

CITY OF CHARLOTTESVILLE
To be a place where everyone thrives.
Housing Advisory Committee



AGENDA

Wednesday, March 19, 2025, noon

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

1. Welcome
2. Introductions & Attendance
3. Agenda
 - A. Updated FY2025 – 2026 Meeting Schedule
 - B. November 20, 2024, Regular HAC Meeting Minutes
 - C. December 18, 2024, Regular HAC Meeting Minutes
 - D. Landlord Risk Reduction Program Discussion
 - E. Election of HAC Officers for FY26 - 28
4. Next meeting: March 19, 2025
5. Public Comment
6. Adjourn

Attachments:

1. Updated FY2025-2026 Meeting Schedule
2. HAC Minutes 10.16.24 _Working Draft
3. HAC Minutes 11.20.24 _Working Draft
4. Memo to HAC w/ Staff Research_Subject-Risk-Reduction-Fund-(RRF)
 - Embedded Links within Memo: [2017 Agenda Memo](#) to Council – Stacy Pethia; 2017 Council [Resolution to Fund RRF](#) \$75,000; [2020 Agenda Memo to Council](#) – John Sales; Affordable Housing Plan Section – [Rent Control](#); Affordable Housing Plan Section – [Just Cause Eviction](#); and Affordable Housing Plan Section – [Tenant Based Voucher and Charlottesville Landlord Risk Reduction Fund](#) (CLRRF); Affordable Housing Plan Section – [Emergency Rental Assistance](#)
5. Last known drafted version of previous policy/program development of CAHM Fund

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CITY OF CHARLOTTESVILLE MEMO

TO: Housing Advisory Committee (HAC)

FROM: Antoine M. Williams, Housing Program Manager

DATE: February 5, 2025

SUBJECT: Proposed FY2025-2026 HAC Meeting Calendar

The following schedule is proposed by Staff:

- March 19, 2024 – Agenda: **HAC Officer Election; Year-end-Review**
 - April 16, 2024 – Agenda: TBD
 - May 21, 2024 – Agenda: TBD
 - June 18, 2024 – Agenda: TBD
-
- July 16, 2025
 - August 20, 2025
 - September 17, 2025
 - October 15, 2025
 - November 19, 2025
 - December 17, 2025
 - January 21, 2026 – [**Suggest Canceling Due to Overlapping CAHF Committee Activities**]
 - February 18, 2026
 - March 18, 2026
 - April 15, 2026
 - May 20, 2026
 - June 17, 2026 – [**Approve FY2026 – 2027 Meeting Calendar**]

CITY OF CHARLOTTESVILLE

To be a place where everyone thrives.

Housing Advisory Committee



Wednesday, October 16, 2024 Minutes
City Space Conference Room 12pm - 2pm

HAC Members Present:

- Sunshine Mathon, Vice Chair (SM)
- Phil d'Oronzio (PdO)
- Peppy Linden (PL)
- Mike Parisi (MCP)
- Nicole Scro (NS)

HAC Members Absent:

- Joy Johnson, Chair (JJ)
- Heather Griffith (HG)
- Michael Payne (MP)
- Dan Rosensweig (DR)
- John Sales (JS)

Staff Attendees:

- Alex Ikefuna (AI)
- Alan Peura (AP)
- Antoine Williams (AW)

1. Welcome

MP: Calls meeting to order at 12:04pm.

2. Introductions and Attendance

3. Staff Updates

AI: Staff is currently working on the 2025-26 budget cycle. OCS submitted CIP requests 10/4, operating budget is due 11/1.

Council seems in favor of creating a Land Bank. City Manager Sam Sanders (SS) and Deputy City Manager James Freas (JF) will have further discussions with Council to flesh out more details, then give direction to staff for reports, ordinance, resolution. No timeline at present.

PL: Any response from Legal to the work session?

AW: So far just some initial comments re: ordinance language. Also, HOPS grants close this week, CAHF application window opens next week. In November, RFI will be sent out for CIP projects over the next 5 year cycle. If there is a notable project submitted, will let the HAC know.

PdO: Planning Commission recently had a discussion re: CIP, CDBG, CAHF funding, how to coordinate these flows. Sometimes projects arise within CIP/outside of the Affordable Housing Fund, but how does the funding of those affect these other streams?

AW: The HAC could weigh in on specific priorities it wants the CAHF to address.

SM: In HAC reconstitution, there was a bright line drawn between the CAHF Committee and HAC, so the HAC may not want to weigh in here. A HAC subcommittee that excluded housing providers used to recommend how to use CAHF money, but it was later decided that even more separation was prudent and the CAHF Committee itself was created.

PdO: HAC may comment on activities themselves but not the funding decisions.

4. Agenda Items

i. August 21 Regular HAC Meeting Minutes

Approved.

ii. September 18 Regular HAC Meeting Minutes

Approved.

iii. Land Bank Ordinance discussion

PdO: Recently resigned City Attorney Jacob Stroman was an expert in LBO statute, previously wrote an ordinance for Chesapeake VA. City expected to lean on his expertise.

