# HOME-CDBG 2023-27 Consolidated Plan

for the

## Thomas Jefferson HOME Consortium

Developed by TJPDC and the City of Charlottesville

1

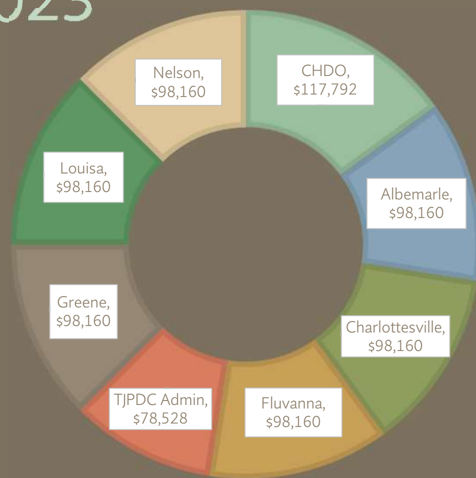
## HOME Investment Partnerships Program

- HUD-funded formula grants for use building, buying, and/or rehabilitating affordable housing for rent or homeownership, or providing direct rental assistance to low-income households.
- The HOME Consortium receives yearly funds, distributed as outlined in the 2001 Cooperation Agreement.

2

# PROGRAM YEAR 2023

$785,286 total funding
(July 1, 2023 – June 30, 2024)




3

3

# HOME-CDBG Consolidated Plan

- 5-year period from July 1, 2023 – June 30, 2028 (Program Years 2023-27)
- The Consolidated Plan is intended to help Participating Jurisdictions assess their affordable housing and community development needs, market conditions, and to make place-based investment decisions. The consolidated planning process serves as the framework for a community-wide dialogue to identify housing and community development priorities.
- CDBG funds under this Plan are received only by the City of Charlottesville as an Entitlement City.

4

## Consultations

- AHIP
- Albemarle Office of Housing
- BRHD
- CLIHC
- CRHA
- Cville Office of Economic Development
- Casa Alma
- CHP
- Charlottesville Public Schools
- Cville Office of Sustainability
- Cville Office of Human Rights
- Cville Social Services
- City of Promise
- Community Services Housing
- Families in Crisis, ACPS
- Fifeville Neighborhood Association
- Fluvanna Louisa Housing Foundation
- Habitat for Humanity
- Home to Hope
- Independence Resource Center
- International Rescue Committee
- JABA
- Louisa DSS
- Louisa County Administrator
- Little High Street Neighborhood Assn
- McKinney-Vento Coordinators
- NCCDF
- Nelson Community Wellness Alliance
- Network2Work
- OAR
- On Our Own
- Piedmont Housing Alliance
- Public Housing Association of Residents
- Region Ten
- Skyline CAP
- The Haven
- Virginia Employment Commission

5

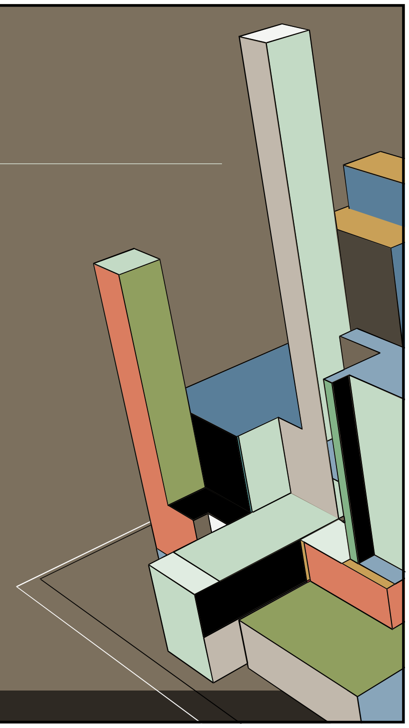
## Most common housing problems

COST BURDEN

LACK OF AFFORDABLE RENTALS

SUBSTANDARD HOUSING

ACCESSIBILITY



6

## Populations Disproportionately Affected

- Extremely and very low income (below 50% of AMI)
- Renters
- Households with children
- Special needs populations
- Black / African American households
- Formerly incarcerated individuals and their families

7

# Market context

### SUPPLY AND DEMAND

The population is growing faster than the housing supply, specifically in Charlottesville, Albemarle, Greene, and Louisa.

