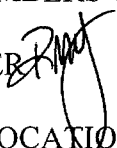


City of Alexandria, Virginia

MEMORANDUM

DATE: MARCH 7, 2012

TO: THE HONORABLE MAYOR AND MEMBERS OF CITY COUNCIL

FROM: RASHAD M. YOUNG, CITY MANAGER 

SUBJECT: CONSIDERATION OF FUNDING ALLOCATION FOR REBUILDING TOGETHER ALEXANDRIA

ISSUE: Request from Rebuilding Together Alexandria (RTA) for \$50,000 in Housing Trust Fund (HTF) monies to be allocated for RTA activities in FY 2012.

RECOMMENDATION: That City Council:

- (1) Approve a grant of \$35,000 in Housing Trust Fund (HTF) monies to Rebuilding Together Alexandria (RTA) to fund its activities in FY 2012 as described in this report; and
- (2) Authorize the City Manager to execute all necessary documents and agreements.

BACKGROUND: Rebuilding Together Alexandria is a predominantly volunteer-supported, 501(c)(3) non-profit organization that throughout the year repairs and rehabilitates homes of the elderly, disabled and low-income residents in the City of Alexandria. RTA also helps repair non-profit facilities serving Alexandria's neediest residents. RTA is best known for sponsoring a one-day National Rebuilding Day program to provide free home renovation/repair services for the City's income-eligible homeowners and free facility renovation/repair services for City non-profits. The overall program is supported by skilled and unskilled volunteers who donate their time and manual labor, and various sponsors, including local businesses, civic organizations, and churches, that donate needed supplies and money to purchase materials. Applicants are screened on the basis of need and on the work that RTA volunteers can accomplish in one day.

DISCUSSION: RTA is requesting a total of \$50,000 in grant funding from the Housing Trust Fund (HTF) for its FY 2012 program. As has been the case since FY 2004 RTA has utilized the Housing Trust Fund application and funding process to obtain funding from the City. This is an increase from the past several years in which the organization has received \$35,000 in the form of an HTF grant. RTA's total annual budget is approximately \$725,396. Over the past few years the need for critical home repair assistance has increased due to the economy and the aging of Alexandria's population. RTA is requesting the increase because, since FY 2011, it has begun taking on more comprehensive projects that require additional funds and more volunteers. RTA projects with the additional \$15,000 they could leverage an additional \$50,000-\$70,000 in

volunteer labor. RTA estimates being able to serve 5 to 25 more households depending on the client needs.

RTA also has proposed that at least 70 percent of the grant amount would go toward the purchase of supplies and materials, and no more than 30 percent would be allocated for professional labor (to include plumbing, roofing, HVAC installation, fencing, tree removal/trimming, carpentering, and concrete/brick laying) as needed. This would change from the 75 percent materials and 25 percent labor distribution of previous grants. RTA is requesting this change based on the increased need for professional services for clients and the experience level of their volunteer base.

During FY 2011, RTA was allocated and expended \$35,000 from the HTF and aimed to serve over 95 Alexandria resident homes and non-profit agencies. RTA exceeded the goal by repairing and revitalizing 103 homes, including six Neighborhood Stabilization Program (NSP) properties (for which they were paid separately by the City with federal NSP funds). With an average of 1.93 people in each home, RTA directly served 200 individuals. The average income of households assisted was \$25,234, 71 percent were female-headed, and the average age of the head of household was 71. Table 1 shows the amount of previous grants provided to RTA from the HTF and the number of households they were able to serve each year.

Table 1: RTA Funding Grants and Households Served, FY 2004 – FY 2011

Year Requested	Funding Amount Requested by RTA	Funding Amount Approved by City Council	Number of Households Assisted
FY 2011	\$35,000	\$35,000	103
FY 2010	\$35,000	\$35,000	87
FY 2009	\$35,000	\$35,000	68
FY 2008	\$42,000	\$42,000 <i>(\$7,000 to cover cost of home renovation for 1 household not qualified under the Home Rehab Program)</i>	79
FY 2007	\$35,000	\$35,000	55
FY 2006	\$35,000	\$35,000	72
FY 2005	\$35,000	\$35,000	45
FY 2004	\$35,000	\$35,000	46

With regard to the funding allocation, staff recommends that the HTF allocation remain at the previous \$35,000. The City's federal CDBG and HOME grant allocations for FY 2013 have declined by \$905,611, a 46 percent reduction. In light of this severe reduction in the Office of Housing budget and resulting proposed service reductions, staff cannot recommend funding of a discretionary program expansion at this time. This issue can be revisited again next year in light of the budgetary outlook at that time. With regard to the proposed increase in the percentage of

the allocation spent on skilled labor staff recommends approval of the increase to 30 percent and sees this as a reasonable distribution of funds based on need.

