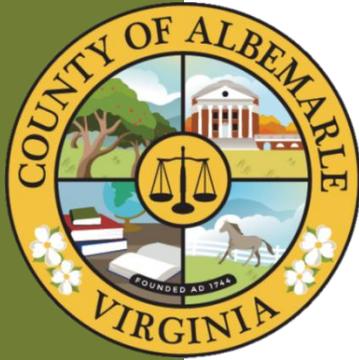


# Office of Housing & Housing Albemarle Update

Planning Commission  
Work Session  
06.10.2025

Stacy Pethia  
Assistant Director of Housing



# Overview

Affordability explained

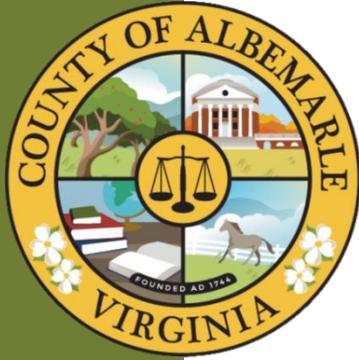
Measures of affordability

Who qualifies to live in affordable housing?

Housing needs in Albemarle County

Albemarle County response





# Measures of affordability: Fair Market Rent

**Fair Market Rent (FMR): Cost to rent a modest rental unit**

## FY 2025 FMR (*effective 10/1/2025*)

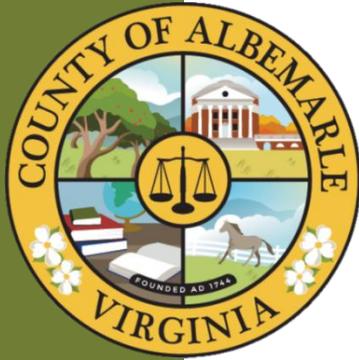
Eff./Studio	One Bedroom	Two Bedroom	Three Bedroom	Four Bedroom
\$1,404	\$1,487	\$1,729	\$2,155	\$2,621

*Source: US Dept of Housing and Urban Development*

## April 2025 Average Apartment Rents

Eff./Studio	One Bedroom	Two Bedroom	Three Bedroom	Four Bedroom
\$1,960	\$1,600	\$1,890	\$2,335	\$2,300

*Source: www.zumper.com*



# Measures of affordability: The housing wage

Represents the hourly wage a full-time worker must earn in order to afford to rent a modest two-bedroom apartment at \$1,729/month

**\$33.25**

The housing wage  
in Albemarle  
County

**25%**

% household in  
Albemarle County  
with incomes less  
than the housing  
wage

**107**

# hours/week a  
minimum wage  
employee must  
work

# Who lives in affordable housing? Low- & Moderate-income (LMI) households



\$125,800  
2025 Area  
Median Income

\$70,448  
51% - 80% of  
Area Median  
Income

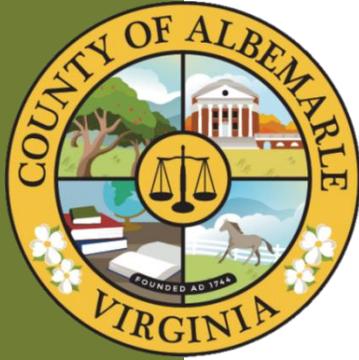
\$44,030  
50% or less of  
Area Median  
Income

A **low-income person** is anyone whose annual income is at or below 50% of the Area Median Income for the community where they live.

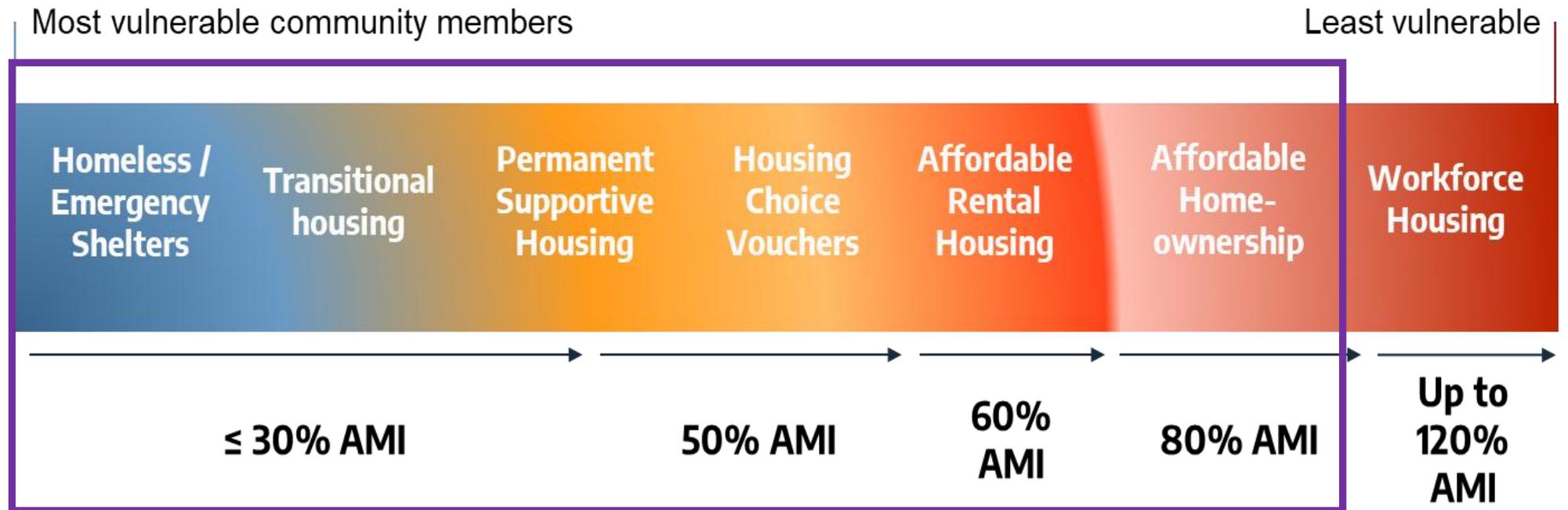
**Low-income**

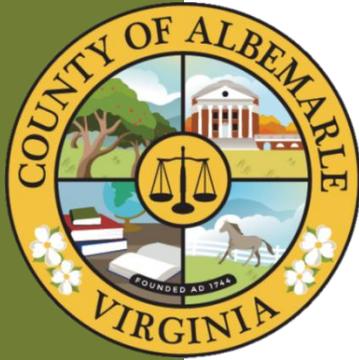
**Moderate-income**

A **moderate-income person** is anyone whose annual income is between 51% and 80% of the Area Median Income for the community where they live.



