


City of Alexandria, Virginia

MEMORANDUM

DATE: FEBRUARY 8, 2006

TO: THE HONORABLE MAYOR AND MEMBERS OF CITY COUNCIL

FROM: JAMES K. HARTMANN, CITY MANAGER 

SUBJECT: CONSIDERATION OF FUNDING ALLOCATION FOR REBUILDING TOGETHER ALEXANDRIA

ISSUE: Request from Rebuilding Together Alexandria (RTA) for \$35,000 in Housing Trust Fund monies to purchase supplies and materials for National Rebuilding Day in April 2006.

RECOMMENDATION: That Council approve the allocation of \$35,000 in Housing Trust Fund (HTF) monies as a grant to Rebuilding Together Alexandria (RTA) to fund RTA's National Rebuilding Day activities for FY 2006.

BACKGROUND: Rebuilding Together Alexandria (RTA) is a 501(c)(3), not-for-profit, predominantly volunteer-supported organization that renovates and repairs the homes of elderly, disabled and low-income Alexandria homeowners to help them maintain safety, security and independence. RTA also facilitates the repair of non-profit facilities serving Alexandria residents in need. RTA's National Rebuilding Day is an annual one-day repair and renovation program that uses volunteer labor to provide no-cost repair/renovation services for eligible City owner-occupants and non-profit organizations. This program is supported by donations of time and labor from volunteers (including skilled laborers) and by donations of supplies and grant money from local businesses, churches and other sponsors. Applicants are screened on the basis of need and on the work that can be accomplished by RTA volunteers in one day.

RTA is requesting a total of \$35,000 in grant funding from the HTF to purchase the supplies and materials needed for National Rebuilding Day 2006, on which it hopes to assist 55-60 homeowners with home repairs. The organization also hopes to support an additional five to eight Alexandria homes or non-profit agencies with its year-round program. Monies would be used to support the cost of supplies and materials, required to provide home repairs and renovation assistance on National Rebuilding Day, 2006, with up to 25% of the funds available be used to pay for skilled labor. This request was unanimously approved by the Affordable Housing Advisory Committee on January 5, 2006.

HTF funding requests are considered year-round on an ongoing basis, and RTA has received an annual allocation from the HTF since FY 2001. During FY 2005, RTA used City HTF monies to provide home repair and renovation assistance to 45 Alexandria households, at an average cost of \$2,545. Seventy-seven percent of the HTF funds were used for the purchase of materials, with 23% used for paid skilled labor. The organization leveraged \$6.36 for every one dollar of HTF funding received, and more than 739 volunteers donated a total of over \$62,166 in manual labor,

services and materials. The average household income of beneficiaries was \$15,310; average household size was 1.37 persons, and the average age of head of household was 77 years.

RTA's total projected revenue from all sources for FY 2006 is \$168,605. As of December 2005, RTA had received actual funding or commitments totaling \$50,813, including \$8,612 from other City sources (\$6,000 from the Community Partnership Fund and \$2,812 from the Office on Aging). RTA still needs another \$80,669, most of which it expects to receive from sponsorships and additional grants, as discussed below.

According to RTA, the majority of funds for house sponsorships from businesses, religious organizations, and individuals normally do not come in until the first quarter of any calendar year; therefore the bulk of RTAs budgeted sponsorship funds is yet to be received. Over the past 18 years, RTA has maintained a house sponsorship renewal rate of approximately 85%-90%. In addition, sponsorship fees have been raised by \$100 (the first in three years and only the fourth increase in nearly 20 years). The last time the fee was raised, RTA did not lose any sponsors because of the slight increase. In addition to an expected high rate of renewal sponsorships at an increased level, RTA expects to attract new sponsorships.

Out of ten non-City grant applications submitted in FY 2006, the organization has received \$20,000 in grant funding from three sources and has had two applications rejected. This is a substantial increase from the \$11,945 in non-City grants received in FY 2005. RTA has budgeted \$26,000 in non-City grants, and is confident that the remaining five pending applications (totaling \$38,000) will yield the remaining \$6,000 that is needed. The increased grant funds are necessary to compensate for RTA's ineligibility for United Way grants (normally its largest grant) this year because RTA's lack of an FY 2003 audit does not comply with United Way's FY 2006 grant requirements.

RTA has assured City staff that if it does not raise enough funds to cover its costs in FY 2006, it will tap its reserve account or its checking account. With this assurance, staff recommends approval of the requested allocation of \$35,000 in Housing Trust Fund (HTF) monies as a grant to fund RTA's National Rebuilding Day activities for FY 2006. RTA's application is available for review in the Office of Housing.

FISCAL IMPACT: Allocation of \$35,000 in grant monies from the City's Housing Trust Fund.

STAFF:

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