

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



Agenda Date:	May 4, 2020
Action Requested:	Resolution
Presenter:	Brenda Kelley, Redevelopment Manager
Staff Contacts:	Dr. Tarron Richardson, City Manager Lisa Robertson, Deputy City Attorney Brenda Kelley, Redevelopment Manager, City Manager's Office John Sales, Housing Program Coordinator
Title:	Approving retroactive funding for administration of the Charlottesville Supplemental Rental Assistance Program (CSRAP)

Background:

On June 19, 2017, City Council approved the Housing Advisory Committee's (HAC) recommendation for the creation of a supplemental rental assistance program for the City of Charlottesville. In October 2017, the City Council approved the Charlottesville Supplemental Rental Assistance Program (CSRAP) and funding for the program. The Grant Agreement between the City and the Charlottesville Redevelopment and Housing Authority (CRHA) was executed in January 2018. The first voucher was issued in April 2018.

Currently, City Council has approved total funding for this program in the amount of \$2,595,000 (\$900,000 in FY17/18; \$945,000 in FY18/19; \$750,000 in FY19/20). As continued funding is approved through the annual budget process, this Agreement will need to come back before City Council to extend the program prior to its expiration on June 30th of each year.

The U.S. Department of Housing and Urban Development (HUD), which provides funding to the CRHA and regulates administration of public housing and Housing Choice Vouchers, has been working closely with CRHA staff on operational, managerial, and redevelopment functions. HUD identified a concern that federal dollars were being used to administer a city-funded voucher program.

Discussion:

At its meeting on March 16, 2020, City Council approved an amendment to the CSRAP program to allow a portion of the approved program funding, allocated by the city for this program, to be used to

cover administrative costs incurred by CRHA to administer this program. However, that approval applied to administration of the current program going forward. HUD still has concerns with previous federal resources being used on prior administering of the program. **Therefore, staff requests that the City Council approve current CSRAP funding allocations to be applied to administration of the program between January 2018 and December 2019.**

CRHA submitted information regarding actual allocations for CSRAP. From January 2018 through December 2019, \$1,056,745.90 in funds were used for housing. 7.5% of those disbursed funds equals \$79,255.94. If approved, the funding will be allocated to CRHA to reimburse for administration of the city-funded CSRAP program, from the existing program funding. Currently, the balances for previous allocations of CSRAP are as follows:

FY18 - \$900,000 allocated - balance of \$83,254.10, which serves as the required reserve balance

FY19 - \$945,000 allocated - balance of \$205,068.55

FY20 - \$750,000 allocated - balance of \$750,000

Proposed FY21 allocation - \$900,000

Alignment with City Council's Vision and Strategic Plan:

The provision of vouchers to subsidize low-income housing opportunities supports City Council's visions of Quality Housing Opportunities for All; A Green City; Community of Mutual Respect; and Smart, Citizen-Focused Government. In addition, this program supports the following:

Strategic Plan Goals:

- Goal 1.3: Increase affordable housing options
- Goal 2.3: Improve community health and safety outcomes by connecting residents with effective resources (aligning health care with provision of housing for the elderly and disabled)

Comprehensive Plan Goals:

- Goal 3.1: Continue to work toward the City's goal of 15% supported affordable housing by 2025.
- Goal 5: Support projects and public/private partnerships (i.e., private, non-profits, private developers and governmental agencies) for affordable housing, including workforce housing and mixed-use, and mixed-income developments.
- Goal 5.7: Support housing programs at the local and regional level that encourage mixed-income neighborhoods and discourage the isolation of very low and low income households.
- Goal 7: Offer a range of housing options to meet the needs of Charlottesville's residents, including those presently underserved, in order to create vibrant residential areas or reinvigorate existing ones.

Community Engagement:

At its February 19th meeting, HAC discussed this item. A recommendation was made by HAC for the City Council to approve additional funding be added to the existing program funding in order to cover administrative costs.

Budgetary Impact:

This request does not encumber any additional funding from the City budget. A portion of the existing program funding will be used to cover costs incurred by CRHA for previous administration of the program.

Recommendation:

Staff recommends City Council approve the attached Resolution.

Alternatives:

City Council could choose to not approve the supporting Resolution which may effectively end this program, and the HUD-funded Housing Choice Voucher program, and negatively affect the provision of housing assistance currently providing relief for some of our most vulnerable families.

Attachments:

Resolution

RESOLUTION
APPROVING RETROACTIVE FUNDING FOR ADMINISTRATION OF THE
CHARLOTTESVILLE SUPPLEMENTAL RENTAL ASSISTANCE PROGRAM
(CSRAP)

WHEREAS, on June 19, 2017 the City of Charlottesville approved the creation of a City-funded Supplemental Rental Assistance Program (“CSRAP”), which will be administered by Charlottesville Redevelopment and Housing Authority (“CRHA”); and

WHEREAS, on March 16, 2020, City Council approved an amendment to the CSRAP program to allow a portion of the approved program funding, allocated by the city for this program, to be used to cover administrative costs incurred by CRHA to administer this program;

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Charlottesville, Virginia, that fees for administration of the program between January 2018 and December 2019 shall be paid to CRHA from the funds previously appropriated to the CSRAP program.

Expense

\$79,255.94 Fund: 426 WBS Element: P-01019 GL Code: 599999

Approved by Council
May 4, 2020

Kyna Thomas
Clerk of Council