AW: Strong discussion and process among staff composing the presentation to Council. Conscious effort and intention to avoid mistakes from 2018.

NS: What is HAC's role from here?

AI: Before Council votes, staff will bring any major updates or questions to HAC. Otherwise Council, staff, legal will continue their work on the ordinance

PL: Question of funding and staff resources?

SM: Pre-Carlton Views, \$500,000 was pre-allocated to the Land Bank. That money was moved to support the Carlton Views purchase.

PdO: Council wanted to see the LBO now before they got too far into budget season so they can consider how to re-allocate money to the Land Bank.

AW: When was LB money first allocated?

AI: In the previous budget cycle, Michael Payne strongly advocated for setting aside that money in the CIP. OCS will need to submit a request for funding allocation for this '24-25 cycle if Council indicates their support for the Land Bank.

AW: Legal's analysis will also need to be more complete before funding is decided on.

SM: As SS gets an update on unused ARPA dollars, there may be an opportunity to use those for the LB, if that's an eligible use. That would be prior to the spring timeframe.

iv. Financial Incentives for Inclusionary Zoning Discussion

AI: Staff is working on Tax Abatement details for the Inclusionary Zoning (IZ) rules established in the new Zoning Ordinance, focusing first on multifamily development. Meeting with JF tomorrow, have provided some documents to him. Several internal meetings have been happening, including with Chris Engels in Economic Development (ED), the only department in City that has been handling tax abatements. Recently the state legislature has added housing to economic development. JF will review documents and meet with NDS and ED, then Treasurer and Assessor will be included as well as the City Attorney. Will touch base with HAC at some point in the process. Hoping to bring a Tax Abatement plan to City Council as soon as possible.

AW: Our present tax abatement structure is focused on ADU production. For example, if a 12-unit project were to be proposed, the tax abatement only applies to the 2 required ADUs and would not be a large factor. At a larger scale like 200 units, the rules would only require 20

ADUs. But if the developer instead offered 75 units at 60% ami and 75 more at 30% AMI, they could get a \$1.6 million rebate. Tax abatement structure would only be effective for projects that go significantly above the required quantity of ADUs.

SM: An example would be PHA partnering with a for-profit developer to develop affordable housing beyond the required levels. There the tax abatement could be potentially very helpful.

AW: Yes, we are trying to give PHA and other non-profit developers a tool to help them team up with for-profit developers. The tax abatement structure is not designed with for-profit developers' market rate projects in mind. We want to make it easier for community partners to build more affordable housing.

NS: There are a lot of complaints from the for-profit development community about the IZ rules. The project at the Artful Lodger site pivoting from housing to a hotel is directly because of the IZ rules, according to the developer.

AW: We have heard that concern and consternation among the for-profit community. So far, we have only had two for-profit developers approach the city for large projects.

PdO: PC at our last meeting looked at a change of ADUs being built on-site at a project on Stribling Ave. to off-site at Flint Hill because more ADUs could be built more quickly at Flint Hill. Need to look at the interrelationships between fee-in-lieu of ADUs, off-site ADU options, on-site ADU requirements. Will be complex to figure out the best balance.

SM: Boston uses a three-tier system. On-site units are incentivized, off-site units have a stepped down benefit, fee-in-lieu even more so.

AW: Ex: What if a developer proposes ADUs above the requirements, but wants to put them off-site? How would the rules be written for situations like this?

AI: Is that a consideration for the ADU Manual revisions being considered soon?

PdO: Yes, but that's a tight timeline.

SM: Can start discussion now.

AW: The required annual ADU Manual review should happen around February.

SM: Is the City considering tax abatement based on depth of affordability? Any other factors?

AW: Considering the 60% and 30% AMI levels, and the length of affordability is also being discussed. RVA has a 15-year term with an option to renew, could also consider a certain \$ figure to be reached after which the affordability would expire. City could stretch the affordability period of more units and consider adding the renewal option.

SM: In my conversations with Chris Engel, we discussed two ways to monetize tax abatement. In Kindlewood, we wrapped it into the 30-year mortgage. Virginia Housing wouldn't participate with a shorter timeline than that. Non-profit developers need to be able to bring in debt via a tax abatement. Any tax abatement is only useful if that dollar amount is large enough to leverage.

AW: Agree, it's a monetizing tool. In VA it's a "synthetic TIF" not a true TIF.

PdO: We know some decisions about how to structure this will be wrong and will need to be corrected. Need to give the City guidance about functioning outside of any strict model. What do we do with projects that don't fit the structure decided on.

AW: And if a new developer approaches the City we need a framework for them, not just for local partners.

NS: Does staff see this only as another tool to help provide deeper affordability? Seems like structure would mostly apply to larger, LIHTC-based projects?