The continuation of funding at the previous \$35,000 level will allow the City to maintain its current partnership with RTA, while continuing to operate other programs with HTF. Maintaining previous funding levels will also allow RTA to continue its mission, as stated in its application, “to preserve and revitalize homes and communities, assuring that Alexandria’s low-income homeowners... live in warmth, with safety and independence.”

On February 2, 2012, the Affordable Housing Advisory Committee (AHAC) considered a staff recommendation to allocate \$35,000 to RTA. The Committee approved the full request of \$50,000. The City’s approved budget for FY 2012 does not include a specific allocation for RTA, based on the principle that any organization seeking funding must submit an application for consideration during the year.¹

During FY 2012, RTA expects to assist 125 Alexandria homeowners with home repairs, as well as to assist a number of non-profit agencies (this would be reduced by 5 to 25 households based on the staff recommended funding level). In the first quarter of FY 2012, RTA spent over 50 percent of its professional labor budget, particularly for replacing major systems including HVAC and plumbing. As of RTA’s grant request they had already served 39 homeowners, which is almost 40 percent of last year’s total number served. The estimated average cost to purchase supplies and complete repairs and renovations is from \$3,000 to \$5,000 per household. The staff recommended HTF funding level of \$35,000 would constitute 5 percent of the funding RTA anticipates in FY 2012. RTA also estimates that for every \$1 in HTF grant funds they receive \$6.25 in community donations and volunteer labor.

FISCAL IMPACT: Approval of this recommendation would result in the expenditure of \$35,000 in grant monies from the City’s Housing Trust Fund.

ATTACHMENT: RTA Funding Request dated October 19, 2011

STAFF:

Mildrilyn Davis, Director, Office of Housing
Eric Keeler, Division Chief, Office of Housing

¹ The sole exception is the City-supported Alexandria Housing Development Corporation, which was established as a result of City action.

OCT 21 2011



October 19, 2011

Mr. Eric Keeler
Housing Analyst I
Office of Housing
421 King Street, Suite 200
Alexandria, VA 22314

Dear Eric,

Please accept the enclosed application for a Housing Trust Fund grant in FY12.

Since 1986, Rebuilding Together Alexandria (RTA) has partnered with volunteers to preserve and revitalize homes and communities, assuring that low-income homeowners, from the elderly and disabled to veterans and families with children, live in warmth, security, and self-sufficiency. Some of the renovations and repairs performed by RTA's volunteer database (1,000 strong) include installing grab bars, handrails, smoke detectors, locks, weather stripping, insulation, energy efficient upgrades and much more. Through the free services we provide, we help maintain the most affordable housing for our neighbors – their own home.

This past year, we saw an increase in demand for our services of nearly 20% which resulted in the completion of 103 projects (up from 87 last year). Requests for major professional work (HVAC, plumbing, roofing, and electrical) have also sky-rocketed. For these reasons, Rebuilding Together is requesting a \$50,000 Housing Trust Fund grant. For every \$1 the Fund grants RTA, our program will leverage more than \$6.25 in community donations and volunteer labor.

After reviewing this request, please feel free to contact me with further questions. I appreciate the opportunity to provide a proposal for your review.

Best regards,

A handwritten signature in black ink, appearing to read "Katharine Medina".

Katharine Medina
Executive Director

700 Princess Street, Mezzanine Suite 2 • Alexandria, VA 22314 • 703.836.1021
www.rebuildingtogetheralex.org • info@rebuildingtogetheralex.org

FY12 CITY OF ALEXANDRIA HOUSING TRUST FUND APPLICATION

I. Applicant Information

Mission: Rebuilding Together Alexandria (RTA) partners with volunteers to preserve and revitalize homes and communities, assuring that low-income homeowners, from the elderly and disabled to veterans and families with children live in warmth, with safety and independence. RTA also provides repair services to homes that have been foreclosed upon through a collaborative effort with the City of Alexandria via the Neighborhood Stabilization Program. This year, we will partner with the City of Alexandria on a large project to make ACHC units more energy efficient and reduce utility costs for the residents.