# Who lives in affordable housing?



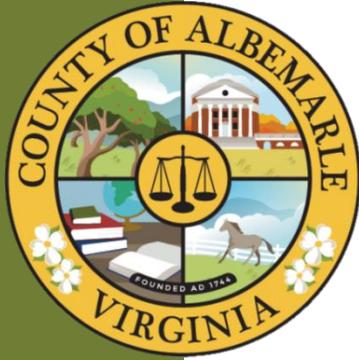


# Income Limits

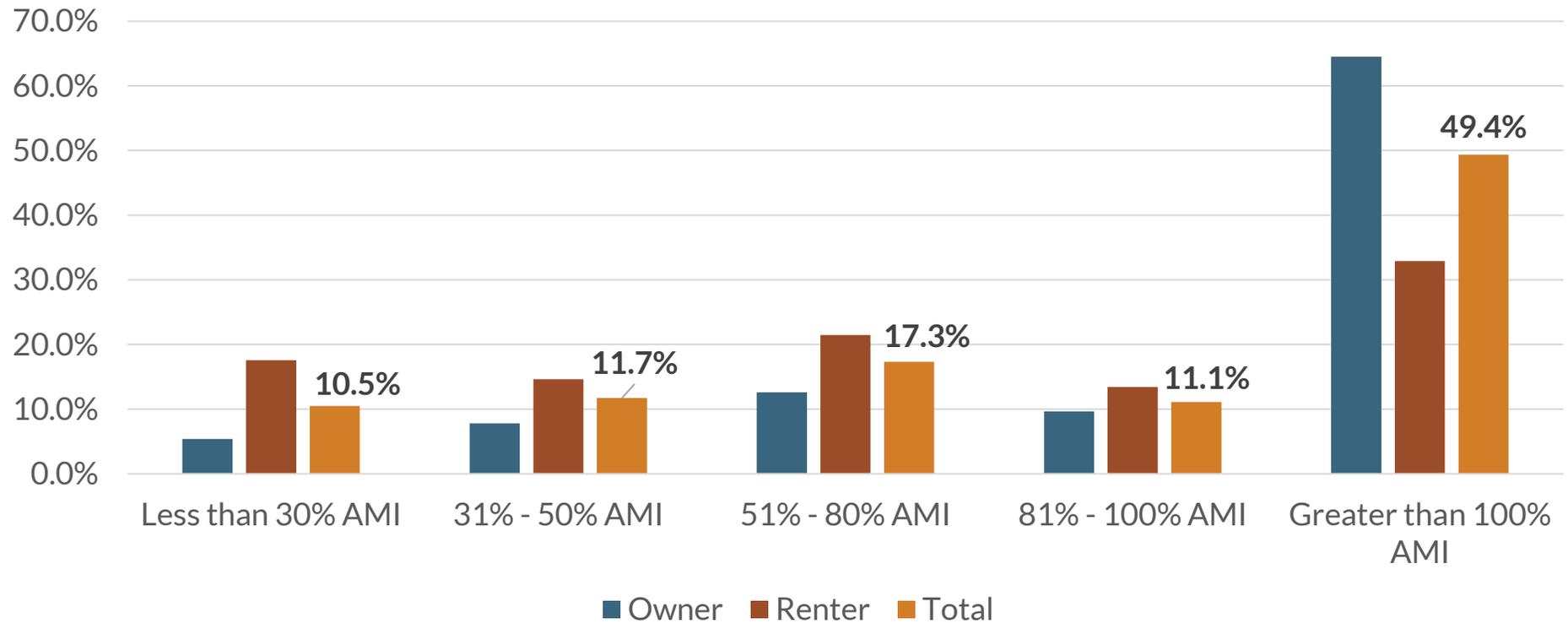
- Based on Area Median Income (AMI) = \$125,800  
*(as of April 2025)*
- Adjusted by size of household

% AMI	Persons in Household							
	1	2	3	4	5	6	7	8
30%	\$26,450	\$30,200	\$34,000	\$37,750	\$40,800	\$43,800	\$48,650	\$54,150
50%	\$44,050	\$50,350	\$56,650	\$62,900	\$67,950	\$73,000	\$78,000	\$83,050
80%	\$70,500	\$80,550	\$90,600	\$100,650	\$108,750	\$116,800	\$124,850	\$132,900

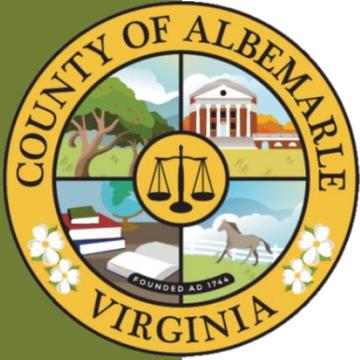
Source: US Dept of Housing and Urban Development



# Housing needs: Households by % AMI (2021)



Source: US Dept of Housing  
and Urban Development



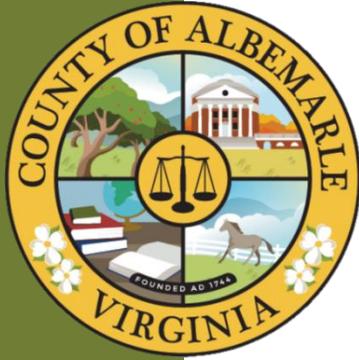
# Cost burdened households (2021)



2 of every 10 low- and moderate-income homeowners are housing cost-burdened.



Nearly 2 of every 4 renters (50%) with the lowest household incomes are severely cost-burdened.



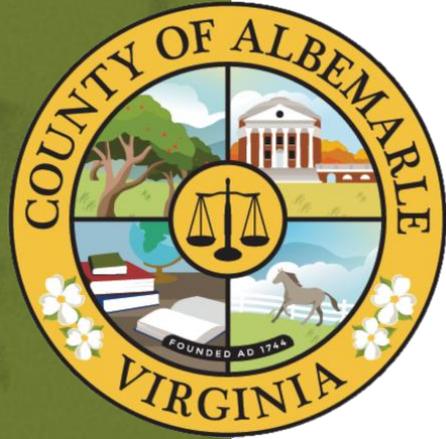
# Housing cost burden in 2040 (projected)

1 out of every 4 households  
will experience housing cost  
burdens by the year 2040

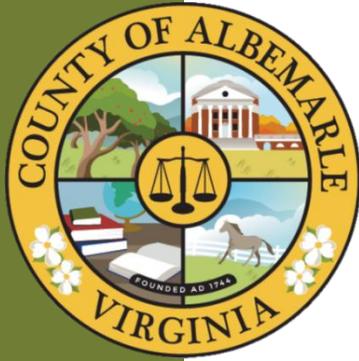


3 out of every 4 households  
with incomes below 50%  
AMI will experience housing  
cost burdens by the year  
2040





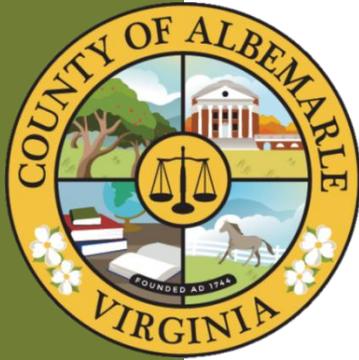
# Albemarle County Response



# *Housing Albemarle: Albemarle County's affordable housing policy*

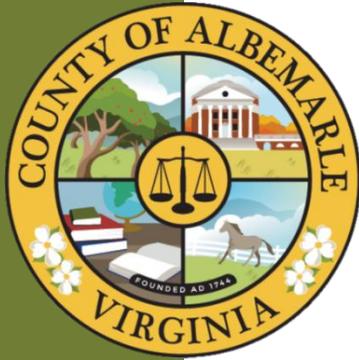


- 12 objectives
  - Increase supply
  - Housing preservation
  - Community engagement
  - Fair housing & community equity
  - Special populations
  - Sustainable communities
  
- 93 strategies/action steps
  - 20 achieved/implemented (22%)
  - 43 in progress (46%)
  - 30 not yet started (32%)



# A multifaceted approach

Rental assistance programs	Housing for special populations	Down payment assistance	Density bonus program	Albemarle Rental Housing Incentive Program
Developer proffers	Shelter services	Emergency financial assistance	Community land trust	Housing navigation
	Homeowner preservation	Construction financial support	Affordable Dwelling Unit program listserv	



# Housing Choice Voucher Program

## Number of Vouchers Leased by Voucher Type - December 2024

Housing Choice Vouchers	345
Project-Based Vouchers	30

## Future Project-Based Vouchers by Project - May 2024

Premier Circle	47
MACAA Project	5
Hickory Hope Apt.	8

28%

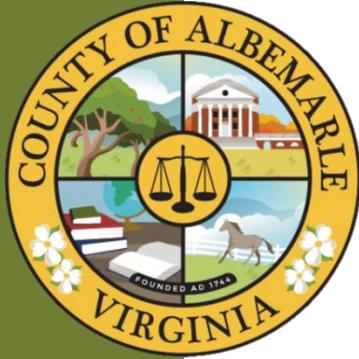
% of Housing Choice Voucher Program households that include a member with a disability

30%

% of program participants aged 62 years or older

\$19,605

Average household income of program participants



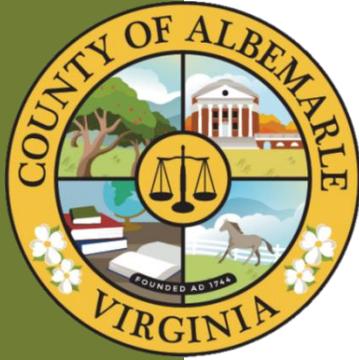
# Special Purpose Vouchers

Mainstream Vouchers: 105

- Assist non-elderly persons with disabilities

Family Unification Vouchers: 25

- Assist families for whom lack of adequate housing is a primary factor in
  - The imminent placement of a child or children in out-of-home care
  - The delay in discharge of a child or children from out-of-home care



