

Policy Briefing Summary

City Council



Regarding:	Resolution Allocating Charlottesville Affordable Housing Fund Grant Program Funding for Charlottesville Redevelopment and Housing Authority South First Street Phase Two in the Amount of \$425,000 (2nd reading)
Staff Contact(s):	Madelyn Metzler, Housing Compliance Coordinator, James Freas, Deputy City Manager
Presenter:	Madelyn Metzler, Housing Compliance Coordinator
Date of Proposed Action:	August 3, 2026

Issue

The Charlottesville Redevelopment and Housing Authority (CRHA) has requested disbursement of \$425,000 in FY22 Charlottesville Affordable Housing Fund (CAHF) grant funding for South First Street Phase Two; however, the original grant agreement expired in May 2024. A new agreement is needed before funds can be released.

Background / Rule

In April 2022, City Council awarded \$425,000 in CAHF funding to CRHA to support the development of South First Street Phase Two. The grant agreement established a performance period from May 23, 2022 to May 23, 2024. During that time, the City did not receive reimbursement requests, quarterly reports, or a request to extend the agreement.

CRHA submitted a reimbursement request in May 2025 following delays related to contractor selection and funding gaps that postponed the start of construction. Construction ultimately began in March 2025, and CRHA's most recent compliance report from May 2026 reflects steady progress, sustained resident engagement, and a continued need for CAHF support. A 2025 joint review of City and CRHA agreements recommended issuing a new agreement for the expired CAHF allocation and aligning reporting requirements with both CRHA's compliance calendar and the City's Grants Monitoring framework.

Analysis

South First Street Phase Two is actively under construction and will include 113 new homes, a community center, and CRHA offices. Delivery A is projected for completion in May 2026, with vertical construction underway across the remainder of the site. Resident Planners continue to participate through monthly meetings and design-related activities. CAHF reimbursement remains an essential part of the project's financing structure and complements the separate \$6 million CIP-funded agreement, of which just over \$5 million has been disbursed. Because the original CAHF grant agreement has expired, staff have prepared a new agreement with updated performance and reporting requirements to enable disbursement. Establishing the new agreement advances City priorities related to affordable housing production, redevelopment of public housing, and strengthened project monitoring and accountability.

Financial Impact

The original FY22 CAHF allocation totals \$425,000. No additional funding is requested; the action would reauthorize expenditure of previously appropriated funds.

Recommendation

City Staff recommends City Council adopt the attached Resolution allocating CAHF Grant Program funding for CRHA South First Street Phase Two in the Amount of \$425,000.

Recommended Motion (if Applicable)

"I Move to adopt the attached Resolution Allocating Charlottesville Affordable Housing Fund Grant Program Funding for Charlottesville Redevelopment and Housing Authority South First Street Phase Two in the Amount of \$425,000."

Attachments

1. RESOLUTION CAHF CRHA FY22
2. CAHF Grant Agreement CRHA FY22