



# AFFORDABLE HOUSING REPORT

March 2021 – March 2024





## INTRODUCTION

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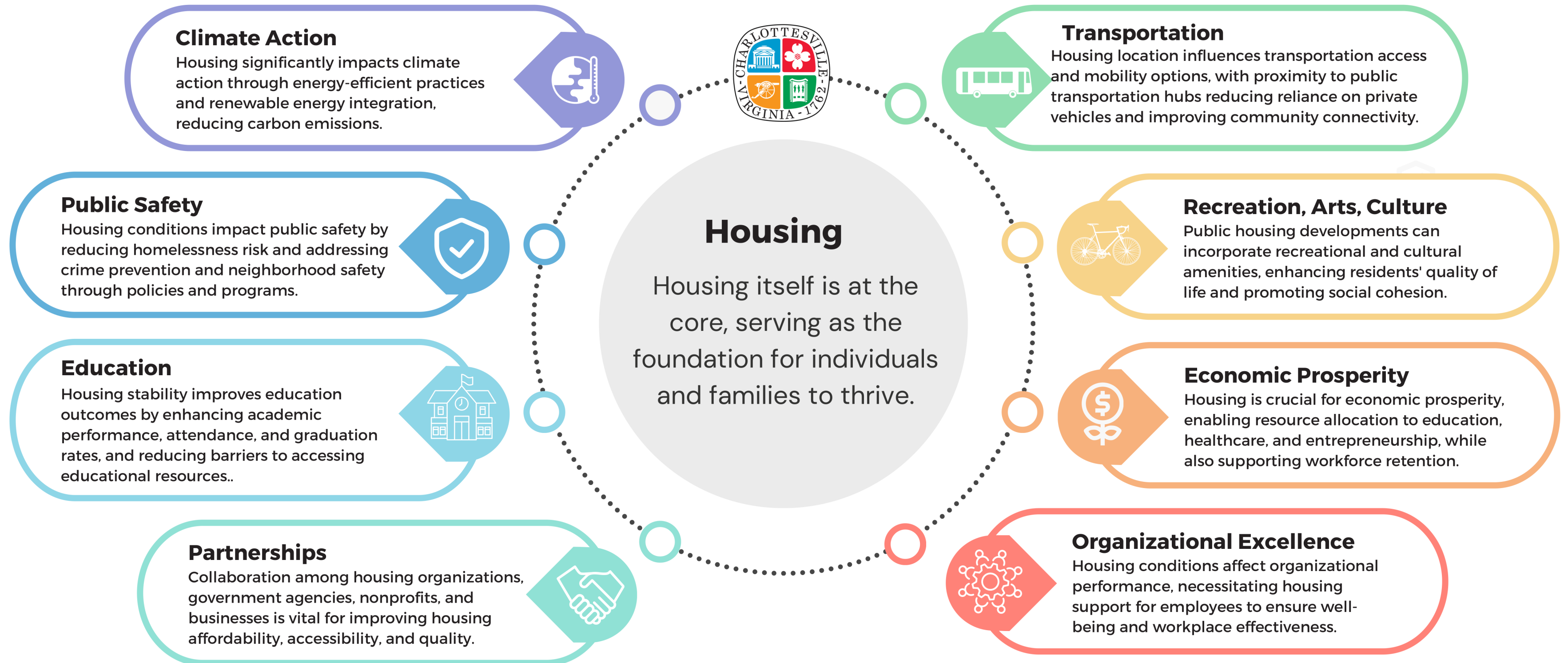
The City of Charlottesville (the City) ensures safe and stable housing is accessible to all residents. In pursuit of this objective, the city officially endorsed the Affordable Housing Plan (AHP) on March 1, 2021. This comprehensive plan tackles the critical issue of affordable housing across diverse income levels. Notably, the AHP comprises three core initiatives: (A) a 10 million annual commitment—a dedicated financial commitment to affordable housing; (B) Enhanced governance—the Establishment of equitable and efficient governance structures; and (C) Zoning reforms—the Revision of the City's Development Code and Affordable Dwelling Unit Ordinance to increase housing supply and affordability.

Principles of racial equity, regional collaboration, and comprehensive approaches guide the AHP. It consists of five key sections, each detailing recommendations for funding, governance, and affordable housing tools: (1) Funding: A commitment to consistent financial support to address housing needs. (2) Governance: Establishing equitable and efficient governance structures. (3) Land Use: Revising regulations to increase housing supply and affordability while protecting marginalized communities. (4) Tenants' Rights: Advocating for policy changes to support tenants' rights. (5) Subsidy: Aligning subsidy programs with community priorities to maximize impact.

