

**CITY OF CHARLOTTESVILLE**

*To be a place where everyone thrives.*

**Housing Advisory Committee**



**AGENDA**

**Wednesday, June 18, 2025, noon**

Location: 100 Fifth Street NE, Charlottesville, VA 22902  
CitySpace - Large Conference Room

1. Welcome
2. Introductions & Attendance
3. Agenda
  - A. April 16, 2025, Regular HAC Meeting Minutes
  - B. May 21, 2025, Regular HAC Meeting Minutes
4. Staff Updates
  - A. City Restructuring – Share Office of Community Solutions Dissolution Details
  - B. Programmatic Discussions:
    - I. Risk Reduction Fund Program/Policy Development Process
    - II. Land Bank Authority Workplan
    - III. HAC Attendance Policy and Special Provisions
5. Public Comment
6. Next meeting: July 16, 2025
7. Adjourn

**Attachments:**

- April 16, 2025, Regular HAC Meeting Minutes
- May 21, 2025, Regular HAC Meeting Minutes

Housing Advisory Committee (HAC) Minutes  
Wednesday, April 16, 2025  
City Space Conference Room 12pm - 2pm

**HAC Members Present:**

- Joy Johnson, Chair (JJ)
- Sunshine Mathon, Vice Chair (SM)
- Phil d'Oronzio (PdO)
- Heather Griffith (HG)
- Peppy Linden (PL)
- Mike Parisi (MCP)
- Dan Rosensweig (DR)
- Nicole Scro (NS)

**HAC Members Absent:**

- Michael Payne (MP)
- John Sales (JS)

**Staff Attendees:**

- Alexander Ikefuna (AI)
- Madelyn Metzler (MM)
- Alan Peura (AP)
- Antoine Williams (AW)

**1. Welcome**

JJ: Calls meeting to order at 12:10pm.

**2. Introductions and Attendance**

**3. Staff Updates**

**AW: Council agenda for April 21**

**i. Housing Program Manager provide copies of upcoming council items of interest**

**a. 2025 Affordable Housing Report**

**AW:** This is the 4 year checkpoint of 2021's 10 year plan. \$100mil commitment over next ten years. \$59mil spent so far, \$48.1mil in direct investments. There are 1023 SAUs (Supported Affordable Units) at present.

**SM:** SAU number includes future SAUs?

**AW:** Accounts for money already committed by the City, but that money might not be received by orgs yet. Projected to hit \$120mil spent on housing-related activities (includes admin cost, tax relief programs, etc.) Re: AMI (Area Median Income) levels goals, City is below goals for 30% AMI units to date, but that figure does not include 30% AMI units in the pipeline. Next steps: close out FY 2025, develop 2026 workplan, create beta for web dashboard for tracking housing investments. Dashboard is up now but data is not yet comprehensive.

**NS:** How can we figure the average cost per affordable unit?

**AW:** That data is not in an existing spreadsheet or database. We would need to assemble the data from disparate sources.

**MM:** Can more easily calculate unit cost on a project-by-project basis.

**SM:** There was a big change at the mid-point of last Trump admin re: funding, occurring again now. Historic projections may be hard to use going forward.

**NS:** Could we use existing audits to help figure that out?

**SM:** Audits occur at the state level with VH (Virginia Housing), it's an onerous process. No audits at the City level.

**NS:** Are the VH audits available to the City?

**AW:** We have access to public Virginia Housing records.

**HG:** What is Dogwood?

**AW:** Portfolio acquisition by the City, ~74 properties. Originally owned and managed by Eugene Williams, then Woodard Properties. City investment kept units affordable, now managed by CRHA.

**b. Housing Ecosystems & Anti-Displacement Toolkit (HEAT) Policy Development Update:**

**1. Land Bank Authority of the City of Charlottesville (LBAC): Update and Next Steps**

**PdO:** This ordinance has significant changes to what HAC submitted. Policy changes beyond what a lawyer would do. Does not reflect HAC memo about establishing a parallel nonprofit and sunseting LB (Land Bank) as an authority after initial trial period.