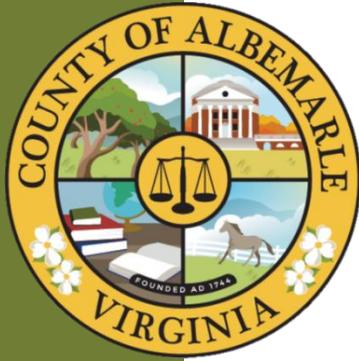
# Housing for special populations



*Photo: Crozet Meadows Apartments*

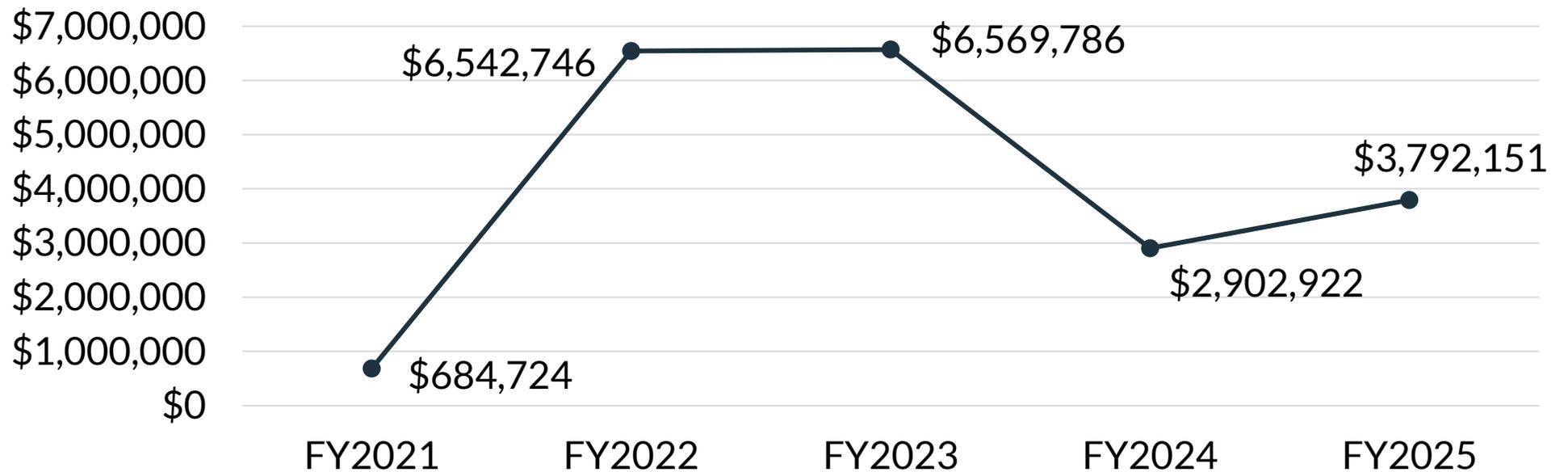
Targeted to specific groups such as seniors, persons with disabilities, homeless youth

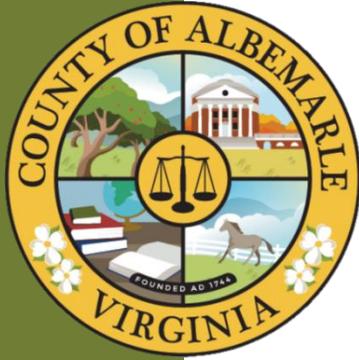
- Scottsville School
- Crozet Meadows
- Woods Edge Apartments
- Permanent Supportive Housing



# Funding for Affordable Housing Projects & Programs (FY2021 – FY2025)

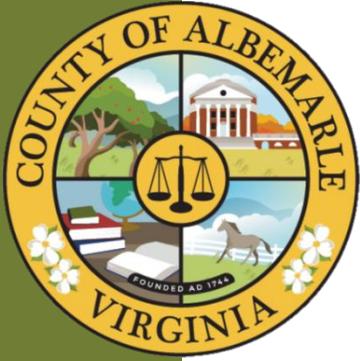
**\$19,807,605**





# Number of households/units served: FY2022 – FY2025

	FY 2022	FY 2023	FY 2024	FY 2025
Rental housing	256	468	321	424
Owner-occupied housing	215	133	230	227
Domestic Violence shelter/services	25	200	80	200
Homeless services	122	200	217	235
Housing counseling services	263	295	230	137
<b>TOTAL</b>	<b>881</b>	<b>1,296</b>	<b>1,078</b>	<b>1,223</b>



