesting an additional \$297,000 from the CAHF to support the rehabilitation of an additional six homes in the area, at an average City investment of \$45,000 per project.

BXBC: Orangedale & Prospect Phase 1 -- Phase 1 of this program began in the summer of 2015. Community outreach in the area resulted in 55 households being placed on the program waiting list. During year one of the program, AHIP completed nine rehab projects towards its original FY16 goal of 12 rehabs, with most of them coming in under budget. AHIP will complete the remaining three rehabs in FY17. As a result of cost savings in Orangedale, AHIP is able to complete two additional projects with FY16 funds, for a total of 14 rehabs.

Building on the initial program success, AHIP is proposing to complete an additional five rehab projects in FY 2017 with an average project cost of \$30,000. To support this work, AHIP is requesting additional CAHF funding support of \$165,000.

Given AHIP's proven track record in their emergency repair and home rehab programs, and the significant impact the BXBC projects are having on the targeted neighborhoods, staff supports AHIP's current request for funding.

Alignment with Council Vision Areas and Strategic Plan:

Approval of this agenda item aligns directly with the City Council Vision for Charlottesville to provide quality housing opportunities for all. The proposed action also aligns with the Strategic Plan at goal 1.3 which speaks to increasing affordable housing options. The proposed rehabilitation efforts are also supported by objective 2.1 of the Comprehensive Plan - *Preserve and improve the quality and quantity of the existing housing stock through the renovation, rehabilitation and/or expansion of existing units as a means of enhancing neighborhood stability.*

Community Engagement:

There has not been any specific community engagement or public input on this proposal.

Budgetary Impact:

The proposed project will require \$851,700 from currently unallocated CAHF funds.

Recommendation:

Staff recommends approval of the attached resolution.

Alternatives:

Council could elect not to fund this request and/or to reduce funding for one or more components; however, these actions would negatively impact the City's ability to provide housing rehabilitation and emergency repair services to its low income residents.

Attachments:

AHIP FY 17 Funding Request
Resolution

RESOLUTION
Charlottesville Affordable Housing Fund Assistance for
Albemarle Housing Improvement Program
Emergency Repair Program, Scattered Site Rehabilitation, Block by Block Charlottesville
(BXBC) 10th & Page Phase 2, BXBC Orangedale & Prospect Phase 1
\$851,700

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Charlottesville, Virginia that the sum of \$851,700 be allocated from previously appropriated funds in the Charlottesville Affordable Housing Fund to the Albemarle Housing Improvement Program for the purpose of providing rehabilitation and emergency home repair services in the following manner:

Fund: 426 Project: CP-084 G/L Account: 599999

Albemarle Housing Improvement Program Emergency Repair Program	\$85,000
Albemarle Housing Improvement Program "Neediest Cases" Emergency Repair Program	\$55,000
Albemarle Housing Improvement Program Scattered Site Rehabilitation	\$84,700
Albemarle Housing Improvement Program "Neediest Cases" Scattered Site Rehabilitation	\$165,000
Albemarle Housing Improvement Program BXBC 10 th & Page (Phase 2)	\$297,000
Albemarle Housing Improvement Program BXBC Orangedale & Prospect (Phase 1)	\$165,000



AHIP

Funding Request to City of Charlottesville Neighborhood Development Services

FY17 Rehab Production and Funding Goals

August 2016

Introduction

AHIP proposes helping 70 to 75 households in FY17 with scattered-site and target-area rehab and repair activities. We anticipate completing 33 rehabs, 50 small repairs, and 36 energy upgrades for a total of 119 projects in FY17.

Owner-occupied rehab efforts keep city residents safe at home, protect their assets, improve city neighborhoods, and preserve the city's stock of affordable housing. In FY16, AHIP and the city, through our joint rehab and emergency repair efforts, helped 75 households and 151 people. The city was AHIP's key programmatic and funding partner for the majority of this work.

We work closely with Neighborhood Development Services to inspect projects and develop each rehab's scope of work, approve funding disbursements, coordinate deed of trust and legal documentation (in conjunction with the city attorney's office), go through the requisite permitting processes, ensure compliance with local and federal funds, and problem-solve challenges related to client families or properties.

