

## CHARLOTTESVILLE CITY COUNCIL MEETING

March 21, 2022 at 4:00 PM

Electronic/virtual meeting

### Call to Order/Roll Call

The Charlottesville City Council met in an electronic meeting on Monday, March 21, 2022, in accordance with a local ordinance amended and re-enacted on March 7, 2022, to ensure continuity of government and prevent the spread of disease during the coronavirus State of Emergency. Mayor Lloyd Snook called the meeting to order at 4:03 p.m. and Clerk of Council Kyna Thomas called the roll, noting all members present: Mayor Lloyd Snook, Vice Mayor Juandiego Wade, and Councilors Sena Magill, Michael Payne and Brian Pinkston.

On motion by Wade, seconded by Pinkston, Council voted 5-0 to ADOPT the meeting agenda (Ayes: Magill, Payne, Pinkston, Snook, Wade; Noes: none).

### REPORTS

#### 1. **REPORT: HR&A Advisors report - Charlottesville Affordable Housing Fund (CAHF) Program review and redesign update**

Alex Ikefuna, Interim Director - Office of Community Solutions, introduced the item as follow-up to the December 2021 City Council meeting. He stated that the direction given by City Council was to provide background on the agenda item, advising that the charge from City Council was for staff to study the CAHF to make sure that funds are being used for their intended purpose, that the program is run in a cost-effective way, and that the City is getting its money's worth from the investment. He advised that the study was designed to make programming more efficient and ensure accountability going forward. He invited HR&A Advisors to make the presentation.

Presenters from HR&A Advisors were Phillip Kash and Callahan Seltzer. The presentation agenda included:

- Review of past investments in affordable housing
- Program redesign recommendations
- Open policy and process questions
- Next Steps

For program review, HR&A's methodology analyzed multiple metrics of funding impact. Some summary statistics include:

- Since 2010, the City of Charlottesville has administered a total of \$46.7 million in funding to support a variety of affordable housing initiatives.

- 95% of CAHF was concentrated in grants to 11 recipients, who provide a range of housing development and programs.
- Nearly half of CAHF funding has gone to housing development, with an additional 40 percent to housing programs.
- Funding levels have averaged \$3.6 million per year, with a large outlier in 2021, which totaled \$10.4 million\* (\*In 2021, CRHA and PHA received a combined total of \$10.4 million.)
- On an average per-unit basis, public subsidy for new construction ranged \$20,000 –\$45,000, and rehab ranged \$3,000 –\$25,000.
- Of the select programs for which racial demographic data was reviewed, most beneficiaries were Black households.
- Over half of households served by home retrofit and single-family new construction programs earn less than 50% AMI (Area Median Income).

For program redesign, HR&A advised that they are formulating recommendations to the City’s NOFA (Notice of Funding Availability) process, to align the City’s funding with the Housing Plan priorities. The recommendations focus on three areas: Overall processes, Policy, and Project Viability and Efficiency. Regarding housing fund allocations, Mr. Kash stated that “Charlottesville is punching above its weight.” He advised that the City has sophisticated housing programs, but the allocation process has not kept up. He shared that affordable housing developers are also sophisticated for a locality of Charlottesville's size in the Southeast.

Mr. Kash shared the Annual Allocation Plan - Proposed Timeline for CAHF Funding.

Deputy City Manager Sam Sanders stated that staff intends to work with the recommendations from the Advisors. Mr. Ikefuna stated that in the past the affordable housing fund requests have not always gone through the CAHF process, but that going forward it is advised that developer requests come through CAHF so that staff can manage and track them. Mr. Sanders mentioned the need to have one portal for housing investment requests. He also advised that the April 4 City Council work session would focus on affordable housing.

Councilor Pinkston requested a flow chart to show how various housing components work together. Mr. Sanders advised that the Community Solutions Team is part of the City Manager office and housing-related components remaining in the Neighborhood Development Services Department would move to Community Solutions.