# Premier projects:

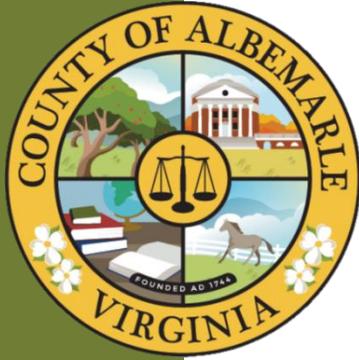


Hickory Hope  
Apartments:  
121 units

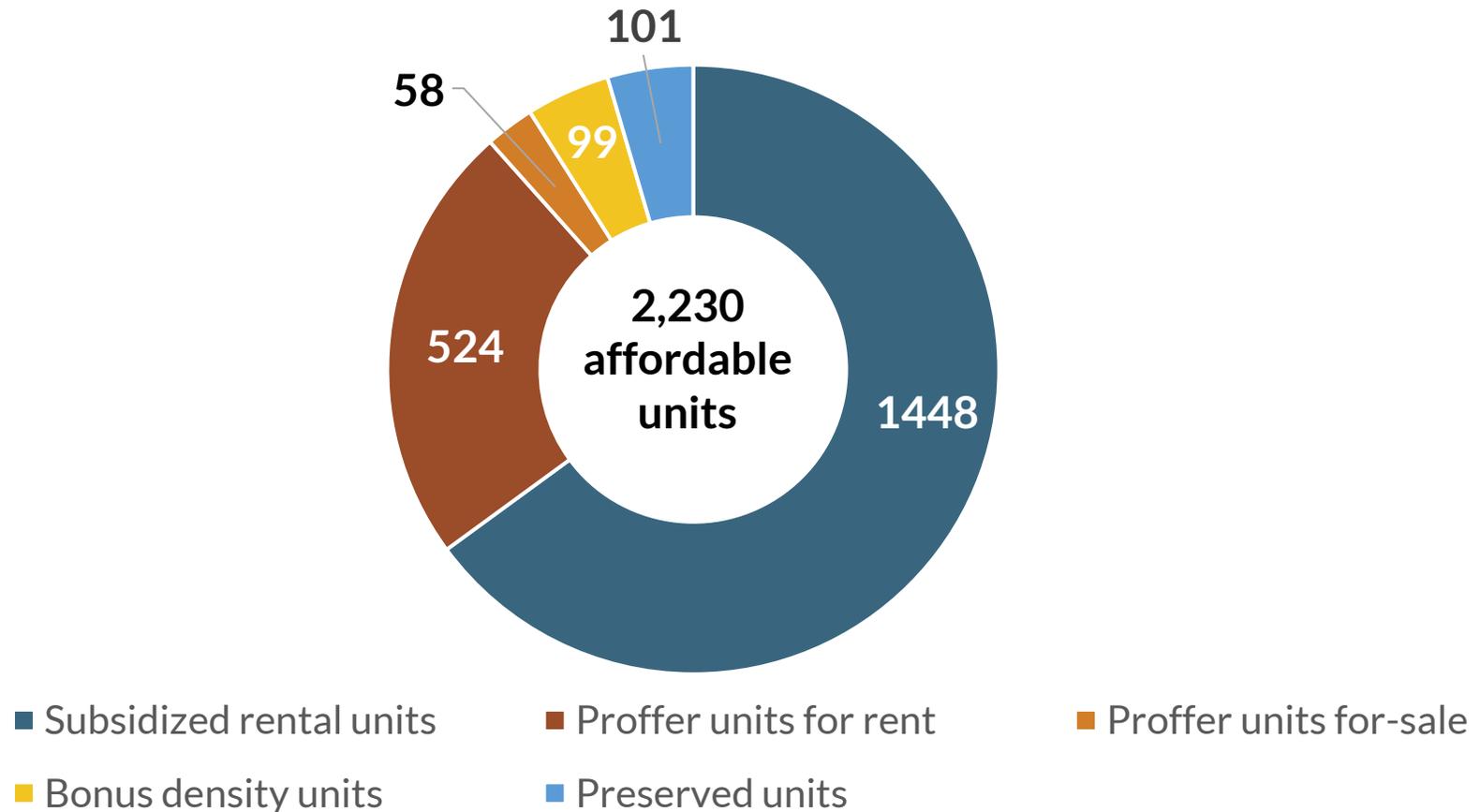
Southwood  
Phase 1:  
211 units

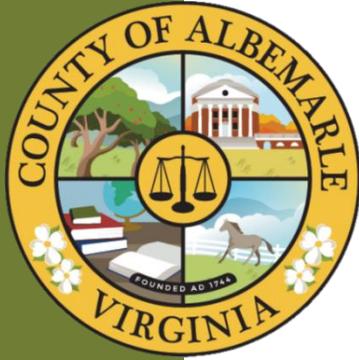


Vista29: 140  
units

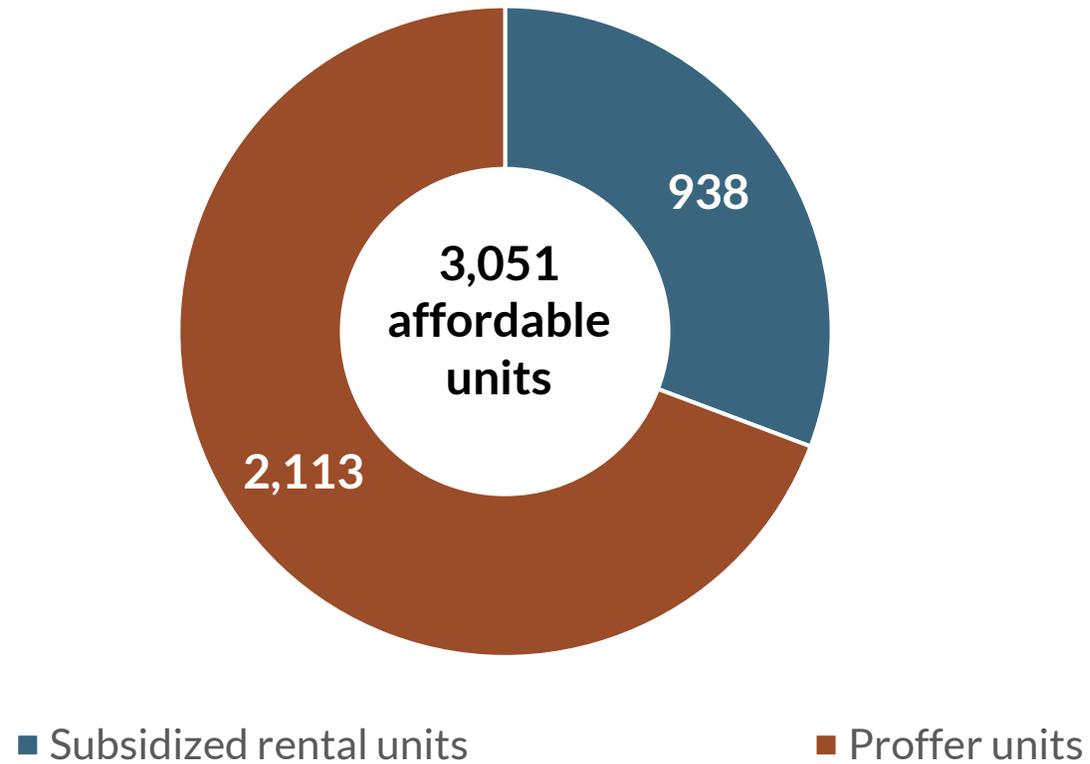


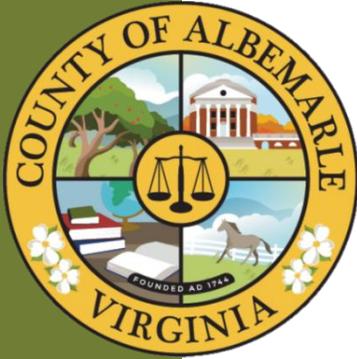
# Subsidized, Proffered, Bonus Density & Preserved Units





# Affordable Units in the Pipeline





# Change in proffer unit requirements

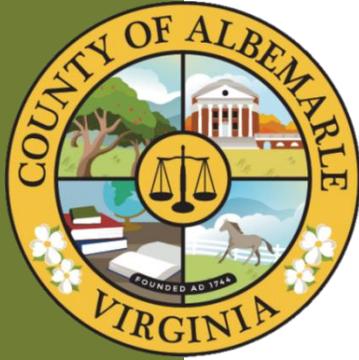
Increase % affordable units required from 15% to 20% of total residential units

Changed target affordability levels

- 60% AMI for rental units
- 80% AMI for for-sale units

Extended affordability periods

- From 10 years to 30 years for rental units
- From 1<sup>st</sup> sale to 40 years for for-sale units



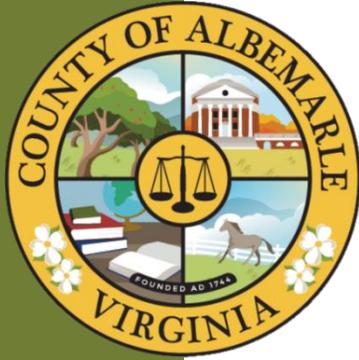
# Albemarle Rental Housing Incentive Program (ARHIP)

Developer incentive program:

- Encourages the construction & preservation affordable rental housing
- Should provide 20% affordable units at 60% AMI
- Affordable for 30 years
- Provides annual real property tax rebates = 15% of total tax due for 30 years



*Photo: Brookdale Apartments*



# Affordable Dwelling Unit (ADU) program



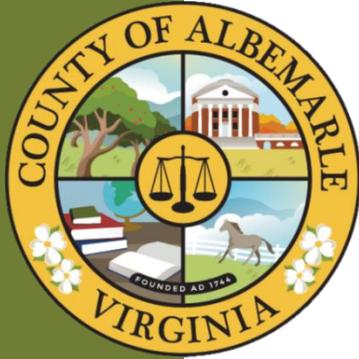
June 2022 Board adopted a Resolution of Intent to amend the zoning code with an ADU ordinance



Replaces proffer system with mandatory affordable housing requirements



Ordinance is mechanism to enforce changes



# Affordable Housing Evaluation Form

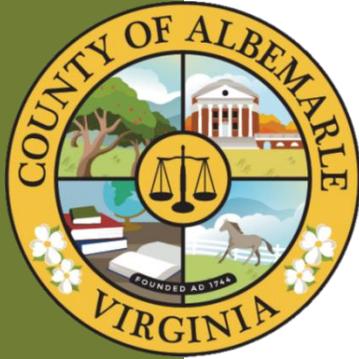
## AFFORDABLE HOUSING EVALUATION

Project Name: \_\_\_  
 Address: \_\_\_  
 Description: \_\_\_  
 Project contact name: \_\_\_\_\_  
 Phone: \_\_\_\_\_  
 Email: \_\_\_\_\_

**Table 1: Housing Supply Reduction – Existing units to be removed or demolished by the project**  
 Fill out the following information for each unit taken out of use by the project. *This includes any housing units that may have already been demolished in advance of this project filing.*

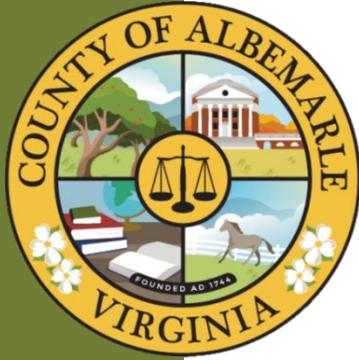
Unit Type	# of units	# of bedrooms/unit	Current rental (\$/month) or Sale price per unit	# HCV/PBV tenants?	# income-restricted units	Income level of restricted units (% AMI) <sup>1</sup>	Term of deed restriction (through mm/yy)
Single-family detached <sup>2</sup>							
Single-family attached <sup>3</sup>							
Multifamily <sup>4</sup>							
Studio/efficiency							
One bedroom							
Two bedroom							
Three bedroom							
Four bedroom							
Five + bedroom							
<b>Total units removed</b>							