### HOUSING TYPES

The number and percentage of apartment buildings and attached housing has begun to increase. Household size has decreased (higher rates of 1 to 2 person households).

### LOW VACANCY RATES

Our region sees low rental vacancy rates, as compared to state and national rates.

8

# Priorities Identified (*HOME and CDBG*)

- Affordable Rental Housing
- Maintaining Existing Affordable Housing
- Jobs that pay wages high enough to address cost burdens (30-50% of income spent on housing)
- Supportive and Transitional Housing
- Equity
- Rental Assistance
- Mental Health
- Transportation

9

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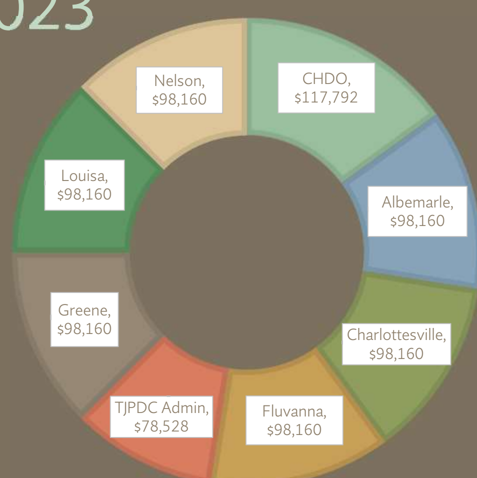



10

10

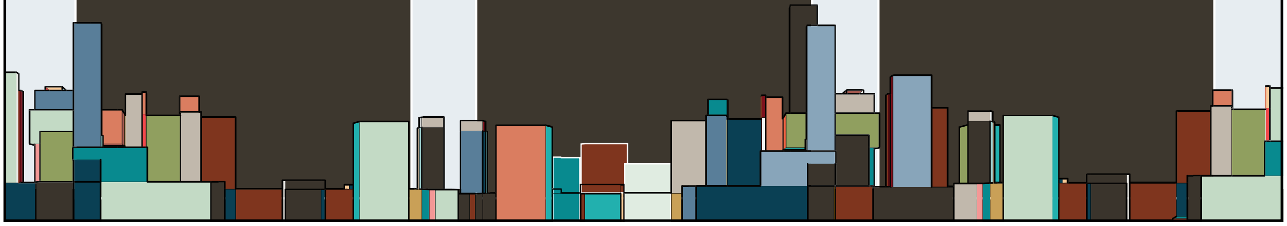
# CHDO ROTATION

| YEAR | RECIPIENT |
|---|---|
| 2023 | Charlottesville |
| 2024 | Louisa |
| 2025 | Greene |
| 2026 | Albemarle |
| 2027 | Nelson |