After discussion from City Council, consultants shared Next Steps for Program Redesign:

1. Revise overall NOFA and RFP (Request for Proposal) structure, including new schedule.
2. Rewrite guidelines, evaluation criteria, and application forms to fit updated structure and reflect housing plan priorities.

3. HR&A has begun to draft sample NOFA, application, and scoring criteria documents for several major programs.
4. Confirm City Council alignment with the revision approach.
5. Host program update convening with current interested applicants.
6. Issue compliance and technical assistance program guidelines so all applicants participate in the program revisions.

## **CLOSED SESSION**

On motion by Magill, seconded by Wade, Council voted 5-0 (Ayes: Magill, Payne, Pinkston, Snook, Wade; Noes: none) to convene in closed session as authorized by Virginia Code Sections 2.2-3711 and 2.2- 3712, specifically:

- Section 2.2-3711(A)(1), for consideration of prospective candidates for appointment by Council to City boards and commissions

The open meeting resumed at 6:42 p.m.

On motion by Magill, seconded by Wade, Council certified by the following vote: 5-0 (Ayes: Magill, Payne, Pinkston, Snook, Wade; Noes: none), that to the best of each Council member's knowledge only public business matters lawfully exempted from the open meeting requirements of the Virginia Freedom of Information Act and identified in the Motion convening the closed session were heard, discussed or considered in the closed session.

## **BUSINESS SESSION**

Having established quorum with all councilors present, Council observed a moment of silence.

## **ANNOUNCEMENTS**

Councilor Payne announced the Human Rights Commission Town Hall on emergency housing access and equality of affordable public and subsidized housing being held on March 24 at 6:30 p.m. via Zoom.

## **BOARD/COMMISSION APPOINTMENTS**

On motion by Magill, seconded by Wade, Council by the following vote: 5-0 (Ayes: Magill, Payne, Pinkston, Snook, Wade; Noes: none), appointed the following members to boards and commissions:

- Charlottesville Economic Development Authority – Denise Herndon
- Charlottesville Redevelopment Housing Authority Board – Judy Sandridge
- Citizens Transportation Advisory Committee – Ethan Hail and Gregory Weaver
- Historic Resources Committee – John Mason

- Jefferson Area Board for Aging Advisory Council – L.D. Perry and Christina Rees
- Jefferson Area Board for Aging Board of Directors – Richard Brugh, John D’earth and Elayne Phillips
- Personnel Appeals Board – Robert Black
- Social Services Advisory Board – Sarah Flores and Patricia Jones Turner
- Tree Commission – Donna Shaunese, Makshya Tolbert, Tim Padalino and Holly Lafferty
- Youth Council – Jazmyn Carter-Page, Iya Feggans, Gloria Gaye, Saadia Hamilton, London Pryor-Williams, Rachel Rugumayo, Roman Sims and Ezhar Zahid

**CONSENT AGENDA\***

Clerk of Council Kyna Thomas read the following Consent Agenda items into the record:

2. MINUTES: February 3 Budget work session, February 7 Council meeting, February 22 Council meeting
3. RESOLUTION: Appropriating funds for the Cville Plans Together (Comp Plan) Project from the Small Area Plans Account within the City's Capital Projects Fund - \$188,810 (2nd reading)

**RESOLUTION**

**Appropriating Additional Funding of \$188,810 to the Cville Plans Together (Comp Plan) Project, from the Small Area Plans Account within the City’s Capital Projects Fund**

**WHEREAS** the consulting contract for the Cville Plans Together (Comp Plan) Project (“Project”) encompassing updating both the Comprehensive Plan and the Zoning Ordinance, has included a commitment by the City of Charlottesville to a high standard for community engagement; and

**WHEREAS** the original budget allocated within the Project budget for community engagement activities and ongoing project management is insufficient to cover the consulting services necessary to complete the zoning rewrite portion of the Project;

**NOW, THEREFORE BE IT RESOLVED** by the Council of the City of Charlottesville, Virginia, that the sum of \$188,810 is hereby transferred within the Capital Projects Fund, from the Small Area Plans Account to the Cville Plans Together (Comp Plan) Project, and appropriated for expenditure to complete the Cville Plans Together (Comp Plan) Project, as follows:

