

INTRODUCED: September 9, 2024

AN ORDINANCE No. 2024-219

To amend Ord. No. 2023-181, adopted Jun. 26, 2023, which authorized the Chief Administrative Officer to submit a PY 2023 / FY 2024 Annual Action Plan to the U. S. Department of Housing and Urban Development (HUD) as an application for the receipt of Community Development Block Grant (CDBG) funds, HOME Investment Partnership (HOME) funds, Emergency Solutions Grant (ESG) funds and Housing Opportunities for Persons with AIDS (HOPWA) funds; to accept funds from the U. S. Department of Housing and Urban Development in the total amount of \$9,085,062.00; and to appropriate \$9,085,062.00 for various projects, to modify a certain HOME project name and subrecipient.

Patron – Mayor Stoney

Approved as to form and legality
by the City Attorney

PUBLIC HEARING: SEP 23 2024 AT 6 P.M.

THE CITY OF RICHMOND HEREBY ORDAINS:

I. That Ordinance No. 2023-181, adopted June 26, 2023, be and is hereby amended and reordained as follows:

§ 1. That the Chief Administrative Officer for, and on behalf of the City of Richmond, be and is hereby authorized and directed to submit a PY 2023 / FY 2024 Annual Action Plan to the United States Department of Housing and Urban Development, in the form of the document

AYES: 9 NOES: 0 ABSTAIN: _____

ADOPTED: SEP 23 2024 REJECTED: _____ STRICKEN: _____

attached hereto and identified as Attachment B, as an application for the receipt of Community Development Block Grant (CDBG) funds, HOME Investment Partnership (HOME) funds, Emergency Solutions Grant (ESG) funds and Housing Opportunities for Persons with AIDS (HOPWA) funds and to accept funds in the total amount of \$9,085,062.00 (\$4,825,534.00 – CDBG; \$1,658,368.00 – HOME; \$393,268.00 – ESG; and \$2,207,892.00 – HOPWA) from the United States Department of Housing and Urban Development, as specified in the proposed 2023-2024 annual budget plan identified as Attachment [A] A1, a copy of which is attached to and incorporated into this ordinance.

§ 2. That the funds in the total amount of \$9,085,062.00, comprised of such grants from the United States Department of Housing and Urban Development in the total amount of \$9,085,062.00 are hereby appropriated to the Special Fund Budget for the fiscal year commencing July 1, 2023, and ending June 30, 2024, for the purposes set forth on Attachment [A] A1.

§ 3. This ordinance shall be in force and effect upon adoption.

II. This amendatory ordinance shall be in force and effect upon adoption.

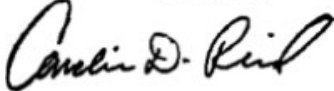
APPROVED AS TO FORM:



CITY ATTORNEY'S OFFICE

A TRUE COPY:

TESTE:



City Clerk



City of Richmond

900 East Broad Street
2nd Floor of City Hall
Richmond, VA 23219
www.rva.gov

Master

File Number: Admin-2024-0826

File ID: Admin-2024-0826

Type: Request for Ordinance or Resolution

Status: Regular Agenda

Version: 1

Reference:

In Control: City Clerk Waiting Room

Department:

Cost:

File Created: 07/31/2024

Subject: Name Change for a HOME Award

Final Action:

Title: HUD Federal Entitlement Funds under the HOME Investment Partnership Program (HOME) - Request for An Amendment to Funding Award for City of Richmond's Federal Entitlement HOME Dollars to Further Affordable Housing Activities.