11

# Past Five Years

| HOMES REHABILITATED | DOWN PAYMENT SUPPORT | NEW HOMES |
|---|---|---|
| 84 | 25 | 14 |



12

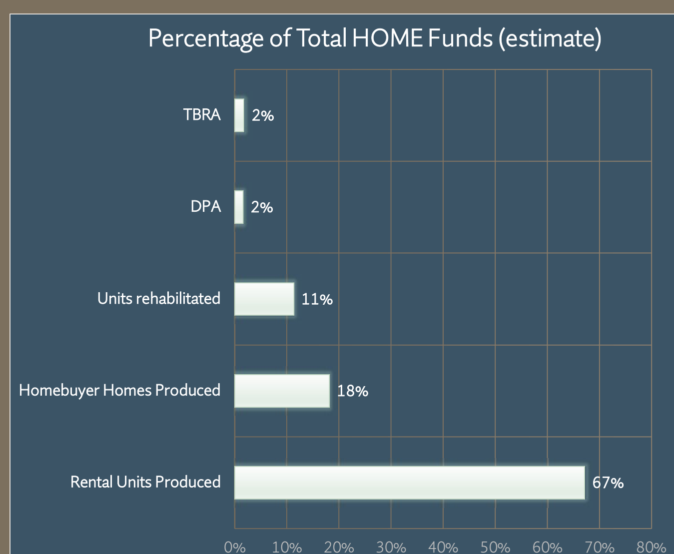
# *Program Years 2023-2027*

| | |
|---|---|
| Goal 1: Expand the affordable housing stock. | 37 Rental Units Produced |
| | 10 Homebuyer Homes Produced |
| Goal 2: Preserve the existing supply of affordable housing. | 116 Homeowner Units Rehabilitated |
| | 1 Rental Unit Rehabilitated |
| Goal 3: Ensure housing is accessible to residents under 60% of AMI. | 22 Households Provided with Down Payment Assistance |
| | 24 Households Provided with Rental Assistance (Cville only) |

13

# Planned Activities

2023-2027

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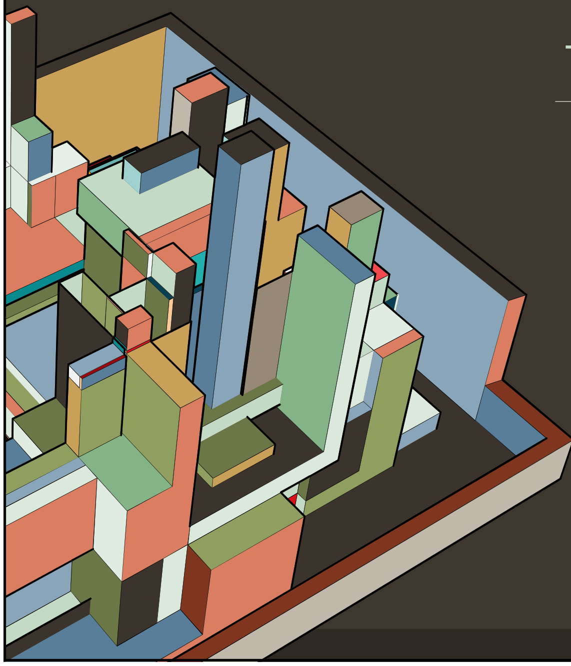


# TIMELINE

**March 20 – April 20, 2023**:
Public Comment

**May 1, 2023**:
Charlottesville City Council Approval

**May 4, 2023**:
TJPDC Approval and public hearing

**May 15, 2023**:
Due to HUD

**July 1, 2023**:
Program Year 2023 begins

**2023-2027 Consolidated Plan and Analysis of Impediments to Fair Housing**
**Citizen Participation Summary**

### *Results from Consultations and Input Sessions*

According to HUD's Fair Housing Planning Guide, the identification of housing problems and the development of solutions are the task of the full community: "All affected people in the community must be at the table and participate in making those decisions." Although the guide does not define specific public participation requirements, the accuracy and depth of this analysis depends on hearing from the broad range of voices in the greater Thomas Jefferson Planning District (TJPD).

All groups and individuals with whom TJPDC and City of Charlottesville staff met through the Needs Assessment process are listed in section PR-10, and the survey is described in section PR-15. The survey was distributed to the public from February 7-20, 2023. 482 people responded from TJPD. 43% of respondents had incomes below $75,000. The information below reflects an aggregation of both consultations and survey responses.

