

COMMUNITY REVITALIZATION

DESCRIPTION

The Department of Community Revitalization coordinates the County’s housing initiatives, revitalization efforts, and community development programs. The department plays an integral role in the enhancement of existing residential, commercial, and industrial areas in the County. The Department is divided into two major divisions (Community Development and Community Maintenance) and is responsible for administering the following: Community Development Block Grant (CDBG), Home Investment Partnerships Program (HOME), Emergency Solutions Grant (ESG), Virginia Enterprise Zone program, Commercial Revitalization Assistance, Henrico Investment Program (HIP), Neighborhood Revitalization Assistance, Volunteer Assistance Program, Employee Home Purchase Assistance Program, and property maintenance and zoning enforcement in developed communities.

OBJECTIVES

- To administer and aggressively market the County’s Enterprise Zone and HIP programs to potential new and existing businesses and/or property owners.
- To administer the CDBG, HOME, and ESG programs to assist in meeting the County’s community development objectives, develop community partnerships and implement the programs necessary to meet rapidly changing needs of the County, and respond to changing federal funding.
- To administer the Community Maintenance program of environmental and zoning code enforcement.
- To identify needs within the County’s older communities and offer staff and volunteer services to improve properties and structures as a part of the Volunteer Assistance Program.
- To prepare plans and design programs for older commercial corridors in the County in order to identify opportunities to facilitate investment and improvement, and to develop realistic plans of action for addressing concerns.

FISCAL YEAR 2025 SUMMARY

Description	Annual Fiscal Plan			
	FY23	FY24	FY25	Change
	Actual	Original	Proposed	24 to 25
Personnel	\$ 1,675,931	\$ 1,828,518	\$ 1,989,238	8.8%
Operation	368,413	363,379	387,579	6.7%
Capital	914	8,103	8,103	0.0%
Total	\$ 2,045,258	\$ 2,200,000	\$ 2,384,920	8.4%
Personnel Complement ⁽¹⁾	20	22 ⁽²⁾	22	0

⁽¹⁾ Personnel Complement does not include five Complement III positions funded through grant programs.

⁽²⁾ Moved Revitalization Specialist II, a grant funded Complement III position, into the General Fund and an added an Assistant Director position.

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PERFORMANCE MEASURES

	FY23	FY24	FY25	Change 24 to 25
Workload Measures				
Community Maintenance Cases	9,190	10,201	10,349	148
Inspections Made	26,453	26,399	27,187	788
Technical Assistance/Outreach to Businesses	659	650	650	-
Efficiency Measures				
Volunteers Participating	161	200	210	10
Volunteer Hours Worked	356	390	450	60
CCP Hours Worked	1,652	1,700	1,800	100
Effectiveness Measures				
Notices of Violation Issued	2,082	2,150	2,300	150
Enterprise Zone Grants Completed	21	18	18	-
Value of Enterprise Zone Grants Awarded	\$ 106,948	\$ 165,000	\$ 160,000	(5,000)
Value of Enterprise Zone Grant Assisted Projects	\$ 777,474	\$ 3,100,000	\$ 2,000,000	\$ (1,100,000)
Value of All Enterprise Zone Projects	\$ 106,513,011	\$ 130,000,000	\$ 180,000,000	\$ 50,000,000
Henrico Investment Program Grants Completed	7	8	10	2
Value of Henrico Investment Program Grants Awarded	\$ 50,352	\$ 85,000	\$ 120,000	\$ 35,000
Number of owner-occupied single-family homes served through repair or rehabilitation	78	93	74	(19)

OBJECTIVES (CONTINUED)

- To coordinate the review of tax credit applications and low-interest bond financing requests in order to encourage rehabilitation and new investment in the County's aging multi-family developments.
- To develop neighborhood enhancement strategies for mature residential and commercial areas of the County in order to ensure that such areas remain attractive for existing and potential residents and retain viable businesses.