Finally, this report prepared by the Office of Community Solutions' (OCS) Housing staff offers limited performance indicators for March FY2021 to March FY2024 to provide insight into the City's implementation progress of the AHP. For example, this report includes information about the distribution of capital housing investments across income brackets. It aims to engage stakeholders in discussions regarding policy and program development while assessing the effectiveness of these efforts in meeting the plan's objectives. By contextualizing the city's housing initiatives within the broader framework of the AHP, the report provides valuable insights into the current status of affordable housing provision. It identifies areas for future improvement and innovation.

# Vision: To be a place where everyone thrives

Charlottesville defines access to livable housing as a human right and works to ensure housing choices and mobility are provided for all who seek it through implementation of the Affordable Housing Plan.





## AHP FY2022: Actions Report

Since the inaugural report on April 4, 2022, by Sam Sanders Jr., Deputy City Manager of Operations, the city has seen significant strides in its efforts to address affordable housing challenges. Here are the key developments and action updates from Mr. Sander's April 2022 report to council:

2022 AHP KEY ACTIONS	COMPLETED	IN PROGRESS	PENDING
Restructuring HAC	✓		
Establish CAHF Committee	✓		
Aligning with Vibrant Fund	✓	✓	
Enhancing Staff Capacity	✓		✓
Offer Impactful Investments	✓	✓	✓
More Community Building		✓	✓





# Affordable Housing Report: 3 Core AHP Initiatives Met

The City's Affordable Housing Plan ("AHP") was indorsed March 1, 2021 and remains the City's key housing strategy designed to address housing challenges in Charlottesville while upholding principles of racial equity, regional collaboration, and comprehensive approach. Organized into five key sections, the plan offers targeted recommendations for funding, governance, land use, tenants' rights, and subsidy programs. By making a strong financial commitment of a least \$10 million/per year, establishing equitable governance structures, revising regulations, advocating for tenants' rights, and aligning subsidy programs with community priorities, the plan aims to enhance housing accessibility and affordability for all residents:

10 Million Dollar Commitment Per Year	Governance	Zoning Reform
		
A little over <b>\$61 Million</b> has been allocated or committed since 2021 and consistently over \$10 Million each year	Since 2021, the city has prioritized <b>building Inclusive Governance</b> (Capacity, Policies, Technology).	<b>Zoning Reforms effective Feb 19, 2024</b> , complemented by IZ/ADU Program's Monitoring Manual adoption on Feb 5



# Strategic Funding Allocation for Affordable Housing

Over the past three years\* (FY2021 - FY2024) the City of Charlottesville has dynamically adjusted its affordable housing funding strategy, demonstrating a focused commitment to supporting its most economically vulnerable populations. **FY2023\* the city's housing capital investment saw a significant shift increased allocations to  $\leq 30\%$  AMI to almost 62%**, emphasizing targeted support for those in dire need of affordable housing. This strategic approach ensures a balanced investment across all income brackets, addressing the nuanced spectrum of housing affordability and advancing equitable access to housing citywide:

## Commitment / Allocations by AMI Range

### FY2021 (\$12,565,739 total)

- $\leq 30\%$  AMI: 40% = \$5,026,295
- $\leq 50\%$  AMI: 48% = \$6,031,554
- $\leq 80\%$  AMI: 12% = \$1,507,888