AW: Yes, it should work mostly to incentivize large-scale, affordable projects.

SM: Ex: for a 12-unit development in an R-C neighborhood, does this structure do anything to help add affordable housing at this smaller scale?

AW: Staff conversations did begin at this smaller scale, thinking about 10-20 unit projects—

NS: Hard to make those projects pencil at all, ADUs or no, they could use some help.

AW: —but we ended up looking at projects above the 20-unit range.

SM: A tax abatement structure based just on the ADUs in a project might not be sufficient in this 12-unit example. If a developer wants to go above and beyond and include 4 affordable units, they have limited access to other subsidies at that scale and so may need the City's tax abatement to apply to the entire project, not just the ADUs, to make it feasible. Might need a 50% tax abatement for ten years on the whole project. Would be good to have back and forth with HAC to iron out specific examples like this.

AW: For now, JF instructed staff to draw up an initial, basic structure to build on and adjust in the next phase. But the HAC can start considering specific examples and the balance of different parts of a tax abatement program right now, doesn't have to wait.

SM: Agrees but would like what's been submitted to JF to be shared with the HAC so we can use that as a starting point of our discussion.

PdO: Would be easier to know what to consider if we could see some details of the proposal so far.

AW: The model that Chris Engel uses is still being formalized, details being worked out. JF requested a "vanilla" framework that can then be tinkered with. This is 2025-type work, the first application submitted under a new framework might not be until late 2025.

5. Next Meeting: November 20, 2024

NS: Last meeting we discussed a couple of groups acting on HAC priorities.

AI: Reminded Eden Ratliff about meeting with HAC members about boards & committees compensation and support. Still pending.

PdO: Re: PILOT, need to touch base with Michael Payne again.

6. Public Comment

No public comment.

7. Adjourn

Meeting adjourned 1:06pm.

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Housing Advisory Committee



Wednesday, November 20, 2024, Minutes

City Space Conference Room 12pm - 2pm

HAC Members Present:

Dan Rosensweig (DR)
Sunshine Mathon (SM)
Peppy Linden (PL)
Mike Parisi (MP)
Heather Griffin (HG)
Phil d'Oronzio (P'd)
Nicole Scro (NS)

HAC Members Absent:

John Sales
Joy Johnson
Michael Payne

Staff Attendees:

Antoine Williams (AW)
James Freas (JF)
Madelyn Metzler (MM)

Land Bank Entity Discussion – Feedback from Staff (JF)

JF: Land Bank (LB) has been a topic of conversation (Sam, Alex, other depts, including legal – completed their review with no significant changes).

- Thanked MP for the resources he provided, and connection with an individual from another community with LB experience.
- PL: JF, do you have any land bank experience elsewhere? Answer from JF: No, and so I am learning from the resources provided and ongoing conversations.

JF: Two main issues with LB:

- (1) Where is staff support coming from for the LB?
- (2) Tax abatement.

JF: City Manager's (CM) office is ok with moving forward with LB BUT as an authority rather than a nonprofit entity.

- What does tax abatement look like over time?
- During the startup period, it seems the LB is going to heavily rely on City staff and resources, and CM does not want to lend staff/resources to a private entity.
- LB pilot! → LB could then transition into a nonprofit

- Build up its portfolio, bank account, staffing, etc. then transition assuming that as we go along that makes sense

SM: How do you define a pilot in the actual ordinance language?

- JF: no time limit etc., just using the term “pilot” so that there is an understanding that there are assessments as we go and with stated intention that the entity would be separate eventually

PL: separate Board? JF: Yes. Under the LB ordinance, very little difference between nonprofit entity and an authority for how the LB functions.

P’d: What is the difference in how the LB would act? Operations? Would Board be subordinate to City staff? What about private outside funding? Cannot give money to the City?

- JF: not sure the answer to the Q of funding from private sources. But on the flip side, City is worried about LB making decisions about tax revenue (i.e. tax abatements).

P’d: What about the primary source of income for LB, i.e. tax abatement?

- JF: LB would still receive tax abatement per the ordinance. CM is concerned about the distance of the LB entity from the City.

P’d: Independence from the City is a feature, not a bug.

NS: So much depends on the makeup of the LB Board, and that is unpredictable right now, and so a pilot makes sense; the LB needs to prove itself. What about the issue of bonding?

- JF: Under IRS tax law, to issue tax exempt bonds, the entity will need to be backed by the City?

HG: Will this result in a slower ability to purchase land?

- JF: Yes.

P’d: Can City Council overrule the LB Board?