**Transfer From**

\$188,810      Fund: 426      WBS: P-00819      G/L Account: 599999

**Transfer To**

\$188,810      Fund: 426      WBS: P-00935      G/L Account: 599999

4. RESOLUTION: Appropriating funds from the Virginia Department of Rail and Public Transportation to Charlottesville Area Transit - \$980,599 (2nd reading)

**RESOLUTION**

**Appropriating State Grant Funding in the Amount of \$980,559 Received from the Virginia Department of Rail and Public Transportation (VDRPT) to be Expended for Charlottesville Area Transit (CAT) Operations**

**WHEREAS** the City of Charlottesville has received notice that it has been awarded an additional \$980,559 in grant funding from the Virginia Department of Rail and Public Transportation (VDRPT); and City Manager proposes an increase in the budget for the CAT Department, in the amount of \$980,559, to allow the expenditure of this grant funding by the end of the current fiscal year, including an Alternative Fuel and Facility Feasibility Study and Integration Plan Study for the remainder of Fiscal Year 2022; and

**WHEREAS** in accordance with the grant, the funds must be expended by June 30, 2022, Charlottesville Area Transit CAT would like to use \$300,000 for an Alternative Fuel and Facility Feasibility Study, an Integration Plan Study and \$680,559 to supplement operational costs for the remainder of Fiscal Year 2022; and

**NOW, THEREFORE BE IT RESOLVED** by the Council of the City of Charlottesville, Virginia, that grant funding in the amount of \$980,559 received from Virginia Department of Rail and Public Transportation (VDRPT) is hereby accepted by the City Council, and is appropriated for expenditure within CAT's FY2022 budget, as follows:

**Revenues**

\$980,559      Fund: 245      Cost Center: 2801003000      GL Code: 430080

**Expenditures**

\$300,000      Fund: 245      Cost Center: 2801003000      GL Code: 530560

\$680,559      Fund: 245      Cost Center: 2801004000      GL Code: 520100

5. RESOLUTION: Approving appropriation of the Annie E. Casey Foundation Family Engagement Support Stipend Grant - \$15,000 (carried)
6. RESOLUTION: Approving an appropriation for COVID Homelessness Emergency Response Program Funding (CHERP) - \$200,000 (carried)
7. RESOLUTION: Appropriating funds from the Charlottesville Albemarle Technical Education Center for CATEC kitchen floor repair - \$75,000 (carried)

8. RESOLUTION: Appropriating grant funding of \$94,276 from Virginia Department of Conservation and Recreation for development of a Flood Resilience Plan, and authorizing the City Manager to execute a Grant Agreement (carried)

Mayor Snook opened the floor for public comment on the Consent Agenda:

- Caja Edwards spoke about Buford Middle School reconfiguration.
- Annie Lopez spoke about the city budget.

On motion by Wade, seconded by Magill, Council by the following vote ADOPTED the Consent Agenda: 5-0 (Ayes: Magill, Payne, Pinkston, Snook, Wade; Noes: none).

### **CITY MANAGER REPORT**

Interim City Manager Michael C. Rogers and Krisy Hammill, Senior Budget and Management Analyst, presented scenarios related to School reconfiguration as requested by Council at a prior work session, \$75M, \$50M and \$33M. Kevin Rotty, the city's financial advisor, provided information regarding timing of tax rate increases and potential other funding sources. Mr. Rogers summarized the presentation and options for Council to consider with known and unknown factors.