**SM:** Reasoning behind changes from the city attorney would be useful.

**AW:** HAC can submit questions to City; changes could have come from city council member, staff, legal, etc. This draft put together via templates from other Authorities and input from various voices. If policy change is identified, HAC can give feedback to city executive team. This draft is an update/work in progress, reflects a review to make sure there's nothing counter to VA law. Once it becomes an action item it will look different. Re: timeline, it is feasible to have an active Land Bank by this time next year.

**SM:** \$500k set aside for LB is gone from FY 2026 budget; will need some preliminary capitalization from City. Money from City likely won't come until FY 27 unless something opens up. Given funding climate overall, best to assume City money won't be committed until then.

**AW:** For reference, the timeline for the Chesapeake Land Bank from incorporation to being active was 6-8 months.

**JJ:** Let's set a subcommittee meeting to discuss this new draft and craft HAC's feedback.

*HAC Subcommittee Meeting set for 4/30 1pm.*

**2. Charlottesville Affordable Housing Tax Abatement Program (CAHTAP): Development and Introduction**

**AW:** Staff looked at tax abatement programs in 16 cities. Here in Charlottesville, it could fit under CEDA, or be standalone. Staff is presenting prompts, potential directions. E.g., could be used to fund ADUs, affordability levels, project sizes. In Richmond, affordability

duration tied to abatements is 15 years with potential renewal. Keep in mind the zoning ordinance might require a longer duration.

**PdO:** HAC previously looked at the City's tax credit program for rehabilitating homes and its adaptability to promoting affordability. Will send to staff.

**AW:** RFP (Request for Proposals) is out now for Market Needs and Fiscal Gap Analysis. Open to recommendations for analysis scope.

**SM:** With RFPs for the Comprehensive Plan, HAC played a role in helping draft that. Would be useful for us to see a draft of the RFP. Motion to express HAC's support for continued exploration of CAHTAP concept and desire to partner in its development.

**PL:** Second.

*Motion passes.*

#### 4. Agenda Items

i. **March 19, 2025 Regular HAC Meeting Minutes**

*Minutes approved.*

ii. **Elect HAC Officers**

*Continuing motion from last meeting to renew JJ, SM, MP in their positions. Motion approved.*

**AW:** Will review bylaws at next meeting. Adding the option for the CRHA director to designate a representative to HAC will be presented to Council in May.

iii. **Discuss and approve the Risk Reduction Fund Survey (RRF) and next steps**

**HG:** Where will money for fund come from? **SM:** Set aside from City general fund.

**AW:** No specific funding identified right now. Last recommended amount was \$75,000.

**DR:** Recommend allowing AW to move forward distributing survey, asking questions of stakeholders, survey doesn't need to be perfect or occupy too much time.

#### 5. Next Meeting: May 21, 2025

#### 6. Public Comment

*No public comment.*

#### 7. Adjourn

*Meeting adjourned 1:26pm.*

Housing Advisory Committee (HAC) Minutes  
Wednesday, May 21st 2025  
City Space Conference Room 12p - 2p

**HAC Members Present:**

- Joy Johnson, Chair (JJ)
- Sunshine Mathon, Vice Chair (SM)
- Phil d'Oronzio (PdO)
- Heather Griffith (HG)
- Peppy Linden (PL)
- Mike Parisi (MCP)
- Nicole Scro (NS)

**HAC Members Absent:**

- Michael Payne (MP)
- Dan Rosenweig (DR)
- John Sales (JS)

**Staff Attendees:**

- Alex Ikefuna (AI)
- Brenda Kelley (BK)
- Taylor Harvey-Ryan (THR)
- Alan Peura (AP)

**1. Welcome**

**SM:** Calls meeting to order at 12:06pm.

**2. Introductions and Attendance**

**3. Agenda**

- April 16 2025 Regular HAC Meeting Minutes**  
*Approval moved to next meeting*
- April 30 2025 Policy Subcommittee HAC Meeting Minutes**  
*Approval moved to next meeting.*

**4. Staff Updates**

- Presentation on Charlottesville Affordable Housing Tax Abatement Program (CAHTAP)  
**AP:** Presented this to City Council on 4/21. Council showed interest, staff bringing back to Council later this year.

