



*To be a place where everyone thrives.*

**Presented:** April 21, 2025, 4 PM City Council Opening Session  
By the City's Office of Community Solutions






# What Is this Affordable Housing Report (AHR)?

- Third checkpoint since adoption of the 2021 Affordable Housing Plan (AHP)
- Tracks progress from FY22 to FY25 across:
  - Direct Investments
  - Tax relief Programs Budgets
  - Administrative Expenditures and Capacity
- Provides analysis, accountability, and forward-looking recommendations

**Note:** *The Council is not being asked to take action tonight. This presentation is intended to inform and guide continued alignment with the 10-year AHP strategy.*



# AHP Milestone Update: Housing Staff Now Testing Housing Investment Tracking Dashboard (Beta)

-  **Supports AHP Funding Recommendation Pillar Four (Page 12):**
- **Scale** – Cumulative Investments
- **Consistency** – Multi-year flow tracking
- **Targeting** – AMI and unit analysis
- **Transparency** – Public-facing, policy-informing, and information sharing  
**Testing May 1 – July 30<sup>th</sup>.** Early access with QR Code is available





# 10-Year Affordable Housing Plan (AHP) Framework Overview

## A. Three Core Funding Categories

- **\$70M** – Direct Housing Investments
- **\$20M** – Tax Relief & Stability Programs
- **\$10M** – Administrative Capacity and Expenditures

**=\$100M over 10 Years**

## B. 10-Year Housing Targets

- **1,100 new Supported** Affordable Units (SAUs)
- **1,300 existing SAUs** preserved
- **Up to 2,200 households** stabilized (e.g., tax relief, rehab, vouchers)

## C. Income Targeting Guidelines

- **50% of funds for ≤30%**AHP Income Targeting Framework (Page 13 of AHP AMI households)
- **30% of funds for 31–60%** AMI households
- **20% of funds for 61–80%** AMI households

 **So, what does that mean in practice?**

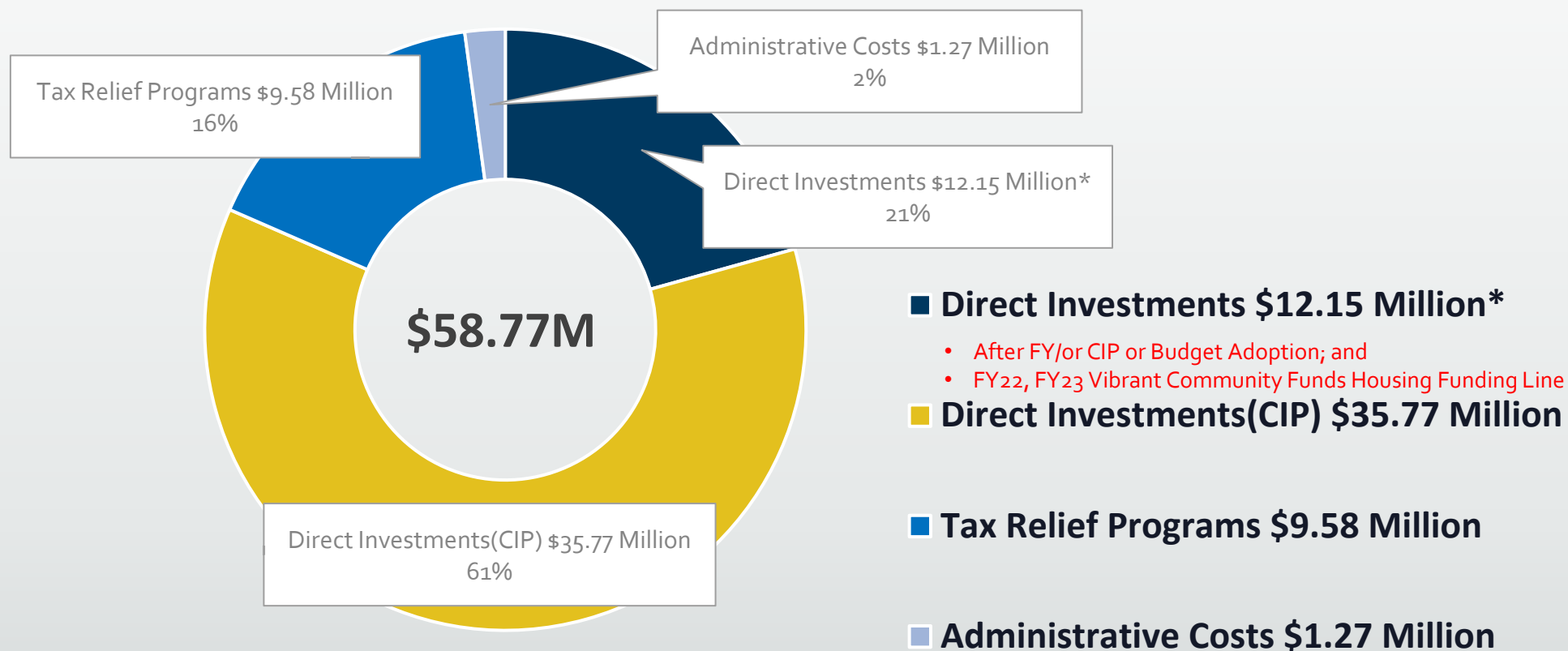
**If we apply those AHP equity benchmarks to the 1,100 new SAUs target, we could target to achieve 550 units serving ≤30% AMI; 330 units for 31–60% AMI; and 220 units for 61–80% AMI**

