Housing Advisory Committee (HAC)
Meeting

When
Wednesday, October 16, 2019
12:00noon

Where
Nieghborhood Development Services (NDS) Conference Room
City Hall, 605 E. Main Street

<u>Agenda</u>

1. Call to Order / Introductions / Housekeeping / Minutes (July and September)
2. Subcommittee Updates – respective chairs
    i. Policy –Schuyler/Rosensweig
3. City Update
4. County Update
5. UVA Update
6. Other Business
7. Public comment *

* Note – at the discretion of the Chair, public comments related to particular agenda items may be solicited at that point in the meeting.

Staff Contact:
John Sales, Housing Program Coordinator: (434) 970-3315 or salesj@charlottesville.org

7/17/2019 HAC meeting – NDS Conference Room

Attendance:
Phil D'Oronzio
Chris Murray
Chris Meyer
Lisa Torres
Ridge Schuyler
Grant Duffield
LD
Stephen Stokes
Janette Kawachi (proxy Anthony Haro)
Dan Rosensweig
Estelle Raines
Brenda Kelley

IAT update

Ridge: not ready to be shared with public. Rory is going through formulas for IAT tool, makes sure everything is calculating correction and consistent with needs assessment. Once review is complete, tool will be shared with others to get additional feedback and add more interventions to tool. Once that is complete, will come to HAC for review.

Dan: let's put discussion of IAT on upcoming agenda for policy subcommittee to put pressure on its development

Strategy RFP update:

Phil: Strategy RFP is out there;

Brenda: Yes, has been released, closes August 16th. Also CAHF NOFA was released and funding window closes tomorrow at 4pm.

Phil: We need to schedule meeting with Trish Romer to get CAHF committee together

Chris Meyer: asked Chair to approve minutes, skipped on agenda

Chris Meyer: motion to approve minutes;

Lisa Torres: second

Ridge: abstained, was absent.

Update from Policy Subcommittee

Ridge: question of whether or not city of Charlottesville meets statutory requirements to operate the program? Ridge met with attorney office, we meet the standards of the statute. Then Ridge met with the City Assessor's office and they asked that Ridge/HAC look into other jurisdictions doing similar things

to ; So outside of what we do that he wanted assurance that this was ok. (I did not catch this conversation, I got lost in details – sorry!)

Ridge: A member of public introduced to the policy committee a policy idea that incentivizes landlords owing properties in high opportunity neighborhoods to take section 8 vouchers via tax incentives. Richmond/Hampton Roads currently doing. Looks at census tracts and applies to properties in neighborhoods where less than 5% of residents living in poverty. In Richmond, didn't work well. The tax incentive wasn't large enough (10 %?) and the housing inspection process was too burdensome. In Hampton Roads, the policy went into effect July 1st and they think it will do better there. Let's see how it works and keep track of it to see if worth pushing for here.

Dan: This is a key issue here in the city, building more affordable housing in high opportunity neighborhoods, we should keep an eye on this. Suggest we keep a running list of state policy items that we discuss at HAC meetings that we can include in a legislative packet that goes to City Council members for consideration. We have a list from past (post-RCLCO list) – perhaps it can be a starting place. HAC should put forward a ranked list of policies that goes to City Council for them to vet.

Phil: TJPDC also puts together a legislative packet.

Dan: let's hand this to Policy subcommittee to discuss at next meeting.

Update on C3/LEAP initiative

Chris Meyer: VEEP is acronym for pilot. We did some research and created a draft document for the pilot and got feedback at last HAC meeting; we also conducted a survey of landlords to determine if we have the right incentives included. We then presented another draft to policy subcommittee and got feedback and made more changes. This 3-page document represents most recent draft with sub-committee feedback incorporated. Goals include 5 new landlords accepting vouchers in next year, energy and cost savings by renters.

Phil: Policy subcommittee voted to approve the pilot with changes incorporated into the draft

Chris Murray: what about landlords that are currently providing low income housing via affordable rents but not necessarily for voucher holders, can they apply for this? Some owners are committed to providing affordable housing, receive CAHF funding, but don't necessarily accept vouchers.

Chris Meyer: No, they would not qualify under this pilot since it specifically targets landlords who are willing to rent to voucher holders. If they started accepting vouchers, they could.

Phil: did we clear concerns about Fair Housing?

