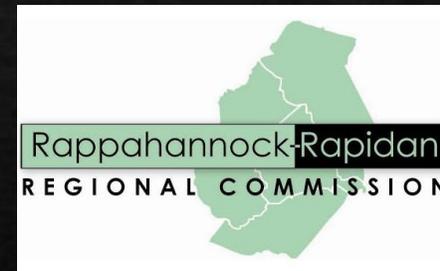


PDC Housing Development Program Grant



December 14, 2022



Process Review to Date

- ◆ July 2021: Virginia Housing awards funding to all PDCs to support new housing development state-wide:
 - ◆ Grant period: 7/2021 – 6/2024
- ◆ December 2021: RRRC receives 9 Proofs of Concept (pre-applications) requesting \$6.2M
- ◆ January 2022: RRRC receives 7 applications requesting \$2.9M
- ◆ February 2022: Commission approves allocations to 6 partner organizations at a total of \$1.8M

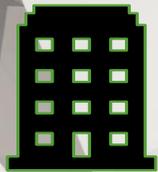
Approved Allocations – February 2022

	Project	Recommended Funding	% of Total Project Cost	\$ Per Unit	Locality	Notes
Large Multi-Family	Culpeper Community Development Corp.	\$380,000	2.73%	\$10,270	Town of Culpeper	Site Control, Zoning
	People, Inc.	\$380,000	2.46%	\$6,333	Town of Culpeper	Site Control Pending (3/2022), Zoning
Mid-Size	Fauquier Habitat for Humanity	\$300,000	5.14%	\$16,667	Town of Warrenton	Site Control, Zoning
	Rappahannock-Rapidan Community Services	\$300,000	6.00%	\$18,750	Town of Orange	Site Control Pending (County-owned), Zoning
Small	Foothills Housing Corporation	\$200,000	23.53%	\$50,000	Fauquier County	Site Control, Zoning (Special Exception)
	Skyline CAP	\$240,000	58.18%	\$40,000	Town of Madison	Site Control Pending Award, Zoning
Program Planning & Admin	RRRC	\$200,000	~	~	~	~
TOTAL	~	\$2,000,000	~	~	~	~

Grant Activities since February 2022

- ◆ Staff worked with applicants on the following:
 - ◆ Finalized 4 agreements with Skyline CAP, Foothills Housing Corp., Culpeper Housing Development Corp. and People Inc.
 - ◆ Confirmed intensions to complete construction by June 30, 2024 or December 2024 if LIHTC funded.
 - ◆ Worked with Fauquier Habitat for Humanity who proposed an alternative project in lieu of originally proposed housing project.

- ◆ Following Virginia Housing's recommendation, staff began work on developing a Regional Housing Strategy and Housing Alliance framework.



Project Status December 2022

Skyline Community Action Partnership



- ◆ Agreement signed June 2022
- ◆ Purchase of former Barbara's House property completed July 14, 2022
- ◆ 5 existing units; Skyline CAP to create sixth unit as part of building renovation and refurbishment
- ◆ Addition of washer/dryer in each unit
- ◆ Reimbursement of \$200,000 towards purchase completed December 2022
- ◆ Additional funds to be reimbursed quarterly based on verified expenses

Project Status December 2022

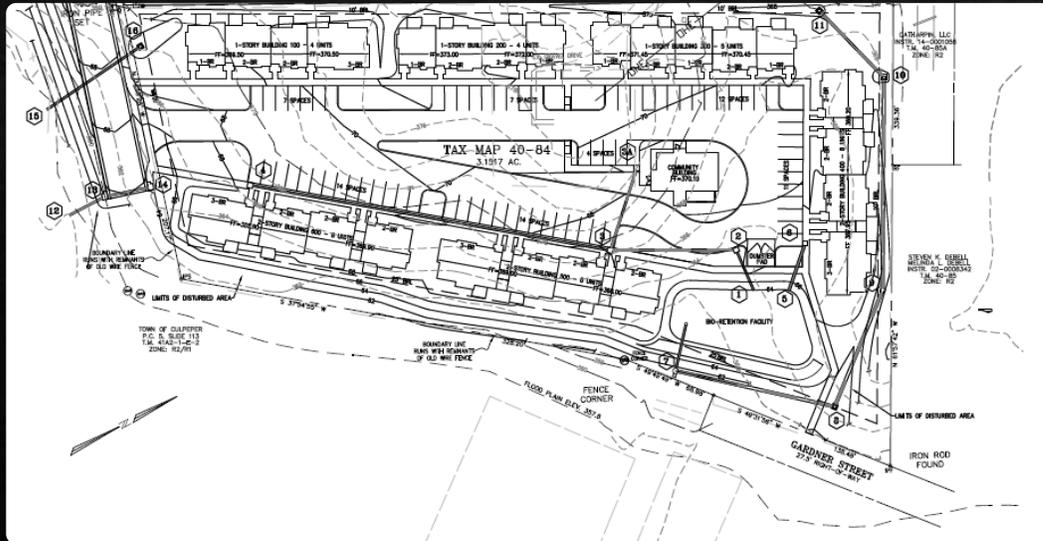
Foothills Housing Corporation



- ◆ Agreement signed September 2022
- ◆ Renovation and conversion of former Ben & Mary's Steakhouse into four 1-2 bedroom units
- ◆ Special Exception approved by Fauquier County Board of Supervisors in October 2022
- ◆ Construction work anticipated to begin January 2023
- ◆ Reimbursements to follow quarterly based on verified expenses

