

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



Agenda Date: May 15, 2023

Action Required: Approval of Homeowner Assistance Grant Program

Presenter: Todd Divers, Commissioner of the Revenue

Staff Contacts: Sue Moffett, Director of Social Services

**Title: Appropriating a grant of public funds for housing assistance to low- and moderate-income homeowners within the City of Charlottesville - \$1,360,000 (1 of 2 readings)**

**Background**

Attached is an appropriation resolution for Council’s consideration, to provide a public grant to the City’s local board of social services, to assist needy persons with ongoing costs of home ownership.

**Discussion**

For some time, City Council has sought to assist low- and moderate-income persons whose ownership of a home may be in jeopardy due to financial distress associated with the costs of homeownership. In the face of a continuing affordable housing crisis, there are a significant number of persons whose status as homeowners is tenuous due to rising transportation, utility and food costs, rising real estate and personal property taxes, and other circumstances that result in costs of homeownership exceeding reasonable portions of a family’s income.

Pursuant to the provisions of Va. Code §63.2-314, the City Council may make a grant of public funds to the City’s Director of Social Services, in her capacity as the “local board”, for the purpose of aiding needy persons within the City. Eligibility of homeowners to receive disbursements from this grant fund need not be limited to the requirements for any state public assistance programs, or any VHDA program. Upon City Council’s appropriation of funds to the Director of DSS, the public funds would be deposited in the local treasury to the credit of the local board. The Director of DSS, in her capacity as the “local board”, will be responsible for dispensing the funds in accordance with specific eligibility requirements. The Director will utilize existing staff in the Commissioner of Revenue’s office, to assist with processing of applications and determinations of eligibility, using a cooperative agreement.

For 2023, the following income parameters are proposed, with relief calculated as flat amounts:

**2023 CHAP - (Public Grant for Housing Assistance)**

2023 Grantee Household Income Limits	\$0 - \$35,000	\$35,001 - \$45,000	\$45,000 - \$55,000	\$55,001 - \$60,000
Grant	\$2,500	\$2,000	\$1,500	\$1,000

## Proposed Eligibility Criteria for this Public Grant:

1. Grantee must be an individual. No applications will be accepted from any company, corporation, partnership, or other form of legal entity (other than a trust, as referenced below) or awarded to any legal entity.
2. Grantee must be the owner of a home within the City. "Ownership" may be any of the following: (i) individually, or in conjunction with a spouse holding life rights, (ii) individually, or in conjunction with a spouse holding the power of revocation in a revocable inter vivos trust of which the home is an asset, or (iii) alone or in conjunction with a spouse who possesses a life estate, or an estate for joint lives, or a continuing right of use or support under the terms of an irrevocable trust of which the property is an asset.
3. Grantee must reside within the home.
4. Maximum value of the home cannot exceed \$460,000 (this is the average assessed value in 2023 of taxable residential parcels, rounded to the nearest five thousand dollars).
5. Grantee, grantee's spouse, or any other owner residing in the home cannot own any other interest in real estate, within the City or at any other location. This includes any real estate interest as (i) an individual, (ii) as the beneficiary of a trust, (iii) as a member of an LLC, or (iv) by virtue of any other interest in a trust or legal entity.
6. Grantee must demonstrate evidence of household income within the limits established for calendar year 2023.

### **Alignment with City Council's Vision and Strategic Plan**

This aligns with the City Council's Vision "...to be flexible and progressive in anticipating and responding to the needs of our citizens."

### **Community Engagement**

NA

### **Budgetary Impact**

The cost of this program is funded with the annual budget appropriation for Fiscal Year 2024 approved by Council.

### **Recommendation**

Approval. *Suggested Motion: "I move the RESOLUTION appropriating a grant of public funds for housing assistance to low- and moderate-income homeowners within the City of Charlottesville."*

### **Alternatives**

Reject the resolution, and allow the program to lapse.

### **Attachments**

1. FY24 CHAP Resolution
2. 2023 Real Estate Assessment Memo