

**CITY OF CHARLOTTESVILLE, VIRGINIA
CITY COUNCIL AGENDA**



Agenda Date:	February 5, 2024
Action Required:	
Presenter:	Samuel Sanders, Jr., City Manager
Staff Contacts:	Samuel Sanders, Jr., City Manager Alexander Ikefuna, Director of Community Solutions Brenda Kelley, Redevelopment Manager
Title:	Resolution to appropriate ARPA funding and authorize the City Manager to acquire Avon/Levy Property for future redevelopment - \$4,181,000 (2nd reading)

Background

The city is proposing to acquire 405 Avon Street/405 Levy Avenue for future use for permanent affordable housing. The two properties are contiguous and currently vacant. 405 Avon Street is a vacant parcel that is being used as a shared use arrangement for city employee parking and Charlottesville Redevelopment and Housing Authority (CRHA). This is a good opportunity to acquire such naturally occurring prime parcels for affordable housing development.

Discussion

This proposal would potentially pre-empt the tendency for the property to slip to another buyer, resulting in a rent increase. The City and CRHA have an opportunity at this point to acquire and indefinitely preserve this property as an affordable unit.

Property information:

405 Avon Street

Assessed Value: \$967,100

Acres: 0.2490 AC.

405 Levy Avenue

Assessed Value: \$1,682,300

Acres: 0.8400

Council would need to approve acquisition of these properties and a reallocation of funds and appropriate them for this designated purpose. The property has been studied by CRHA as a part of its Sustainability Plan with a value that exceeds current assessment. An appraisal has been ordered and the request is to provide up to \$4.2M to acquire the property. This acquisition supports the City Manager's commitment to homelessness intervention as it could become the site of a facility that serves to meet that need among others. The intention is to hold the property until a comprehensive

assessment of homeless service needs - including shelter beds -is completed, along with a feasibility study to operate 24/7, 365 days a year.

Alignment with City Council's Vision and Strategic Plan

This request aligns with the following: the City Council's Strategic Plan Framework Outcome Areas for Housing and Partnerships; the 2021 Affordable housing Plan.

Comprehensive Plan Guiding Principles

- Equity & Opportunity – All people will be able to thrive in Charlottesville.
- Community Culture and Unity – Charlottesville's rich and diverse culture and form will be celebrated, and the entire community will feel welcomed, valued and respected.

Community Engagement

There have been several community engagement meetings and activities conducted as part of the 2023 Comprehensive Plan update and 2021 Affordable Housing Plan process. City staff has also been engaged with CRHA on a regular basis regarding redevelopment activities, including exploring proactive ways to spur affordable housing; one of which is this proposal to acquire 405 Levy Avenue and 405 Avon Street and re-purpose them for sustainable and permanent affordable housing.

Budgetary Impact

The cost for this request is \$4.18 million.

Recommendation

The City Manager and Staff recommend that the City Council approve the proposed request.

Alternatives

Council may elect not to approve the recommendations, which would have a negative effect on the City's goal of increasing permanent affordable housing and addressing homelessness.

Attachments

1. Resolutuion Levy Avon Property January 2024 (2)