

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



Agenda Date:	August 19, 2024
Action Required:	Review and approval by Council of the program year 2023-2024 (PY24) CAPER report & establishment of Council's priorities for the program year 2025-2026 (PY25) CDBG & HOME Programs
Presenter:	Anthony Warn, Grants Analyst, Alexander Ikefuna, Director, Office of Community Solutions
Staff Contacts:	Anthony Warn, Grants Analyst Taylor Harvey-Ryan, Grants Program Manager
Title:	Public Hearing on the Program Year 2023-2024 Consolidated Annual Performance and Evaluation Report (CAPER) for the Community Development Block Grant (CDBG) and HOME Investment Partnerships (HOME) Programs and to Establish Council Priorities for Program Year 2025-2026 (1 of 2 readings)

Background

The City of Charlottesville participates in the Community Development Block Grant (CDBG) and HOME Investment Partnerships (HOME) programs of the U.S. Department of Housing & Urban Development (HUD) as an 'Entitlement Community' and as such is the recipient of federal funds to support a range of affordable housing and community development activities.

HUD requires that all localities operating HUD-funded programs develop strategic Consolidated Housing and Community Development Plans, as well as 1-Year Annual Plans that outline how the locality plans to achieve the goals it has set for its use of HUD funds. The City's current Consolidated Plan was reviewed by the Planning Commission and approved by Council at a public hearing held on May 1, 2023, and covers program years 2023-2027 (#R-23-065). Additionally, Council reviewed and approved the associated 1-Year Annual Action Plan for the 2023-2024 program year at a public hearing on June 5, 2023 (#R-23-084). Both of these locally approved plans were subsequently reviewed and approved by HUD.

HUD further requires that localities operating HUD-funded programs perform a self-evaluation of their progress towards their strategic goals and objectives and report publicly at the end of each program year on their progress towards meeting these goals through the Consolidated Annual Performance and Evaluation Report (CAPER).

Discussion

Through public review and discussion of the CAPER, the City of Charlottesville seeks to provide a meaningful forum for community engagement with the goals and activities of the CDBG and HOME programs to ensure that these programs are designed to address core needs within the community and continue to bring meaningful benefits to City residents.

Program Performance Highlights for PY23 CDBG Activities

During the 2023-2024 program year, the city's CDBG program directly benefitted City residents in multiple ways by supporting activities that:

- Provided critical and emergency home repairs to income-qualified homeowners
- Subsidized tuition for local entrepreneurs to participate in small business training and support programs through a local CDFI, graduates of which could become eligible for small-business startup grant funding
- Supported outreach and intake programs serving the area's unhoused population to bring them into a coordinated system of care
- Provided significant infrastructure enhancements to support the creation of the region's first large-scale shared-use commercial kitchen in heart of the Belmont neighborhood
- Facilitated the creation of the City's newest ADA-compliant trail bridge to connect city residents to an emerging trail network and to the city's Jordan Park (note that only the bridge is currently ADA-compliant; an ADA-compliant pathway is currently pending)
- Addressed long-standing community concerns by funding the removal of significant physical barriers to access in two community playgrounds, including broken concrete pathways that impeded access for mobility-impaired visitors to those public spaces
- Supported programs to train residents of publicly supported housing to help plan the redevelopment of historically underserved neighborhoods
- Facilitated energy-efficiency upgrades and roof repairs to enable income-eligible homeowners to participate in a solar panel installation program offered by Dominion Energy
- Facilitated significant infrastructure improvements for the Blue Ridge Area Food Bank, more than tripling their capacity to safely store and distribute fresh produce

Table 1: CDBG Program Accomplishments PY23*

Activity Type	Outcome Type(s)	Goal	Actual
Economic Development	Employment Trainings/Startup Grants	15	19
	Employment Readiness (<i>Literacy</i>)	30	65
Affordable Housing	Homeowner Rehabs (<i>Critical</i>)	2	2
	Homeowner Rehabs (<i>Energy Efficiency</i>)	5	6
Public Facilities & Infrastructure Improvements	Infrastructure Improvements	2	2
	Parks & Recreational Facilities	2	3
Public Services	Coordinated Entry/Homelessness	100	258
	Jobs Retained	2	2

* These are preliminary counts and may change before final submission to HUD of the CAPER

Several subrecipients were able to make significant progress throughout program year 2023-2024 in terms of catching up on delays in implementing their funded activities related to the COVID pandemic. For example, LEAP fully expended the unspent balance of the PY22 CDBG funds for which they were granted a 1-year extension.

