

Seventh Amendment to Grant Agreement Charlottesville Supplemental Rental Assistance Program (CSRAP)

This amendment to grant agreement provides the terms and conditions upon which the City of Charlottesville ("City") will provide funding to the Charlottesville Redevelopment and Housing Authority ("CRHA") for the purpose of administering the "Charlottesville Supplemental Rental Assistance Program" ("CSRAP"). The CSRAP represents a partnership between the City of Charlottesville and the Charlottesville Redevelopment and Housing Authority. Approval of the program to support CRHA's administration of the CSRAP was provided by City Council on October 16, 2017.

Section 1. Time for Performance: July 1, 2024, through June 30, 2025.

Section 2. City Funding Amount: \$900,000 (FY24/25)

Section 3. Conditions of City Funding:

I. PURPOSE OF THE PROGRAM

- A. The City has authorized the transfer of carry forward program funding, if any, and FY24/25 funding, to the Charlottesville Redevelopment and Housing Authority (CRHA) for use within the Fiscal Year ending June 30, 2022, upon the following conditions: (i) the funding shall be used exclusively by CRHA to provide rental assistance subsidies to individuals who are part of Extremely Low-Income to Low-Income Households, defined as those households earning less than 60% of Area Median Income (Area Median Income) as determined by the US Department of Housing and Urban Development (HUD) annually within the City of Charlottesville, including, but not limited to, those who are homeless, elderly and/or disabled individuals, or those enrolled in a self-sufficiency program; and (ii) the administration of this funding by CRHA shall be in accordance with the terms of this document.
- B. The City is authorized by Va. Code §36-7 to provide money to a housing authority, to enable or assist the authority to carry out its purposes.

II. FUNDING

The CSRAP shall be funded through the City's Capital Improvement Program fund.

III. ADMINISTRATION

The CSRAP represents a partnership between the City of Charlottesville and CRHA. The City and CRHA recognize that program funding is required to cover the administrative burden associated with the program.

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CRHA agrees to administer the CSRAP in a manner similar to the federal Housing Choice Voucher Program (HCVP) rules and regulations, as amended, and the City of Charlottesville's Housing Policy 1, as amended (attached hereto as Appendix A). Exceptions to the administration of the program will be permitted to allow:

- (i) for single-room housing that might not otherwise meet HUD rules and regulations, in limited circumstances.
- (ii) for rent rates up to 125% of the federally designated HUD fair market rents for units in the City of Charlottesville; and up to 110% of the federally-designated HUD fair market rents for units located in Albemarle County.

For purposes of administration of the CSRAP, the term "household" shall mean and include any one (1) or more individual(s) who comprise a single housekeeping unit.

IV. ADMISSIONS/PREFERENCES AND THE WAITING LIST

- C. Eligible Households shall be selected and admitted from the CRHA's existing HCVP waiting list in accordance with the HCVP rules and regulations established by the CRHA for selection and admission for tenant-based housing assistance through the CSRAP unless specified otherwise in this agreement. Only Households with incomes less than 60% AMI shall be issued CSRAP rental assistance subsidies. A Household can apply to participate in the CSRAP Program if an individual(s) within the Household lives or works within the City of Charlottesville at the time of the application; however, CSRAP rental assistance shall be issued only to subsidize rental payments owed by a Household for rental of a dwelling unit located within the City of Charlottesville, except as per the provision in Section V.B.iii.
- D. The CHRA shall issue the CSRAP rental assistance according to the following priorities:
 - (i) A minimum of fifteen (15) CSRAP rental assistance subsidies will be issued to Households who are homeless.
 - (ii) A maximum of forty (40) CSRAP rental assistance subsidies will be issued to Households enrolled in a local self-sufficiency program.
 - (iii) The remainder of the CSRAP-funded rental assistance subsidies (i.e., those not issued in accordance with Sections N.B(i) or N.B(ii), above) shall be issued to HCVP eligible households if the individual(s) within those Households live or work in the City of Charlottesville, and if the Household(s) is or are on the CRHA's HCVP waiting list at the time of the issuance of a CSRAP voucher, or if the Household(s) is or are on the CRHA's CSRAP waiting list at the time of the issuance of a CSRAP voucher.