Chris Meyer: Getting guidance from C3 about what legal provisions would need to be included in order to ensure that there are no Fair Housing violations.

Committee roles

Phil: All, please review the roster of committee assignments. Member are required to serve on a minimum of 2 committees. For those that aren't assigned, please get back to me about your preferences for committee participation.

Public Comment

Cliff Box: You should think through the landlord incentives for this project, may not be enough to get buy-in. develop a couple of example spreadsheets that show actual financial benefit to landlord. If you are putting a lien on someone's property and there isn't a huge financial benefit, they are not going to be motivated to participate.

Chris Meyer: We did do a landlord survey to get this information and we developed the proposed incentives based on this feedback so feel comfortable with what we have but open to changing if nobody bites.

Update from County- None

Update from UVA - none

Update from City –

Brenda: NOFA due by tomorrow at 4pm. Staff replacement for Stacy in the works.

Chris Meyer: Just want to let people know that I am running for position on school board, I don't believe there is any conflict of interest, but just wanted everyone to know. Also, wanted to see what others thought about whether or not HAC should be involved in local discussions regarding taxes and regulations around Airbnb. Interested in understanding if/how Airbnb is putting pressure on local housing market.

Dan: this topic was included in the Housing Needs assessment, we should ask Anita to share additional information on this topic.

Chris Meyer: request for city staff to follow up with Anita and to also review the ordinance and provide HAC with overview at next meeting.

Brenda: yes, we can do that.

Ridge: The housing needs assessment report says that 200 units are being used as temporary housing through Airbnb.

Chris: ordinance says owner must be occupying the unit at least 180 days a year in order to offer up unit for Airbnb but I don't think this is being enforced.

Ridge: With impending changes to city council and upcoming Affordable Housing Strategy work we should think about getting joint city council/HAC work sessions scheduled on the books. Poke strategy committee with this task.

Public Comment;

Todd: Is there an update on the NOAH (Naturally Occurring Affordable Housing) survey?

Ridge: put together a draft, has been shared with Sunshine and it is now in his hands.
Dan: Move to adjourn.

Chris Murray: Second.

Housing Advisory Committee (HAC)
Meeting

When
Wednesday, September 18, 2019
12:00noon

Where
Neighborhood Development Services (NDS) Conference Room
City Hall, 605 E. Main Street
(Attendees: Heather H, Phil, Lyle, LD Perry, Chris Murray, Chris Meyer, Lisa T., Ridge, Anthony, Dan, Sunshine, Frank, Estelle) (City Staff: John Sales, Mike Murphy, Erin Atak, Brenda Kelley, Susan Elliott)
Agenda

1. Call to Order / Introductions / Housekeeping / Minutes
   i. Minutes to be provided to HAC for July meeting to get approved.
2. Subcommittee Updates – respective chairs
   i. Strategy/Outreach – RFP timeline – Jacobs
      1. In the procurement process.
   ii. Policy – Legislative Packet, IAT, Work Sessions – Schuyler/Rosensweig
      1. HAC Policy subcommittee was tasked with making legislative suggestions to City Council's legislative team to discuss potentially adding items to the legislative agenda. A draft was reviewed and a couple of suggestions and changes were made, but document was already quite strong for Affordable Housing. The RCLCO was reviewed and items were identified that required legislation. 5 items were assigned for additional research. Virginia Housing Alliance(VHA) action items were attached to the legislation, but it was clarified that they have not been vetted through the HAC or City Council previously unlike the RCLCO items. The City Council could refer the items back to the HAC or to City staff. Sunshine stated the items from VHA are statewide and not just local items. The legislative recommendations are scheduled to appear on the October 21 City Council agenda. This should be flagged on a HAC future calendar to ensure work is started next year ahead of time.

      iii.   Allocations – d'Oronzio
           1. S. Lisa Herndon was asked to step in as the Allocations subcommittee chair. Staff is working on the Council agenda item now. Funding for the VSH project which has a proposal to build 80 units on CRHA owned property was recommended. Preliminary recommendation is tosupport this application with the full amount of $750,000, but they must gain site control by the deadline. It will be recommended that AHIP will receive $42,000 which is the remainder of the CAHF funding. Contingencies need to be put in place based on an earlier date than March for the VSH project. Mr. Murphy stated staff will add a contingency that requires VSH to have an agreement in place with CRHA or others by December 31, 2019 to receive voucher commitment. The contingency received support from all members with many highlighting the importance of the voucher to make the project sustainable. There was discussion about the scoring matrix, which is heavily weighted for LIHTC, but may not be appropriate for the scoring system of the CAHF.