**The same conceptual distribution could apply to the preservation and stabilization goals — especially for funding decisions, voucher programs, and acquisition priorities.**



# FY22-25 Total Investment Summary

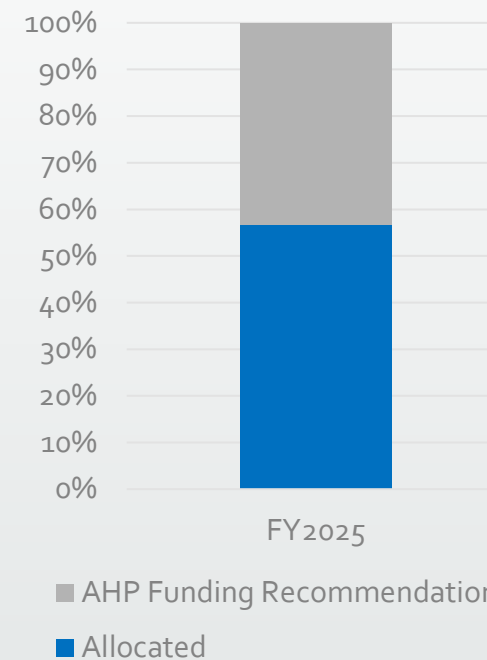
These figures reflect actuals and committed funding verified through the City's internal accounting system (SAP).





## FY22-25 Total Investment Summary

| Investment Category        | Total (FY22–FY25) | % of \$100M AHP Goal |
|----------------------------|-------------------|----------------------|
| Direct Housing Investments | \$47.92 Million   | 46%                  |
| Tax Relief Programs        | \$9.58 Million    | 9.6%                 |
| Administrative Costs       | \$1.27 Million    | 1.2%                 |
| <b>Total (FY22–25)</b>     | <b>\$58.77 M</b>  | <b>57%</b>           |



### **Observation:**

Charlottesville is making real progress, **with nearly 60%** of the \$100M Affordable Housing Plan already invested by FY25. However, **future-year spending must remain balanced to uphold transparency, implementation capacity, and the Plan’s commitment to deep affordability (≤30% AMI).**



# Direct Investments Breakdown (FY22–FY25)

| Key Direct Investments               |
|--------------------------------------|
| CAHF                                 |
| CSRAP                                |
| Kindlewood (PHA)                     |
| VCF – Housing Line                   |
| 501 Cherry Ave (PHA)                 |
| Carlton Mobile Home Park             |
| Dogwood Portfolio (CRHA)             |
| 1025 Park St Apartments (PHA)        |
| 1200 Park Street Apartments (PHA)    |
| Virginia Supportive Housing Vista 29 |
| South First Street Phase 2 (CRHA)    |
| 6th Street (CRHA)                    |
| Salvation Army Center of Hope        |
| <b>Total</b>                         |



| CIP                 | Other               |
|---------------------|---------------------|
| \$4,850,000         | \$0                 |
| \$3,600,000         | \$0                 |
| \$6,144,841         | \$0                 |
| \$0                 | \$1,000,000         |
| \$3,150,000         | \$3,350,000         |
| \$0                 | \$744,000           |
| \$0                 | \$5,025,154         |
| \$3,770,000         | \$0                 |
| \$2,250,000         | \$0                 |
| \$0                 | \$750,000           |
| \$6,000,000         | \$0                 |
| \$6,000,000         | \$0                 |
| \$0                 | \$1,282,579         |
| <b>\$35,764,841</b> | <b>\$12,151,733</b> |