The Charlottesville Affordable Housing Fund has been a primary investor in existing affordable housing, underwriting rehab and emergency repair work for city residents who would not be able to make critical home repairs on their own.

Our program areas include the following:

- **scattered-site (city-wide) emergency repairs**
- **scattered-site (city-wide) rehabs**
- **Block-by-Block Charlottesville, AHIP and the city's target-area rehab initiative.** Current target areas include the 10th & Page neighborhood (fourth year of this effort; we are now working on the east side of the neighborhood) and the Orangedale & Prospect neighborhood (second year of this effort)

Together, AHIP and the city of Charlottesville preserve homes, protect neighborhoods, maintain and improve the affordable housing stock, and keep city homeowners and their families safe at home.

Cost

Based on historical averages and jobs that have already been estimated, we project that assisting 80 to 90 households in FY17 will cost approximately \$1.8-million in direct job, project management, and program administration costs. We aim to combine new FY17 CAHF funds with federal HOME

funds, private funds, in-kind contributions, volunteer labor, and prior-year (“carry-forward”) city funds.

Our current FY17 request to the Charlottesville Affordable Housing Fund totals \$851,700.

This grant will support city-wide scattered-site rehabs, target-area rehabs in the 10th & Page and Orangedale neighborhoods, and scattered-site large and small emergency repairs. (City Council has already provided \$50,000 in partial funding toward our Emergency Repair Program.)

Approach

Thanks to the city’s significant programmatic investment in affordable housing preservation, AHIP has been able to fine-tune our approach to meeting the rehab and repair needs of city residents over the last eight years.

From 1995 to 2008, AHIP focused solely on larger, federally funded rehabs, sometimes doing as few as four rehabs per year and leaving many calls for assistance unanswered. We have since intensified our impact and diversified our approach into more specific program areas, from small repairs to large rehabs, encompassing scattered-site and target-area strategies.

This has resulted in increased responsiveness to city residents’ housing needs and a higher degree of efficiency in planning and utilizing city resources. This year, we continue to build on this and are proposing the following approaches and production goals:

■ emergency repairs

AHIP administers Charlottesville’s Emergency Repair Program, responding to urgent home repair crises for very low-income city residents. Since the start of this vital initiative in Charlottesville in 2009, AHIP and the city have helped 633 people in 290 households with relatively minor but critical home repairs. Typical repairs include heating systems; handicap ramps; water heaters; roofs; windows; doors; and plumbing, electrical, and structural emergencies. Emergency repair projects typically range in cost from \$1,000 to \$5,000. There are currently 81 Charlottesville families on the emergency repair waitlist.

Production goal: In FY17, we aim to help 45 households with emergency repairs at an average cost of just over \$2,700 per household.

FY17 funding request:

Direct job costs	122,760	materials, labor, supplies for 45 homes
Service delivery	12,276	program management, administration
Subtotal	135,000	
<i>Less 8.15.16 allocation</i>	(50,000)	
Total	<u>\$ 85,000</u>	

■ “neediest cases” emergency repairs

For the last several years, AHIP has been able to use federal HUD funds to complete large emergency repairs (up to \$10,000 per project; examples include HVAC replacements, roof replacements, septic/water line issues, electrical system upgrades). Starting this year, we are no longer able to use federal funds for stand-alone smaller rehabs. In order to preserve this program area, we are proposing setting aside a CAHF-funded “neediest cases” fund for larger emergency repairs to address bigger-ticket urgent repairs that cannot wait for a larger-scale rehab.

Production goal: In FY17, we aim to help five households with large emergency repairs at an average cost of \$10,000 per household.

FY17 funding request:

Direct job costs (materials, labor)	50,000	materials, labor, supplies for five homes
Service delivery	5,000	program management, administration
Total	<u>\$ 55,000</u>	

■ scattered-site rehabs

AHIP’s scattered-site rehab effort serves homeowners outside of our target-area neighborhoods. We currently have 99 families on our city rehab waiting list, with five in our active pipeline (in the planning/estimating phase or getting ready to start). The cost ceiling for our regular rehab program is \$35,000, with exceptions sometimes made for urgent tasks.