BUDGET HIGHLIGHTS

The Department's budget for FY25 is \$2,384,920. This represents an overall increase of \$184,920 or 8.4%, from the FY24 approved budget. Included in this is a growth in personnel funding of \$160,720, reflecting a planned salary increase as well as the associated benefit adjustments. The operating component rose by \$14,200, to support increased office space rent and motor pool costs. Additionally, the budget includes a \$10,000 increase for emergency needs within the community. The capital component remains flat from the previous fiscal year.

DEPARTMENTAL HIGHLIGHTS

The Community Revitalization Department's mission statement is: *"To coordinate the county's revitalization programs and services intended to promote healthy, vibrant, and attractive residential, commercial, and industrial communities."*

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Community Revitalization collaborates with the Department of Building Inspections in a multi-faceted effort to proactively enforce compliance with applicable codes directed at creating and maintaining clean and safe communities. The Department is dedicated to preserving and revitalizing the County's mature neighborhoods, business corridors, and industrial areas through its programs and activities. Staff coordinates with neighborhood, businesses, and community organizations to raise citizen awareness regarding community maintenance requirements, housing assistance, Enterprise Zone, and HIP programs administered by the Department. Meetings with these organizations also allow for the collection of valuable feedback on Department programs and an opportunity to solicit volunteers for assistance projects.

COMMUNITY DEVELOPMENT

The Community Development Division administers the programs funded by the U.S. Department of Housing and Urban Development (HUD), which includes CDBG and HOME. HUD's funding of the ESG program for Henrico ended September 2023. The CDBG and HOME grant programs, which are awarded by the Federal government each year, are based on the Federal fiscal year that runs from October 1st through September 30th. Special allocations of HUD CARES Act and ARPA have grant terms that vary, ending in 2026 and 2030 respectively.

There are five positions within the Department that are grant-funded and are not included in the County's personnel complement. This funding is appropriated once the grant awards are announced by HUD and the projects and programs to be supported by the award have been identified and approved by the Board of Supervisors. The projects and programs begin after grant contracts are signed by HUD and the County. Grant funding that is not expended by the end of the federal program year is re-appropriated in the following year to complete the use of this funding.

A few of the Community Development Division's major accomplishments within the CDBG and HOME grant programs include the continuation of the Housing Rehabilitation program and Critical Home Repair programs, the CONNECT Program for at-risk youth, the down payment assistance program providing homeownership opportunities to first-time homebuyers, and funding of the Commercial Assistance and Enterprise Zone Programs.

CDBG funds from the 2022-23 program year were also used to provide pre-development support for affordable rental housing, begin the development of a small business revolving loan program, and provide funding to assist low-income homeowners' connection to County sewer. The ESG program provided homelessness prevention and assistance to homeless persons with shelter and case management, and rapid re-housing for homeless families. The Community Development Division also administers the Enterprise Zone Program, Commercial Assistance Program, and Henrico Investment Zone Program to facilitate improvements to commercial buildings and business corridors. Enterprise Zone businesses in Henrico received just over \$1.3 million in State grants for work completed or jobs created in 2022. As the CARES Act funded CDBG and ESG programs wound down, by the end of FY23, over 650 Henrico persons were provided homeless services or assistance, and over 8,500 Henrico persons or households received a variety of support including housing, food, counseling, educational needs, and assistance.

Since 2005, Henrico County Enterprise Zone businesses have received over \$14.7 million in grant funds from the Commonwealth of Virginia for real property investment, and over \$400,000 for job creation. These grant funds generated just under \$440 million worth of investment. County grant funds (both CDBG and General Funds), have assisted 266 Enterprise Zone businesses (many with multiple grants), providing just over \$2 million in grant funds,

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and generating \$8.5 million in investment. In the last three calendar years alone, permit fee waivers benefited 1,535 Enterprise zone businesses, supporting an aggregate investment of \$672.5 million.

Using both general fund and CDBG CARES Act funds, the Department of Community Revitalization (DCR) engaged Commonwealth Catholic Charities (CCC) to aide long-term hotel residents (who are technically considered homeless) in relocating to permanent housing. Since initiating this project in September 2022, CCC completed housing needs assessments for 178 households residing in six hotels, developed housing stabilization for 75 of those households and as of November 2023, relocated 25 households to permanent housing.