RTA's services allow in-need homeowners to maintain their residences without becoming house poor. During the past few years, more families with children have applied for our assistance. More and more individuals and families are placed in the position of choosing between vital necessities, such as food or health care, and plumbing that works properly. RTA works to ensure that as many of these homeowners as possible do not have to make these difficult choices.

Organizational Qualifications: The organization was founded in 1972 by Bobby Trimble in Midland, Texas. The Alexandria affiliation began in 1986 with the first 'rebuilding day' in 1987—this year marks our 25th anniversary! Throughout this past year, volunteers performed work on 103 homes and non-profit agencies. Nearly **1,000 volunteers donated \$321,771 in manual labor and materials** to Alexandria's neediest residents.

Rebuilding Together Alexandria is an affiliate of the largest national non-profit organization preserving home ownership in America, Rebuilding Together, serving more than 200 communities throughout the nation year-round and on National Rebuilding Day. National Rebuilding Day is an annual, repair and renovation blitz program that uses labor from volunteers who donate time and skills. Local businesses and civic organizations donate needed supplies, volunteer teams, and money to purchase materials.

II. Program Description

Type of Program: RTA is a non-profit, 501 (c) 3, grass-roots organization dedicated to improving the quality of life for low-income Alexandria homeowners. The year round, volunteer-based organization repairs and renovates—at no cost to the homeowner—homes of those who cannot physically or financially afford to do so. The goal is to keep these homeowners safely and independently in their own homes.

Because of community support, RTA has repaired and rehabilitated Alexandria residents' homes and non-profit agencies for 25 years. As applications are received from clients, Rebuilding Together Alexandria reviews each request, verifies the accuracy of the information, visits the homeowner, and determines whether RTA can accept the home for work. We determine the number of houses to be repaired after accounting for donations received and total funds available. Our goal each year is to raise the necessary money to assist all eligible applicants.

After thorough review of a potential project, it is assigned a team of volunteers: Team Leader, House Captain, and a crew of skilled and non-skilled helpers. If work is required that falls outside of RTA's skill base, professional labor is secured (often discounted) to correctly complete the task. Trades repair services include; repairing leaking roofs, replacing electrical systems, plumbing, installing chair lifts, and so much more.

In FY11, RTA also partnered with the City of Alexandria and the Alexandria Housing Development Corporation as part of the Neighborhood Stabilization Program to turn foreclosed properties in Alexandria into affordable, energy efficient housing for low income first-time homebuyers. RTA has rehabbed seven such units to date and are currently making plans to renovate two to three more.

Community Need: One goal of City Council's ongoing strategic plan has been "Alexandria is a caring and inclusive community that values its rich diversity, history and culture, and promotes affordability." The importance of affordable housing has never been so keen, with multiple entities, including the Housing Master Plan Advisory Group, ARHA, and the Office of Aging, developing creative ways to preserve affordable homeownership for low-income residents.

The City of Alexandria has recently drafted a strategic plan for 2012-2016 called *The Alexandria of Our Future, A Livable Community for All Ages*. This plan estimates that the number of residents aged 60+ will double from 2000 to 2030, with the number currently at more than 25,000. The plan also states that 89% of those 50 and over surveyed by AARP indicate that they want to stay in their homes and communities, and this percentage increases with age.

The vision of the Strategic Plan on Aging is as follows: "Residents choose to stay in Alexandria as they age because it is a livable community for all ages." One of the goals that must be met to ensure this vision states: "Housing: A range of affordable, accessible and supportive housing is available that meets the needs of older residents of the City to be able to age at home." The Strategic Plan acknowledges that "most Americans want to stay in their own homes and communities as they age. Alexandria offers attractive features in

abundance that makes the desire to age at home especially compelling.” (The majority of homeowners we serve are seniors with an average age of 71.)
 The services that are provided by RTA allow Alexandrians to safely age in place.