### FY2022 (\$31,042,242 total)

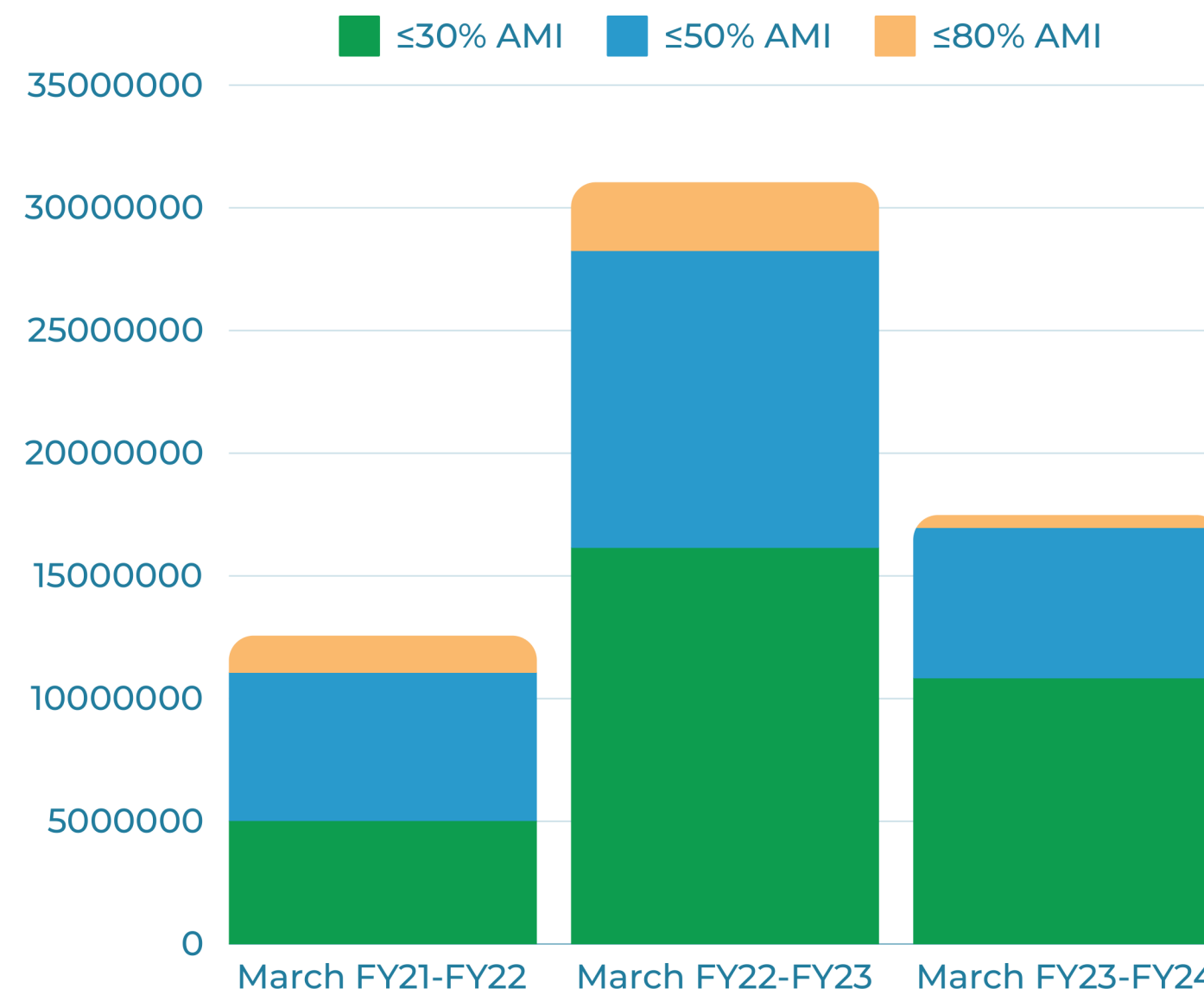
- $\leq 30\%$  AMI: 52% = \$16,141,965
- $\leq 50\%$  AMI: 39% = \$12,106,474
- $\leq 80\%$  AMI: 9% = \$2,793,361

### FY2023 (\$17,481,004 total)

- $\leq 30\%$  AMI: 62% = \$10,838,222
- $\leq 50\%$  AMI: 35% = \$6,118,351
- $\leq 80\%$  AMI: 3% = \$524,430

Extremely Low Income =  $\leq 30\%$  AMI, Very Low Income =  $\leq 50\%$  AMI, Low Income =  $\leq 80\%$  AMI

Allocated and/or  
Committed  
**\$61 M**  
FY2021 - FY2024







# Unit Type/ Size vs. Affordability: Finding the Right Balance

**Something to think about and solve for:** How can we ensure that advocating for smaller housing units aligns with market dynamics and effectively addresses affordability? Are there alternative strategies to incentivize developers to prioritize affordability without sacrificing the quantity or quality of housing? What data or research can guide our decision-making to ensure that proposed solutions have the intended impact on housing affordability?

DESCRIPTION	1 – PERSON	2 – PERSON	3 – PERSON	6 – PERSON
Annual Income Median Household Income *HUD	\$38,850 ≤50% AMI	\$44,400 ≤50% AMI	\$55,500 ≤50% AMI	\$64,400 ≤50% AMI
Types of Jobs 1- Person	<ul style="list-style-type: none"><li>• Bus Drivers</li><li>• Teachers Aides</li></ul>	<ul style="list-style-type: none"><li>• Social Worker</li><li>• Carpenters</li></ul>	<ul style="list-style-type: none"><li>• Charlottesville Police Officer</li></ul>	<ul style="list-style-type: none"><li>• UVA RN Care Coordinator</li></ul>
At ≤80% AMI the income affordability of 1 - Person is equal to a 6 - Person Household at \$64,400 ≤50% AMI	\$62,200 ≤80% AMI			
				\$62,200 ≤80% AMI

Avg. Rent Rate: \$1,937 – \$2,207 1 to 2 Bedroom | A market rate rent would require a household income of \$74,500



## A Few Highlights: FY2021

The highlighted allocations and actions alone amount to slightly under **\$9.9 million** for the FY2021, contributing to the City's annual funding commitment for affordable housing.