### Needs Expressed

*Affordable Rental Housing*

Affordable rental housing is the most urgent need in our region. In 40 consultations, we were given countless anecdotes of inability to find a rental unit that a household could afford, sometimes even with a Housing Choice Voucher. 79% of survey respondents ranked affordable rental housing as the most urgent need. "Housing is too expensive" is the greatest concern that survey recipients reported (88%), followed by fear of rents increasing (61%). Mental health services were second only to housing as most needed services (63% of respondents, as opposed to 68% reporting housing as high need), with Transportation a close third (50%) (percentages may seem low, but that's because people could choose three out of a wide range of options)

*Jobs not Paying Acceptable Wages*

Consultations and survey responses showed a clear pattern: Jobs do not pay enough to pay for rent or monthly housing costs in this region. 15 consultation participants emphasized that this makes paying for rent nearly impossible, even for a household where two adults are working over 40 hours per week.

Through data analysis and consultations, we found that:

- People who are working and cannot afford the rent and the light bills have to choose between food, essential medications, and housing.
- Residents in rural areas are only able to find decent paying jobs far from where they live, but the cost of housing closer to work is completely out of reach.
- Restaurant and service jobs are a large portion of what is available, but are not sufficient to pay rents in this region as property values rise and wages stay the same.
- Even when clients increase their income to $31,000, which is almost 50% of AMI, they still need affordable housing, and that is very difficult to find in our region. Increasing above this income is far more difficult than reaching 50% of AMI, particularly for adults who have children to raise.

*Cost Burden*
The data shows that high housing cost burden is the greatest housing problem in the TJPD. Among those below 80% of AMI, there are 20,477 households (24% of TJPD households) spending more than 30% of their income on housing, and an additional 11,737 households (14%) spending more than 50% of their income on housing. 40% of the households who are severely cost burdened are renters who have incomes less than 30% of AMI.

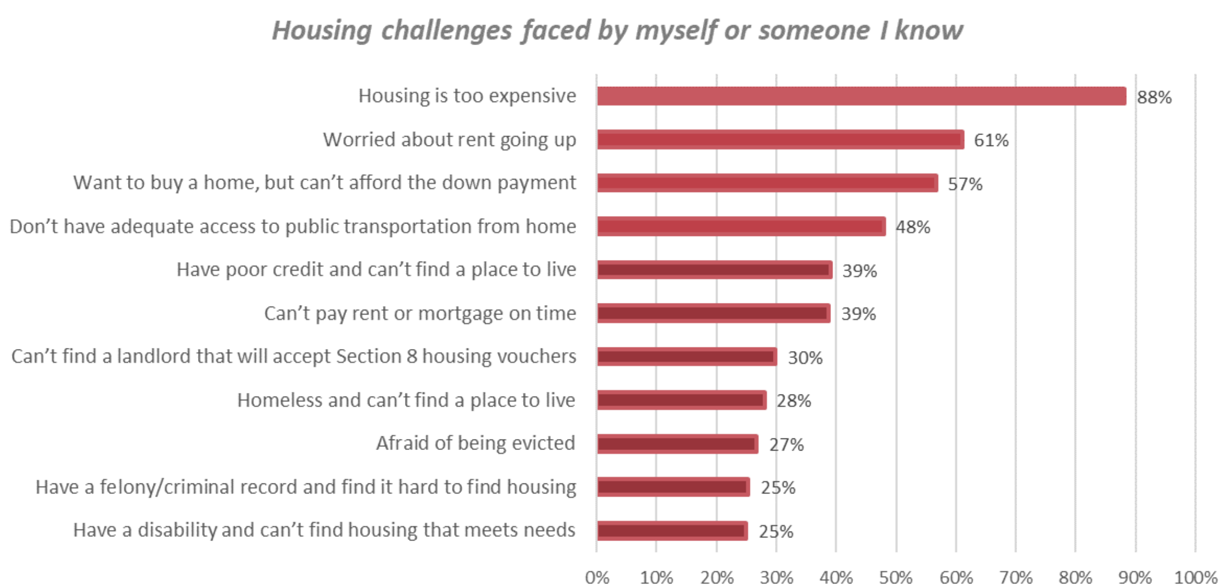
*Supportive and Transitional Housing*
The needs expressed most often in consultation meetings were about the needs for **Supportive Housing** and **Transitional Housing** (specifically Transition-in-Place). Supportive Housing beds are extremely limited. When they are filled, that bed is generally a permanent home for someone who requires permanent supportive housing. This means that our community needs to invest in additional units for the people who need supportive housing but do not have access yet. The strong consensus is that there are not enough units in our region compared to the need. Specific populations whose needs are unmet are people living with disabilities, people who are experiencing the jail-to-homelessness cycle, youth exiting juvenile detention, young adults exiting foster care, and seniors.