3. Staff Reports –
    i.   LLRisk Reduction Query – John Sales
         1. Motion by Phil to task the Policy subcommittee with reexamining the LLRisk Reduction Fund. Second by Sunshine. All voted in favor. Is there a possibility of the landlord not taking the security deposit and the city accepting responsibility/ risk? Mr. Murphy stated no a non-profit would have to take on that risk, not the city.
    ii.   Energy Standards and CAHF – Susan Elliot
         1. Susan Elliot, the cities Climate Protection Program Manager provided background and a presentation regarding efforts to undertake in order to accomplish the cities efficiency and energy standard goals. She stated that the current energy efficient buildings do not have any numbers behind them and what the state requires is not efficient enough to help us meet the adopted goal by the City Council. The City is partnering with LEAP to find gaps in our current system. We could add requirements and expectations (standards) for energy efficient buildings. When it goes to the board of zoning, they would have the expectations which are specific and could judge the applicant by the energy standards and make suggestions to the City Council. The study should be completed by mid-spring. How can we incentivize the program to reach the greatest population? Staff suggests adding a preference to supported housing in the future CAHF applications.

4. Other Business
    i.   None stated.
5. Public comment *
    i.   There was a discussion about having the County as part of the group as well as meeting in different places. The Strategy subcommittee should look at how to adjust the board to get better input from the region. Mr. Murphy asked what

about the housing navigation hub is going to be completed differently this time than what was completed last time when the city operated the program. Mr. Murphy suggested they schedule a meeting with the team that organized the city-run Housing navigation center to see why it was not successful The units are not available which is why the housing navigation was unsuccessful the first time.

Meeting adjourned at 12:18pm.

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Staff Contact:
John Sales, Housing Program Coordinator: (434) 970-3315 or salesj@charlottesville.org

Charlottesville Affordable Housing Choice Mobility Fund (CAHCMF) Pilot Program Outline & Implementation Strategy

City of Charlottesville Affordable Housing Choice Mobility Fund

Program Overview

The City of Charlottesville Affordable Housing Choice Fund (CAHCMF) is designed to provide financial assistance to participants in any of the following rental assistance programs:
- CRHA's Housing Choice Voucher (HCV) program
- HUD-VASH;
- Rapid Rehousing;
- Supportive Services for Veteran Families (SSVF);
- Permanently Support Housing;
- Shelter for Help in Emergency;
- International Rescue Committee;
- Charlottesville Supplemental Rental Assistance Program; OR
- PACEM.

The goals of the program are to: (1) increase the number of private market units providing affordable rental housing to low-income households by creating an incentive for private market landlords to rent to tenants using rental assistance programs, (2) increase the number of low-income households who can access private market affordable rental housing by reducing the requirement to provide up-front costs in the form of a security deposit, as well as (3) preserve the current number of affordable rental units available to low-income households in the City of Charlottesville.

Eligibility Requirements

To be eligible to access the CAHCMF, landlords must lease to a tenant through one of the above listed programs, and must agree to use the CAHCMF rather than require the tenant to provide a security deposit for a unit located within the City of Charlottesville.

To qualify for access to the CAHCMF, a landlord must:
1. Be leasing a rental unit located within the City of Charlottesville.
2. Have agreed in writing to use the CAHCMF in lieu of a security deposit to cover expenses permitted under §55.1-1226.A. of the Code of Virginia (1950), as amended.
3. Have a fully executed leasing contract with a new low-income household for the unit for which assistance is being requested.

Eligible Properties

The CAHCMF can be accessed for eligible expenses associated with the following types of rental properties:
- Apartments
- Condominiums
- Townhouses
- Duplexes
- Single Family Detached

The CAHCMF funding cannot be used for the following types of rental properties:

- Shared housing, in which unit tenants rent private bedrooms but share common areas such as kitchens, living and dining areas, bathrooms and outdoor spaces (decks, patios, porches, etc.)