PROJECT OR PROGRAM	BENEFICIARY	AMOUNT	DESCRIPTION OR TYPE
Various, e.g., AHIP, Habitat, Direct	Various	\$ 80 K	Various: HOME, CDBG
CSRAP	Direct / CRHA	\$900 K	Supplemental Rental Assistance Program
Kindlewood (Friendship Court)	PHA	<b>\$5.5 Million</b>	Infrastructure and Phase 1 (106 Units)
South First Street Phase II	CRHA	<b>\$1.5 Million</b>	Phase 2 (113 Units)
Homeowner Assistance Tax Grants	Direct	\$1.4 Million	Micro Grant Program
Rent/Tax Relief Elderly & Disabled	Direct	\$431 K	Micro Grant Program





## A Few Highlights: FY2022

The highlighted allocations and actions alone amount to slightly over **\$30 million** for the FY2022, contributing to the City's annual funding commitment for affordable housing.

PROJECT OR PROGRAM	BENEFICIARY	AMOUNT	DESCRIPTION
Midway Manor Bond	CRHA	\$23 Million	98 preserved affordable units
CSRAP	Direct / CRHA	\$900 K	Supplemental Rental Assistance Program
Kindlewood (Friendship Court)	PHA	<b>\$3.1 Million</b>	Infrastructure and Phase 1 (106 Units)
South First Street Phase II	CRHA	<b>\$1.5 Million</b>	Phase 2 (113 Units)
Homeowner Assistance Tax Grants	Direct	\$855 K	Micro Grant Program
Rent/Tax Relief Elderly & Disabled	Direct	\$965 K	Micro Grant Program



## A Few Highlights: FY2023

The highlighted allocations and actions alone amount to slightly under **\$13 million** for FY2023, contributing to the City's annual funding commitment for affordable housing.

PROJECT OR PROGRAM	BENEFICIARY	AMOUNT	DESCRIPTION
Purchase of Dogwood Properties	CRHA	<b>\$5 Million</b>	Support CRHA's acquisition of 74 units
CSRAP	Direct / CRHA	\$900 K	Supplemental Rental Assistance Program
Kindlewood (Friendship Court)	PHA	<b>\$2.5 Million</b>	Infrastructure and Phase 1 (106 Units)
Sixth Street Phase I	CRHA	<b>\$3 Million</b>	Phase 1 (47 Units)
Various	PHA	\$768 K	Various e.g., VCH, HOME, CDBG
Rent/Tax Relief Elderly & Disabled	Direct	\$675 K	Micro Grant Program





# Affordable Housing: Creation, Preservation, and Household Served

This table outlines the Charlottesville Affordable Housing Plan's achievements from FY2021 to FY2023, highlighting ownership units created, supported affordable units (SAUs), preservation efforts, households assisted, and CSRAP Vouchers. It reflects our focused approach to expanding and sustaining affordable housing in alignment with the plan's objectives, underscoring our commitment to community support and inclusivity.