- Tracks number of new affordable units in development projects
- Tracks any loss of existing affordable units due to development projects
- Identifies positive or negative impacts on the affordable stock due to development projects



# ADU 'Interest' List

- Mechanism for connecting income qualified households with both affordable rental units and affordable homeownership opportunities
- Developers can market upcoming affordable units directly to income qualified households
- Does not guarantee households in the list will be able to rent or buy a particular affordable unit
- Pilot starting August 2024 with county staff including ACPD and ACFR, and ACPS staff



# Affordable Housing Trust Fund

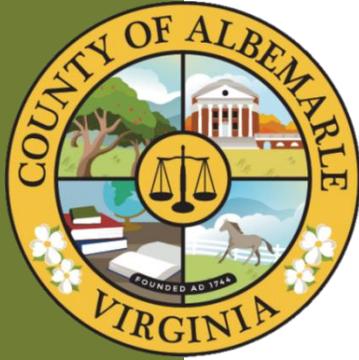


*Housing Albemarle Objective 6*



Dedicated sources of revenue

Cash-in-lieu payments  
Developer proffers  
Percentage of real property tax revenue



# Affordable Housing Trust Fund



Annual competitive application process



Mix of grants and loans

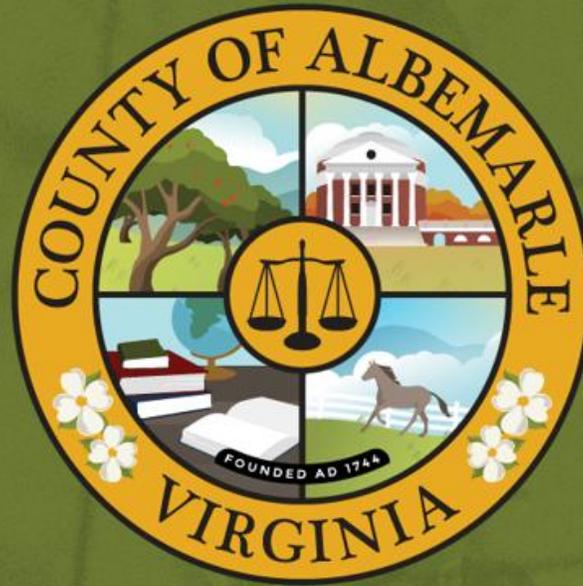


Portion reserved for emerging needs



Fund oversight committee

# Questions?



## **SUMMARY: HOUSING ALBEMARLE IMPLEMENTATION**

- As of March 1, 2024, Housing Albemarle is fully implemented.
- 20 Strategies/Action Steps have been achieved
- Work on achieving 43 Strategies/Action Steps is in progress
- Work on achieving 30 Strategies/Action Steps has not yet started

### **Key achievements:**

Strategy 2.1: Since FY 2021, the County has awarded more than \$19 million in grant funding to support the affordable housing needs of more than 4,400 county households.

Strategy 2.6: The Office of Housing is creating a waiting list of persons interested in renting or purchasing an affordable housing unit. Staff is finalizing a application method for interested households to register for the waiting list. Affordable units proffered or constructed by developers will be marketed directly to households on the waiting list. Purpose of the program is to connect income qualified households with available, affordable units. The waiting list will first be opened to county staff, including police, fire/rescue and the school staff before opening the list for any interested households. Implementation is anticipated to begin August 2024.

Action Step 3.2.1: On February 21, 2024, the Board of Supervisors approved implementation of the Affordable Rental Housing Incentive program. The program provides a rebate of 15% of the real property tax for a 30-year period for rental housing projects providing at least 20% of the total residential units as affordable rental housing for a 30-year period. Units must be affordable, and made available to households with income at or below 60% AMI.

Strategy 5.1: On June 15, 2022, the Board of Supervisors adopted a Resolution of Intent to consider amending the zoning code to include an Affordable Dwelling Unit Program ordinance. Housing staff is working with CDD to schedule a work session with the Planning Commission.

Action Step 10.1.1: The County is partnering with Virginia Supportive Housing to develop 80 units of permanent supportive housing to meet the housing and supportive services needs of persons experiencing chronic homelessness. Construction is anticipated to be complete by November 2026.

**KEY:**

	Implemented/Ongoing
	In progress
	Not yet considered/Not started

Objective 1: Increase the supply of housing to meet the diverse housing needs of current and future Albemarle County Residents		
1.1	Allow, encourage, and incentivize a variety of housing types (such as bungalow courts, triplexes and fourplexes, accessory dwelling units, live/work units, tiny homes, modular homes, and apartment buildings); close to job centers, public transit and community amenities; and affordable for all income levels; and promote increased density in the Development Areas.	
	1.1.1	Ensure a mixture of housing types are provided, with a minimum of 20% of the total number of housing units in new developments being provided as affordable housing
	1.1.2	Review and update housing density bonuses within the zoning ordinance to encourage a variety of housing types.
	1.1.3	Explore options with county owned land to develop a permanent affordable housing community.
	1.1.4	Consider designating Housing Rehabilitation Zones to encourage and incentivize the development and preservation of affordable and workforce housing in those zones.
Objective 2: Increase the supply of long-term affordable and workforce rental housing in Albemarle County.		
2.1	Promote affordable and workforce rental housing development and preservation.	
2.2	Encourage the use of new housing construction technologies, such as 3D printing construction and other new emerging technologies, that can reduce overall cost of construction and housing.	
2.3	Provide incentives to increase production of affordable rental housing.	
	2.3.1	Promote the use of the existing density bonus ordinance as a tool to achieve affordable rental housing.
	2.3.2	Identify a package of developer incentives other than bonus density, such as reductions in parking or minimum lot size requirements, to encourage development of affordable and workforce housing.
	2.3.3	Develop an Accessory Apartment Loan Program to encourage the construction of accessory apartments. Pilot the program as a workforce housing solution for County teachers and school employees.
2.4	Develop procedures for monitoring and enforcing compliance of occupancy and rent restrictions required by law and/or funding sources.	

2.5	Develop mechanisms, such as deed restrictions, to ensure affordable rental units developed utilizing county incentives remain affordable for a minimum of 30 years with the long-term goal of creating a stock of permanently affordable rental housing units		In progress
2.6	Partner with local organizations (including, but not limited to, nonprofit agencies, realtor associations, regional jurisdictions, the University of Virginia, the Town of Scottsville, and county departments) to promote access to affordable rental housing opportunities.		ACOH/AC Police Foundation - creating waiting list application process for proffer units. Program to launch August 2024 for ACLG, ACPD, ACFR, ACPS staff. Anticipate program being opened to general public early 2025.
	2.6.1	Identify local partners.	Completed.
	2.6.2	Establish a publicly accessible platform for maintaining publicly accessible data on housing units available for rent including location, price, size/type, and amenities.	In progress.
<b>Objective 3: Improve access to affordable and workforce home-ownership opportunities and promote long-term affordability of for-sale housing.</b>			
3.1	Develop policies creating affordable and workforce homeownership opportunities through new residential development and the preservation of existing owner-occupied housing.		In progress.
3.2	Provide incentives to increase production of affordable and workforce for-sale housing.		
	3.2.1	Identify a package of developer incentives such as reductions in minimum lot size requirements, to encourage development of affordable and workforce housing.	In progress
3.3	Support the development of permanently affordable owner-occupied housing through the community land trust model and other shared equity forms of ownership.		Supported Piedmont Community Land Trust to construct 27 permanently affordable owner-occupied units.
3.4	Develop procedures for monitoring and enforcing occupancy and sales price restrictions required by law and/or funding sources.		In progress - developing requirements for annual reporting; considering appropriate platform for electronic reporting.
3.5	Develop mechanisms (such as deed restrictions) to ensure affordable for-sale units developed with county incentives and other types of county support remain affordable for a minimum of 40 years with the long-term goal of creating a stock of permanently affordable for-sale housing units		In progress
3.6	Partner with local organizations (including, but not limited to nonprofit agencies, realtor associations, the City of Charlottesville, the University of Virginia, the Town of Scottsville, and county departments) to promote access to affordable homeownership opportunities.		
	3.6.1	Identify local partners.	Completed.
	3.6.2	Establish a publicly accessible platform for maintaining publicly accessible data on affordable housing units available for sale including location, price, size/type, and amenities.	ACOH/AC Police Foundation - creating waiting list application process for proffer units. Program to launch August 2024 for ACLG, ACPD, ACFR, ACPS staff. Anticipate program being opened to general public early 2025.