Similarly, Transition-in-Place programs are needed. The Haven provides a limited amount of rental assistance that allows homeless households to transition in place, receiving services from The Haven staff for about 2 years, but more is needed. Several contributors emphasized the special needs of families with children, for whom both shelter and transitional housing is so limited it is almost never available when a service provider is trying to place a family. During the pandemic, hotels were used instead, which is not financially sustainable.

**Accessibility features** are not common enough in both homes and neighborhoods. When a person with a disability needs accessibility features added to a rental, they are responsible for the cost of both installing it and removing it when their lease ends. This is an inordinate financial burden on individuals who are often living on extremely low fixed incomes.

Other needs described:
- Rental assistance for families with children, so that they do not have to enter shelter and expose their children to that traumatic experience.
- Financial assistance for households who have the opportunity to enter public housing, but must pay a fee to end their current lease.
- Awareness of resources available.
- Child care – specifically additional quality facilities at which families can use the assistance provided to them.
- Increased affordable rental housing (specifically affordable to below 50% of AMI).
- Tax relief for low income homeowners.
- Additional Housing Navigators, such as the staff who work at Piedmont Housing Alliance and The Haven – but specifically, Housing Navigators who do not only serve “market ready” clients, but also help clients who face greater barriers, as described below.
- A specific transition program that assists low-income individuals being discharged from the hospital, who have special needs related to their health issues and finances.
- Culturally relevant and appropriate homeowner education.
- Mental health support and case management in tandem with housing services, not siloed.

- Mental health services that are culturally competent and culturally humble, and also accessible to a wider range of people.
- When a person in our region has a mental health crisis (such as imminent suicide), police have been the first responders. Consultations revealed that this response is not trauma-informed, and can keep a person in crisis from receiving the support they need. Mental health crisis response needs to come from mental health workers, not police. A group is working on changing this in our region.
- More outpatient substance abuse treatment options.
- More legal support for eviction prevention.
- Funding to help families with the cost of internet, which has become a necessity in order to find and maintain a job, attend school, and live in our community.
- Particularly in the rural parts of TJPD, infrastructure improvements such as updating septic systems, accessibility features such as ramps on sidewalks, safe street crossings, protected bike lanes, and updating water systems.
- Housing repairs for low-income households, including in rental units. Energy and weatherization updates to help decrease the cost of utilities for low income households.
- Additional outreach staff to reach individuals experiencing homelessness and connect them with resources.
- Education for landlords about tenant and landlord rights and responsibilities, as well as property maintenance.
- Funding to meet administrative costs of providing affordable housing.
- Financial assistance to help pay utility bills.
- Attracting businesses that provide both living wage jobs, as well as goods that are affordable to low income residents.



**Inventory Issues**

The consensus among experts, census data, consultations and survey responses, is that there is a lack of affordable housing inventory. Rents are too high relative to wages. Those who distribute housing vouchers report many clients who must return their vouchers because they could not find a home to rent with it. Those who provide rental assistance often face similar challenges. Low income households are forced to move away from our region to live elsewhere, often doubled-up with family. Consultants reported extensive waiting lists for vouchers and public housing, that must be closed after being opened for a few hours because of how many people apply. Meanwhile, many consultants reported that lots of luxury apartments are being built in our area, which bring in additional high income households, while failing to meet the needs of low income households already living in the TJPD.

**Housing Issues**

Most service providers we consulted reported advocating for their clients to the clients' landlords for basic necessities such as addressing pest issues or installing fire alarms. Housing issues for low income homeowners and low income renters are common.