Population Served: We serve low-income (per levels established by HUD) homeowners of the City of Alexandria, Virginia. The majority of homeowners we serve are seniors, including many with disabilities.

Demographics of FY11 homeowners:

Average Income \$25,234.38	African American	71.5%
Average # in Home 1.93	Caucasian	19.5%
Average Age 71	Hispanic	2.5%
Female Head of Household 71%	Asian/Pacific	4.5%
Disabled 38%	Other	1%

Eligibility Criteria: All potential applicants are required to provide (and certify) the resident’s need, total household income for all people living within the home, a copy of the most recent Federal tax form, and/or the most recent Social Security receipt. Though applicants can apply every year, RTA aims to service homes that have not been worked on within the past two years, spreading the benefits of our services throughout Alexandria.

Specific Services: For 25 years, Rebuilding Together Alexandria and its volunteers have performed a variety of services, including:

- Installing bathroom support/grab bars
- Installing hand railings
- Installing smoke detectors
- Weather stripping and other energy efficiency upgrades
- Replacing old appliances and HVAC systems
- Repairing or replacing damaged roofs
- Repairing hot water heaters
- Replacing broken windows and locks
- Building handicap ramps and installing chair lifts
- Electrical and plumbing work
- Improving task and general lighting
- Affixing non-slip step strips
- Painting (internally and externally)

Households/# of Persons Served: Rebuilding Together Alexandria repaired and revitalized 103 homes, including 6 NSP properties. With an average of 1.93 people in each home, RTA directly served 200 individuals last fiscal year, significantly increasing this number from the previous year. With demand for our services growing, we expect to serve over 125 Alexandria resident homes and non-profit agencies this fiscal year.

By repairing and revitalizing Alexandria non-profits, RTA indirectly serves hundreds of in-need residents seeking services in these non-profits each year. The non-profits served this year included a homeless shelter, transitional housing apartments, a group home for women and children affected by domestic violence, and others.

Average Cost/Household: The average cost to purchase supplies and complete repairs and renovations at any given Alexandria address is \$3,000-\$5,000.

Expected Outputs and Outcomes: The success of our work is measured by looking at a variety of outputs and outcomes each year. The outputs include the total number of qualified applicants, the number of homes and non-profit projects completed in a year, the volunteers recruited, and the financial sponsors and supporters secured. The metrics of specific repairs also serves as a measuring gauge, such as the number of energy efficient upgrades made, roofs replaced or repaired, bathrooms modified to accommodate individuals with disabilities in accordance with ADA, etc.

More importantly, the outcomes of the services that RTA provides include the number of homeowners in need who can safely remain in their home —most age-in-place for many years beyond the time that the work was completed. The immediate result of year-round services provided by Rebuilding Together Alexandria is the variety of ways that the quality of life of each homeowner is improved. For example, installing a grab bar, handrail or interior stair lift makes a home safer and aids in fall prevention. Making energy efficient upgrades makes a home warmer, more comfortable and saves money on utility bills for our clients. On a larger scale, whole communities have been revitalized by RTA volunteers working on multiple homes, in close proximity.

A recent thank you letter from a homeowner helped by Rebuilding Together Alexandria this year tells our story the best. "Saying thank you and expressing my appreciation for what you do will never get old. You and your team of angels have done it once again. I am now able to live comfortably and safely in my own home."

Evaluation: We are constantly evaluating our approach to completing the most work possible while keeping quality and safety as a priority. We routinely assess the use of our financial and volunteer resources and strive to use these resources in the most effective way possible. Each year, we evaluate the program from the point of view of the volunteers and homeowners via surveys and face-to-face discussions and meetings and make any appropriate changes.

Community Resources: Our success depends upon partnerships with numerous City offices and community organizations. For example, the Alexandria Police Department and Code Administration works with us to ensure that the homes chosen for repair are free of encumbrances and refers clients who might otherwise be evicted. Senior Services and the Department of Community and Human Services play a part in our success by referring qualified applicants to us. The Alexandria Transportation and Environmental Services Department helps us by removing trash from the properties.