Objective 4: Preserve and maintain the county's aging housing stock, and existing communities.			
4.1	Work with public and private partners to address housing maintenance issues, including exploring methods for assisting lower-income homeowners in need of smaller, lower-cost home repairs to access affordable home repair services.		
	4.1.1	Continue to pursue state and federal grant funding for housing rehabilitation projects.	Ongoing
	4.1.2	Pursue a zero-interest housing rehabilitation loan program for low- and moderate-income homeowners.	Not yet considered
	4.1.3	Research best practices in home repair assistance programs.	Not yet started
4.2	Explore programmatic options to encourage the renovation of existing rental and owner-occupied units and provide as affordable housing		Not yet considered
4.3	Develop strategies to encourage owners of naturally occurring affordable rental housing (NOAHs) to preserve all, or a portion, of these units as affordable housing.		
	4.3.1	Complete a survey of multifamily rental properties located in Albemarle County to identify NOAHs at least biennially.	Not yet started
	4.3.2	Inventory stock of existing accessory apartments to identify those being offered as affordable rental housing.	Not yet started
	4.3.3	Pursue a zero-interest rental housing rehabilitation loan program to help preserve and maintain affordable rental housing.	Not yet started
4.4	Explore programmatic options to support homeowner efforts to upgrade water and sewer service by connecting to the publicly owned utilities systems.		Budget/Grants - in progress (ARPA funds)
4.5	Examine the need for, and feasibility of, implementing a rental inspection district program to help ensure safe, decent, and sanitary living conditions for tenants and other residents living designated areas		Not yet considered
	4.5.1	Research effectiveness of rental inspection programs adopted in other Virginia jurisdictions.	
	4.5.2	Analyze neighborhood level housing data to identify potential areas for designations as Rental Inspection Zones. Designate appropriate areas as such.	
	4.5.3	Develop rental inspection program guidelines, including inspection schedules, time periods of compliance, and fines for noncompliance.	
	4.5.4	Develop a resource needs analysis necessary to implement this program, if adopted by the Board.	
	4.5.5	Obtain funding for this program through outside sources if approved.	
4.6	Develop and implement an Anti-Displacement and Tenant Relocation Policy and associated guidelines.		
	4.6.1	Develop policy guidelines based on requirements of the federal Uniform Relocation Act.	In progress
	4.6.2	Develop mechanisms for tracking relocation activities and policy compliance.	In progress
	4.6.3	Provide technical assistance for developers creating relocation plans.	Not yet considered
	4.6.4	Obtain funding for the tracking of these guidelines if adopted.	Not yet considered

4.7	Examine early indicators of neighborhood change and housing prices to identify communities at risk of change. Focus programs and/or investment in those areas.		Not yet considered
	4.7.1	Identify appropriate neighborhood change metrics.	
	4.7.2	Identify, or develop and implement, an evaluation tool to track neighborhood change.	
	4.7.3	Report neighborhood change metrics to the Board on a routine basis.	
<b>Objective 5: Develop and implement an Affordable Dwelling Unit Program under Virginia Code Section 15.2-2304.</b>			
5.1	Develop an Affordable Dwelling Unit Program structure and guidelines.		Draft completed; Board of Supervisors adopted ROI to consider zoning ordinance amendment on June 15, 2022
	5.1.1	Establishing a minimum period of affordability of 30 years for rental units and 40 years for homeownership units	
	5.1.2	Identifying mechanisms to secure minimum affordability periods	
	5.1.3	Specifying method for calculating the amount of developer cash-in-lieu of affordable unit payments	
	5.1.4	Establishing the right of first refusal for the purchase of for-sale Affordable Dwelling Units by Albemarle County or a designee	not included in program guidelines - no funding identified
5.2	Revise Albemarle County's Zoning Ordinance to include the Affordable Dwelling Unit Program.		Ordinance drafted
<b>Objective 6: Establish a Housing Trust Fund</b>			
6.1	Develop and implement a sustainable Housing Trust Fund for adoption by the Board of Supervisors.		
	6.1.1	Identify the target market, target partners, the overall purpose to be accomplished plus the sources of funding for a trust fund including, but not limited to, developer cash-in-lieu payments. Fund and hire the staffing required to implement and operate the Fund.	In progress
	6.1.2	Establish an application process for the trust fund, including priorities for funding, application period(s), timelines for proposal review and selection, and methods to evaluate funding proposals.	Application drafted. Evaluation metrics drafted.
	6.1.3	Develop success measures and the mechanisms for tracking and reporting the number of affordable units supported with trust fund dollars, as well as other related success measures.	In progress. Annual newsletter created. Housing data dashboard for website under development
<b>Objective 7: Establish a standing housing advisory committee</b>			
7.1	Establish a standing housing advisory committee.		
	7.1.1	Working with the Albemarle County Office of Equity and Inclusion, determine desired representative committee membership	In progress - component of proposed housing trust fund.
	7.1.3	Establish committee charge to include, for example, monitoring progress towards housing policy objectives; evaluating effectiveness of the county's housing programs and policies, and making recommendations for changes; or making recommendations for county investments in affordable and workforce housing projects	In progress - component of proposed housing trust fund.
7.2	Work with Housing Advisory Committee to produce an annual housing report to include progress towards meeting housing policy objectives, and an evaluation of county housing policies and programs, as well as research into the impact of housing and community characteristics on affordable housing provision and prices.		Not yet considered

Objective 8: Reduce regulatory barriers to affordable and workforce housing production.			
8.1	Review the County's Comprehensive Plan to identify barriers to affordable and workforce housing development and remove identified barriers.		AC44 - in progress
	8.1.1	Review all chapters of the Comprehensive Plan to identify barriers in language and policy recommendations	
	8.1.2	Review Master Plans to identify barriers in language and policy recommendations.	
	8.1.3	Review all Comprehensive Plan land use designations and corresponding densities, unit types, lot sizes, form recommendations, and land use maps to identify barriers	
	8.1.4	Work with the community and stakeholders to identify solutions to remove or resolve identified barriers and update Plans accordingly.	
8.2	Review the County's ordinances and zoning map to identify barriers to affordable and workforce housing development and to ensure County ordinances support this policy and the updated Comprehensive Plan. Remove identified barriers and resolve inconsistencies.		In progress
	8.2.1	Review the County's ordinances including the subdivision ordinance, zoning ordinance, and zoning map to identify barriers to affordable and workforce housing.	
	8.2.2	Work with the community and stakeholders to identify solutions to remove barriers and update ordinances and zoning map accordingly.	
8.3	Ensure all future zoning text amendments and zoning map amendments support the construction of innovative housing types and creative infill development projects to help provide for increased density in the Development Areas.		In progress
Objective 9: Promote access to safe, stable, and healthy housing regardless of race, color, religion, national origin, sex, elderliness, familial status, disability status, source of income, sexual orientation, gender identity and veteran status.			
9.1	Ensure changes in County policies, including zoning text amendments, land use changes and Comprehensive Plan updates comply with state and federal civil rights laws, and do not negatively impact the supply of, or equitable access to, affordable housing. Evaluate housing programs and projects on how well they serve communities of color, low-income renters, and cultural communities using clear, measurable indicators.		
	9.1.1	In cooperation with the Albemarle County Office of Equity and Inclusion, identify metrics and tools to evaluate the impact of residential development and legislative changes on county neighborhoods and households, particularly with regards to the social inclusion of low-income households, persons of color, seniors and persons with disabilities.	Implemented - Climate Action and Equity Tool
	9.1.2	Develop and implement an Affordable Housing Impact Statement tool to measure the potential impacts of policies, programs, or projects on the County's affordable housing stock.	Implemented - Affordable Housing Evaluation Form
9.2	Expand community's knowledge of rights and responsibilities under the Virginia Landlord and Tenant Act		
	9.2.1	Develop educational materials and or educational trainings/events for landlords, tenants of rental housing and interested community members	In progress - expanding information available on website; member of RHP Events Committee helping to plan webinars and Regional Housing Summit; hosted first landlord symposium in December 2023
	9.1.2	Work with Albemarle County Office of Housing to design and implement a landlord outreach and education program to expand the use of Housing Choice Vouchers.	

