

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



Agenda Date:	February 18, 2025
Action Required:	Adopt Amendments to Chapter 25 (Social Services), Article III (Rental Relief for the Elderly and Disabled Persons) to correct a drafting error
Presenter:	Todd Divers, Commissioner of the Revenue
Staff Contacts:	Laura Morris, Deputy Director of Administration Robinson Hubbard, Deputy City Attorney
Title:	Ordinance Amending Chapter 25 (Social Services), Article III (Rental Relief for the Elderly and Disabled Persons) to correct a drafting error

Background

Charlottesville’s Rental Relief Program for Elderly and Disabled Persons (RENT) has operated in some form or another since 1973 when it was first authorized by City Council. The program provides for the payment of grants to qualified tenants residing in the City who are not less than 65 years of age or are permanently and totally disabled and who are otherwise eligible. Per Sec. 25-57 of the City Code: “The city council finds and declares that persons qualifying for such grants are deemed to bear an extraordinary burden in rent costs, and thereby indirectly an extraordinary real estate tax burden, in relation to their income and financial worth. Such persons are deemed thus to qualify for general relief as provided in Code of Virginia, § 63.1-106, which general relief shall be in the form of the grants provided pursuant to this article.”

The method for calculating the grant amount is set out in Sec. 25-61 of the City Code as follows:

$$G = .25 \times (R - (.24 \times I))$$

G = grant amount

R = the lesser of the actual amount of rent paid or 24% of the maximum allowable income for the grant year (see below)

I = gross combined income (see below)

The maximum grant amount is capped at \$2,000 (see below).

The program runs under the auspices of the Social Service Section of City Code but is administered and budgeted for by the Office of the Commissioner of the Revenue.

Discussion

In March of 2024, Chapter 25, Article III of the Charlottesville City Code was amended to accomplish three goals:

1) Peg the maximum eligible income parameter for this program to the most recent Median Family Income figure (actually, half of MFI) for the Charlottesville Metropolitan Statistical Area (MSA), as had been done previously for the two other programs administered by the Commissioner of the Revenue:

- Charlottesville Real Estate Tax Relief or the Elderly and Disabled;
- Charlottesville Homeowner Assistance Program.

Previously, the income limit was a fixed amount that did not change without formally amending the Code. The March 2024 change allowed the limit to adjust in accordance with changes in area incomes.

2) Increase the maximum grant award from \$1,500 to \$2,000. This amount had not changed since 2019.

3) Adjust the maximum annual allowable rent that an applicant can claim in the reimbursement formula to be 24% of the maximum allowable gross combined income for the grant year, as determined by MFI for the Charlottesville MSA (\$14,796 in CY2024). Previously, the maximum rent parameter used in the grant formula had been fixed at \$12,000 in 2019. The change adopted in March 2024 allowed the maximum rent limit to rise as the maximum income limit rose.

Unfortunately, due to a drafting error, the section of Code that sought to accomplish #3 above did not clearly state that the maximum allowable rent is 24% of the MAXIMUM ALLOWABLE gross combined income FOR THE GRANT YEAR – making another Code amendment necessary.

The amended language presented here will bring Sec. 25-61 into alignment with our practice and our understanding of the Section's intent.

Alignment with City Council's Vision and Strategic Plan

This change aligns with the City's vision of being a place where everyone thrives by targeting grant assistance where it is most needed. It reflects the City's commitment to implement equitable practices and policies across all of its activities. It further reflects the City's strategic outcome area of organizational excellence by delivering excellent service to the community.

Community Engagement

N/A

Budgetary Impact

None

Recommendation

Suggested Motion: ***"I move adoption of the ORDINANCE amending Chapter 25, Article III of the Charlottesville City Code to correct a drafting error."***

Alternatives

N/A

Attachments

1. Proposed Amendment to Sec. 25-61 of the Charlottesville City Code 2-18-25