

City of Alexandria, Virginia

MEMORANDUM

DATE: MARCH 1, 2004

TO: THE HONORABLE MAYOR AND MEMBERS OF CITY COUNCIL

FROM: PHILIP SUNDERLAND, CITY MANAGER ~~PS~~

SUBJECT: CONSIDERATION OF THE ALLOCATION OF HOUSING TRUST FUND MONIES TO ALEXANDRIA CHRISTMAS IN APRIL REBUILDING TOGETHER, INC.

ISSUE: Consideration of the allocation of Housing Trust Fund monies to Alexandria Christmas in April Rebuilding Together, Inc. (ACIART) for ACIART's National Rebuilding Day (NRD), which will be held on April 24, 2004.

RECOMMENDATION: That City Council approve \$35,000 in Housing Trust Fund monies to support the cost of supplies and materials to repair or renovate ownership housing units that ACIART approves for NRD (and any required follow-up), with up to 25% of the funds available to pay for skilled labor at these units. The funding agreement will include clauses that require documentation of safety training for volunteers and hold the City harmless in case of a hazardous materials incident.

DISCUSSION: ACIART requested a total of \$35,000 in grant funding for National Rebuilding Day (NRD) 2004 to support the cost of supplies, materials and skilled labor needed for repairs to be made on NRD at the homes of low income City homeowners, most of whom are elderly and/or disabled. Based on financial information provided by ACIART, staff has determined that the requested amount is needed to support the budgeted expenditures.

ACIART's projected budget for NRD materials and supplies is \$14,105 lower than actual expenditures in FY 2003. ACIART has explained that the reduced costs reflect the scope of work expected at any of the 60-80 homes projected for FY 2004, as well as better control over what the organization calls "scope creep," which occurs when volunteers on NRD agree, at the request of the homeowner, to implement repairs that were not expected by ACIART staff.

While in past years, the organization has relied on a part-time Executive Director, this position was recently redesignated as a full-time position to provide more effective management of ACIART's year-round program. The year-round program offers emergency repairs such as urgent plumbing, heating or roofing needs, that are completed by skilled trades people and paid by ACIART. This has added to the overall organizational budget and has correspondingly decreased the amount of non-City revenue available to support NRD activities. The City's monies will only be used for homes approved for repairs on NRD, and any required follow-up to

those homes as a result of NRD activities.

The proposed allocation increases the percentage of ACIART's overall budget that would be comprised of City funds (including \$12,000 from the City's Community Partnership Fund and \$2,612 from the City's Office of Aging and Adult Services) from 20% to 24% in prior years to 33% in FY 2004. However, previous HTF allocations have on their own comprised 19% to 22% of ACIART's overall revenue budget and the allocation currently being proposed, at 23% of the overall budget, is reasonably consistent with these prior year HTF allocations. Housing staff is concerned with the increase in the overall percentage of City revenue received by ACIART and is asking ACIART to focus on developing alternate non-City revenue sources in future years.

ACIART expects to complete repair work at between 60 and 80 housing units. Last year ACIART performed work on 78 homes. Repair and renovation work at 24 of these homes was supported with Housing Trust Fund monies.

The Affordable Housing Advisory Committee considered this recommendation at its February 5, 2004 meeting and voted unanimously to recommend ACIART's full funding request to City Council for approval.

FISCAL IMPACT: Possible expenditure of \$35,000 in Housing Trust Fund monies. A copy of ACIART's funding request is available for viewing in the Office of Housing, Room 1100, City Hall.

STAFF:

Mildrilyn Stephens Davis, Director, Office of Housing
Robert C. Eiffert, Deputy Director, Office of Housing
Marcy Meyer, Housing Analyst, Office of Housing
Richard R. Willsey, Risk Manager
Bruce Johnson, Director, Office of Management and Budget