

Charlottesville Housing Assistance Programs



March 19, 2015

Community Solution: Housing Trust

2

DOES THE CITY CONSIDER AFFORDABLE HOUSING A PRIORITY?



**YES WE DO, AS EVIDENCED BY THE CITY'S GOAL FOR
SUPPORTED AFFORDABLE HOUSING UNITS.**

“Increase the ratio of supported affordable units to
15% of total housing units by 2025.”

Source: City of Charlottesville 2025 Goals for Affordable as
Adopted February 1, 2010

WHAT HOUSING ASSISTANCE PROGRAMS DOES THE CITY HAVE TO OFFER?



3

- Charlottesville Affordable Housing Fund (CAHF) and HUD HOME programs are used to fund supported affordable housing efforts through our non-profit partners. **The CAHF is not a housing trust, due to funding from the CIP budget (which must be adopted annually); however, Council has historically funded this program based on recommendations from the 2025 Goals for Affordable Housing report.**
- CDBG is also a resource for funding housing programs, but has primarily being used for social, economic development and neighborhood infrastructure improvements in recent years.
- CHAP, Real Estate Real Estate Tax Relief for the Elderly/Disabled, Tax Exemptions for Housing Improvements, Special Tax Rates for Energy Efficient Buildings, Solar Energy Tax Exemption, Rent Relief for Elderly/Disabled, Reduced Water/Sewer Connection Fees, Assisted Home Performance with Energy Star, and Free Paint Program provide assistance in a variety of different ways for renters and home owners.
- All programs are subject to income and/or age/disabled status limitations
- Income is typically assessed by percent of Area Median Income (AMI) as defined by HUD
- 2014 Charlottesville Median Family Income is \$82,600
- Four Person “low” (a.k.a. 80%) income: \$63,900



UPDATE ON THE STATUS OF THE 2025 GOAL

4

Current Goal

“Increase the ratio of supported affordable units to 15% of total housing units by 2025.”

Year	# of Affordable Units	Total Number of Units	% Affordable
February 2010 (2025 Goals for Affordable Housing Report)	1,933 (includes 499 vouchers)	18,407	10.5%
Sept 2012 (HAC Fall Newsletter)	2,050 (includes 386 vouchers)	19,794	10.3%
April 2014 (Housing Report to City Council)	2,021 (includes 413 vouchers)	19,626	10.29%
March 2015	2,029 (based on 2014 voucher count)	19,937	10.1%



CHALLENGES TO MEETING THE 2025 GOALS

5

- Lack of Availability and Expense of Land
- Estimated Leverage of Funds in 2025 Report is Low, so More Funds are Needed Than Initially Thought
- Challenging to Integrate Units throughout the City in keeping with our Comprehensive Plan
- Difficult Not to Further Concentrate Poverty by adding Affordable Units in Close Proximity to Existing Affordable Units
- Recent Rental Housing Construction Boon (e.g., Flats, City Walk and others in planning stages)
- Demand for Off Campus Student Housing

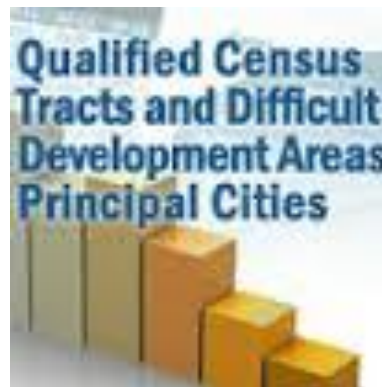


CHALLENGES TO MEETING THE 2025 GOAL

6

Comprehensive Plan Goals/Objectives make integration of affordable units throughout the City challenging

- ❑ Lack & expense of land
- ❑ Only 10.4 square miles in City
- ❑ Low Income Housing Tax Credit Program provides increased funding for projects in QCT



Low-Income Housing Tax Credit



HISTORICAL CAHF FUNDING LEVELS

7

Charlottesville Affordable Housing Fund (CAHF)	Amount
2007/08	\$2,649,000
2008/09	\$1,434,332
2009/10	\$885,424
2010/11	\$908,614
2011/12	\$1,872,810
2012/13	\$1,552,199
2013/14	\$1,115,226
2014/15	\$1,569,322
2015/16 (Proposed)	\$1,569,322

2015 Housing & Homelessness Symposium



HOW CAN THE CAHF BE SPENT?

8

Update of
Housing
Policy #1 –
Objectives
for Use of
CAHF &
Criteria/Pri
orities for
Award of
Funds

CAHF funding allows the City to:

- (1) create incentives and opportunities to provide new Supported Affordable Units that would not otherwise exist
- (2) preserve existing Affordable Housing and to help maintain affordable units at a risk of being lost without the provision of such funds.



Guidelines for Use of CAHF

9

What are the policies that govern use and what does the City look for when investing CAHF dollars?

- ❑ Preserve/Provide New Supported Affordable Units
- ❑ Achieve goals of the Comprehensive Plan & other relevant plans
- ❑ Leverage Other Funds and City programs
- ❑ Strong Preference for Benefit to Lowest AMI level
- ❑ Financial Feasibility and Project Readiness
- ❑ Conforms to City Policy for Energy Efficiency & Universal Design
- ❑ Must be qualified Non-Profit Organization
- ❑ Projects must be in the City & Beneficiaries should primarily be City Residents



Potential Uses of Funds

10

- Redevelopment of CRHA Properties
- Rental Housing
- Homeownership
- Down Payment & Closing Cost Assistance
- Foreclosure Assistance
- Housing Rehab
- RLF Fund
- SRO/Boarding Housing
- Energy Efficiency Upgrades
- Rental Subsidies (e.g., Spring for Housing)
- Land Acquisition
- Land Development
- Pre-development Expenses
- Participation with LIHTC, TJCLT, and Deeds of Trust
- Expand housing options for Special Needs Populations
- Data Collection
- Administration (1% Annually)
- Funding exceptions can be made for programmatic purposes if limited to one time expense.



FINAL THOUGHTS

11

- City is barely maintaining the percentage of supported affordable units around 10%, but it difficult to keep pace with market rate housing development.
- City is currently in the process of undertaking a comprehensive housing analysis to examine housing issues and make recommendations for policy changes.
- Would like to be able to identify ways to both increase supported affordable units and provide viable options for homeless needs (boarding houses, SRO, etc...).