The City Manager's recommendation regarding funding for school capital projects in the FY23 proposed budget included the following observations and recommendations:

- The proposed school reconfiguration has not been integrated into the city's Capital Improvement Program in a manner that would allow City Council to make a coordinated funding plan.
- Council and staff are attempting to set a dollar amount as a cap for a school reconfiguration project in an attempt to figure out how reconfiguration will affect debt service.
- For the FY23 budget Council should enact a 2-cent real estate tax increase and set the money aside within the Capital Projects Fund, earmarked as the beginning of an annual funding program to generate funds for school configuration project, postpone any drawdowns for reconfiguration costs to give City Council, city staff and the city's financial advisor an opportunity to work on a five to ten-year funding plan.
- The City Manager's Office should begin work immediately to retool the city's Capital Improvements Program to make adequate plans for necessary projects for schools and city government so that the work will be reflected in the FY24 Capital Improvement Plan.

### **COMMUNITY MATTERS**

Mayor Snook opened the floor for comments from the public.

1. Jason Halbert, Fry's spring resident, spoke in support of safety improvements on Stribling Avenue. He stated that the funding agreement for the 240 Stribling Ave PUD is not wise. He asked Council to put a hold on the development until other sources of funding could be determined.
2. John Marshall, city resident, voiced safety concerns about the 240 Stribling Ave PUD proposal, and advised that sidewalks need to be implemented first; however, he advised that topography may prevent sidewalks from being built. He asked Council to postpone the vote until a safety plan is in place and sidewalks are built.
3. William Abrahamson, co-president of the Fry's Spring Neighborhood Association, spoke about the need to establish a timeline for priorities. He suggested sending the funding agreement for the 240 Stribling Ave PUD proposal back to Planning Commission for review. He addressed safety, treescape and neighborhood engagement issues.
4. Myra Anderson, city resident, encouraged Council to form the Marcus Alert work group. She asked when the honorary street naming policy would be revisited. Regarding city budget allocations for outside agencies, she expressed concern about the rating of organizations in the Vibrant Communities process and suggested that Council have override authority. She encouraged rent support for the Jefferson School African American Heritage Center (JSAAHC).
5. Lisa Torres spoke about the need to move forward with school reconfiguration.
6. Josh Carp spoke about affordability of potential rental costs and traffic impacts for several proposed developments.
7. Andrew Shelton, city resident, spoke in support of rezoning on Stribling Avenue as a means of increasing affordable housing.
8. Kelcee Jones, with Public Housing Association of Residents (PHAR), spoke in support of funding for PHAR to continue equity programming.
9. Jane Smith spoke about the need to support the JSAAHC.
10. Kendall Dix, National Policy Director for a climate organization and county resident, spoke about housing affordability and suggested that more county residents would like to live in the city if housing were more affordable. He recommended investment in affordable housing and public transportation to address greenhouse gas emissions and deadly traffic accidents because of the need for commuting, and sustainability.
11. Paola Covarrubias, community organizer with PHAR, spoke in support of funding for PHAR.
12. Paul Josey, city resident, spoke about the need to increase density in the city and about safety concerns for Stribling Avenue because of the lack of safe infrastructure including sidewalks.
13. Benjamin Heller, city resident, spoke about 240 Stribling Avenue, advising that the land is not ready for development.
14. Kate Fraleigh, city resident, spoke about Item #10 on the agenda - Appropriating funding for American Rescue Plan eligible local activities, and suggested using funding for more community programs or individuals.
15. Matthew Gillikin, city resident, spoke in support of the 240 Stribling Avenue project. He

agreed that sidewalks are needed, and the project is a way to ensure a sidewalk is built.

16. Joy Johnson, city resident, spoke about affordable housing and efforts of public housing residents to design their neighborhoods. She stated that the city needs to clearly define "affordable housing".

## **ACTION ITEMS**

### **9. PUBLIC HEARING: Real Estate Tax Rate and FY2023 Budget**

Mr. Rogers referenced the advertised 10-cent real estate tax increase.

Commissioner of the Revenue Todd Divers provided a brief statement on personal property valuations, leading to tax increases. He recommended a personal property tax rate decrease to equalize payment amounts for individuals.