Abatement's purpose is to reduce real estate tax in order to offset developers' cost of ADUs. Why? 10% ADU (Affordable Dwelling Unit) requirement in the Zoning Ordinance along with the difference in rents between market rate units and ADUs creates a revenue gap. CAHTAP would use a portion of the tax increment resulting from a new project to help fund its required ADUs.

Base value/tax vs. increment value/tax example (developer gets %50 tax increment):

- Property with a pre-construction base value of \$100,000 and base tax of \$100
- Post-construction, new \$250,000 value and \$250 tax
- Increment value: \$250,000 - \$100,000 = \$150,000
- Tax increment: \$250 - \$100 = \$150
- Property developer receives: 50% of the \$150 increment, or \$75
- City receives: \$250 (post-construction tax) - \$75 (50% tax increment to developer) = \$175

**SM:** PHA (Piedmont Housing Alliance) used tax increment at Kindlewood redevelopment phases 1 and 2. PHA pays the full tax on the front end, then the tax increment is

refunded back to PHA, which a 3rd party lender takes as payment for loan. Tax increment refund doesn't start until the first year after project completion.

**PdO:** Does the lender treat the refund as an income factor or as an offset?

**SM:** Counted as an income stream.

**NS:** Did PHA get 50% of increment?

**SM:** Phase 1 was 100% of increment. Capped at \$6 million over 30 year period. Covered additional debt. Phase 2 ~50-70% for 30 years. By state law, has to be relationship between CEDA, City, and developer. Chris Engel at CEDA proposed either a 100% increment for 12 years or 50% for 30 years. In order to be co-terminus with the mortgage, used 30 years.

**AP:** This method utilizes future City revenue, not current revenue. Could be a more sustainable option to invest in affordable housing.

**SM:** City Council could make a \$3 million one time disbursement (simpler, immediate) or spread the investment over a longer time period (some \$ goes to interest payments which is less efficient use of money, but the investment doesn't compete with present priorities).

**AP:** In 2022 the Virginia Assembly passed the Industrial Development and Revenue Bond Act establishing the payment structure. Abatement calculation done on front end, reimbursement is made after project is completed based on new assessed value and after the first real estate tax is paid. Must pay tax first and then get a refund under VA law.

Hoping to start analysis in June and finish in August with help of a consultant market stud: costs of labor, materials, financing etc., break out the cost of meeting ADU requirements. May help in thinking about targeting different areas of the city based on different market rate rents.

**PdO:** If a developer is meeting 10% ADU requirement, will increment be for the gross improvement? Or, for example if 2 ADUs required in a 20 unit building, will rebate be based on those two units? Could City use a 50% rebate on increment if 10% of units are ADUs, then increased rebate if 20%? How to adjust for different levels of affordability?

**AP:** Will use market study to help answer those questions. Could abate just the cost of including the 10% ADUs, or be more aggressive. Ex: Boston's tax increment study found obstacles were labor and financing costs, increment wouldn't be suited to overcome those factors. Albemarle County's ADU requirement is 20%, but developers only get 15% increment. Also question of length: Richmond starts with 15 year term, then 15 year renewal option.

**SM:** For-profit developer might want 10 years at 100% vs 30 years at lesser % as PHA did. Threshold for abatement might be 10% to match City's ADU requirement, but what about a fourplex with one ADU which isn't required by City? Can we make it applicable to smaller projects?

**PdO:** Term could be adjustable in tandem with total dollar cap.

**SM:** Could allow for dial turning—not in Richmond structure but could include here.

**AP:** Richmond’s EDA Performance Grant Model passed in 2023, but no projects through this process yet. Our goal is to generate something like this calculation form shown on screen for Charlottesville but with more nuance. *Uses 501 Cherry Ave project as an example on Richmond EDA’s spreadsheet. Abatement is based on % of project as residential (vs commercial) multiplied by the percentage of affordable units.*

**NS:** There is a meeting between CADRE and City staff at the end of June.

**AP:** Hoping to bring this back to HAC around September, hoping to get in front of Council late this year, first quarter of next.

**5. Next meeting: June 18, 2025**

**6. Public Comment**

*No public comment.*

**7. Adjourn**

*Adjourned 12:59p.*

DRAFT