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- (iv) In the administration and issuance of CSRAP-funded rental assistance subsidies described in Section IV.B(iii) above, CRHA will ensure that vouchers will be issued to households with incomes less than 60% AMI.
- E. Households on the CRHA's HCVP waiting list who accept CSRAP voucher(s) shall remain on the HCVP waiting list and shall retain their ranking on that list. If an individual or household on the HCVP waiting list is selected by CRHA for the HCVP program, CRHA shall offer that Household the opportunity to replace any CSRAP subsidy being received with an HCVP.

V. TENANT-BASED HOUSING ASSISTANCE

- A. CSRAP rental assistance subsidies shall be administered as tenant-based housing assistance in a manner similar to CRHA's HCVP rules and regulations.
- B. Notwithstanding any CRHA HCVP rule or regulation to the contrary, (see Section V.A, above), the following rules apply specifically to the CSRAP:
 - (i) Rental assistance subsidies shall not be eligible for portability as such term is defined and utilized in 24 C.F.R. §§ 982.351 and 982.353, as amended.
 - (ii) Households receiving a CSRAP voucher shall have 60 days to locate, and lease, a rental housing unit within the City of Charlottesville.
 - (iii) Should a Household be unable to locate a rental unit that it can afford (based on the 30% required contribution referenced in subparagraph (iv), following below) within the City of Charlottesville within the initial 60-day CSRAP voucher term, the CRHA may grant one 120-day extension, during which time the recipient household may continue to search for rental housing in the City of Charlottesville or within Albemarle County.
 - (iv) Households receiving a CSRAP voucher shall be required to contribute 30% of the monthly gross income of that Household toward rent each month. The Household's required rent contribution shall be determined at the time the Household is accepted into the CSRAP, and thereafter shall not be increased more than once every 24 months; regardless of whether or not the rent contribution is increased during any 24-month period, CRHA shall continue to verify and keep records as to the Household income, report income to the City, and comply with the requirements within this Grant Agreement.
 - (v) CSRAP rental assistance shall be provided monthly. The monthly housing assistance payment shall be equal to the applicable HCVP payment standard for bedroom size for the Charlottesville area, as established annually by the Virginia Housing and Development Authority, minus the tenant's portion of the rent.

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- (vi) The CRHA shall reexamine the income and family composition of each Household receiving CSRAP rental assistance, at least once every 24 months. Any Household that experiences a decrease in income may request a reexamination and adjustment of the requirement for 30% monthly income participation (see subparagraph (iv), above) at any time.

VI. CONTINUING ELIGIBILITY FOR CSRAP FUNDING

- A. Subject to the availability of CSRAP funds and the terms of this Grant Agreement, CSRAP rental assistance may be issued to a Household so long as the Household is in compliance with the CSRAP Program Rules.
- B. CSRAP-assisted Households shall be entitled to Informal Hearing Procedures for Applicants and Participants of the Housing Choice Voucher and Moderate Rehabilitation Programs as defined by 24 CFR §982.54(d) (12) and (13) as amended, as administered by the CRHA.

VII. PROGRAM FUNDING

- A. The City's Office of Community Solutions has verified that funding in the amount of \$900,000 is available and has been appropriated by the City Council to support the CSRAP. CSRAP will continue so long as funds from the initial funding allocation of \$900,000 plus carry forward program funds, if any, for support of the CSRAP remain unencumbered or additional funding has been appropriated by City Council in amounts sufficient to support the continuation of the CSRAP in subsequent fiscal year(s).
- B. Each year, in accordance with a schedule established by the City's Budget Director, CRHA shall prepare and submit to the City an estimate of the amount of money needed during the ensuing fiscal year for the CSRAP, based on the Households then participating in the CSRAP at that time, and based on CRHA's estimate of any rent increases for those participating Households, and (at CRHA's option) CRHA's estimates of the cost of any desired expansion of the CSRAP to additional participants during the ensuing fiscal year.

CRHA will be afforded at least 30 days within which to prepare and submit such annual funding estimates. This CSRAP Agreement may be renewed for succeeding fiscal years by written agreement of the parties, subject to the availability and appropriation of public funds.