Internal Notes:

Name change request for a previous award. BHC project Lafayette Gardens

Code Sections:

Agenda Date: 09/09/2024

Indexes:

Agenda Number:

Patron(s):

Enactment Date:

Attachments: Admin-2024-0826 Lafayette Gardens BHC HOME Name Change Ordinance - Attachment A1, Admin-2024-0826 WD - Annual Action Plan \$9M Lafayette Gardens

Enactment Number:

Contact:

Introduction Date:

Drafter: Michelle.Peters@rva.gov

Effective Date:

Related Files:

Approval History

Version	Seq #	Action Date	Approver	Action	Due Date
1	1	7/31/2024	Merrick Malone	Approve	8/2/2024
1	2	7/31/2024	Alecia Blackwell - FYI	Notified - FYI	
1	3	8/5/2024	Sharon Ebert	Approve	8/2/2024
1	4	8/5/2024	Meghan Brown	Approve	8/7/2024
1	5	8/5/2024	Sheila White	Approve	8/7/2024
1	6	8/5/2024	Cynthia Osborne - FYI	Notified - FYI	
1	7	8/6/2024	Sabrina Joy-Hogg	Approve	8/7/2024
1	8	8/6/2024	Jeff Gray	Approve	8/8/2024
Notes: Approved: Out of Office					
1	9	8/6/2024	Caitlin Sedano - FYI	Notified - FYI	
1	10	8/21/2024	Lincoln Saunders	Approve	8/15/2024
1	11	8/29/2024	Mayor Stoney	Approve	8/30/2024

History of Legislative File

Ver- sion:	Acting Body:	Date:	Action:	Sent To:	Due Date:	Return Date:	Result:
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Text of Legislative File Admin-2024-0826

Title

HUD Federal Entitlement Funds under the HOME Investment Partnership Program (HOME) - Request for An Amendment to Funding Award for City of Richmond’s Federal Entitlement HOME Dollars to Further Affordable Housing Activities.

Body

O & R Request

DATE: July 10, 2024 **EDITION:** 2
TO: The Honorable Members of City Council

THROUGH: The Honorable Levar M. Stoney, Mayor
THROUGH: J.E. Lincoln Saunders, Chief Administrative Officer
THROUGH: Sabrina Joy-Hogg, DCAO for Finance and Administration
THROUGH: Sheila White, Director of Finance
THROUGH: Meghan Brown, Director of Budget and Strategic Planning
THROUGH: Sharon Ebert, DCAO for Planning and Economic Development

FROM: Merrick Malone, Acting Director of Housing and Community Development

RE: HUD Federal Entitlement Funds under the HOME Investment Partnership Program (HOME) - Request for An Amendment to Funding Award for City of Richmond’s Federal Entitlement HOME Dollars to Further Affordable Housing Activities.

PURPOSE: This O&R request is to amend Ordinance No. 2023-181 (see Attachment A1) adopted on June 26, 2023, regarding the name change of the award recipient for the preservation of multifamily dwellings and authorize the Chief Administrative Officer to develop and execute all documents necessary to do so based on proposed changes to one of the award recipients. See the **Amended Attachment A1** for the proposed amended award recipient name change.

Originally, the development was slated to be owned and managed by Lafayette Gardens, LLC which received an allocation of 9% Low Income Housing Tax Credits (LIHTC) in September 2022. After several months of structuring the development capital stack and showcasing a large deficit, BHC returned the original allocation of 9% credits and secured 4% LIHTC Tax Exempt Bond.

However, for the development to utilize acquisition credits, BHC is preparing to sell the development currently owned by Lafayette Gardens, LLC to Ruffin Apartments, LLC at the time of construction closing, which is slated for November 2024.

BACKGROUND: On June 26, 2023, City Council reviewed and approved the use of the FY24 Federal Entitlement Funds. One of the federally funded HOME awards was given to Lafayette Gardens, which is the project sponsor. An award to the sponsor, in this case, is problematic due to them having received a 4% LIHTC Tax Exempt Bond based upon the HOME regulations. The award should have been made in the name of the project owner, which is Ruffin Apartments, LLC, thus requiring the name change.

COMMUNITY ENGAGEMENT: N/A

STRATEGIC INITIATIVES AND OTHER GOVERNMENTAL: One Richmond: An Equitable Affordable Housing Plan

FISCAL IMPACT / COST: The change in name does not present any fiscal implications. However, the proposed amendment allows for the timely utilization of the HOME funds without causing negative tax implications for the project owner.