- SM: It is not City Council, but CM. Just wanted to highlight that this LB authority entity will be responding to two sets of leaders: (1) CM’s office, and (2) LB Board.
 - P’d: Richmond has failed at doing this; they are constipated by too much bureaucracy. What we are saying is the CM office controls?
 - HG: We will figure it out as we go, that’s why it is being called a pilot.
- DR: In this structure, is it true that the CM ultimately controls? We don’t have the structure laid out in the proposed ordinance.
 - JF: We do not have any structure. The ordinance does not say this. We have to work through this. Whether the LB is a nonprofit entity or an authority, the concern still exists regarding the allocation of tax revenue.
 - DR: Need an operational manual that will be produced after the ordinance.
 - JF: What CM office has talked about is putting a cap on the amount of future tax revenue that could be allocated within a given year, etc.

DR: assuming Council votes in this direction, DR wants to participate in drafting of operational manual.

- JF: does LB Board work on this? Or HAC?
- DR: There may be some productive tension between CM office and new LB Board, and so am ok with LB Board working on the operational manual after the LB is established.

DR: Second question/concern, private philanthropists cannot make donations (or such donations may not be tax exempt) – of both cash and land. Are there foundations attached or related to authorities?

- JF: does not know the answer to this.
- HG: if private individuals cannot make donations, how is the LB funded (besides tax abatement)?
 - JF: the City can allocate money to the LB; \$500,000 was allocated to the LB, but it was redirected to Habitat/PHA for their purchase of the Carlton Mobile Home Park.
- SM: balance between independent entity and City oversight – if this new entity is an authority: can look to CRHA (JF: and EDA) for what does/does not work
 - JF: everything Economic Development Authority (EDA) does goes through Council because that is how the EDA ordinance is set up; LB ordinance is different.

MP: how does staffing work for quasi authority entity?

- SM: this is a flagged concern/factor. Concern is that the City takes forever to hire people and HR department has its own sets of rules, etc.
 - JF: need to understand more about this.
- P'd: Also, who makes the hiring decisions?
 - DR: flag this for the operating manual

JF: operating manual first before entity; or opposite?

- SM: CM might not want to take time to do operating manual when Council has not passed the ordinance yet. Push the ordinance forward, while being clear about next steps.
- DR: Agree, and the LB Board should work on the operating manual, and HAC can be a guiding body/consultant

MP: should we review the draft LB ordinance one more time?

- JF: isn't it just changing one word?
- PL: might be worth looking at it with new set of eyes
- DR: can drop breadcrumbs in the ordinance regarding the operating manual. JF: does that need to be in the ordinance itself? That can be in a memo with the ordinance.
- NS: We do have a lot of policy statements in the ordinance itself.
- DR: Okay with this information being in a memo.
- JF: We want to keep the ordinance as simple as possible.
- NS: Do we want to strip back some of the policy statements in the ordinance then?
- P'd: Those are core concepts of the LB that need to stay.

- JF: You do not want to put stuff in the ordinance that you might change.
- NS: We do have stuff we might want to change.
- JF: Up to you; might not want to revisit those conversations.

MP: Was there any discussion regarding composition of the LB Board?

- JF: no issues with the LB Board composition.

Approval of Minutes

- PL moves to approve; HG seconds; all agree. DR abstains (was not at the last meeting).
- HG: There are too many acronyms.

ADU Manual Discussion

PL: What is the process like for getting affordable units approved? Are these regulations impediments?

- MM: When you are going through the process for the development approvals already, this is just another one. There has not been an application yet.
- DR: We tried to strip out some regulations that seemed too onerous. As an applicant, I feel comfortable. It is still theoretical.

SM: AW can go point by point regarding the proposed changes.

- AW: MM & AW compiled comments – want feedback by 12/3, and PC gets to review as well
- AW: tasks MM with going through the document.
- (while waiting for redline document to be pulled up) SM: lawsuit against RGGI looks like it will be in favor of RGI, against Youngkin (Regional Greenhouse Gas Initiative).
- MM going through changes:
 - MM: Figure 1 table lists only up to 3BR, use 3BR fee for anything above 3BR
 - MM: Figure 1 said construction cost per unit and average total cost per unit in lieu fee; now says ADU in lieu fees cost per unit, and Figure 2 clarified to say fractional fees and student housing fees
 - Value gap no longer used as the title
 - Added Appendix B that talks about how fees are calculated
 - MP: Appendix B text says average total cost per unit, but appendix actually uses discrete amounts
 - MM: will take out the text because it is more complicated and that language is misleading
 - MM: comment was about how shouldn't rental and ownership be treated the same
 - MM: oversimplification, we can treat them differently; nothing changed to address this comment
 - MM: comment asked if there was a typo; but there is no type, numbers stand.
 - AW: City has issued an RFP for re-evaluating the in lieu amounts
 - MM: bottom of page 3, Section 2.4, staff changed how the table is calculated

