

Policy Briefing Summary

City Council



Regarding:	FY26 Charlottesville Affordable Housing Fund Grant Funding Award (2nd reading)
Staff Contact(s):	Madelyn Metzler, Housing Compliance Coordinator
Presenter:	Madelyn Metzler, Housing Compliance Coordinator
Date of Proposed Action:	May 4, 2026

Issue

The Charlottesville Affordable Housing Fund (“CAHF”) Committee has completed its review of FY26 grant funding applications and requests the Council of the City of Charlottesville, Virginia’s (“City Council”), approval of the recommended awards. Seven (7) applications were considered, and five (5) are recommended for funding.

Background / Rule

CAHF, supported through the City’s Capital Improvement Program (“CIP”), provides funding for the creation, preservation, and rehabilitation of affordable housing within the City. A Notice of Funding Availability was issued on August 28, 2025, announcing \$823,000 in available funding. City Staff received seven (7) complete applications, totaling \$1,469,785 in requests.

The CAHF Committee reviewed and scored applications using a standardized rubric that evaluates affordability, population served, project readiness, environmental sustainability, demonstrated need, organizational capacity, and alignment with City priorities. Final average scores ranged from eighty-six (86) to ninety-nine (99). Pursuant to the CAHF Grant Program process, the CAHF Committee submits funding recommendations to City Council for approval.

Analysis

Given the limited funds relative to total requests, the CAHF Committee prioritized applications that most closely aligned with Program goals and advanced the City’s affordable housing objectives. With application scores closely grouped, the CAHF Committee applied a consistent approach to funding distribution. The three (3) highest scoring applications are recommended at seventy-two percent (72%) of their request, and the remaining two (2) applications are recommended at approximately seventy percent (70%) of their request.

Two (2) applications were not recommended for funding. The request for the Kindewood Phase II/PCLT Townhomes would have supplemented an existing \$3.15 million City commitment that already includes the expectation of delivering homeownership opportunities, and the CAHF Committee determined that additional support would not expand outcomes. The Uhuru Foundation’s request focused on acquiring a property already in use for its transitional housing program, and the Applicant indicated both that other funding options were available and that there was no immediate risk of losing the property. Based on alignment with Program priorities and demonstrated need, the CAHF Committee did not recommend CAHF funding for these proposals.

The recommended awards collectively support rehabilitation, preservation, and construction of affordable units; deepen affordability levels; and advance City goals related to housing stability for low-income households. The CAHF Committee recommends allocating the \$823,000 as follows:

- AHIP (\$166,800);
- Building Goodness Foundation (\$70,000);
- Community Services Housing (\$68,997.50);
- Habitat for Humanity (\$286,026.86); and
- Piedmont Housing Alliance (\$231,175.64).

Financial Impact

The \$823,000 in recommended awards was allocated through the City's FY26 CIP Budget for the CAHF Fund. No additional financial impact is associated with the proposed action, as all recommended expenditures fall within existing appropriations.

Recommendation

City Staff recommends City Council adopt the attached Resolution approving the CAHF Committee's FY26 funding recommendations and authorize the allocation of CAHF funds to the five (5) identified projects.

Recommended Motion (if Applicable)

"I Move adoption of the Resolution approving the CAHF Committee's FY26 funding recommendations and authorize distribution of CAHF funds to the five (5) identified projects."

Attachments

1. RESOLUTION ALLOCATING CAHF FY26 GRANT PROGRAM FUNDING
2. Charlottesville CAHF Report FY26