Similarly, HOME-funded subrecipients were able to deliver many benefits to the greater Charlottesville area (note that accomplishments are reported for all members of the HOME Consortium as a result of the way the data is calculated by HUD):

Program Performance Highlights for PY23 HOME Activities

The City participates in HUD's HOME program through a long-standing cooperative partnership with the Thomas Jefferson Planning District Commission (TJPDC) and the counties of Albemarle, Fluvanna, Greene, Louisa & Nelson. The City is the formal Lead Agency for the Consortium and TJPDC serves as the Consortium's Managing Body, coordinating all HOME-funded activities and serving as the Consortium's primary point of contact with HUD.

During the 2023-2024 program year, the city's HOME program directly benefitted City residents in multiple ways by supporting the following activities:

- Construction of new affordable rental and homeowner units to be made available to income-eligible households at or below 60% of area Median Family Income (MFI)
- Renovations to currently occupied affordable rental units and associated energy-efficiency upgrades (e.g., replace old appliances, etc.)

*Table 2: HOME Program Accomplishments PY23**

<i>Funded Programs</i>	<i>Goal</i>	<i>Actual</i>
PHA Permanent & Long-Term Homeownership	6-10	Pre-Construction
PHA 1025 Park Street Redevelopment	6-9	Pre-Construction
Community Services Housing Continued Rehabs & Repairs to Preserve Affordable Rental Housing	50	In Process

** These are preliminary counts and may change before final submission of the CAPER to HUD*

Alignment with City Council's Vision and Strategic Plan

This agenda item aligns directly with Council's vision for Charlottesville to be a place where everyone thrives, and Strategic Plan Framework and the following Strategic Outcome Areas: Economic Prosperity, Housing, Recreation, Arts and Culture, Partnerships, and Climate Action. This also addresses several of the provisions in the Affordable Housing Plan and the city's Comprehensive Plan.

Community Engagement

Consistent with the practices of the CDBG and HOME programs in prior years, community engagement throughout the development all CDBG & HOME programs will be supported through multiple best practices. Community notices will be issued announcing the anticipated availability of HUD funding. All received applications for both programs will be reviewed by a CDBG/HOME Taskforce consisting of a diverse group of city residents. Taskforce funding recommendations will be made available for public review and comment and will be advertised widely, including, among others: as a City News Alert through the city's Department of Communications; an email notice to an extensive list of groups and interested individuals; posting on both the website of the city's Office of Community Solutions as well as that of the Thomas Jefferson Planning District Commission; and through the local newspapers.

Additionally, Taskforce funding recommendations will be presented at multiple public hearings before both the city's Planning Commission and City Council, with final approval coming from City Council. (Additional information available online at <https://www.charlottesville.gov/675/Office-of-Community-Solutions> and <https://tjpd.org/our-work/thomas-jefferson-regional-home-consortium/>)

Budgetary Impact

Approval of the program year 2023-2024 CAPER and approval of Council's priorities for the 2025-2026 program year CDBG & HOME programs do not involve the receipt or appropriation of any funds, and so do not have any budgetary impact at the present time.

When Council does review and approve CDBG-funded programs in the future, subrecipients will be reimbursed for their approved activities using funds provided to the City by HUD and as such do not have a negative impact on the City's budget. These funds instead augment and extend the city's ability to support community benefit programs.

HUD does, however, require that localities expend on affordable housing programs local funds (referred to as local match funds) in the amount of a minimum of 25% of that locality's HOME allocation for that program year. As the Consortium's Lead Agency, the City of Charlottesville has historically provided the full amount of HOME match funds for Consortium members through the ongoing activities of the Charlottesville Affordable Housing Fund

(CAHF) and through direct appropriations from the CAHF to cover the City's local match requirement.

In addition, the City's local match contributions are closely aligned to and accounted for in Council's ongoing commitment to invest up to \$10,000,000 or more per year to support affordable housing initiatives.

Recommendation

Staff recommends Council approve the program year 2023-2024 CAPER evaluation and similarly approve the related Council Priorities for the 2025-2026 program year CDBG and HOME programs, as presented before Council.

Suggested motion:

I move to APPROVE the resolution approving the CAPER for program year 2023-2024, as presented here today before Council.

Suggested motion:

I move to APPROVE the resolution establishing Council's Priorities for the program year 2025-2026 CDBG & HOME programs, as presented here today before Council.

Alternatives

Based on the comprehensive Needs Assessment process that informed the HUD-approved 5-Year Consolidated Plan for program years 2023-2027 and the requirement for local approval of the CAPER to maintain the city's eligibility to receive CDBG and HOME funds from HUD, no alternatives are recommended.

Attachments

1. Resolution to Approve CAPER PY23
2. Resolution to Establish Council Priorities CDBG & HOME for Program Year 2025-26
3. Council Priorities for CDBG & HOME PY23 (#R-22-115)
4. Draft CAPER PY23 (Placeholder)