

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



Agenda Date:	March 4, 2025
Action Required:	Approve Resolution
Presenter:	Alexander Ikefuna, Director, Office of Community Solutions
Staff Contacts:	James Freas, Deputy City Manager Alexander Ikefuna, Director, Office of Community Solutions Antoine Williams, Housing Program Manager
Title:	Resolution Designating Preservation of Affordable Housing, Inc.'s, Site at 10th and Wertland Street, SW Corner, as a Revitalization Area (Parcel Numbers: 100053000; 100039000; 100038000, and 100037000); (1 of 2 readings)

Background

Preservation of Affordable Housing, Inc. ("POAH"), is proposing a mixed-use residential redevelopment of a site located at 10th and Wertland Street, SW Corner ("Project"). The area is within Census Tract 2.02 and 60.7% of the residents are below poverty level, according to the 2023 American Community Survey, as well as meet the HUD income eligibility requirements. The site is owned by the University of Virginia Foundation under a multi-year lease arrangement with POAH. The Project proposes a mixed-use development with commercial on the first floor and 180 units, ranging from thirty percent (30%) AMI to below or at eighty percent (80%) AMI. It will include sixty-nine (69) one (1)-bedroom Units, ninety-four (94) two (2)-bedroom Units, and seventeen (17) three (3)-bedroom Units. The Project's total development cost is currently estimated at \$66,031,741. If the Low Income Housing Tax Credits ("LIHTC") Application is approved, construction is expected to start in April 2026.

POAH will be applying for LIHTC for the Project on March 13, 2025. This Application will be evaluated and scored based on criteria defined in the 2025 Qualified Allocation Plan, which factors in whether a property is in a designated revitalization area. LIHTCs are critical to the financing of the development of deeply affordable housing projects, and it is a competitive application process. The Project's final Site Plan is currently going through the Development Review Process and is anticipated to be approved later in 2025.

Discussion

Applications for the Virginia Housing (formerly VHDA) LIHTC Program are due on March 13, 2025. Projects seeking LIHTC support score more competitively if located within a revitalization area as defined by Virginia Code Section 36-55.30:2. The City's support in declaring the site a Revitalization Area, helps to ensure the Application receives the highest possible score.

Alignment with City Council's Vision and Strategic Plan

The proposed Project aligns directly with the 2023 City Council's Strategic Plan Framework for Housing and Partnership, and Vision. It addresses critical housing challenges within the City providing 180 for-rent affordable housing units accessible to low and moderate-income households. This proposal is also consistent with the City's 2021 Comprehensive Plan and Affordable Housing Plan.

Community Engagement

POAH has been having community meetings with the residents in the neighborhood.

Budgetary Impact

This request does not encumber any additional funding from the City Budget.

Recommendation

As to Revitalization Area Certification for POAH's 10th and Wertland site, SW Corner:

City Staff recommends City Council approve the attached Resolution declaring the POAH' site as being in a Revitalization Area based on the following:

1. The industrial, commercial, or other economic development of such an area will benefit the City or County, but such an area lacks the housing needed to induce manufacturing, industrial, commercial, governmental, educational, entertainment, community development, healthcare, or nonprofit enterprises or undertakings to locate or remain in such an area; and
2. Private enterprises and investments are not reasonably expected, without assistance, to produce the construction or rehabilitation of decent, safe, and sanitary housing and supporting facilities that will meet the needs of low- and moderate-income persons and families in such an area and will induce other persons and families to live within such an area and thereby create a desirable economic mix of residents in such an area.

Alternatives

City Council could choose not to support the Revitalization Area Certification for this Property, which may have a negative impact on the LIHTC Application scoring.

Attachments

1. Site Map
2. 10th and Werthland Site as Revitalization Area Resolution.rev