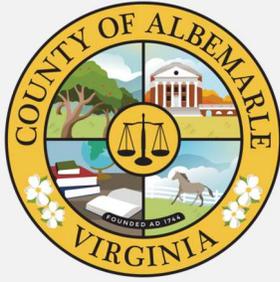
**Objective 10: Work to end and prevent homelessness.**

10.1	In partnership with public, private, and nonprofit partners, expand permanent housing opportunities for chronically homeless households.		
	10.1.1	Increase the number of permanent supportive housing units for chronically homeless individuals.	In progress - Premier Circle PSH project
	10.1.2	Dedicate 20 project-based housing choice vouchers to Permanent Supportive Housing development(s) for chronically homeless households by 2022.	47 PBVs awarded to Premier Circle PSH project
	10.1.3	In partnership with mental health and homeless service providers, apply for HUD's Mainstream Voucher program to serve 20 additional formerly homeless households in Permanent Supportive Housing or Rapid Re-Housing	In progress
	10.1.4	Dedicate funding to create one additional supportive housing case manager position to assist formerly homeless households in maintaining housing stability	Not yet considered
	10.1.5	Support the creation of a "Move-On" program to assist formerly homeless households currently in Permanent Supportive Housing or Rapid Re-Housing who no longer need intensive supportive services transition out of those programs and remain stably housed	Not yet considered
	10.1.6	Establish a Housing Choice Voucher preference for formerly homeless households in Permanent Supportive Housing or Rapid Re-Housing programs	Preference established
10.2	Promote the best practice of Housing First		
	10.2.1	Incentivize and prioritize applications for homeless and housing services funding from Albemarle County that utilize a Housing First approach.	Not yet considered
10.3	Prevent homelessness where possible through homeless prevention programs and strategies.		
	10.3.1	Dedicate funding to support local homeless prevention programs in preventing homelessness among 40 additional households per year.	Not yet considered
	10.3.2	Dedicate funding to expand local emergency hotel and motel vouchers for homeless families with children to serve an additional 10 families per year.	Not yet considered
10.4	Address unmet needs for people living unsheltered		
	10.4.1	Dedicate funding to help support the creation one additional street outreach and engagement position.	Not yet considered
	10.4.2	Dedicate funding to expand local emergency shelter capacity by 10 units/beds for individuals	In progress
10.5	Assist households experiencing homelessness to quickly return to housing and remain stably housed		
	10.5.1	Dedicate funding to support homeless housing programs serve an additional 20 households quickly identify, move into, and remain in housing per year.	Not yet considered
	10.5.2	Collaborate with local and regional partners to expand housing programs for youth experiencing homelessness	Not yet considered

**Objective 11: Enable Albemarle Residents to age in the community.**

11.1	Partner with nonprofit and for-profit affordable housing developers to increase the supply of affordable and accessible housing options in Albemarle County, with an emphasis on units affordable to low-income senior and disabled households		Not yet considered
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11.2	Promote the inclusion of Universal Design standards into all new residential developments.		Not yet considered
11.3	Support and promote housing options that allow for aging in place both within a community and at home. To combat social isolation among people with different abilities, encourage the creation of fully accessible communities with accessible design elements such as wheelchair ramps, handrails on both sides of staircases, Braille directional signage, and barrier-free walkways. Ensure communities have easy access to public transportation options.		
	11.3.1	Encourage inclusion of design and construction features that support aging in place (such as non-slip flooring, reinforced walls in bathrooms to support grab bars, or rocker panel light switches) in all new residential construction.	AC44 - in progress
	11.3.2	Encourage inclusion of affordable, senior appropriate housing units in mixed-use communities.	
	11.3.3	Promote the creation of age-friendly community spaces and amenities, such as including well-lit sidewalks and walking paths in all communities, signaled crosswalks to allow access to shopping and services, easy to read signage, public transit access, and seating areas in local parks.	
11.4	Examine programmatic options for helping to decrease the cost of assisted living facilities for low- and moderate-income seniors. Advocate for improved reimbursement for, and availability of Auxiliary Grants.		Not yet considered
11.5	Continue to offer property tax exemptions for low-income senior homeowners.		Ongoing
11.6	Continue to provide real estate tax exemptions for the County's veterans with a 100% service-connected disability, and homeowners with a total and permanent disability.		Ongoing
11.7	Study the feasibility of implementing a rent rebate program for low-income seniors to help with housing affordability issues.		Not yet considered
<b>Objective 12: Promote healthy, sustainable communities and housing</b>			
12.1	Promote mixed-income development throughout the County's Development Areas.		Ongoing
12.2	In partnership with local transit providers and the Albemarle County Broadband Authority, examine options for expanding access to amenities in both urban and rural neighborhoods to increase resident access to services, education and training, and employment opportunities.		In progress
12.3	Support the goals of Albemarle County's Climate Action Plan to enhance environmental sustainability and reduce the overall cost of housing by ensuring new housing is developed near job centers and alternative transportation opportunities.		
	12.3.1	Continue to require and provide sidewalks and pedestrian paths in the Development Areas.	Ongoing
	12.3.2	Support expanded transit services including bus shelters and benches in new development projects.	In progress
12.4	Partner with nonprofit housing and/or public health organizations to address unhealthy housing issues, particularly in rural and historically underinvested areas.		Ongoing
12.5	Working with nonprofit partners such as the Local Energy Alliance Program, support homeowners, and owners of rental properties and their tenants, in completing home energy efficiency upgrades		Ongoing
12.6	Promote incorporation of energy-efficient design in all new residential development.		In progress



# **Albemarle County Affordable Housing Investment Fund**

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## **Fund Description & Guidelines**

**30 APRIL 2025**

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**DRAFT**

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## **I. Overview**

The Albemarle Housing Investment Fund (AHIF) was established by Albemarle County to provide a funding mechanism for affordable housing-related projects. The primary purpose of the AHIF is to provide financial resources to address the affordable housing needs of individuals and families who live or work in the county by promoting, preserving, and producing quality, long-term affordable housing options; providing housing related services to low- and moderate-income households; and providing support for non-profit and for-profit organizations that actively address the affordable housing needs of low- and moderate-income households. The AHIF is managed by the Albemarle County Office of Housing.

## **II. Fund Capitalization**

Sources of AHIF funding include, but are not limited to:

- A portion of annual real property tax revenue collected.
- Cash contributions in lieu of providing actual affordable units when rezoning or Special Use Permits of a specified level of density are approved.
- Voluntary contributions made through proffers.
- Allocations of funding to AHIF at the discretion of the county Board of Supervisors.

## **III. Funding Priorities**

Priority will be given to projects that:

- Provide housing options for households with income less than 60% of AMI;
- Include mechanisms to ensure permanent (90-year) affordability;
- Use County funding awards to leverage significant amounts of federal, state, or private funding;
- Are shovel ready. For projects that will be applying for Low Income Housing Tax Credit (LIHTC) financing, 'shovel ready' means the applicant will be submitting a LIHTC application during the next available application period;
- Support the economic and social diversification of Albemarle County neighborhoods; and
- Provide on-site resident services.

Additional priority will be given to projects that serve specific household types, based on vulnerability and/or gaps in existing inventory, which will be established annually by the Board of Supervisors. Types of households that may be given priority status may include, but not be limited to senior households, families with children under the age of five years, or persons experiencing homelessness.

## **IV. Distribution of Funds**

AHIF funds will be provided as grants or loans to nonprofit housing developers and/or providers, or for-profit developers constructing affordable housing units in Albemarle County. Annual fund balances will be distributed as described below.