DESIRED EFFECTIVE DATE: Upon adoption

REQUESTED INTRODUCTION DATE: September 9, 2024

CITY COUNCIL PUBLIC HEARING DATE: September 23, 2024

REQUESTED AGENDA: Consent

RECOMMENDED COUNCIL COMMITTEE: Land Use, Housing, and Transportation Standing Committee (September 17, 2024)

AFFECTED AGENCIES: The Department of Housing and Community Development

RELATIONSHIP TO EXISTING ORD. OR RES.: Ord. No. 2023-181

ATTACHMENTS: Ordinance with associated budget #2023-181-Attachment A, Budget with amended project name/owner - Attachment A1

STAFF: Loren Brown, Senior Project Development Manager, 804-646-6428

Attachment A1

CDBG

CDBG Entitlement Grant
 CDBG Prior Year Surplus
 CDBG Program Income
TOTAL CDBG Budget

	Budget FY 2023	Budget FY 2024
	\$ 4,474,570	\$ 4,341,903
	\$ 38,373	\$ 483,631
	\$ 201,627	
	\$ 4,714,570	\$ 4,825,534

<u>Project Name</u>	<u>Subrecipient</u>	<u>FY 2023</u>	<u>FY 2024</u>
Housing & Neighborhood Preservation			
Cameo Street (2)	BHC	\$ 402,200	
Critical Home Repairs (CW)	Habitat	\$ 150,000	\$ 175,000
Citywide Critical Home Repair (CW)	PH	\$ 490,340	\$ 500,000
Citywide Owner Occupied Home Repair (CW)	PH	\$ 320,000	
Keystone Program City-wide DPA (CW)	H.O.M.E., Inc.	\$ 100,000	\$ 450,000
SCDHC Homeownership Center-DPA (CW)	SCDHC		\$ 450,000
Pathways to Independence - DPA (CW)	SCDHC	\$ 50,000	
RT RVA Critical Home Repair Program (CW)	Rebuilding Together	\$ 259,281	
Section 108 2012 Loan Repayment (CW)	Finance	\$ 981,126	\$ 981,126
The Hollands (5)	SCDHC	\$ 385,000	
Swansboro Place (9)	Cantebury Dev. Group		\$ 650,000
Subtotal - Housing & Neighborhood Preservation:		\$ 3,137,947	\$ 3,206,126

Economic Development

Metropolitan Business League Programs (CW)	MBL	\$ 146,401	\$ 180,000
Subtotal - Economic Development:		\$ 146,401	\$ 180,000

<u>Project Name</u>	<u>Subrecipient</u>	<u>FY 2023</u>	<u>FY 2024</u>
Planning & Administration			
Block Grant and Finance Administration (CW)	HCD	\$ 740,000	\$ 738,123
Historic Review (CW)	DPDR	\$ 45,000	\$ 50,000
Subtotal - Planning & Administration:		\$ 785,000	\$ 788,123

Public Services

Cyber Security Workforce (CW)	OCWB	\$ 95,000	
Green Jobs/Solar Panel Installation (CW)	OCWB		\$ 80,000
Housing Code Enforcement and Counseling (CW)	RDSS	\$ 90,000	\$ 90,000
Housing Information and Counseling (CW)	H.O.M.E., Inc.	\$ 200,000	\$ 150,000
Increasing Access to Care: Mobile Medical Outreach (CW/MSA)	DPHS	\$ 80,222	\$ 70,969
Homeownership Center-Housing Counseling (CW)	SCDHC		\$ 150,000
Pride Place (CW)	VHBG	\$ 50,000	
Residential Support for Homeless Families (CW)	RBHA	\$ 130,000	\$ 110,316
Subtotal - Public Services:		\$ 645,222	\$ 651,285

