

Policy Briefing Summary

City Council



Regarding:	Proposed One-Year Annual Action Plan & Associated Funding Recommendations for HUD-funded Activities for Program Year (PY) 2026-2027, a Major Amendment, approximately \$1,205,469.64 (2nd reading)
Staff Contact(s):	Anthony Warn, Grants Analyst, Taylor Harvey-Ryan, Grants Program Manager
Presenter:	Anthony Warn, Grants Analyst
Date of Proposed Action:	May 18, 2026

Issue

To maintain eligibility for participation in CPD-funded programs like CDBG & HOME, the City is required to submit for review to HUD on an annual basis a locally approved Annual Action Plan (“AAP”) outlining steps the City will take through the use of these funds to meet HUD's national objectives.

Background / Rule

The City of Charlottesville engages as a ‘participating jurisdiction’ (“PJ”) in the Community Development Block Grant (“CDBG”) & HOME Investment Partnerships (“HOME”) programs offered by the U.S. Department of Housing and Urban Development (“HUD”). Charlottesville is, in that role, the periodic recipient of federal funds to support eligible community development, affordable housing and planning activities as identified by HUD’s Office of Community Planning & Development (“CPD”). The City of Charlottesville is also a contributing member of the Thomas Jefferson HOME Consortium (“TJHC”) in partnership with the Thomas Jefferson Planning District Commission (“TJPDC”) and the counties of Albemarle, Fluvanna, Greene, Louisa and Nelson, and through the Consortium shares in the benefits of participation in the HOME program.

Analysis

For the Winter 2026 funding round, the city received thirteen (13) Requests for Proposals (“RFPs”), eleven (11) of which were requests for CDBG funding and two (2) of which were requests for HOME funding, an overview of which is provided as an attachment. Consistent with previous years, the greatest number of applications received were for proposals that are classified by HUD as CDBG Public Services activities. The volunteer members of the city’s CDBG/HOME Taskforce have carefully reviewed these requests and based on their deliberations have adopted the proposed funding requests presented here today.

In a letter dated April 6, 2026, the City of Charlottesville was notified by HUD of the CDBG and HOME allocations the city can anticipate receiving for the 2026-2027 program year. Based on this notice, funding for the CDBG program is anticipated to increase by \$19,472.00 (from \$445,452.00 in program year 2025-2026 to \$464,924.00 in program year 2026-2027, or +4.37%). Similarly, funding for the HOME program is anticipated to increase by \$53,536.58 (from \$687,009.06 to \$740,545.64, or +7.79%). The city's local share of HOME funds is anticipated to increase by the same percentage, moving from \$85,876.13 in the prior year to \$92,568.21 for 2026-2027.

The funding recommendations adopted by the CDBG/HOME Taskforce have been updated based on this April 6th notice from HUD, with the anticipated increase in funds applied uniformly by percentage across all activities recommended for funding. In this way, all applications recommended for funding

have been adjusted by the same percentage, or approximately 4.37%. One outcome of this is that two applicants are now recommended to receive an award above the amount originally requested in their applications.

In conclusion, while the members of the CDBG/HOME Taskforce would like to be able to fund each applicant in full, as each proposal addresses important community needs, the funding recommendations outlined in the draft Plan represent the Taskforce's best efforts to invest the limited funds available to them so as to maximize the positive impacts for our community and those residents at the heart of this work.

Financial Impact

There is no adverse financial impact associated with the adoption of the APP and the associated recommendations, as the funds proposed to be awarded are federal funds allocated to the city by HUD to support community-benefit activities, and, as such, do not draw from the city's General Fund. Rather, use of these funds as recommended here will instead serve to address important and pressing community needs while at the same time supporting the city's continued eligibility for allocations of entitlement funds in future years.

Recommendation

Staff respectfully recommends that City Council accept the proposed Annual Action Plan and the associated CDBG and HOME funding recommendations as presented here today in three motions.

Recommended Motion (if Applicable)

I move that Council approve the RESOLUTION approving the City of Charlottesville Program Year 2026-27 One-Year Annual Action Plan for the city's CDBG & HOME programs.

and

I move that Council approve the RESOLUTION appropriating Community Development Block Grant funds anticipated to be received from the U.S. Department of Housing and Urban Development as outlined in the Program Year 2026-27 One-Year Annual Action Plan, in the approximate amount of \$464,924.00.

and

I move that Council approve the RESOLUTION approving the award of HOME Investment Partnership Program funds anticipated to be received from the U.S. Department of Housing and Urban Development as outlined in the Program Year 2026-27 One-Year Annual Action Plan, in the approximate amount of \$92,568.21.

Attachments

1. AAP PY26 Council Resolution to Approve Action Plan
2. AAP PY26 Council Resolution to Approve CDBG Awards
3. AAP PY26 Council Resolution to Approve HOME Awards
4. AAP PY26 CDBG & HOME Funding Recommendations 20260406April6 Amended
5. AAP PY26 CDBG & HOME Funding Recommendations 20260401April1 As Adopted
6. AAP PY26 CDBG & HOME Overview of Funding Requests Received 2026-27
7. AAP PY26 Draft Council Priorities for 2027-28
8. AAP PY26 CDBG & HOME Taskforce Evaluation Criteria