### **A. Emerging Housing Needs – 20% of fund balance**

Twenty percent (20%) of the annual fund balance will be reserved to address emerging housing needs as identified by county staff and approved by the Board of Supervisors.

### **B. Grant Funding – 40% of fund balance**

Forty percent (40%) of the annual AHIF balance will be reserved for nonprofit housing providers. These funds will be provided as grants, and projects will be selected through a competitive application process with submitted applications assessed against a set of evaluation criteria outlined in Section X below. Grant funding may also be provided to for-profit developers if proposed project is comprised of 100% affordable housing.

### **C. Loans – 40% of fund balance**

The remaining forty percent (40%) of the annual AHIF balance will be made available to both for-profit and nonprofit housing developers for the construction or preservation of affordable housing. Funds will be provided as zero-interest loans to nonprofit organizations, or two percent (2%) simple interest loans to for-profit developers. All loans will be due and payable 60 months from the date of the initial loan closing.

**NOTE:** The Albemarle County Board of Supervisors reserves the right to direct some or all of the AHIF fund balance toward addressing an emerging housing need or emergency situation.

## **V. Eligible Applicants**

Albemarle County will accept and consider proposals from non-profit and for-profit qualified applicants that meet the following eligibility requirements:

- Nonprofit applicant is a designated 501(c)(3) nonprofit organization or government entity.
- Applicant must not be in violation of any federal, state or local laws/regulations.
- Applicant has owned and/or developed at least one development that contains proffered affordable housing units, county funded or otherwise supported affordable housing units, income-restricted units, or market rate housing units that have been placed in service. If applying for Low Income Housing Tax Credits, the proposed project must meet Virginia Housing's eligibility requirements as outlined in the Virginia Housing Low-Income Housing Tax Credit Manual.

## **VI. Eligible Projects**

To be eligible for an Affordable Rental Housing incentive, the proposed project must meet the following general eligibility criteria:

1. Eligible projects must have proposed new construction, an addition to an existing structure, conversion of an existing non-residential structure to residential units, or the substantial rehabilitation of an existing affordable multifamily structure.
2. Eligible projects must be located within one of Albemarle County's designated Development Areas.
3. The applicant must own or have site control of the eligible project site.
4. If the proposed project is not a by-right development, an applicant's rezoning application must be approved by the Board of Supervisors, prior to the consideration or award of funds from the AHIF.
5. At least 20% of the total residential units in the project must be offered as affordable housing as defined under Housing Albemarle.
6. Minimum affordability periods of 30-years for rental units and 40-years for owner-occupied units must be maintained.

## **VII. Eligible Activities**

AHIF funds will be used to support affordable housing projects located within Albemarle County, unless otherwise approved by the Board of Supervisors. Eligible uses of the funds include:

- Predevelopment activities (nonprofit organizations only);
- Land acquisition and assembly;
- Land development;
- Buy-down of construction loan interest;
- Water and sewer connection fees;
- Construction of affordable rental housing units that serve households with incomes at or below 60% AMI;
- Construction of owner-occupied housing units affordable to households with incomes at or below 80% AMI;
- Preservation of existing housing occupied by households with incomes no greater than 80% AMI.
- Programs supporting homeownership, such as: homeownership counseling, down payment and closing cost assistance, or employer supported housing programs;
- Energy efficiency upgrades;
- Emerging housing needs as identified by county staff.

## **VIII. Ineligible Activities**

AHIF funds cannot be used to cover the costs associated with the following activities:

- Property tax penalties;
- Rental of room for community meetings;
- Mailings;
- Refreshments for community or neighborhood outreach meetings;
- Transportation to community or neighborhood outreach meetings; or
- Administrative, staffing and other operating costs.

## **IX. Occupancy & Affordability Requirements**

Occupancy of units supported through the AHIF is restricted to income qualifying households as outlined below.

### **A. Distribution of Affordable Units**

The affordable dwelling units must be equally distributed within the development and within buildings (if multifamily housing). The mix of affordable unit styles, square footage, and number of bedrooms must be equal to or greater than the mix of market rate units. Affordable units may float within an eligible rental housing project to ensure the required percentage of each affordable unit type is maintained throughout the compliance period.

### **B. Affordable Rental Housing**

Projects applying for Low Income Housing Tax Credit financing, or receiving assistance through other Federal programs (e.g. Housing Choice Voucher program), will follow the income and rent limits established under those programs. All other projects will adhere to the income and rents requirements outlined below.

Qualifying Tenants -- Affordable rental housing units will be reserved for households with incomes no greater than 60% Area Median Income (AMI), adjusted for household size, as established annually by the U.S. Department of Housing and Urban Development (HUD).

Maximum Affordable Rents - The maximum gross rents for affordable rental units are calculated by multiplying the AMI by the following factor for each bedroom size.

#### **Maximum Affordable Rent Factors:**

<b># BR</b>	<b>Factor</b>
Eff.	0.009479
1	0.010833
2	0.013542
3	0.016927
4	0.018958
5	0.021802
6	0.024646
7	0.02749

Affordability Compliance Period – Residential units designated as affordable rental units must remain affordable for a period of 30 years. The applicant must record a covenant running with the land in favor of the County, which provides that for 30 years from the date of issuance of the first Certificate of Occupancy for the ADUs that:

1. No ADU may be rented for an amount that exceeds the limits set by the Albemarle County Office of Housing;
2. The covenant is senior to all instruments securing permanent financing; AND
3. The covenant is binding upon all assignees, mortgagees, purchasers and other successors interest.

Consistency with Comprehensive Plan – The applicant’s project must be consistent with land use recommendations of the Comprehensive Plan or an approved rezoning application.

### **C. Affordable For-Sale Housing**

Qualifying Tenants -- Affordable for-sale units will be reserved for households with incomes no greater than 80% AMI, adjusted for household size, as established annually by the U.S. Department of Housing and Urban Development (HUD).

Maximum affordable for-sale price -- The maximum sales price for affordable for-sale housing units is no greater than 65% of the Federal HOME Program 1-Unit Purchase Price for Existing Housing.

Affordability Compliance Period – Residential units designated as affordable units for owner-occupation must remain affordable for a period of 40 years. The applicant must record a covenant running with the land in favor of the County, which provides that for 40 years from the date of issuance of the first Certificate of Occupancy for the affordable dwelling unit that:

1. Describes the method used to determine the affordable resale price during the affordability period;
2. The covenant is senior to all instruments securing permanent financing; AND
3. The covenant is binding upon all assignees, mortgagees, purchasers and other successors interest.

Consistency with Comprehensive Plan – The applicant’s project must be consistent with land use recommendations of the Comprehensive Plan or an approved rezoning application.

### **D. Reporting**

All recipients of AHIF fundings are required to submit quarterly reports in a format approved by the County.

## **X. Application Review & Evaluation Criteria**

Eligible applications will be evaluated by a review committee comprising community stakeholders using the evaluation criteria described below. Recommendations for funding will be based on which project(s) meets or exceeds these criteria to the greatest degree. Applications that receive a score of less than 75% of total points may not be considered for funding.

**NOTE:** If project proposals do not adequately meet the described guidelines, County staff may recommend not funding the proposal(s) and reserves the right to reject any and all proposals. County staff also has the discretion to make a recommendation for AHIF funds in an amount that is less than what is requested in the application.

Evaluation Criteria	Maximum Points	
	Rental	Owner
	190	170
Readiness to Proceed	50	50
Capacity & Experience of Development Team	40	30
Project Budget	40	30
AHIF Funding Request	10	10
AHIF Funding Leverage	10	10
Energy Efficiency	10	10
Resident Displacement (if applicable)	10	10
County Priorities	20	20

## **XI. Tenant Displacement**

Albemarle County committed to making all reasonable efforts to ensure that residential redevelopment and rehabilitation activities that receive County funding support or that require Board approval will minimize resident displacement or relocation to cases where no other alternative is available. The County will work with developers and property owners to avoid resident displacement, whenever possible; and when relocation is necessary, to enable displaced residents to move directly to safe, healthy, and affordable replacement housing convenient to their place of employment and/or school.

## **XII. AHIF Management & Oversight**

The AHIF and associated application and reporting processes will be managed by the Albemarle County Office of Housing in close collaboration with the Department of Finance and Budget.