TOTAL CDBG BUDGET: \$ 4,714,570 \$ 4,825,534

Attachment A1

HOME

	Budget FY 2023	Budget FY 2024
HOME Entitlement Grant	\$ 1,764,354	\$ 1,585,901
HOME Prior Year Program Surplus	\$	\$ 54,767
Program Income	\$ 153,446	\$ 17,700
TOTAL HOME Budget	\$ 1,917,800	\$ 1,658,368

<u>Project Name</u>	<u>Subrecipient</u>	<u>FY 2023</u>	<u>FY 2024</u>
Ruffin Apartments, LLC (8)	BHC	\$	\$ 250,000
CAMEO Street (2)	BHC	\$ 347,800	\$
1203 East Brookland Park Boulevard (6)	1203 E. Brookland LLC	\$	\$ 250,000
Creighton Court-Affordable Homeownership (7)	PH	\$	\$ 399,985
Creighton (7)	TCB	\$ 200,000	\$
Creighton Phase B (7)	TCB	\$	\$ 300,000
Increasing Affordable Housing (6)	Habitat	\$ 255,000	\$ 302,383
HOME Program Administration (CW)	HCD	\$ 160,000	\$ 156,000
The Hollands (5)	SCDHC	\$ 385,000	\$
Townhomes at Liberty Place (8)	Liberty	\$ 400,000	\$
TOTAL HOME BUDGET:		\$ 1,747,800	\$ 1,658,368

EMERGENCY SOLUTIONS GRANT

	Budget FY 2023	Budget FY 2024
ESG Entitlement Grant	\$ 384,355	\$ 393,268
ESG Prior Year Program Surplus	\$ 15,079	
TOTAL ESG Budget	\$ 399,434	\$ 393,268

<u>Project Name</u>	<u>Subrecipient</u>	<u>FY 2023</u>	<u>FY 2024</u>
Hillard Housing/Building Neighbors (CW)	HFF	\$ 71,736	\$ 80,000
ESG Program and Finance Administration (CW)	HCD	\$ 22,000	\$ 22,000
Shelter and Case Management (CW)	CARITAS	\$ 55,000	\$ 60,000
Homeward Community Information System (HMIS) (CW)	Homeward	\$ 8,500	\$ 8,500
Rapid Re-housing (CW)	YWCA	\$ 65,000	\$ 50,000
Rapid Re-housing and Emergency Shelter (CW)	HomeAgain	\$ 177,198	\$ 106,768
Elderly Outreach Pilot (CW)	St. Joseph Villa	\$	\$ 66,000
TOTAL ESG BUDGET:		\$ 399,434	\$ 393,268

Attachment A1

HOPWA

	Budget FY 2023	Budget FY 2024
HOPWA Entitlement Grant	\$ 1,794,492	\$ 2,010,099
HOPWA Prior Year Program Surplus		\$ 197,793
TOTAL HOPWA Budget	\$ 1,794,492	\$ 2,207,892

<u>Project Name</u>	<u>Subrecipient</u>	<u>FY 2023</u>	<u>FY 2024</u>
Housing Assistance Program (MSA)	Serenity, Inc.	\$ 154,000	\$ 154,000
HOPWA CIS (MSA)	Homeward	\$ 20,000	\$ 20,000
HOPWA Greater Richmond (MSA)	CCC	\$ 974,454	\$ 1,031,214
HOPWA Program and Finance Administration (MSA)	HCD	\$ 53,000	\$ 60,303
HOPWA Permanent Supportive Housing (MSA)	VSH	\$ 395,245	\$ 395,245
* HOPWA FY24 Surplus (MSA)	HCD	\$ 197,793	\$ 547,130
TOTAL HOPWA BUDGET:		\$ 1,794,492	\$ 2,207,892

	Grant Total	\$ 8,656,296	\$ 9,085,062
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*The City will release a second NOFA in FY24 for the HOPWA FY24 surplus given the increase in funding.

(#) indicates the City Council District where the project is located

(CW) indicates the project is city-wide

(MSA) indicates the project occurs in the Richmond MSA, which includes the City and 16 surrounding jurisdictions