Throughout the year, many local businesses, places of worship and community organizations collaborate with RTA on a variety of projects. We also receive valuable support from Congressman Jim Moran, Mayor Bill Euille, the Alexandria City Council and many other community leaders. This year, our volunteer teams on National Rebuilding Day included City of Alexandria employees from the Police, Sherrif, and many other departments. RTA will continue to cultivate its partnerships with various City of Alexandria entities.

III. Financial Information

Other Non-City Funding Sources: Fundraising efforts are year-round, and they include grants from foundations, corporations and many other fundraising efforts organized by RTA. Some of the recent grants and corporate sponsorships received include:

Grant	\$ Requested	Period	Status
Lowe's	\$5,000	FY12	Funded \$5,000
Home Depot	\$5,000	FY12	Funded \$5,000
Cafritz Foundation	\$20,000	FY12	Funded \$15,000
Sears	\$10,000	FY12	Funded \$10,000

Other City Funding Sources:

Grant	\$ Requested	Period	Status
Community Partnership Fund for Human Services	\$10,000	FY12	Funded \$7,850

Debt History: No outstanding loans or other type of debt.

IV. Use of Housing Trust Fund

Proposed Use of Funds: If granted \$50,000, the majority would be used to purchase supplies and materials with no more than 30% allocated to professional labor (to include electrician, plumber, roofer, HVAC, fencer, tree removal/trimming, carpenter, concrete/brick layer). Supplies and materials purchased will be used throughout the year.

Period of Time: July 1, 2011 – June 30, 2012.

Why Housing Trust Funds are Needed: The need for help with free critical home repairs significantly increases every year as the population ages and older homes in our community present significant safety, comfort and energy issues, as most of our clients have lived in their homes for 35 years or more. In the past year, RTA has taken on more in-depth projects requiring an increase in funding and skilled labor, both paid and volunteer. The services provided by RTA help avoid a situation of homeowners being forced to move out of the community where many have lived all of their lives. As a result of the economic downturn and current housing crisis, the need for our help by younger families with children is increasing as well.

No other organization in the City of Alexandria provides the services that Rebuilding Together Alexandria does for low-income homeowners of Alexandria. Though the City continues to emphasize the importance of affordable housing, no other City organization provides the free repairs that maintain those homeowners currently in 'affordable housing' situations. The work that we do keeps homeowners safely and independently in their homes, helping to preserve affordable housing in Alexandria.

One hundred percent of the monies from Housing Trust Fund will be designated solely for the use of our program. Receiving full funding will enhance our ability to address an increasing number of applicants and community need and help RTA provide a broader scope of work to be completed at each home. Quite simply, partial funding will reduce the number of homeowners that we are able to serve and/or will reduce the scope of our repair and energy-efficient improvements per house.

Required Attachments

Audited Financial Statement: 2010 and 2011
Evidence of Non-Profit Status
FY12 Budget
RTA Board of Directors