- RKG used a strange methodology for how they calculated rental limitations; now using a 1.5 persons on average per bedroom formula (which is the standard formula)
 - MM: will share the excel file with MP to show how to get the rental limitations
- NS: for fee in lieu, how does the ADU manual treat units that are initially rented, and then later converted to condo units
 - MM: the ADU manual does not contemplate this
 - HG: conversion to condo units does happen in the City a lot.
 - MM/AW: will need to look at this internally
- MP: page 1, are there modified terms in Appendix A, this is empty?
 - MM: we have not had any terms that have been modified via an application asking for modifications yet
 - SM: should state that Appendix A is empty now because there have been no modifications asked for
 - MM: yes, will make this change so it is clearer
 - DR: there was a zoning determination that was made – AW: just reference it, don't need to attach it (regarding adding it to Appendix A)
- MM: a for sale affordable dwelling unit (ADU) must limit the maximum monthly payment (mortgage) to no more than 30% of income, but the comment is that this does not allow builders to model the cost, etc.
 - NS: It makes it difficult to build an ADU without knowing what the ultimate price of the home will be
 - DR: this is what the County does; likes what the City does where they look at the end buyer
 - NS: is the County's number higher or lower than what you usually sell
 - DR: the County's number is irrelevant, affordability should look at the end user
 - SM: Community Land Trusts (CLTs) and Habitat model things very differently than for profit developers/builders
 - DR: This language puts the onus on the developer to figure it out, and has been pushing this at the County as well; otherwise people game the system.
 - NS: That's not gaming it.
 - SM: In the current ADU, you cannot game the system in the same way as the County because the language prevents that
 - DR: setting a maximum price messes up the capital stack because a non profit is able to get multiple second liens so that the home is affordable to the end user
 - NS: Can there be an exception to allow Habitat do the above, but allow predictability for a market rate builder?
 - P'd: Developer knows what 60% AMI is, and they know what 30% of 60% AMI is; they then need to make assumptions regarding interest rates on XYZ program, and so you can build the price of the home backwards
 - HG: Downpayment is a big factor in the above.

- P'd: That is the developer's problem (regarding what/how much subsidy is needed). This does increase risk.
- AW: Is this language ok as is?
- P'd: It is fine.
- NS: I don't think it is fine, but I appreciate where Habitat and PCLT are coming from.
- AW: Can you propose language?
- NS: Yes, but I would like to better understand Habitat's model, and allow exceptions for their program.
- DR: This might be a place where we cannot get consensus. It is easier to model a fixed number in a pro forma, but what we have seen in the County (or any situation where we fix a price for homeownership), we see that the affordable homeownership is not achieved.
- P'd: You can figure out the monthly mortgage payment, and how you get to that figure is up to the builder, and not the City's business.
- AW: can review this next year.
- SM: one challenge with setting a price, is that it is based on an average 60% for an average household size but that varies (1 person household, versus 7 person household).
- DR: What happens in the County is that you get a very limited number of individuals/families that can afford these homes.
- SM: Historically in the County, since those number of families was so small, and you had only a limited amount of time that you needed to market the home to an affordable household, these units would convert to market rate units after the 90-180 days of trying to market it to an affordable family.
- NS: I would be interested in seeing how I would build affordable units. Would almost have to find the end user first.
- SM/DR: You can work with a non profit as a partner.
- DR: County is supposed to be participating in finding the end buyer, but they have had a difficult time. City can be this as well.
- MM: page 7 has a few changes; Section 4.2. Typo was fixed (rent limit instead of income limit; If household larger than 4 persons, then directed to go to HUD).
- MM: Language earlier in the manual conflicted with language later in the manual. This is fixed.
- MM: Section 4.3, one comment about why we don't let people sublet parking spaces.
 - DR: Agree with the commenter/question.
 - P'd: If sublet parking space, would skew that person's income. But why would the City care?
 - MM: Can just take this restriction out of the ADU manual. If landlord does not allow it that is an entirely separate issue.
 - SM: Worried because LITHC does not allow this.
 - MM: Can remove this language and let this be a landlord tenant issue.

DR: when do we review the development zoning ordinance (DZO)?

- DR: There are height and dimensional challenges. We submitted an application a day after the ordinance passed, and we have started the project because of these challenges.
- AW: Send feedback by 12/3.
- P'd: There are typos and smaller issues, and then there are also more substantive issues. We (City) want to try to address these comments by February (when the DZO was first passed).

SM: HAC asks NDS/PC to share comments on DZO that have potential impact on affordability and to review such comments prior to DZO going before PC (SM moves; DR seconds; all agree).

- P'd: We do not need to see every typo.

SM: Asked for public comment. None.

Meeting Adjourned.

DRAFT



CITY OF CHARLOTTESVILLE MEMO

TO: Housing Advisory Committee

FROM: Antoine M. Williams, Housing Program Manager

DATE: February 5, 2025

SUBJECT: Housing Policy/Program of Service Discussion: Risk Reduction Fund

Background and Purpose: The Housing Advisory Committee (HAC) is revisiting the Charlottesville Landlord Risk Reduction Fund (CLRRF) at its February 19 meeting. Given the historical challenges of the program and the evolving goals of the City's Affordable Housing Plan, this memo provides an overview of previous efforts, including versions proposed by Stacy Pethia and John Sales, funding history, and recommendations for reframing the program.

