

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



Agenda Date:	February 18, 2020
Action Required:	Adoption of Resolution
Presenter:	John Blair, City Attorney
Staff Contacts:	Lisa Robertson, Chief Deputy City Attorney Carrie Rainey, NDS Urban Planner
Title:	Resolution Supporting VHDA-Supported Housing Development (Sunrise PUD)-City RE Parcel 560085W00

Background:

In 2009 City Council adopted an ordinance approving the Sunrise Planned Unit Development (“Sunrise PUD”). The boundaries of the Sunrise PUD include an entire city block, bounded by Carlton Avenue, Rives Street, Nassau Street, and Midland Street. As amended in 2011 the PUD Development Plan allows for a mixed-use, mixed-income development. The developer who obtained the original approvals was Sunrise Park LLC, of which Habitat for Humanity of Greater Charlottesville is, or was, a member. In 2018 Sunrise Park LLC conveyed the parcel of land identified as City Real Estate Tax Parcel Id. No. 560085W00 to Sunrise Cville LLC, located in the NE quadrant of the development site. (See Figure 1, next page)

If any councilors would like to review more details of the Sunrise PUD Development Plan, or the proffered development conditions as amended in 2011, the NDS staff report including those details can be accessed on the city’s website:

<https://www.charlottesville.org/departments-and-services/departments-h-z/neighborhood-development-services/development-ordinances/city-planning-commission/agendas/2011-agendas/may-10-2011>

Discussion:

Sunrise Cville LLC proposes to construct a 22-unit mixed-income apartment complex at the intersection of Carl Smith Street and Sunrise Park Lane (“Project”). Sunrise Cville LLC has applied for financing through the Virginia Housing Development Authority’s (VHDA) Mixed-Income program. To qualify for VHDA mixed-income financing, state law requires City Council to adopt a resolution supporting development of the mixed-income Project. The benefit of this program to City is its inclusion of affordable housing as a percentage of the total housing allowed. The HUD median household income for the City of Charlottesville FY 2019 is \$89,600. For this loan, the requirement is for at least 20 percent of the dwellings to be leased to persons making no more than \$71,680 (80 percent of the City’s median income), and the remaining 80 percent of the dwelling units will not be restricted.

Note: Sunrise PUD was established through a rezoning process that included proffered development conditions. The more deeply affordable dwelling units required by the proffers were to be satisfied within the NW, SW and SE quadrants of the development area (developed by Sunrise Park LLC).

In order for Sunrise Cville LLC to obtain the VHDA financing, VHDA requires City Council to make a finding that providing residential housing and supporting facilities that serve people of low to moderate income will be enhanced, if a portion of the units within the Project are occupied or held available for occupancy by people who are not of low and moderate income. (See the attached Resolution)

Figure 1



Alignment with Council Vision Areas and Strategic Plan:

- SP Goal 1: (Inclusive Community of Self-Sufficient Residents)
- Vision(s): quality housing opportunities for all; a connected community
- 2025 Council Affordable Housing Goals: the housing to be constructed by Sunrise Cville LLC is “supported affordable housing” as defined in Council’s AH Goals adopted in 2010. Approval of the resolution will promote the construction of new supported affordable housing units within the City, within a larger development that provides new housing at multiple tiers of affordability/ household incomes.

Community Engagement:

The development plans for Sunrise PUD, including amendments, were publicly advertised and reviewed via public hearing processes.

Budgetary Impact:

None. There are no costs to the city associated with the mixed-income project and no city debt will be created through the VHDA financing applied for by the developer.

Recommendation:

Staff recommends approval of the attached Resolution

Alternatives:

Council could decline to adopt the attached Resolution; however, that would result in a loss of VHDA financing for Sunrise Cville LLC and would impede completion of the development within the Sunrise PUD (originally approved in 2009).

Attachment:

Proposed Resolution

RESOLUTION

WHEREAS, the City Council of the City of Charlottesville desires to make the determination required by Section 36-55.30:2(B) of the Code of Virginia, 1950, as amended, in order for the Virginia Housing Development Authority to finance the economically mixed housing development project proposed by Sunrise Cville LLC within the Sunrise Planned Unit Development in Charlottesville, Virginia (the “Project”),

NOW, THEREFORE, BE IT RESOLVED THAT the Charlottesville City Council hereby finds and determines that:

(1) The ability to provide residential housing and supporting facilities that serve persons or families of lower or moderate income will be enhanced if a portion of the units within the Project are occupied or held available for occupancy by persons and families who are not of low and moderate income; and

(2) Private enterprise and investment 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 the surrounding area of the Project and will induce other persons and families to live within such area and thereby create a desirable economic mix of residents in the area.