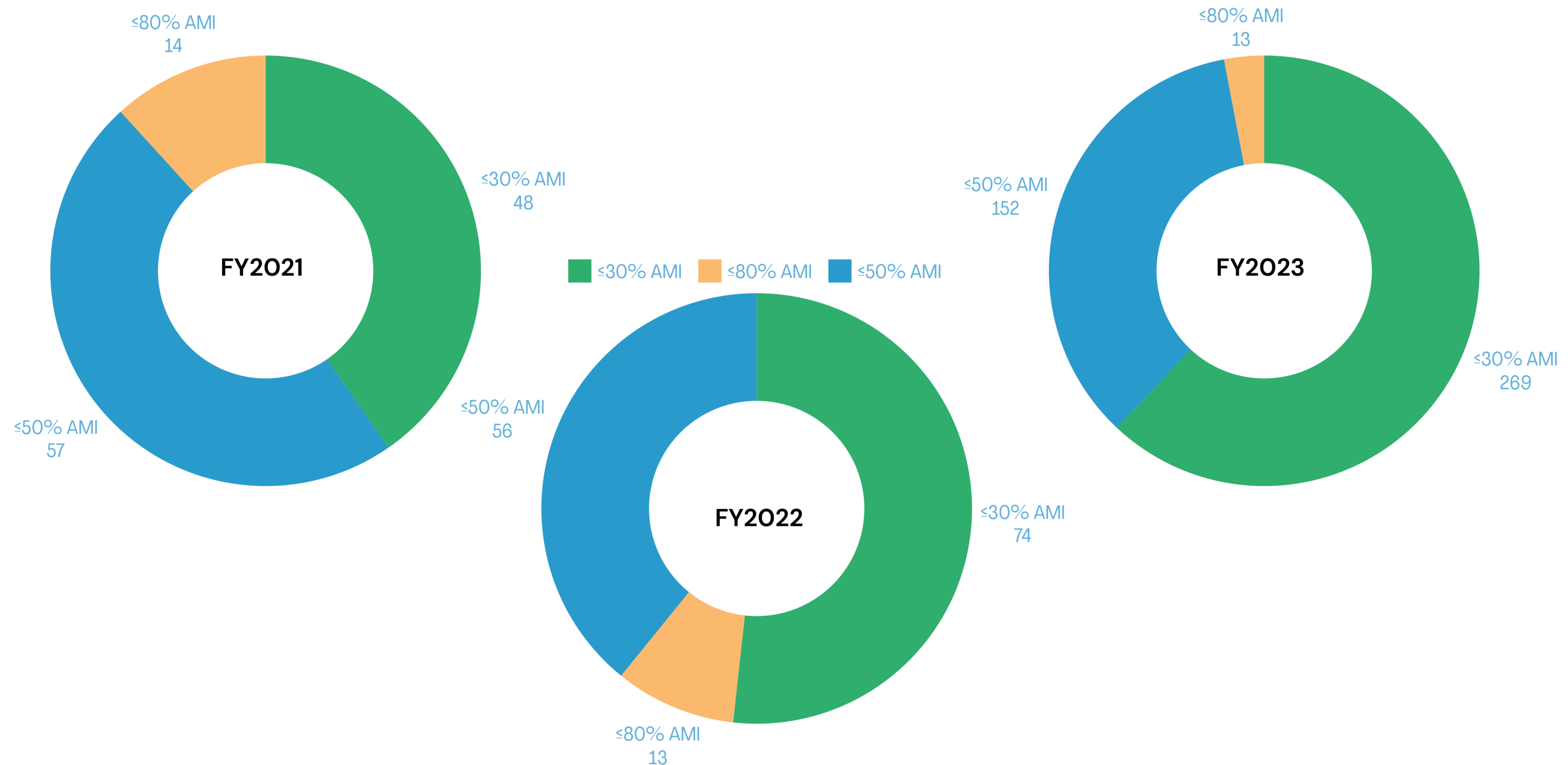
DESCRIPTION	FY2021	FY 2022	FY2023	TOTAL
Homeownership Created	8	4	10	22
CSRAP Vouchers	205	192	183	705
SAUs Preserved	61	119	319	499
SAUs Created	119	143	433	705
Households Assisted	385	378	868	1,631





# Supported Affordable Units (SAUs) By Year and AMI Range

Unit distribution has been closely aligned with funding, with the number of affordable housing units increasing significantly over the three years—from 119 units in FY2021 to 433 units in FY2023. This increase not only highlights the city's escalating efforts to combat housing affordability challenges but also showcases the effective use of strategic funding allocations to maximize impact across various income brackets.







# Housing Capital Investment Pipeline Highlights: 2021 to Present

**Approx. 455 SAUs**

to be created or preserved and  
added to existing 1226  
portfolio SAUs

\*As of FY22 RFI

**Approx. 750 Units**

that can be created or preserved  
and added to \*potential pipeline  
of 1,681 of SAUs by FY29

\*As of FY23 RFI

## Consider this:

Out of the \$33.3 Million in potential funding  
request then communicated in the FY22 RFI  
nearly \$29.5 has already been strategically  
identified committed and/or allocated.

**FY22**

**South First Street  
Phase 1**

62 Supported  
Affordable Units

**FY22**

**South First Street  
Phase 2**

113 Supported  
Affordable Units

**FY22**

**The Mews on Little  
High Street**

40 Developer Committed  
Affordable Units

**FY23**

**501 Cherry  
Avenue**

69 Supported  
Affordable Units

**FY23**

**Wertland and 10th and  
601 Cherry Avenue**

A combined 195 of  
potential Affordable Units

Committed or Allocation  
in line or approved.

No Decision or Committed or  
Allocation identified or approved.



# Thank You

**Please Contact**

OfficeofCommunitySolutions@Charlottesville.gov  
with any questions or feedback.