Historic Actions & Timeline

- **2017:** Stacy Pethia, then the Housing Program Coordinator, presented the CLRRF concept to the City Council as a tool to encourage landlords to rent to tenants using Housing Choice Vouchers. The fund proposed offering financial assistance to landlords in cases of property damage beyond normal wear and tear. Council approved: Link: [2017 Agenda Memo](#) and [Funding Resolution](#).
- **2019:** HAC Policy Subcommittee considered CLRRF funding allocations, emphasizing security deposit assistance.
- **2020:** John Sales, the City's Housing Program Manager at the time, refined the approach, incorporating additional research and practical implementation frameworks. No final implementation occurred. Link: [2020 Agenda Memo](#)
- **2021:** The Charlottesville Affordable Housing Plan (2021) provides relevant context for the discussion on landlord-tenant risk reduction in relation to rental assistance, eviction prevention, and housing stability. Key references include:

- **Page 105-106 - [Just Cause Eviction](#):** Discusses tenant protections and the need for state-level advocacy to implement just cause eviction policies, which could prevent arbitrary evictions and enhance housing stability. Mentions that Charlottesville currently lacks the legal authority to require just cause eviction due to state law restrictions, but suggests advocacy for legislative change.
- **Page 107-108 - [Rent Control](#):** Advocates for state-level legislation allowing local jurisdictions to adopt rent control measures. Notes the historical impact of rapid rent increases (2.8% annual growth) and the need for stabilization measures to protect vulnerable tenants.
- **Page 128-129 - [Tenant-Based Vouchers \(TBV\) & Charlottesville Landlord Risk Reduction Fund \(CLRRF\)](#):** Mentions the Charlottesville Landlord Risk Reduction Fund (CLRRF) as a proposed program aimed at increasing landlord participation in voucher programs by covering security deposits, missed payments, damages, and other perceived risks. Suggests mandating voucher acceptance for properties receiving City funding and expanding local voucher programs to serve more low-income households.
- **Page 130-132 - [Emergency Rental Assistance](#):** Recommends establishing a permanent eviction prevention fund to provide rental assistance for lower-income households in crisis. Discusses the impact of COVID-19 recovery funds, which provided direct rental assistance to landlords with a cost-sharing component (landlords required to forgive a portion of back rent). Suggests a regional approach in collaboration with Albemarle County and other partners to make emergency rental assistance more accessible and effective.

Research Summary: Landlord-Tenant Risk Reduction Programs Across the U.S.

To provide context and foundational knowledge for HAC members—especially those new to government and housing policies—this document summarizes key programs across the United States that aim to reduce risks between landlords and tenants. These programs incorporate strategies such as rental assistance, mediation services, and financial counseling to promote housing stability and equitable landlord participation.

1. Philadelphia's Eviction Diversion Program

Overview: Initiated during the COVID-19 pandemic, Philadelphia's Eviction Diversion Program mandates that landlords engage in out-of-court negotiations with tenants before filing for eviction.

Components: This policy/program of service includes mediation sessions facilitated between landlords and tenants, often supplemented by rental assistance to cover arrears.

Consideration: Reportedly, since its launch, the program has led to a 41% decrease in eviction filings compared to pre-pandemic levels, demonstrating its effectiveness in maintaining housing stability.

More information: <https://eviction-diversion.phila.gov/#/>

2. Moving to Work (MTW) Landlord Incentives Cohort

Overview: The U.S. Department of Housing and Urban Development (HUD) expanded the MTW program to include a Landlord Incentives Cohort, aiming to assess how incentives affect landlord participation in the Housing Choice Voucher (HCV) program.

Components: Public housing authorities participating in the initiative implement various incentives such as payment standards flexibility, one-time financial incentives (e.g., signing bonuses), and simplified inspections.

Consideration: HAC may wish to examine how-to/leverage such incentives enhance landlords' willingness to rent to HCV holders, increase the number of participating landlords, and improve lease-up success rates.

More information: <https://www.huduser.gov/portal/publications/Moving-to-Work-Landlord-Incentives-Cohort-Evaluation-First-Interim-Report.html>

3. Wichita Housing Authority Landlord Incentive Program (WHALIP)

Overview: The Wichita Housing Authority developed WHALIP to attract new landlords to the HCV program and retain existing ones.

Components:

- A \$1,000 bonus is awarded to new landlords upon the successful lease-up of their first tenant.

- A \$500 bonus is available to returning landlords who have not participated in the program for at least six months.

Consideration: The program includes specific policies and procedures to ensure effective implementation and clear communication with landlords.

More information: <https://www.wichita.gov/.../View/8986/WHALIP...>

4. Eviction Prevention and Diversion Programs

Overview: Various jurisdictions have launched eviction prevention and diversion programs to mitigate housing instability exacerbated by the COVID-19 pandemic.