#### **a. PUBLIC HEARING: Real Estate Tax Rate**

Mr. Rogers reiterated his recommendation to implement a 2-cent increase in the real estate tax levy. Mayor Snook opened the public hearing:

- Elizabeth Stark, city resident, spoke in support of a tax rate increase and increased lodging tax to address City Budget priorities.
- Jamie Fitzgerald, city resident, voiced concern about implementing a real estate tax increase all at once.
- Gareth Gaston recommended that Council implement a bold budget. He advised that real estate tax is not the only tax to consider. He advised against the City borrowing money when other taxing options are available.
- Chris Meyer, city resident, spoke in support of raising the real estate tax rate and advised that the city is undertaxed as related to peer localities. He suggested a stepped approach and recommended borrowing while rates are lower.
- (Cabell Romer, was given permission by Council to speak about 240 Stribling Avenue. She spoke in opposition to the development. She raised her hand to speak during Community Matters; however, since she was signed in under the Zoom account for John Marshall, who had already spoken, the speaking request appeared to be a duplicate.)

Mr. Snook closed the public hearing.

#### **b. PUBLIC COMMENT: FY23 Budget (official public hearing April 4)**

Mayor Snook opened public comment.

- Brad Slocum, commuter to Charlottesville, requested funding for climate action, specifically to expand public transit fleet with near-term diesel and longer-term electronic vehicles and infrastructure.



- Brian Campbell, city resident, suggested scaling down the Charlottesville Police Department budget to match other localities.
- Gregory Weaver, city resident, requested funding to address climate goals particularly with public transit and increasing mixed use density.
- Roxanne White, former member of the Tree Commission, requested full funding for the \$100,000 Tree Commission recommendation to address tree canopy.
- Katie Yared, 4<sup>th</sup> year UVA student, recommended including a 5-cent plastic bag tax in the FY23 budget and encouraging a behavior change to reduce plastic waste.
- Mark Rylander, representing the Tree Commission, spoke in support of fully funding Tree Commission recommendations. He asked for consideration of tree planting as an infrastructure investment.
- Emily Yen, city resident, asked Council to support the Labor Relations position in the budget. She asked Council to leave vacancies in the police department and to remove the dollars allocated for SWAT support.
- Jen Doo, city resident, asked Council to follow through on priorities of affordable housing, greenhouse gas emissions reduction through support of public transit improvements, and collective bargaining for employees by employing a Labor Relations Analyst.
- Joy Johnson, speaking as a member of CLIHC (Charlottesville Low Income Housing Coalition), asked for affordable housing investment of \$10 Million annually and increase funding for Charlottesville Supplemental Rental Assistance Program.
- Ang Conn, city resident, spoke about funding for affordable housing, and against consideration of any increases in the police department budget or jail and detention center expansions. She spoke in favor of full funding for PHAR, Legal Aid Justice Center and rent relief.
- Bill Emory, city resident, encouraged Council to gradually implement a tax increase for the rich. He stated that he wanted to see a heat map for the city showing where the general funds go.
- Asia Green, city resident, requested funding for PHAR.
- Shelby Edwards, Executive Director for PHAR, requested funding for PHAR to support the internship program and resident-led development.
- William Abrahamson, city resident, spoke in support of fully funding the request from PHAR.

With no additional speakers coming forward, Mayor Snook closed public comment.

The meeting recessed at 9:25 p.m. and reconvened at 9:33 p.m.

**10. RESOLUTION: Appropriating funding for American Rescue Plan eligible local activities - \$536,553.97 (carried)**

Chris Cullinan, Director of Finance, reviewed the itemized requests.

Mayor Snook asked about the use of American Rescue Plan (ARP) funds for a particular request for the construction of a path between Michie Drive and Greenbrier School. Mr. Cullinan advised that he would review the request and ARP Act parameters and report back.

After discussion, Council agreed to move the item to the April 4 meeting for a second reading on the Consent Agenda.

**11. ORDINANCE: 1613 Grove Street Extended – Consideration of requests from Landowner Lorven Investments, LLC, regarding approximately 0.652 acres of land, including multiple lots identified within 2021 City real estate records by Real Estate Parcel Identification Numbers 230133000, 230134000, and 230135000**

Matt Alfele, City Planner, made the staff presentation. He advised of three prior Planning Commission meetings where this development was discussed. The Planning Commission at the March 8, 2022 public hearing recommended approval on the rezoning request, the Special Use Permit and the Critical Slope Waiver.