**Total = \$47,916,574**



# Supported Affordable Unit (SAU) Pipeline—FY22–25

## ■ Total Pipeline Units: 983 (as of FY25)

- ≤30% AMI: **348 units** (35%) – **Suggested Target (50%)**
- 31–60% AMI: **427 units** (43%) – **Suggested Target (30%)**
- 61–80% AMI: **208 units** (20%) – **Suggested Target (21%)**

🎯 **Observation:** On target, +/- approx. 40 additional units pending from April 2025 CAHF approvals  
→ Projected Total: ~1,023 by FY26

⚠️ **Point of Caution / Imbalance:** While the City is making progress on affordable unit production, the share of units targeted to households earning ≤30% AMI remains below the 50% goal outlined in the Affordable Housing Plan.





# FY26–FY30 CIP Outlook + Budget Snapshot

Future Investment Outlook & Budget Summary

## Projected CIP Allocations (FY26-FY30)

- FY26 - \$12,732,200
  - FY27 - \$13,727,900
  - FY28 - \$10,256,100
  - FY29 - \$8,211,800
  - FY30 - \$8,065,000
- = \$52.9 Million

## 12 34 Budget Totals

| Category             | FY22–FY25       | FY26-FY30 (Future Proposed)   |
|----------------------|-----------------|-------------------------------|
| Direct Investments   | \$47.92M        | ~\$53M* Rounded from 52.9     |
| Tax Relief Programs  | \$9.58M         | ~\$3.1M                       |
| Administrative Costs | \$1.27M         | ~\$5M* (Demand +Target Based) |
| <b>Total</b>         | <b>\$58.77M</b> | <b>~\$61.1M</b>               |

- **Observation:** If all projections hold, **the City’s total 10-year investment will reach ~\$119.87, exceeding the original \$100M Affordable Housing Plan by approximately. \$20 million—or by more (ranging + 3%—4%) depending on financing/bonding cost for specific CRHA redevelopment projects funded in CIP FY25 and FY26-28, e.g., South First Street Phase 2, Sixth Street Phase 1, or Westhaven Redevelopment Project.**



# Policy Observations & Strategic Alignment Consideration

## ■ Key Observations:

- Direct Investments are ahead of pace, projected to exceed their \$70M goal by nearly 45%
- Administrative capacity remains underfunded, with only 13% of AHP's admin target met to date
- ≤30% AMI units account for just ~34% of the pipeline — well below the 50% equity target

## 🕒 Strategic Tools Advancing the Plan: What Comes Next—FY25 Closeout & FY26 Strategic Alignment

- **Citywide Fiscal Coordination and Alignment** - Coordinate with the Budget Office and Finance Committee to validate investment figures and present one final data update — with outcomes summarized in a forthcoming City Manager's Report to ensure financial clarity and alignment.
- **Land Bank Authority** — Preserving affordability through land banking mechanisms and programs
- **Tax Abatement Program** — Supporting low-income homeowners
- **ADU Program & Manual** — Implemented 2024; driving inclusionary production
- **Housing Investment Dashboard (Beta)** — Supports transparency, tracking, and compliance



# OCS Recommendations & Questions for Council

## ■ Recommendations:

1. Reinforce funding for  $\leq 30\%$  AMI production
2. Scale administrative support to match implementation needs
3. Align future CIP appropriations with Plan equity and category targets
4. Support full execution of Land Bank, Tax Abatement, and ADU Programmatic Updates and tools
5. Maintain and enhance transparency tools (e.g., Dashboard, Reporting)

## ■ Questions for Council:

- **Does the Council support continued prioritization of deeply affordable housing?**
- **How should future-year CIP items be assessed** for alignment with the Affordable Housing Plan and council focus (*a guide for what the 2026 Affordable Housing Report will focus on*)
- **(Following the subsequent presentations)** Does the Council affirm the City Manager's direction to implement Land Bank and Tax Abatement initiatives?





*Thank You*