Components: The Urban Institute report highlights that similar programs typically integrate rental assistance, legal aid, and mediation services to proactively prevent evictions.

Consideration: A report by the Urban Institute highlights key lessons from early implementation, emphasizing the importance of comprehensive support services and robust community partnerships.

More information: <https://www.urban.org/eviction-prevention-and-diversion-programs>

5. National Low Income Housing Coalition (NLIHC) ERASE Cohort

Overview: The NLIHC released case studies showcasing the successes of five members of the 2021-2022 End Rental Arrears to Stop Evictions (ERASE) cohort.

Components: This case study indicated use of various eviction prevention strategies, including rental assistance, advocacy, and policy interventions.

Consideration: HAC may wish to evaluate how implementors should or could collaborate with community partners to instill effective eviction prevention measures and offer replicable strategies gleaned from programs nationwide.

More information: <https://nlihc.org/erase-cohort>

Charlottesville Affordable Housing Mobility Fund (CAHM Fund)

Pilot Program Outline & Implementation Strategy

City of Charlottesville Affordable Housing Choice Mobility Fund

Program Overview The City of Charlottesville Affordable Housing Choice Fund (CAHM Fund) is designed to provide financial assistance to participants in any of the following rental assistance programs:

- Housing Choice Voucher (HCV) program, funded by the U.S. Department of Housing and Urban Development (HUD);
- HUD-Veterans Affairs Supportive Housing;
- Rapid Rehousing;
- Supportive Services for Veteran Families (SSVF);
- Permanently Supportive Housing;
- Shelter for Help in Emergency;
- International Rescue Committee;
- Charlottesville Supplemental Rental Assistance Program, administered by the Charlottesville Redevelopment and Housing Authority; OR
- People And Congregations Engaged in Ministry (PACEM).

The goals of the program are to: (1) increase the number of private market units providing affordable rental housing to low-income households by creating an incentive for private market landlords to rent to tenants using rental assistance programs, (2) increase the number of low-income households who can access private market affordable rental housing by reducing the requirement to provide up-front costs in the form of a security deposit, (3) preserve the current number of affordable rental units available to low-income households in the City of Charlottesville, as well as (4) be able to respond rapidly to the need of tenants to occupy a rental unit and to the need of landlords to access eligible payments.

Eligibility Requirements To be eligible to access the CAHM Fund, landlords must lease to a tenant through one of the above listed programs and must agree to use the CAHM Fund rather than require the tenant to provide a security deposit for a unit located within the City of Charlottesville.

To qualify for access to the CAHM Fund, a landlord must:

1. Be leasing a rental unit located within the City of Charlottesville.
2. Have agreed in writing to use the CAHM Fund in lieu of a security deposit to cover expenses permitted under §55.1-1226.A. of the Code of Virginia (1950), as amended.
3. Have a fully executed 12-month leasing contract with a new low-income household for the unit for which assistance is being guaranteed.

Eligible Properties The CAHM Fund can be accessed for eligible expenses associated with the following types of rental properties:

- Apartments
- Condominiums
- Townhouses
- Duplexes
- Single Family Detached
- Manufactured Housing

The CAHM Fund funding cannot be used for the following types of rental properties:

- Shared housing, in which unit tenants rent private bedrooms but share common areas such as kitchens, living and dining areas, bathrooms and outdoor spaces (decks, patios, porches, etc.)

Eligible Payments

- 1) The CAHM Fund can be applied to the following expenses:
 1. The payment of accrued rent, including the reasonable charges for late payment of rent specified in the rental agreement;
 2. The payment of the amount of damages that the landlord has suffered by reason of the tenant's noncompliance with § [55.1-1227](#) of the Code of Virginia, less reasonable wear and tear;
 3. Other damages or charges as provided in the rental agreement; or
 4. Actual damages for breach of the rental agreement pursuant to § [55.1-1251](#) of the Code of Virginia.
- 2) Amount of eligible payments provided by the CAHM Fund:
 1. Maximum of three months' periodic rent under the rental agreement.
 2. Notwithstanding paragraph 1. above, no more than two month's periodic rent may be used from the CAHM Fund for the payment of accrued rent.
 3. Payment for qualifying damages (those beyond reasonable wear and tear) shall be made according to the schedule of costs published by the fund administrator. In the event that a type of damage is not included on the schedule of costs, payment will be limited to actual costs of repair.
 4. Payment of the reasonable charges for late payment of rent specified in the rental agreement.

Program Delivery

- 1) In order to qualify to participate in the CAHM Fund program, a tenant must:
 1. Receive rental assistance through one of the qualified programs, or a similar program approved by the program administrator;
 2. Complete an approved in-person resident tenant intake and education program prior to signing a lease with a landlord participating in the program.
 3. Complete a move-in inspection as prescribed by the fund administrator, which inspection shall be signed by the tenant, landlord and the fund administrator or its designee.
 4. Elect to:
 - a. Participate in a financial coaching program: OR
 - b. Contribute 10% of one month's rent over a twelve-month period to the CAHM Fund, which funds will be returned to

the tenant at the termination of the rental period after subtracting any amounts needed to cover qualified expenses.