Justin Shimp, applicant, stated that he worked with the City Attorney for terms to include in development proffers.

City Attorney Robertson provided clarification of proffer parameters in response to a question from Vice Mayor Wade and advised that the Zoning Administrator would be responsible for enforcement. Mr. Shimp verified that housing choice voucher users will be able to use vouchers at this property.

After discussion, Council agreed to move the item to the April 4 meeting for a second reading on the Business Session agenda, with councilors reaching out to the developer to have additional questions answered in the meantime.

- a. ORDINANCE: 1613 Grove Street Extended rezoning request (carried)**
- b. RESOLUTION: 1613 Grove Street Extended Special Use Permit (carried)**
- c. RESOLUTION: 1613 Grove Street Extended Critical Slope Waiver (carried)**

**12. ACTION ITEM: 240 Stribling Avenue**

Matt Alfele, City Planner, made the staff presentation. The Planning Commission following a public hearing on unanimously to recommend approval of both applications to City Council subject to sidewalk improvements on Stribling Avenue being prioritized within the city's Capital Improvement Program (CIP).

Mr. Rogers noted that staff recommended moving forward with the Planning Commission's recommendation in order to increase the amount of local affordable housing available. He advised that the city is not in a position to recommend approval of the proposed funding agreement because of too many unknown variables and no city infrastructure, meaning strategy or policy, in place to support the public-private partnership agreement.

City Attorney Robinson stated that the timeline for the phases of the project is unknown and the project would need to be placed in the CIP for multiple years.

Councilor Magill asked for clarification that the city would not be asked to pay for the affordable housing in the future and she asked for consistent language in the proffer for affordability and "low and moderate income".

Vice Mayor Wade requested assurances regarding housing affordability and safety.

Councilor Pinkston asked for more information on the housing affordability component and he expressed concerns about prioritizing this project, given the road infrastructure challenges.

Mayor Snook voiced concerns about prioritizing the project and ensuring the financial security of the project.

Applicant Charlie Armstrong with Southern Development advised that they have been working on the project for three years and need to make decisions. He reviewed the types of development that were considered that led to the ultimate choice of a PUD with proffers. He stated that the developer is willing to work with the City Manager and City Attorney to make the agreement as good as it can be.

Councilor Payne expressed several potential benefits of the development and he voiced concerns about the budget component creating short-term trade-offs with other priorities.

Mr. Rogers suggested that he, Mr. Armstrong and Ms. Robertson would have a conversation to work through the item and bring it back to Council on April 4 for further discussion at the second reading.

- a. **ORDINANCE: Re-enacting the Zoning Map for the City of Charlottesville, Virginia, to reclassify certain property from R-1S and R-2 to Planned Unit Development ("240 Stribling PUD") and granting a critical slope waiver for the 240 Stribling PUD (carried)**
- b. **ORDINANCE: Consideration of a voluntary Infrastructure Funding Agreement in the amount of \$2.9 Million with Belmont Station, LLC, for construction of sidewalk along Stribling Avenue (carried)**

## **GENERAL BUSINESS**

There were no items for general business discussion.

## **OTHER BUSINESS**

Mayor Snook asked Councilors to send ideas for the April 1 and 2 Council retreat to him for discussion with the City Manager.

## **COMMUNITY MATTERS**

- Joy Johnson, city resident, spoke about proffers and about the need to address deeply affordable housing.
- Ang Conn spoke about differences between affordability and accessibility, specifically about discriminatory practices of landlords.
- William Abrahamson, city resident, stated that in general the Fry's Spring neighborhood is not against the 240 Stribling Avenue project, but they are concerned about safe infrastructure in the area. He also stated that quantity does not guarantee affordability.

The meeting adjourned at 11:34 p.m.

BY Order of City Council

BY Kyna Thomas, Clerk of Council