

Policy Briefing Summary

City Council



Regarding:	Resolution Designating Property as a Revitalization Area for Westhaven Redevelopment
Staff Contact(s):	James Freas, Deputy City Manager
Presenter:	James Freas, Deputy City Manager
Date of Proposed Action:	March 2, 2026

Issue

The Charlottesville Redevelopment and Housing Authority ("CRHA") is proposing a multi-phase redevelopment of the Westhaven public housing site ("Property"). The redevelopment will transform the Property into a higher-density community with construction of 140 units in phase 1 and up to 266 housing units across all phases. The project was developed through a resident-centered planning process. To support financing through Low Income Housing Tax Credits ("LIHTC"), City Council is asked to designate the site as a Revitalization Area. For City Council's review and consideration, a Resolution evincing the same is attached.

Background / Rule

CRHA is planning a comprehensive, multi-phase redevelopment of the ten (10)-acre Westhaven public housing site in the City ("Project"). The Property currently accommodates 126 families and is managed by CRHA. The proposal envisions a higher density mixed-use community, including senior housing and space for resident services and community programming. The Project is expected to begin construction by December 2026, and finish by June 2029, supported by City funding through the Capital Improvement Program.

To finance the Project, CRHA will be applying for LIHTC (Low Income Housing Tax Credit). This highly competitive program evaluates projects according to criteria defined in the 2026 Qualified Allocation Plan. One (1) key scoring criterion is whether a property is in a Designated Revitalization Area. Under Virginia Code § 36-55.30:2(A), City Council has the authority to make such designation, which applies to areas lacking sufficient private-sector investment and where public support is needed to develop decent, affordable housing that benefits low- and moderate- income households.

Analysis

The Project represents a significant opportunity to advance City Council's strategic priorities, including Housing; Economic Prosperity; Climate Action; Partnerships; and Recreation, Arts, and Culture. The Project will replace aging public housing units with a modern, affordable community that incorporates senior housing and space for community programming and resident services, while increasing overall housing density.

To achieve this vision, CRHA must secure LIHTC, which are critical to the financing of the development of deeply affordable housing projects. Applications for the highly competitive Virginia Housing LIHTC program are due in March 2026. Projects located within a Designated Revitalization Area score more favorably under the program's criteria. City Council's designation and financial commitment will strengthen CRHA's application and demonstrate local support.

Financial Impact

This request does not have a financial impact on the City's Budget.

Recommendation

City Staff recommends City Council adopt the attached Resolution designating the Property as a Revitalization Area for the Project.

Recommended Motion (if Applicable)

"I move to adopt the attached Resolution to approve designating the Westhaven Development as a Revitalization Area for the Project."

Attachments

1. RESOLUTION Revitalization Area Westhaven 02032026