The following housing issues were reported, ranked from most common to least common:

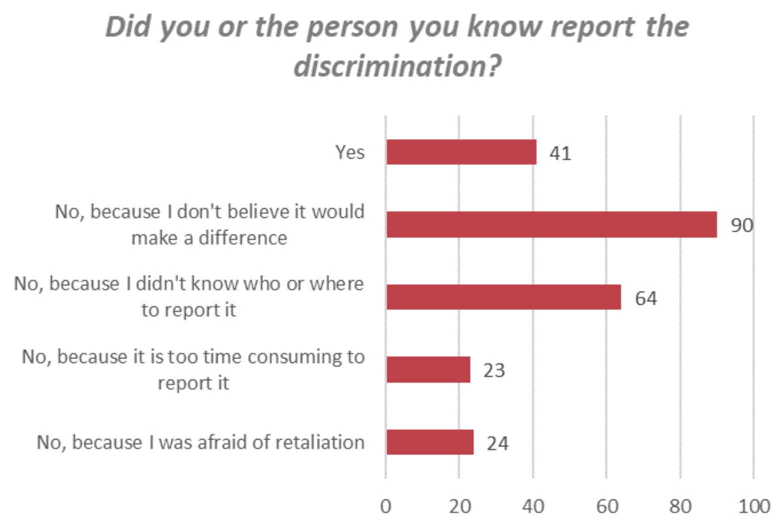
1. Rooves, floors, and walls caving in
2. Water and sanitation issues, lack of systems
3. Moisture and mold issues
4. Inappropriate ventilation or insulation
5. Heating broken or lacking systems
6. Pests (especially in large rental complexes)
7. Multi-system failures
8. Lead-based paint
9. Poisoned wells (specifically in mobile home parks)

**Equity Issues**

The most commonly reported types of discrimination were discrimination based on **race**, discrimination based on **income or class**, and discrimination based on **disability**. On the survey, all localities in our region had over 100 respondents report that there were issues with housing discrimination in that locality. 111 respondents reported personally experiencing housing discrimination, and there were 662 reports of knowing another person who experienced housing discrimination. (This number exceeds the number of respondents because each respondent could report up to 5 different types of discrimination.) Most discrimination was experienced when attempting to rent an apartment or house. Most did not report the discrimination to an intervening body. Reasons for not reporting discrimination included:

- I didn't know who or where to report it
- It is too time consuming to report it
- I was afraid of retaliation

- I don't believe it would make a difference
- I did not get a response
- The need for housing is urgent and reporting takes too long
- It would have been too hard to prove
- Why would I want to live in a place like that
- Was told it would be expensive
- Afraid of the public attention
- The process seemed too complicated




In addition to direct housing discrimination, there are **systemic issues of inequality**, particularly impacting the African American communities in our region. In the TJPD, the 2021 Median Household Income (MHI) of Black residents was $39,421. That is less than half of the MHI of White, Hispanic, and Asian residents, which were $85,522, $86,658, and $81,821, respectively (ACS S1903 report).

A household whose income is $39,000 is at 50% of AMI for our region. Since the median rent in Charlottesville is $1,250, that means that a Black household with an income that matches the median income for Black families in Charlottesville, whose rent matches the median rent in Charlottesville, is already paying about 40% of their income on rent alone, even before paying for utilities and other housing related costs.

**Barriers to Accessing Fair and Affordable Housing**

Several barriers were reported widely across service providers.

1. **Credit Scores**: Credit scores are often used by landlords to weed out potential tenants. However, these are not always the most accurate measure of whether a tenant will be reliable. Many service providers help clients increase their credit scores so that they will be able to secure housing.
2. **Criminal Record**: Landlords also use criminal record as a reason to choose a different tenant. This means that for many with a criminal record, housing is difficult to secure.
3. **Rental History**: Either a lack of rental history, due to immigration, or a rental history that includes evictions, can lose a family access to rental housing. These are also not necessarily accurate measures of what type of tenant a person will be.
4. **Limited English Proficiency (LEP)**: Service providers report that LEP can make a tenant vulnerable to being taken advantage of, and can also result in housing discrimination.

