



City of Richmond

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

Legislation Text

File #: ORD. 2024-105, **Version:** 1

To amend Ord. No. 2023-088, adopted Mar. 27, 2023, which authorized the Chief Administrative Officer to submit a HOME - ARP Allocation Plan to the United States Department of Housing and Urban Development (HUD) for the receipt of Home Investment Partnerships - American Rescue Plan (HOME - ARP) Program funds in the amount of \$5,840,854.00, to authorize the Chief Administrative to submit an amended HOME - ARP Allocation Plan.

THE CITY OF RICHMOND HEREBY ORDAINS:

I. That Ordinance No. 2023-088, adopted March 27, 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] an amended HOME - ARP Allocation Plan to the United States Department of Housing and Urban Development (HUD), in the form of the document attached hereto entitled “Amended HOME - ARP Allocation Plan,” and dated [~~March 31, 2023~~] April 30, 2024, for the receipt of Home Investment Partnerships - American Rescue Plan (HOME - ARP) Program funds in the amount of \$5,840,854.00.

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

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

O & R Request

DATE: March 12, 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: Sharon L. Ebert, Deputy Chief Administrative Officer for Economic Development and Planning

FROM: Sherrill Hampton, Director, Department of Housing and Community Development

RE: Approval of The City's Substantial Amendment to the Approved HOME-ARP Allocation Plan and its Submission to HUD

PURPOSE: To (i) approve the City's substantial amendment to the HOME-ARP Allocation Plan as it relates to the proposed use of the \$5,840,854 federal award and (ii) authorize the Chief Administrative Officer to submit the amended Plan to the U.S. Department of Housing and Urban Development (HUD) for their review and approval.

REASON: The City's HOME-ARP Allocation Plan is being amended to indicate a preference for projects that will construct affordable rental units for individuals experiencing homelessness.

RECOMMENDATION: Approval is recommended by the City Administration.

BACKGROUND: In the Federal Fiscal Year 2021, HUD allocated the City of Richmond \$5,840,854 from its HOME Investment Partnerships - American Rescue Plan (HOME-ARP) Program. This one-time, formula-based funding is intended to help jurisdictions address homeless assistance needs by creating or preserving affordable housing; providing tenant-based rental assistance; funding supportive services, including homelessness prevention services and housing counseling; or purchasing or developing non-congregate shelters.

City Council accepted and approved the appropriation of the HOME-ARP federal award on January 23, 2023, as Ordinance 2023-010 (see Attachment A). To receive the \$5,840,854, the City had to submit a HOME-ARP Allocation Plan for HUD's review and approval. The City approved the original HOME-ARP Allocation Plan and authorized the submission to HUD on March 27, 2023, as Ordinance 2023-088 (see Attachment B). HUD reviewed and approved the original submitted HOME-ARP Allocation Plan; however, HUD is also required to review and approve the amended HOME-ARP Allocation Plan.

The City of Richmond and the counties of Henrico and Chesterfield are collaborating on a regional approach regarding the use of each jurisdiction's HOME-ARP funding based on the fact that housing insecurity is not a challenge that stops at jurisdictional borders. In a letter dated December 13, 2021, the three localities confirmed their intent to collaborate in efforts to reduce regional homelessness (see Attachment C). However, given HUD requirements, each locality had to develop and submit a HOME-ARP Allocation Plan even if working collaboratively.

The substantial amendment to the City of Richmond's HOME-ARP Allocation Plan (see Attachment D) will aid in aligning the three jurisdictional plans by indicating a shared preference for projects that will create permanent, affordable rental units for individuals who are experiencing homelessness. Indicating a preference does not exclude other HOME-ARP qualifying populations, however, the preference will aid in the jurisdiction's plan to fund projects for permanent affordable housing for individual adults who are low-income, chronically homeless, and living with disabling conditions. The availability of permanent supportive housing (PSH) is one of the best tools for helping to reduce the number of persons in shelters as well as those who may be unsheltered. The amended Plan also updates data points and notes how a referral process will be managed given the stated preference.

FISCAL IMPACT/COST: The proposed amendment does not create a fiscal impact. The adoption of the Allocation Plan would allow the City of Richmond to utilize the \$5,840,854 of the already allocated HOME-ARP funds to further address the affordable housing needs of very low-income and homeless individuals with a preference for permanent supportive housing, upon the review and approval of HUD.

FISCAL IMPLICATIONS: No negative fiscal implication.

BUDGET AMENDMENT NECESSARY: No

REVENUE TO CITY: No new revenue

DESIRED EFFECTIVE DATE: Upon Adoption

REQUESTED INTRODUCTION DATE: April 8, 2024

CITY COUNCIL PUBLIC HEARING DATE: April 22, 2024

REQUESTED AGENDA: Consent

RECOMMENDED COUNCIL COMMITTEE: Land Use, Housing, and Transportation

CONSIDERATION BY OTHER GOVERNMENTAL ENTITIES: None

AFFECTED AGENCIES: Department of Housing and Community Development

RELATIONSHIP TO EXISTING ORD. OR RES.: Ordinance No. 2023-010; Acceptance and Allocation of the HOME-ARP funding; Ordinance No. 2023-088; Approval of The City’s HOME-ARP Allocation Plan and its Submission to HUD; Resolution No. 2022-R008; Approval of the “One Richmond: An Equitable Affordable Housing Plan” and Resolution No. 2020-R031; Approval of “The City of Richmond Strategic Plan to End Homelessness 2020-2030”

REQUIRED CHANGES TO WORK PROGRAM(S): The activity will be added to HCD’s staff work plans for implementation and monitoring.

ATTACHMENTS: The Ordinance approved by the City Attorney’s Office, as to form; Attachment A - Ordinance No. 2023-010; Attachment B - Ordinance No. 2023-088; Attachment C - Collaboration Letter between Richmond, Henrico, and Chesterfield; and Attachment D - City of Richmond Amended HOME-ARP Allocation Plan.

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