


City of Alexandria, Virginia**MEMORANDUM**

DATE: MARCH 17, 2008

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: Consideration of a request from Rebuilding Together Alexandria (RTA) for \$42,000 in Housing Trust Fund monies to purchase supplies and materials for National Rebuilding Day in April 2008.

RECOMMENDATION: That City Council:

- (1) Approve an allocation of \$42,000 in Housing Trust Fund (HTF) monies as a grant to Rebuilding Together Alexandria (RTA) to fund its National Rebuilding Day activities for FY 2008 (April 26); and
- (2) Authorize the City Manager to execute all necessary documents and agreements.

BACKGROUND: Rebuilding Together Alexandria, (RTA) is a 501(c)(3) non-profit 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 helps to repair non-profit facilities serving the community. RTA is predominantly a volunteer-supported organization and, in addition to its annual National Rebuilding Day event, provides year-round repair and renovation services to needy homeowners.

National Rebuilding Day is an annual one-day repair and renovation program that uses volunteer labor to provide no-cost home repair/renovation services for income-eligible homeowners. The 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 based on RTA's evaluation of the work that can be accomplished by its volunteers in one day.

DISCUSSION: RTA is requesting \$42,000 in grant funding from the Housing Trust Fund to purchase the supplies and materials needed for its FY 2008 program (with up to 25% of funds available to pay skilled labor, as necessary). This year RTA hopes to assist 65-75 homeowners and non-profit organizations, serving a total of approximately 110-150 persons in those households and hundreds more through the non-profit facilities. RTA expects to maintain its house sponsorship rate of 85%-90% and is trying a new initiative this year by 'challenging' current sponsors to bring in one other house sponsor when they sign up. A part-time assistant has been recruited to assist with grant proposal writing, to help coordinate all fund-raising activities, to recruit volunteers and to help secure sponsors for projects. The recommended \$42,000 constitutes 17% of the annual funding (excluding in-kind materials and labor) RTA expects to raise.

RTA has been funded at \$35,000 a year for the past several years from the Housing Trust Fund. During FY 2007, RTA assisted a total of 55 households, using City funding to provide home repair and renovation assistance to fifty-five Alexandria households. Four local nonprofit organizations (Carpenter's Shelter, Community Lodgings, St. Martin de Porres Senior Center and the Domestic Violence Program), were also assisted during the organization's year round activities by combining City funding with other sources of funds.

RTA achieves significant leverage for the City funds provided. Total RTA program revenue leveraged in 2007, including in-kind materials/skilled donations, was \$404,475 (up by \$130,422 or 47% over 2006). While overall City funding for the year increased (in addition to HTF funds, other City agencies contribute to RTA programs) from \$43,412 to \$45,112 (up by \$1,700) last year, as a percentage of RTA's total revenue, City funding actually decreased from 16% to 11%. Funds leveraged for every \$1 of HTF funding amounted to \$10.20 in FY 2007. The organization has strengthened its financial capacity in recent years: its unrestricted endowment fund had a fund balance of \$10,671 as of its June 2007 financial statement.

The Affordable Housing Advisory Committee (AHAC) considered a staff recommendation to allocate \$35,000 based on the FY 2008 Housing Trust Fund budget priorities that AHAC approved on January 4, 2007. However, on February 7, 2008 the committee approved the full amount requested by RTA (\$42,000) recognizing the ongoing contribution of the RTA program toward the achievement of the City's strategic goal of providing a "caring community that is diverse and affordable." The additional \$7,000 will enable RTA respond to the needs of a family that requires extensive home renovations for accessibility (including two chair lifts, wheel ramps, a bathroom renovation, pocket doors and other access-based renovations). While such work ordinarily could have been done with budgeted funds in the City's Home Rehabilitation Program, in this instance, the homeowner does not have sufficient equity to qualify for that program.

FISCAL IMPACT: Approval of this request would result in the expenditure of \$42,000 in grant monies from the City's Housing Trust Fund.

STAFF:

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