## Descriptions of Poverty in the Region

Many struggles and difficult experiences were told to us anecdotally while consulting with service providers, who see the challenges faced by people living in poverty on a daily basis. Providers reported the trauma of losing a home and becoming homeless, and needing to suddenly stay in a shelter. We heard about people living in sheds with no heat or sanitation, rural encampments of people living in the woods, "tent cities". Families ending up with negative equity because the mobile homes in which they live are worth less than the cost to haul the aging home away.

Consultations revealed that much of the poverty in our region doesn't show up in the statistics, because there are many wealthy people in the TJPD, and in a statistical report, this may water down the signs of poverty. However, for the households living in poverty, these experiences are no less real or severe than in localities with fewer wealthy households.

In the survey, respondents were asked to think of a time when they or someone they knew experienced homelessness, and to rank the needs at that time. By far, more respondents selected "Housing Placement" above other needs. Second to Housing Placement was "Mental Health Care". All other needs, including life skills, legal support, job training, and education opportunities, ranked far below.

## Economic and Contextual Issues

Consultations consistently reported that jobs do not pay enough for households to be able to afford the cost of housing in our region. Several expressed that $18-20 hourly wage is not enough, and many jobs provide at or below that rate. Specifically, it is extremely challenging for a low-income individual to increase their income above 50% of AMI.

Other economic issues expressed:

- Transportation issues – people cannot afford to live where there's transportation, but once they move far enough out that housing is less expensive, it is difficult to access jobs and services because of lack of transportation.
- Several regions with a higher density of low income households also have lack of access to fresh healthy foods, and are labeled "food deserts".
- Training and education is almost impossible while also holding down a full-time low paying job and raising children.

Broader contextual issues that are impacting affordability in our region:

- Inability to find staff to hire for paraprofessional mental health jobs prevents the expansion of supportive housing offerings.
- Lack of contractors, especially contractors willing to travel to rural areas, impedes the production of new affordable housing.
- Cost of materials and labor is at an all-time high.
- The cost of land is too high, and not much is available, to build new affordable units.

## Policies of Concern

*Local Policies*

The most commonly expressed policy concern was that developers are not following through on providing truly affordable housing, even when that was promised as part of their approval with Planning Commissions. Even when affordable housing is built as promised, often it is only affordable to households making 60-80% of AMI. While this is an important need to serve, it leaves out the most vulnerable populations. In general, participants reported that most of the new housing being build is simply not affordable.

Zoning policies need to be updated, and are being updated in the City of Charlottesville.

Permitting processes can be challenging in multiple localities in our region, and developers who want to develop affordable housing often end up spending more on a project due to the resulting delays.

Consultants expressed a desire for the members of the Planning Commissions to increase their exposure to, knowledge about, and attention to the realities and needs of marginalized people, people with disabilities, and people with low incomes. The aim would be that decision making would be more informed by these lived experiences, rather than the experiences of those on the Commission, which are usually individuals with high incomes and a lack of personal experience with marginalization.

Consultants expressed a desire to see affordability periods lengthened for low income rental projects.

*State Policies*

The sex offender registry makes it nearly impossible for a person on the registry to secure housing. While the intention of the registry is good – to protect children – unfortunately, it does not serve that purpose, because most sex offenders are never convicted. And ultimately, preventing access to housing does not make a former offender any less likely to offend in the future.

When discussing numbers of homeless households, many consultants lamented that due to the Virginia definition of homelessness, people who are living doubled up, "couch surfing", or in hotels, are not identified in the counts. Yet these experiences can be extremely vulnerable and unstable, and deserve identification and support.

*Federal Policies*

Because residents can be removed from their public housing units due to allowing homeless friends and family to stay with them, they often try to hide that information from the public housing authority, in order to not lose their homes.