- 2) In order to access funds under the CAHM Fund program, landlords must:
 1. Rent to a tenant who is receiving rental assistance through one of the qualified programs;
 2. Include in the rental agreement that the landlord will participate in the CAHM Fund program in lieu of demanding or receiving a security deposit;
 3. Present to the fund administrator a move-out inspection which itemizes the deductions, damages and charges eligible for payment from the CAHM Fund.
 - a. The landlord shall provide written notice to the tenant of the tenant's right to be present at the landlord's inspection of the dwelling unit for the purpose of determining the amount of security deposit to be returned. Written notice shall also be provided to the fund administrator. If the tenant desires to be present when the landlord makes the inspection, they shall so advise the landlord in writing, who in turn shall notify the tenant and/or fund administrator of the date and time of the inspection.
 - b. Any disputes regarding the move-out inspection shall be resolved through third-party mediation.
 4. Submit to the fund administrator the following:
 - a. Name of the eligible tenant and the qualified program supporting the tenant
 - b. Address of the rental property
 - c. Copy of the rental agreement
 - d. An accounting of any accrued rent, including the reasonable charges for late payment of rent specified in the rental agreement, when requesting payment for accrued rent.
 - e. When requesting payment for damages:
 - i. The move-in inspection
 - ii. The move-out inspection, as provided in paragraph 3. above.
 - iii. An itemized list of unit repairs
 - iv. An itemized list of materials and labor costs, as well as copies of receipts for materials and labor purchased when damages are of a type not included on the schedule of costs published by the fund administrator.
- 3) Once the fund administrator receives the request for payment:
 1. The fund administrator will review the request for payment within 10 days.
 2. The fund administrator will release payments within 21 days following its review, during which time the fund administrator will:
 - a. Verify tenant information and program enrollment.
 - b. Verify payments requested are for qualifying expenses.
 - c. In the event the request for payment is for qualifying damages, determine the amount of payment according to the schedule of costs published by the fund administrator. In the event a type of damage is not included on the schedule of costs:

- i. Verify itemized list of repairs, materials and labor costs.
 - ii. Verify copies of receipts have been received.
- 4) A tenant will be disqualified from further participation in the CAHM Fund program:
 - 1. In the event their landlord accesses the CAHM Fund for accrued rent, including the reasonable charges for late payment of rent specified in the rental agreement;
 - 2. In the event their landlord accesses the CAHM Fund for damages exceeding one month's periodic rent or \$1,000, whichever is greater.
 - 3. In the event the tenant fails to complete financial coaching or contribute to the CAHM Fund.
- 5) Participation in this program by landlords or tenants does not constitute a waiver of any otherwise applicable provision of the Virginia Residential Landlord Tenant Act.

**Program
Implementation:**

Funding Amount: \$75,000 -- \$50,000 for fund capitalization, \$25,000 for fund administration.

- Able to serve between up to 50 tenants.

HAC to develop metrics, to be tracked by the fund administrator, that would demonstrate whether the program is effective.

Administration: Search for a fund administrator through an RFP process.

- Qualifications for fund administrator:
 - Must be an IRS 501(c)(3) designated nonprofit organization or quasi-governmental entity.
 - Must be eligible to receive funds from the Charlottesville Affordable Housing Fund.
 - Must have knowledge of, or experience with, rental assistance programs.
 - Knowledge of property management practices preferred.
 - Knowledge of residential property rehabilitation a plus.

Responsibilities of fund administrator:

- Develop a process for determining that a tenant and landlord are eligible to participate in the CAHM Fund.
- Develop and administer move-in and move-out inspection process, to include attending the move-out inspection.
- Develop and administer an in-person resident tenant intake and education program to be offered to tenants prior to signing a lease with a landlord participating in the program, likely once per month or on demand.
- Develop a process to refer tenants to financial coaching or collect 10% of one month's rent over a twelve-month period to the CAHM Fund, which funds will be returned to the tenant at the termination of the rental period after subtracting any amounts needed to cover qualified expenses.

- Develop a schedule of costs for damages that are typically paid from security deposits.
- Develop a program for advertising and outreach to qualifying programs and landlords.
- Develop and administer a system of data collection that will determine whether the program is effective.

Pilot Period: Three (3) years from date fund administrator secured. Allows time for:

- Program set up
- Advertising and outreach
- Data collection including:
 - Household demographic data
 - Household income data
 - Most common uses of funds (i.e., accrued rent or types of property damage)
 - Frequency of requests
- Program evaluation by end of year three (3), using the metrics developed by the HAC and collected by the fund administrator