

Consideration of A Performance Agreement for Southwood Phase II

September 2, 2026

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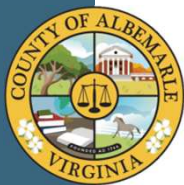


Agenda

- Brief review of project
- History of agreements
- Conditions, restrictions, and expectations in a performance agreement
- Questions & feedback
- Consideration of resolution

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Southwood Neighborhood



- Habitat for Humanity of Greater Charlottesville purchased the 100 acre Southwood neighborhood property in 2007 to prevent tenant displacement
- A resident-led initiative plans an inclusive, mixed income development with:
 - A range of housing types
 - Neighborhood amenities including community gathering places, supports for small business, and playing fields

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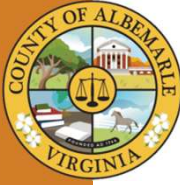


History

- Albemarle County & the Economic Development Authority entered into a performance agreement with Habitat for Humanity to redevelop Villages 1 & 2 as part of Phase I on July 1, 2019
- Phase II is now in development and constitutes Villages 3 – 11, and completes the project

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Phase II

- Phase II includes the redevelopment of 86 acres with up to 1,000 dwelling units including:
 - Single family attached
 - Single family detached
 - Multi-family housing
- Reviewed by Albemarle County Planning Commission on April 26, 2022
- Approved by the BOS on November 2, 2022

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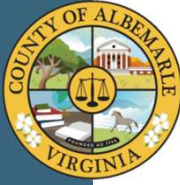


Performance Agreement

- Staff seek permission to enter into a performance agreement with Habitat for Humanity in support of Phase II redevelopment goals for Villages 3-11
- Up to \$15,750,000 in financial incentives provided over 20 years
- Paid for using incremental increases in real property tax realized from the project

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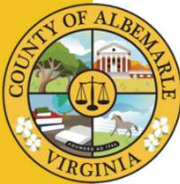


Conditions & Obligations

- Minimum housing production of 227 affordable units
- Non-displacement of original Southwood residents
- 40 year period of affordability for home-ownership units
- 30 year period of affordability for rental units
- Maintenance of approved plan for income diversity and community integration
- Development of a community center for neighborhood residents
- Transportation & utility infrastructure required to support proposed units
- Production milestones through Year 14
- Affordability defined as below 80% AMI*

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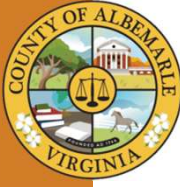


Compliance requirements

- Bi-annual reporting of development plan, project progress, barriers, delays, and number of units developed, rented or sold in Phase II
- Maintenance of 'good standing' status with Albemarle County and Commonwealth of Virginia related to project activities, permits, zoning and building code regulations, and county taxes and fees
- No incentive provided for periods when production goals are not met

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Budget Implications

Future real property tax revenues and associated incentive payments will be incorporated into future budgets.

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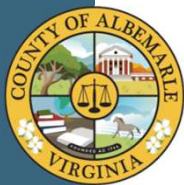
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Questions/Comments

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Resolution

I move to approve the resolution included in Board materials for this agenda item in Attachment B.

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