The Department of Community Revitalization also plays a major role in coordinating the County's various housing initiatives. The Department continues to work with other agencies to execute memoranda of understanding (MOU) with apartment owners interested in recapitalizing their apartment communities. To date, the County has entered into 6 MOUs with the owners of Hope Village, Henrico Arms, St. Luke, Newbridge Village, Place One, and Helios Apartments. Construction is nearing completion for St. Luke and Place One apartments and Helios is the latest construction development in which the County entered a MOU.

Community Revitalization continues to work with the Maggie Walker Community Land Trust (MWCLT) to develop and sell homes at an affordable price point. To date, MWCLT has constructed or renovated and sold 12 homes and has approximately 46 in their pipeline. Richmond Habitat for Humanity (RHFH) has also constructed two homes and has an additional two homes under construction. The Department of Community Revitalization also launched the new Employee Home Purchase Assistance Program which will provide downpayment and closing cost assistance to eligible general government and schools' employees, as well as constitutional officers.

The Department has also supported the designation of revitalization areas for new development projects seeking tax-exempt and taxable bond financing from Virginia Housing. Such projects increase the availability of affordable housing because Virginia Housing's financing requires applicants to lease a percentage of the units to persons earning less than 80% of the County's median income. The Board has approved such determinations for Regency Phases I and II, Virginia Center Commons, Laurel Park, and Henrico Plaza. In addition, the Department provided \$575,000, \$125,000 in general fund dollars and \$450,000 in federal funding, to Virginia Supportive Housing to support their plan of converting a vacant assisted living facility into 86 units of affordable housing and onsite support services for formerly homeless and low-income residents.

COMMUNITY MAINTENANCE

The Community Maintenance Division responds to property maintenance and zoning violation complaints made by residents, business owners, board of supervisors, department heads, and community groups. Complaints against private property are field verified and appropriate enforcement action is taken when warranted. Community Maintenance field staff also conduct proactive case work in their assigned inspection areas as part of their typical duties. In addition to the enforcement responsibilities, the department coordinates bi-annual community clean-ups (in conjunction with the Department of Public Utilities), and regularly attends neighborhood meetings. The Division also manages and organizes Volunteer Assistance Programs that match County employees, civic, faith based, business, neighborhood, and nonprofit groups with low-income senior or disabled residents whose homes need limited yard work, minor exterior upkeep, and home repair. Until recently, these volunteer programs had been dormant due to COVID-19 restrictions and staffing issues but have resumed in a limited capacity.

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At the General District Court's direction, participants of the Community Corrections Program (CCP) fulfill community service hours primarily on weekends. This additional time is credited to community maintenance programs due to the division's involvement in providing tools, equipment, and trash dumpsters for projects. Most of the work performed by CCP participants has been limited to the clean-up and maintenance of the Woodland Cemetery, a predominantly African American burial ground serving the Richmond community since 1917.

Lastly, the Community Maintenance Division will continue to collaborate with Building Inspection's Existing Structures Section as they investigate and enforce building code violations that go hand-in-hand with zoning and property maintenance infringements. During FY23, DCR staff participated in the Hotel/Motel Task Force, charged with addressing the challenges faced by the County relating to traditional hotels and motels deciding to become de facto long-term rental housing and pseudo crisis stabilization housing facilities (contrary to zoning and building code requirements); to date, Community Maintenance staff have participated in seven hotel/motel field surveys assessing the number of long-term guests at these facilities. Historical budget expenses in both areas are depicted below:

Year	Building Inspections	Community Revitalization	Total
FY16	210,521	1,520,717	1,731,238
FY17	264,474	1,584,001	1,848,475
FY18	236,784	1,684,625	1,921,409
FY19	274,056	1,816,119	2,090,175
FY20	267,358	1,639,828	1,907,186
FY21	402,501	1,568,609	1,971,110
FY22	277,985	1,817,900	2,095,885
FY23	411,661	2,045,258	2,456,919
FY24*	548,484	2,200,000	2,748,484
FY25*	609,948	2,384,920	2,994,868

*FY24 and FY25 reflect budget estimates.



