

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



Agenda Date:	March 5, 2024
Action Required:	None
Presenter:	John Sales, Executive Director Charlottesville Redevelopment Housing Authority (CRHA)
Staff Contacts:	John Sales, Executive Director Charlottesville Redevelopment Housing Authority (CRHA)
Title:	Portfolio Update

Background:

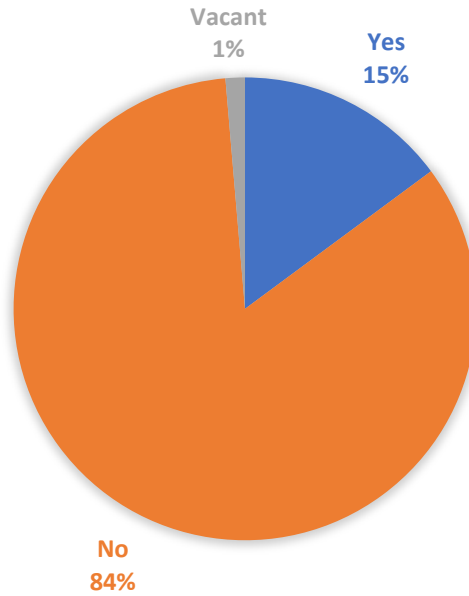
The Charlottesville Redevelopment and Housing Authority acquired the Dogwood Portfolio from Woodard Properties on July 1, 2023, for \$10 million dollars. The portfolio included a total of 74 units. The unit's range in size from 1- 4 bedrooms. The City of Charlottesville provided \$5 million dollars to CRHA to acquire the portfolio. The CRHA received a \$5 million dollar loan from the Federation of Appalachian Housing Enterprise (FAHE). FAHE is a non-profit financial intermediary that provides capital for the creation and preservation of affordable housing. The CRHA closed on the FAHE loan on September 30, 2023.

Operational Update:

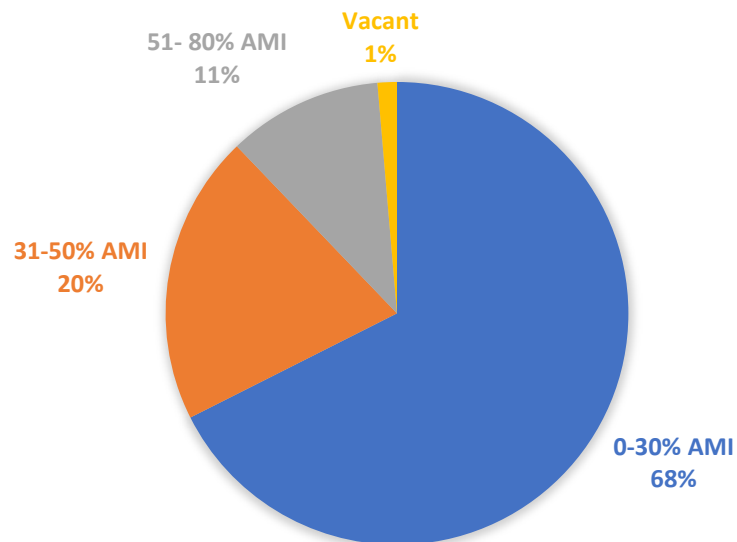
Upon acquiring the portfolio, we begin receiving complaints from residents about pest control issues in their homes. The portfolio did have a contract for pest control services, but the units were only treated quarterly. The CRHA received two quotes from local pest control companies but due to the cost of the monthly services it was determined it would be move advantageous for CRHA to hire licensed exterminators. The two licensed exterminators begin working for CRHA in January 2024. The cost of the exterminators are split amongst all of the properties based upon the total number of units in each program (PH, City Housing and LIHTC). The CRHA has also hired a dedicated Property Manager and a dedicated Maintenance Technician for the portfolio. The CRHA has one vacant maintenance part time position that CRHA expects to be filled shortly.

Beneficiaries of City Housing Portfolio:

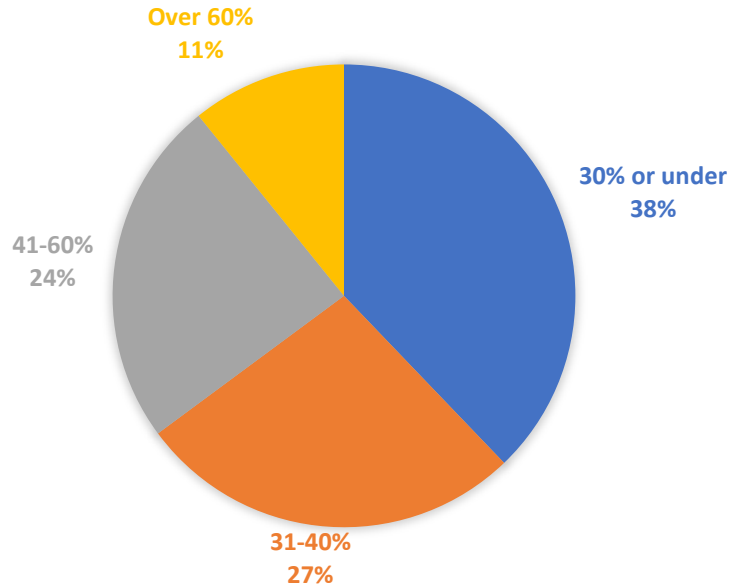
CITIZENSHIP STATUS



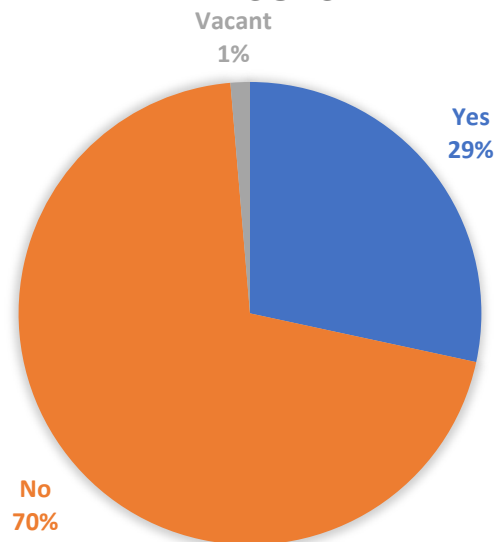
AMI LEVEL



INCOME TO RENT RATIO



RENTAL SUBSIDY



Discussion:

The CRHA was approached by a business owner in the City of Charlottesville through the Economic Development department about a property in the Dogwood portfolio that is currently zoned Industrial. The property currently has two 2-bedroom side by side duplex units. There is currently only 2 other homes on Harris Street and the property has limitations that would make it difficult to redevelop and provide more affordable units. The CRHA believes it is in the best

interest of the City and CRHA to sell the property and reinvest in another unit with the proceeds from the sell. The FAHE has already approved removing the property from the loan if the property is sold due to the loan to value ratio and this property having such a small value compared to the loan and the remaining properties attached to the loan.

The CRHA has also submitted 2 grant applications to replace the roofs on 3 properties located on Ridge Street that have reached the end of its useful life. The estimates CRHA has received from roofers range from \$45,000- \$65,000 per unit. We are also exploring other grant opportunities but if CRHA is unsuccessful it will be forced to use funds produced by the portfolio to replace the roofs.

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