**Rebuilding Together Alexandria
FY2012 Budget**

	FY11 Budget	FY11 Projected	FY12 Budget
INCOME			
1 Unrealized Gain: Audit Adjust			
2 Americas Charities/United Way	\$ 5,000	\$ 10,050	\$ 12,500
3 Churches	\$ 32,000	\$ 36,581	\$ 39,000
4 City Grants	\$ 44,000	\$ 45,458	\$ 57,846
5 Corporations	\$ 97,000	\$ 125,404	\$ 138,000
6 EECBG			\$ 100,000
7 Foundations/NonProfits	\$ 52,000	\$ 53,952	\$ 59,000
8 Fundraising Events	\$ 27,250	\$ 33,476	\$ 52,000
9 Individuals/Board Members	\$ 21,000	\$ 41,221	\$ 21,000
10 In-kind Materials/Skilled Vols	\$ 195,000	\$ 218,136	\$ 220,000
11 Misc	\$ 50	\$ -	\$ 50
12 NSP	\$ 30,000	\$ 59,078	\$ 26,000
13 Total Gross Income	\$ 503,300	\$ 623,356	\$ 725,396
EXPENSES			
14 Accounting: Bookkeeper	\$ 700	\$ 810	\$ 760
15 Accounting: Audit	\$ 3,700	\$ 3,700	\$ 4,000
16 Bank Fee/Finance Charge			
17 Conference/Travel	\$ 500	\$ 1,308	\$ 2,750
18 Construction Materials	\$ 58,792	\$ 96,012	\$ 100,000
19 Construction Materials: EECBG			\$ 87,000
20 Construction Materials: NSP	\$ 12,500	\$ 13,110	\$ 10,000
21 Depreciation Expenses	\$ 200	\$ 200	\$ 500
22 Dues RT Affiliate	\$ 6,000	\$ 6,000	\$ 7,500
23 Education/Training (Staff)	\$ 1,500	\$ 1,587	\$ 1,500
24 Fundraising Events	\$ 8,500	\$ 10,357	\$ 15,500
25 Gulf Rebuilding Efforts	\$ 500	\$ 404	\$ -
26 In-kind	\$ 195,000	\$ 218,136	\$ 220,000
27 Insurance	\$ 900	\$ 936	\$ 5,450
28 Insurance: Program	\$ 3,750	\$ 1,813	\$ 3,000
29 Marketing	\$ 18,000	\$ 17,376	\$ 25,000
30 Membership	\$ 465	\$ 480	\$ 500
31 Misc	\$ 5,000	\$ 3,961	\$ 4,500
32 Office Equipment and Furniture	\$ 250	\$ 2,092	\$ 750
33 Office Expenses and Supplies	\$ 1,400	\$ 3,593	\$ 1,750
34 Payroll	\$ 99,433	\$ 110,587	\$ 142,000
35 Payroll Taxes	\$ 7,200	\$ 7,006	\$ 9,800
36 Postage, Shipping	\$ 3,500	\$ 2,141	\$ 3,000
37 Printing	\$ 6,500	\$ 4,829	\$ 6,500
38 Prior Year Projects	\$ 1,500	\$ 1,548	\$ 1,550
39 Professional Dev (Board)	\$ 2,500	\$ 11,378	\$ 2,000

40 Professional/Skilled Labor	\$ 40,000	\$ 40,753	\$ 43,000
41 Professional/Skilled Labor: NSP	\$ 7,500	\$ 28,336	\$ 6,000
42 Rent	\$ 12,350	\$ 9,667	\$ 9,376
43 Signs & Shirts	\$ 3,300	\$ 5,581	\$ 6,100
44 Tax/Corp Fee to State of VA	\$ 25	\$ 225	\$ 225
45 Telephone	\$ 1,800	\$ 1,379	\$ 1,080
46 Volunteer Appreciation/HCTL	\$ 3,000	\$ 2,759	\$ 3,300
47 Web Site	\$ 35	\$ 1,567	\$ 1,000
48 Total Expenses	\$ 506,300	\$ 609,632	\$ 725,391
49 Income Minus Expenses	-3000*	\$ 13,724	\$ 5
	FY11 Budget	FY11 Expected	FY12 DRAFT
Interest Income on Investments	\$ 3,000	\$ 13,896	\$ 15,000
*Pulled interest income from Operating			



RTA Board of Directors: FY12

President
Mark Gustafson
Consultant
Booz Allen Hamilton
1-6/12

Vice President
Donald Holley
Financial Manager
Freddie Mac
1-6/12

Secretary
Erika Davis
Event Planner
Davis Events
1-6/13

Treasurer
Lisa Lettieri
Architect
Rust Orling Architects
1-6/12

Immediate Past President
Director
Eileen Ahern
Community Activist
6/12

Director
John Patton
IT Specialist
Focus Data Solutions
1-6/11

Director
Christi Hart
Owner
Neighborhood Restaurant Group
1-6/12

Director
Mark Kohler
Owner/Architect
Kohlmark Group
1-6/13

Director
David Mercer
Attorney
Mercer Trigiani
1-6/13

Director
Eddie Reyes
Deputy Chief
Alexandria Police Department
1-6/13

Director
Chalie Collum
Banker (retired)
Burke & Herbert Bank & Trust
1-6/13

Director
Toni Andrews
Public Relations Specialist
George Mason University
1-6/14

Director
Erik Dorn
Banker
Burke and Herbert Bank & Trust
1-6/14

Director
John Copeland
Minister
First Baptist Church
1-6/14

Director
Meg Bonitt
Community Activist
1-6/14

*All Board members can be contacted at
Rebuilding Together Alexandria, 700
Princess Street, Mezzanine Suite 2,
Alexandria, VA 22314 703 836-1021