**Department Operating Budget
Henrico County, Virginia
FY2024-25
COMMUNITY REVITALIZATION**

Account Description	Prior Year Actual	Approved Budget	Proposed Budget	Dollar Inc/Dec	Percent Inc/Dec
50100 Full-Time Salaries and Wages - Regular	1,205,573	1,309,120	1,403,988	94,868	7.2%
50101 Full-Time Salaries and Wages - Overtime	10,204	11,000	11,000	0	0.0%
50108 Hybrid Disability Prgm (Prev Wage Adj)	2,298	3,342	3,572	230	6.9%
50109 Vacancy Savings	0	-46,031	-50,861	-4,830	-10.5%
50110 FICA	90,211	101,119	108,287	7,168	7.1%
50111 Retirement VRS	190,459	216,677	245,698	29,021	13.4%
50112 Hospital/Medical Plans	162,138	214,940	232,764	17,824	8.3%
50113 Group Insurance - Life (VRS)	15,048	18,351	19,656	1,305	7.1%
50121 VRS Hybrid Deferred Contribution	0	0	15,134	15,134	100.0%
50209 Other Professional Services	25,853	17,000	17,000	0	0.0%
50211 Maintenance Service Contracts	6,594	5,100	5,100	0	0.0%
50221 Lease/Rent Of Buildings	140,353	140,000	148,500	8,500	6.1%
50240 Printing and Binding	7,933	9,661	9,661	0	0.0%
50250 Advertising	100	500	500	0	0.0%
50270 Other Contractual Services	31,209	5,620	5,620	0	0.0%
50286 Weed and Pest Control	46,822	50,207	50,207	0	0.0%
50310 Automotive/Motor Pool	70,056	66,090	79,933	13,843	20.9%
50404 Refuse Service	0	1,705	0	-1,705	-100.0%
50410 Postal Services	8,263	13,508	10,000	-3,508	-26.0%
50412 Telecommunications	16,863	20,008	20,008	0	0.0%
50430 Mileage	0	300	300	0	0.0%
50431 Education and Training	4,349	4,000	5,500	1,500	37.5%
50450 Dues And Association Memberships	2,245	2,025	2,025	0	0.0%
50455 Tuition	0	1,200	1,200	0	0.0%
50459 Other Charges Miscellaneous	70	1,745	545	-1,200	-68.8%
50500 Office Supplies	2,292	9,700	8,700	-1,000	-10.3%

Account Description	Prior Year Actual	Approved Budget	Proposed Budget	Dollar Inc/Dec	Percent Inc/Dec
50501 Food Supplies and Food Service Supplies	186	355	355	0	0.0%
50506 Repair and Maintenance Supplies	757	5,200	4,000	-1,200	-23.1%
50507 Gasoline	7	100	100	0	0.0%
50511 Uniforms/Wearing Apparel/ITEMS	2,299	2,500	4,500	2,000	80.0%
50512 Books and Subscriptions	19	200	200	0	0.0%
50514 Other Operating Supplies	1,448	3,530	2,500	-1,030	-29.2%
50517 Small Tools	0	1,500	500	-1,000	-66.7%
50521 Computer Software	481	625	625	0	0.0%
50631 Services To Disabled Individual	214	0	0	0	0.0%
50812 Furniture and Fixtures-New Less Than \$10,000	0	4,200	4,200	0	0.0%
50815 Computer Equipment-New Less Than \$10,000	884	2,080	2,080	0	0.0%
50833 Telecommunications Equipment – Replacement Less Than \$10,000	30	574	574	0	0.0%
50835 Computer Equipment-Replacement Less Than \$10,000	0	1,249	1,249	0	0.0%
50911 Interdepartmental Billings	0	1,000	10,000	9,000	900.0%
Total Department	2,045,258	2,200,000	2,384,920	184,920	8.4%