Production goal: In FY17, we aim to help seven scattered-site households: five with carry-forward FY16 funds at an average cost of \$27,000, and two with FY17 funds at an average cost of \$38,500.

FY17 funding request:

Direct job costs	77,000	materials, labor, supplies for two homes
Service delivery	7,700	program management, administration
Total	<u>\$ 84,700</u>	

■ “neediest cases” scattered-site rehabs

The City’s aging housing stock and the impacts of poverty often result in houses that require a substantial amount of rehab work in order to be safe and sound. Where possible, we layer private funds, volunteer labor, and partnerships (such as with Building Goodness Foundation) to get the work done, but this remains an ongoing challenge. This year, we would like to set aside funding for at least two large rehabs that we may otherwise have to decline.

While we would prefer to adhere to our 110 percent loan-to-value ratio requirement for all of our rehabs, this increased funding amount may make that adherence challenging. We would like to request that NDS consider waiving the LTV requirement, if necessary, for these extraordinary cases.

Production goal: For FY17, we aim to help two scattered-site households in need of larger-scale rehabs at an average cost of \$75,000.

FY17 funding request:

Direct job costs	150,000	materials, labor, supplies for two homes
Service delivery	15,000	program management, administration
Total	<u>\$ 165,000</u>	

■ **block-by-block charlottesville: tenth and page**

AHIP and the city’s BXBC projects target high-need neighborhoods and invest city funds, private funds, volunteers, and partner resources in order to tackle as many rehab projects as possible. This approach keeps people safe at home and preserves their assets, while improving and protecting the diversity, history, and well-being of whole neighborhoods.

Phase 1 of the 10th & Page BXBC effort addressed the target area west of 10th Street over to 11th Street and from Page Street up to Grady Avenue. In partnership with the city, private donors, volunteers, and community partners, we set out to rehab 24 homes. We completed the 24th home in FY16, and due to budget savings, and have received approval to do a 25th project with surplus funds. The project is now underway.

Phase 2—which tackled the remaining part of the neighborhood east of 10th Street over to 8th Street at the railroad tracks and between Page and West Street—got underway in FY16. We completed six rehabs in the Phase 2 project area—three with private funds and three with public funds. We have 17 families remaining on the BXBC Phase 2 waiting list, with two projects awaiting approval from the City, two in the estimating process, and one awaiting clear-up of title issues.

Production goal: In FY17, we aim to complete nine Phase 2 BXBC projects, using a mix of FY16 carry-forward funds, FY17 new funds, and local private foundation funds. We will complete six homes with new FY17 funds at an average city investment amount of \$45,000 per house.

As of this writing, local private funding for FY17 totals \$140,000.

FY17 funding request:

Direct job costs	270,000	materials, labor, supplies for six homes
Service delivery	27,000	program management, administration
Total	<u>\$ 297,000</u>	

■ **block-by-block charlottesville: orangedale**

Phase 1 of our Orangedale BXBC effort got underway in summer of 2015. The outreach done in that neighborhood resulted in 55 households on the waiting list for rehabs.

Since the initiative's start, we have completed nine rehabs and energy upgrades in the target area that includes the Orangedale subdivision from 5th Street to Orangedale Avenue, and from Rockcreek Road up to Cherry Avenue, including that section of 7½ Street SW and 9th Street SW, and Elm and Pine Streets.

Piedmont Housing Alliance is a community partner in this effort, with rehab funds set aside by City Council in summer of 2015 to fund new homebuyer downpayment assistance as well as a rehab allowance of \$15,000 per unit for homebuyers. PHA is actively working with prospective homebuyers in the area; AHIP may do additional rehabs if and when new homebuyers are ready to make their purchases and wish to tap into this rehab allowance.

We have come in under budget on most of our projects in this target area, leading to a surplus of funds that will enable us to increase our initial FY16 goal from 12 jobs to 14 jobs.

Production goal: In FY17, we aim to complete 10 BXBC Orangedale projects, using a mix of FY16 carry-forward funds (five projects) and FY17 new funds (five projects), with an average project cost of \$30,000.

FY17 funding request:

Direct job costs	150,000	materials, labor, supplies for five homes
Service delivery	15,000	program management, administration
Total	<u>\$ 165,000</u>	