Program Assistance

1. The CAHCMF can be applied to the following expenses:
    1. The payment of accrued rent, including the reasonable charges for late payment of rent specified in the rental agreement;
    2. The payment of the amount of damages that the landlord has suffered by reason of the tenant's noncompliance with § 55.1-1227 of the Code of Virginia, less reasonable wear and tear;
    3. Other damages or charges as provided in the rental agreement; or
    4. Actual damages for breach of the rental agreement pursuant to § 55.1-1251 of the Code of Virginia.

2. Amount of assistance:
    1. Maximum of three months' periodic rent under the rental agreement
    2. No more than two month' periodic rent may be used for the payment of accrued rent, including the reasonable charges for late payment of rent specified in the rental agreement

3. No funds will be released until after the unit has been re-let to a new low-income household through one of the above referenced programs.

Program Delivery

In order to qualify to participate in the CAHCMF program, a tenant must:

1. Receive rental assistance through one of the qualified programs, or a similar program approved by the program administrator;
2. Complete an approved in-person resident tenant intake and education program prior to signing a lease with a landlord participating in the program.
3. Complete a move-in inspection, which inspection shall be signed by both tenant and landlord.
4. Elect to:
    a. Participate in a financial coaching program: OR
    b. Contribute 10% of one month's rent over a twelve-month period to the CAHCMF, which funds will be returned to the tenant at the termination of the rental period after subtracting any amounts needed to cover qualified expenses.

In order to access funds under the CAHCMF program, landlords must:

1. Rent to a tenant who is receiving rental assistance through one of the qualified programs;
2. Include in the rental agreement that the landlord will participate in the CAHCMF program in lieu of demanding or receiving a security deposit;
3. Complete a move-out inspection, which inspection shall be signed by both the tenant and the landlord. Any disputes regarding the move-out inspection shall be resolved through mediation conducted by the fund administrator or its designee.

4. Complete the CAHCMF application. The application must include, where applicable:
    a. An accounting of any accrued rent, including the reasonable charges for late payment of rent specified in the rental agreement.
    b. The move-in and move-out inspection.
    c. An itemized list of unit repairs.
    d. An itemized list of materials and labor costs.
    e. Copies of receipts for materials and labor purchased.
5. Submit the completed application and supporting documentation to organization providing rental assistance to tenant.
6. Re-lease the unit to another household receiving rental assistance through one of the programs identified above, once unit repairs are complete.

Once the housing organization receives the application:
1. The organization will review the application within 10 days and make a recommendation for assistance.
    a. Verify tenant information and program enrollment.
    b. Verify funds requested are for qualifying expenses.
    c. Verify itemized list of repairs, materials and labor costs included with application.
    d. Verify copies of receipts have been received.
    e. Verify unit has been leased to another household receiving rental assistance. Acceptable documents for verification include:
        i. Copy of a signed Housing Assistance Payment (HAP) contract.
        ii. A letter from a rental assistance program verifying new tenant is receiving rental assistance from their program.
2. Applications, with recommendations for funding, will be submitted to the City of Charlottesville Housing Program Coordinator for final approval.
    a. Housing Program Coordinator will review the application(s) and provide final approval to fund administrator within 7 days of receipt of application(s).
3. CAHCMF funds will be issued within 7 days of a new affordable housing contract execution. **Please note: no CAHCMF funds will be issued to landlord if the unit is not re-leased to a rental assistance program household.**

Landlords may receive CAHCMF assistance for no more than two (2) units per year.

A tenant will be disqualified from further participation in the CAHCMF program:
1. In the event their landlord accesses the CAHCMF for either excessive damages or accrued rent, including the reasonable charges for late payment of rent specified in the rental agreement;
2. In the event the tenant fails to complete financial coaching or contribute to the CAHCMF.

Program Implementation:

Funding Amount: $100,000 -- $75,000 for fund capitalization, $25,000 for fund administration.

- Able to serve between 25 and 75 tenants.

Administration: Search for a fund administrator through an RFP process.

- Qualifications for fund administrator:
    - Must be an IRS 501(c)(3) designated nonprofit organization.
    - Must have knowledge of, or experience with, rental assistance programs.
    - Knowledge of property management practices preferred.
    - Knowledge of residential property rehabilitation a plus.

Pilot Period: Three (3) years from date fund administrator secured. Allows time for:

- Program set up
- Advertising and outreach
- Data collection including:
    - Household demographic data
    - Household income data
    - Most common uses of funds (i.e., accrued rent or types of property damage)
    - Frequency of requests
- Program evaluation by end of year three (3)