- C. The City shall retain the existing program funding reserve of \$292,500 as a program reserve fund to ensure funding is available to cover any increases in rental assistance payments due to decreases in participant household income or increases in rent. All unused reserve funds shall be carried over into the next year's program funding total.
- D. When the unencumbered funding balance within the Initial Operational Allocation reaches an amount equal to approximately one month of maximum program rental expenses (or not to exceed \$80,000),

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CRHA shall request and the City shall immediately disperse, from the funds appropriated to CSRAP in the City's Capital Improvement Program an additional amount equal to approximately three months of maximum rental expenses (or not to exceed \$240,000) to CRHA to provide ongoing support for the program. In so doing, at all times during the tenure of the CSRAP, CRHA will maintain an unencumbered program Operational Allocation balance of no less than \$80,000 and no more than \$240,000.

- E. CRHA may retain a portion of the program funding to be used for the administration of the program. Administrative costs shall be equal to 10% of the annual program funding allocated by the City, or direct costs of administering the program if those costs exceed 10%.

CRHA shall request and the City shall disperse an amount equal to one-fourth of administrative costs submitted with the rental expenses identified in paragraph (D) above, or on a quarterly basis. Administrative costs shall also be included in the quarterly report.

F. Initial Reporting Requirements:

- (i) Upon determining that a Household is eligible to participate in the CSRA Program, CRHA shall make available to the City's Office of Community Solutions, Housing Program Manager, and/or designee the following:
 - (a) A copy of the Household's rental assistance subsidy agreement, lease approval form, rent portions notice, rental unit information (including address and monthly rent), unit inspection report, and Household information (including income, size, composition), and
 - (b) A copy of an invoice or other statement of rent from the Household's landlord, identifying the monthly rental amount for that Household, at the time of initial lease-up.

G. Ongoing Reporting Requirements.

- (i) 30 days following the end of each calendar year quarter (specifically: on October 31, January 31, April 30, and July 31 of each calendar year), the CRHA will submit to the City of Charlottesville, an itemized Quarterly Report, listing each recipient Household participating in the CSRA Program as of the date of such Report, and specifying the amount of monthly rent required for each Household (both household rent portion and rental assistance amount) for the calendar year quarter next succeeding the date of the Quarterly Report. Each such Quarterly Report shall add up each of the amounts required for the CSRA Program for the upcoming quarter and shall give a total amount necessary to satisfy the Program commitments for that upcoming calendar year quarter.

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H. Each itemized Quarterly Report referenced in Paragraph (G)(i), above, shall be accompanied by the following information (in addition to the information required by paragraph (D), above) and this information shall be presented in an Excel Spreadsheet or other format mutually acceptable to both CRHA and the City's Office of Community Solutions, Housing Program Manager and/or designee. Each Quarterly Report shall provide program and household statistics, including but not necessarily limited to:

- Date voucher issued
 - Date voucher extended (if applicable)
 - Date unit leased
 - Name (head of household)
 - Unit Address
 - Total Monthly Rent
 - Amount of Monthly Rental Assistance Provided
 - Household Income
 - %AMI
 - Employment Status
 - Number of Wage Earners
 - Household Composition
 - Number of Adults
 - Number of Children
 - Number of Children Under 5 years
 - Number of Elderly (65 years+)
 - Number of Disabled
 - Race/Ethnicity
 - Refugee status (if applicable)
 - Compliance with admissions preference priorities as defined in Section IV.B.
 - Administrative costs
- (i) Following the Initial Operational Allocation, no funds will be released to CRHA, unless and until all required reporting pursuant to Section (E), Section (F), and Section (G) have been properly completed and submitted to the Office of Community Solutions, Housing Program Manager and/or designee.
- (ii) The Office of Community Solutions shall have 14 days from the date of report submittal to review and certify to CRHA that the reports provided meet the CSRAP reporting standards defined in Section (E), Section (F), & Section (G) above. After 14 days following report submittal (unless otherwise notified), CRHA and the Office of Community Solutions will consider all reports submitted to be complete, proper, and certified.
- (iii) All reports shall be submitted to the City of Charlottesville's Director of the Office of Community Solutions.

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CITY OF CHARLOTTESVILLE:

City Manager (Printed)

City Manager (Signature)

Date: _____

ACCEPTED/ AGREED BY RECIPIENT:

Recipient Representative (Printed)

Recipient Representative (Signed)

Date: _____

LEGAL REVIEW AND CONFORMANCE:

City Attorney's Office (Printed)

City Attorney's Office (Signature)

Date: _____

FINANCE REVIEW

Dept. of Finance (Printed)

Dept. of Finance (Signature)

Date: _____