

City of Alexandria, Virginia

MEMORANDUM

DATE: APRIL 14, 2004
TO: THE HONORABLE MAYOR AND MEMBERS OF CITY COUNCIL
FROM: PHILIP SUNDERLAND, CITY MANAGER ^{PS}
SUBJECT: BUDGET MEMO # 49: HOUSING PROGRAM SOURCES AND USES

This memorandum is in response to a request from Councilman Krupicka to get a breakdown by program of Housing funds, both sources and uses. The attached table shows the breakdown by program and funding source by dollar amount. A total of approximately \$11.1 million is available for a wide variety of programs from a wide variety of sources. Abbreviations of funding sources in the table are as follows:

CDBG: the federal Community Development Block Grant Program.

HOME: the federal Home Investment Partnerships Program.

The definitions of the expenditure categories shown on the attached table are provided below:

Administration (column 1) includes administrative expenses for the Program Administration Division at City Hall and the Program Implementation Division on Herbert Street. The two have been combined because certain CDBG and HOME grant administration functions (and accounts) are shared between the two divisions. However, administrative costs directly associated with specific CDBG-funded programs are included with those programs. Approximately \$1.0 million is provided for these expenses.

Landlord-Tenant/Fair Housing (column 2) reflects the activities of the Landlord-Tenant Relations Division, which administers the Fair Housing Testing Program, the Landlord-Tenant Complaint Mediation Program, Fair Housing Training for landlords, the Housing and Relocation Information Program, and provides staff support for the Landlord-Tenant Relations Board and the Fair Housing Testing Program Advisory Committee. Approximately \$0.3 million is provided for these programs.

Homeownership (column 3) includes several activities administered by the Program Implementation Division:

- The Homeownership Assistance Program (HAP) provides qualified homebuyers with up to \$35,000 for down payment, principal reduction, settlement costs and interest write-down in the form of interest-free, deferred payment loans.

- The Moderate Income Homeownership Program (MIHP) is similar, but serves a slightly higher income group and provides up to \$20,000 in assistance.
- The Annual Homeownership Fair provides free information on home buying and provides citizens with the opportunity to meet with lenders and Realtors who work with the City's programs.
- The Seller Incentive Fund pays \$1,000 of a seller's real estate commission, when market conditions warrant, as an incentive for sellers to accept purchase contracts from HAP or MIHP -assisted buyers.
- The Employer Assisted Housing Program(EAH) engages Alexandria employers in providing a homeownership benefit to their employees. The City will support the employer-assisted housing initiative by offering targeted homeownership counseling services to employees of financially-participating employers at their work site or at another convenient location, and by providing downpayment assistance to eligible employees.

Approximately \$1.6 million is available for these programs.

The Homeownership Counseling Program (column 4), administered by the Program Implementation Division, provides group counseling for applicants and potential applicants on the home buying process, affordable housing opportunities, affordable financing, credit issues, consumer debt management, and post-purchase homeownership responsibilities, as well as individual homebuyer counseling specific to applicants' individual situations. Counseling is provided by a non-profit vendor. Approximately \$0.1 million is available for this program.

The Home Rehabilitation Loan Program (column 5), administered by the Program Implementation Division, provides income-eligible home owners with interest-free, deferred payment loans to correct code violations and structural problems and to enhance the livability of their homes. Construction costs are limited to \$90,000; loans also include soft costs (excluding architectural fees, which are treated as program administrative costs) and temporary relocation expenses. Approximately \$1.5 million is available for this program.

The Rental Accessibility Modification Program (RAMP, column 6), administered by the Program Implementation Division, provides grants to income-eligible renters with physical disabilities for accessibility modifications to their rental units, such as wheelchair ramps, grab bars and other similar modifications. Approximately \$0.1 million is available for this program.

The Housing Opportunities Fund (HOF, column 7), administered by the Administration Division, provides for feasibility studies, pre-development costs and project gap financing to developers of affordable sales and rental housing. Approximately \$2.3 million is available for this program.

The Transitional Housing Program (column 8), administered by the Administration Division, provides transitional housing to homeless persons who are working to regain self-sufficiency. Services are provided by a non-profit vendor. Approximately \$0.4 million is available for this program.

The Housing Trust Fund (column 9), administered by the Administration Division, receives contributions from developers to assist with the development of affordable housing in the City. This column shows monies not allocated to a specific activity. Additional Housing Trust Fund monies are shown under the activity to which they have been allocated (e.g., Homeownership, Homeownership Counseling, Housing Opportunities Fund, Transitional Housing). Approximately \$3.7 million remains unallocated to specific activities.

Attachment

FY 05 HOUSING FUNDING BY SOURCE OF REVENUE

HOUSING PROGRAMS

FUNDING SOURCES	HOUSING PROGRAMS									TOTAL*	
	1 ADMIN	2 LANDLORD TENANT/ FAIR HOUSING	3 HOMEOWNERSHIP <i>HAP, MIHP, Fair, Sellers Incentive Fund, Employer Assisted Housing</i>	4 HOMEOWNERSHIP COUNSELING	5 HOMEOWNER REHAB	6 RAMP	7 HOUSING OPPORT FUND (HOF)	8 TRANS HOUSING	9 UNALLOCATED HOUSING TRUST FUND		
CDBG											
New Program Income	212,324	36,381	141,135		824,246	87,914					1,302,000
Carryover	19,066	11,005	0		33,168						33,168
	231,390	47,386	1,216		184,278	16,126					231,691
			142,351		1,041,692	104,040					1,566,859
HOME											
New Carryover	91,372		589,389		114,044		240,000				1,034,805
	91,372		151,280		243,137		352,026				746,443
			740,669		357,181		592,026				1,781,248
GENERAL FUND											
New New HOME Match	706,485	245,579	92,564				300,000				1,252,064
	706,485	245,579	92,564				60,000				152,564
							360,000				1,404,628
HOUSING TRUST FUND											
New Carryover								849,409			849,409
New Allocation			274,000	100,000			400,000	380,000			1,154,000
Prior Allocation			251,900	7,020		12,000	349,986	40,000			3,553,268
			525,900	107,020		12,000	749,986	420,000			5,566,677
OTHER NON-FEDERAL FUNDS											
New Carryover			3,000				500,000				3,000
Carryover HOME Match			38,508		28,511						67,019
For New Grant			37,820		62,808						198,602
Prior Match Allocation			79,328		91,319		97,974				768,621
ALL FUNDS	1,029,247	292,965	1,580,812	107,020	1,490,192	116,040	2,299,986	420,000	3,741,771	11,078,033	

* Total funding on this table is greater than what is shown on page 8-101 of the Proposed FY 2005 Budget document. The table reflects several revisions in carryover monies, including additional carryover monies allocated to specific activities not traditionally included in the Proposed Budget, and revised estimates of carryover grant and non-federal monies. The revised FY 2005 Budget document will include an updated table that is consistent with this attachment.