Project Status December 2022

Culpeper Community Development
Corporation



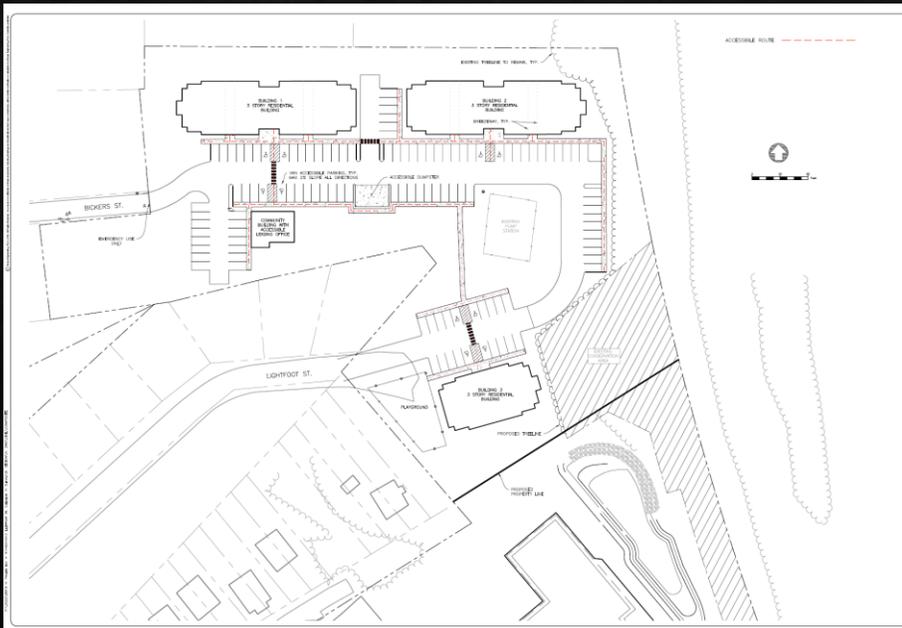
- ◆ Agreement signed June 2022
- ◆ Creates 37 units adjacent to Sperryville Pike / Route 522 and Yowell Meadow Park in Town of Culpeper
- ◆ Low-Income Housing Tax Credit application awarded in June 2022
- ◆ Construction anticipated to be completed by December 2024

Project Status December 2022

People Incorporated

- ◇ Agreement signed June 2022
- ◇ Creates 60 units in Town of Culpeper on parcels owned by/transferred from Culpeper County and Town of Culpeper

- ◇ Low-Income Housing Tax Credit application awarded in June 2022
- ◇ Construction anticipated to be completed by December 2024



Project Status December 2022

Rappahannock-Rapidan Community Services

- ◆ Project submitted demolition of existing structure in Town of Orange and construction of new building for 18 units
- ◆ Application indicated ability to meet construction deadline set by Virginia Housing
- ◆ Applicant indicated in May 2022 that funding and timeline had changed and would require 2023 Low-Income Housing Tax Credit application
- ◆ Follow-up discussions with Virginia Housing and applicant have resulted in staff communicating inability to execute agreement

Project Status December 2022

Fauquier Habitat for Humanity

35 Horner Street Mixed-Use Project

- ◆ Project submitted for 35 Horner Street demolition and construction of mixed-use development on property
- ◆ Discussions with applicant in September/October 2022 revealed concerns about rising costs and ability to complete by project deadline set by Virginia Housing
- ◆ Convened on-site meeting with Fauquier Habitat and Virginia Housing for potential alternative project in the Haiti Street neighborhood

Project Status December 2022

Fauquier Habitat for Humanity

Alternative Project Proposal

141 & 143 Haiti Street

- ◆ Expands on existing redevelopment efforts in the Haiti Street Neighborhood
- ◆ Properties are vacant and uninhabitable due to fire damage and other issues
- ◆ Fauquier Habitat is owner of both properties
- ◆ Homeownership aspect is a positive
- ◆ Infill and redevelopment is a positive
- ◆ Potential for inclusion in the Community Land Trust to guarantee long-term affordability
- ◆ Timeline is a concern
- ◆ Reduction of 18 units in original project to 6 units
- ◆ Staff believes tying investment to construction is best approach



Staff Recommendations

- ◇ Maintain existing allocation of up to \$300,000 to Fauquier Habitat for Humanity
 - ◇ Agreement contingent on demonstrated ability to complete Haiti Street project by 6/30/2024 and confirmation of project validity from Virginia Housing
- ◇ Unallocate \$300,000 from RRCS and leave unallocated for future use
 - ◇ Anticipated increases in project costs
 - ◇ Potential need to extend project administration to 6/30/2025

Recommended Allocations – December 2022

	Project	Recommended Funding	% of Total Project Cost	\$ Per Unit	Locality	Notes
Large Multi-Family	Culpeper Community Development Corp.	\$380,000	2.73%	\$10,270	Town of Culpeper	Agreement in place 37 units
	People, Inc.	\$380,000	2.46%	\$6,333	Town of Culpeper	Agreement in place 60 units
Small	Fauquier Habitat for Humanity	\$300,000	20.69%	\$50,000	Town of Warrenton	Pending approval – VH/RRRC 6 units
	Foothills Housing Corporation	\$200,000	23.53%	\$50,000	Fauquier County	Agreement in place 4 units
	Skyline CAP	\$240,000	58.18%	\$40,000	Town of Madison	Agreement in place 6 units
Program Admin & Planning	RRRC	\$200,000	--	--	--	--
ALLOCATED	--	\$1,700,000	--	--	--	--
UNALLOCATED	--	\$300,000	--	--	--	--



Next Steps

- ◇ Continued Reporting & Reimbursements quarterly
- ◇ February – June 2023: Present reallocation recommendations to Commission
- ◇ 2023: Regional Housing Strategy follow-up work

- ◇ Ongoing: Communication with Virginia Housing regarding non-funded projects that would likely receive support with additional funds allocated to the PDC Housing Development Program