Because HUD requires a Deed of Trust for HOME beneficiaries, many will not pursue resources, because this practice is difficult to understand, and can make beneficiaries believe they are giving up access to their own resources.

**Existing Resources**

The following resources were reported as helpful to solving the problems outlined above, in addition to the organizations who were consulted, as those were already identified as critical to addressing these needs:

- The Women's Initiative is a non-profit that provides Spanish language counseling with counselors who are culturally competent.
- The Haven provides two options for rental assistance, though only available to homeless households.
- The Charlottesville Supplemental Rental Assistance Program (CSRAP) runs like the Housing Choice Voucher program, but lacks administrative funding.
- Premier Circle provides supportive housing for a limited number of chronically homeless adults.
- Piedmont Housing Alliance (PHA) and Habitat for Humanity reach predominantly households within the 30-80% of AMI range.
- Oxford Houses provide peer recovery housing.
- Network2Work, supported through PVCC, provides the networking and matching services to connect extremely low income households with higher paying jobs, successfully increasing many incomes to around 50% of AMI from much lower levels.
- For people leaving Western State Hospital for mental health crisis recovery, there is some grant funding to support rental subsidies.
- Organizations like Fluvanna Louisa Housing Foundation, Independence Resource Center, and the International Rescue Committee keep lists of landlords who accept vouchers or are able to work with specific populations.
- Home to Hope and OAR provide support and resources for people exiting carceral settings.
- Some Housing Navigators at PHA and The Haven.
- Charlottesville Redevelopment and Housing Authority (CRHA) is redeveloping multiple properties, and working to serve residents under 30% of AMI.
- Community based design efforts have been utilized by CRHA, PHA, Virginia Housing, and Habitat.
- Habitat for Humanity is providing a "business incubator" for residents of Southwood as part of the redevelopment project that has been resident-led for over 10 years.

**Suggestions**

Many suggestions were made during the consultation process. They are summarized below.

- Reparations for the families whose homes were razed by the Vinegar Hill redevelopment activities of the 1960's and 70's. These communities were primarily African American.
- Emphasize services for households making less than 50% of AMI.
- Develop more transitional housing units for families with children, perhaps based on the small but effective model of MACAA Hope House.
- Developing a land trust – the City of Charlottesville or PHA could own land to use for affordable housing. This is an allowable use for CDBG funds but not HOME funds.
- Transition in place options, where services are provided to a household while living in a new permanent residence.
- A revolving loan fund for low income households who own a home, are able to build an accessory dwelling unit (ADU), but do not have the capital to do so.
- Improve lives by working with developers to bring in businesses to benefit low income neighborhoods.
- There are a large number of empty office buildings and other types of commercial buildings, which could be renovated and converted into affordable housing.
- To increase access to living wage jobs, provide incentives to employers within the first 3 months of hiring, so that the employer will provide training and increase the staff's salary once training is complete.
- Electrification - new units need to avoid gas because of the cost of changing to electric later. Provide assistance to low income homeowners to transition to electric.
- Collect more feedback from consumers of homelessness systems and mental health systems.
- Place solar panels on the tall buildings downtown, and use that energy to subsidize low income utilities.
- Master leasing can circumvent the barriers faced by low income households when securing a rental unit. A non-profit entity can become the landlord and intentionally choose households who otherwise could not find a home to rent.
- Develop a lease-to-own housing program.
- Local governments could offer backstop funds – to incentivize landlords to stop charging first and last month's rent, which is unaffordable to low income households, the city will provide the funds if a renter defaults.

**Priorities**

By far, the greatest priority among consultants and survey respondents was to increase the number of **affordable rental units**. Second to that was rental assistance, mental health, and transportation. However, homelessness prevention, pathways to homeownership, affordable units for purchase, down payment assistance, and home rehabilitation were also listed among priorities. A summary of priorities from the survey is shown in the graphs below.