

Community Development Citizen Advisory Committee (CDCAC) Meeting  
January 4, 2023 6:30 p.m.  
Virtual Meeting - [Meeting Recording](#)

**Members:** Walter Sargent, Lara Malakoff, Jennifer Bodie, Greg Bramham, Nicolas Cicero, Bryan Coleman, Tim Denning, Steven Gallagher, Mike Tulley, Margaret McGilvaray

**Staff:** Caitlin Jones, Akeria Brown, Rolda Nedd, Joel Franklin

Lara Malakoff (Chair) called the meeting to order at 6:41.

**1. Approval of December 7, 2022 Meeting Minutes (Action)**

The minutes were approved unanimously

**2. Moderate-Income Purchase Assistance Program (MIPAP) FY 2022-2023 Performance and FY 2024 Projections (Information)**

Akeria Brown, Arlington County's Homeownership Program Coordinator, provided an overview of the Moderate-Income Purchase Assistance Program (MIPAP) performance over FY 2022-FY 2023, and also detailed plans for the program in FY 2024. The MIPAP program is funded entirely with Community Development Block Grant (CDBG) funds, and receives an annual allocation of approximately \$600,000.

The Purpose of the MIPAP is to provide moderate income households with up-front costs associated with purchasing a home in Arlington County. Loans are provided to households as a deferred second trust mortgage, which means borrowers have no monthly payments. Households are eligible to receive a loan in the amount of 25% of the total purchase price. The program caps the eligible purchase price at \$500,000, which means that the maximum MIPAP amount is \$112,500. MIPAP is a shared appreciation model which requires the borrower to pay the County a proportionate share of the net appreciation at the time of loan repayment. Upon resale of property, County receives the MIPAP amount plus up to 25% of the property appreciation.

Between FY 2018 and FY 2022, the County supported twenty (20) borrowers with downpayment and closing cost assistance through the MIPAP program, totaling over \$1.4 million in County assistance. The County disbursed the lowest number of loans in FY 2021 (July 2020 – June 2021) primarily due to market conditions related to COVID during the fiscal year. Market activity has increased significantly over the last two years and staff is projecting to close 10-12 loans in FY 2023 with an average loan amount of \$85K.

Five of the twenty MIPAP borrowers between FY 2018 and FY 2022 were Black households. These households have on average the highest annual income of \$70,956. Although the highest earners, Black households purchased the second highest average priced home, at \$332,260. White (non-Hispanic) households earned about 10% less than Black households, but purchased homes priced 10% more than those purchased by Black households

As far as housing type, condominiums are traditionally more affordable than other housing options in the County (Arlington County Homeownership Analysis, 2022). 85% of MIPAP purchases are for condo units, while single family homes and duplexes make up 15% of the home purchases.

One CDCAC member asked what happens to CDBG funding when a MIPAP borrower repays their loan. Staff responded that the money is returned to the County as program income and can be repurposed as unprogrammed funds.

Another CDCAC member asked whether households that are unable to afford to purchase in Arlington that wind up purchasing in other jurisdictions also receive financial support. Staff responded that most of the County's neighboring jurisdictions provided homebuyer support, however, Arlington's downpayment assistance program provides one of the highest amounts compared to anywhere in the country.

CDCAC asked where staff markets the MIPAP program. Staff responded that they keep a list of individuals who have expressed interest in the program, they advertise in local newspapers and also work closely with housing counselors in the County to receive program referrals.

CDCAC asked what the typical profession of a MIPAP borrower is. Staff responded that the County often works with teachers, administrative professionals, County employees, health care providers, and nonprofit employees.

Finally, a member asked whether there is a restriction on the loans that requires borrowers who sell their home to sell the property to an income-qualified buyer? Staff responded that MIPAP loans do not have affordability restrictions. The only ongoing requirements is that the owner has to be a primary resident and there is a period where the property cannot be sold but once that is over, the borrower is able to sell on the open market or refinance their loan.

### **3. FY 2022 Affordable Housing Master Plan Annual Report**

Joel Franklin provided a summary of the [FY 2022 Affordable Housing Master Plan Annual Report](#). This report provides an overview of accomplishments furthering the County's affordable housing goals, objectives and policies. Complete data set of the [61 indicators](#) developed as part of the [Monitoring and Reporting Plan](#) is also available and include data back to 2010.

### **4. FY 2024 NOFA Process Debrief (Discussion)**

Lara Malakoff led a debrief conversation about the FY 2024 Community Development Fund proposal review process. Lara asked for feedback on how the NOFA was constructed, the evaluation and review process, proposal presentations, and ranking and voting process. A summary of feedback provided is below.

#### **NOFA Construction**

- Some of the NOFA questions seemed repetitive and lengthy in nature. Staff should consider shortening the application.
- Might want to reconsider asking applicants to include CVs or resumes in the application. Perhaps a description of staff capacity would suffice.
- Staff should reframe and rethink the sustainability question because applicants are not answering the question correctly. CDCAC members suggested reframing the question to ask applicants to explain how the program is going to continue operating if it did not receive County funds.

#### **Evaluation and Review process**

- Staff should mirror the evaluation criteria to the NOFA construction better to ensure applicants can follow how each section will be weighted and scored.
- CDCAC members liked having access to subject matter expert comments.
- Might reconsider having all CDCAC members rank and score each application as that is uncommon in other grant processes.

#### **Presentations**

- An individual who participated in the process for the first time like the presentation opportunities because that is often not offered in other grant opportunities.
- Mixed feedback on whether CDCAC members liked the virtual applicants vs. asking applicants to return in person in future years.

#### **Ranking and Voting**

- CDCAC members like the number of categories that proposals were grouped into and would like to continue using this methodology.

#### **5. Staff Report**

Rolda Nedd provided an overview of the CSBG year-end report for 2022, that was developed by the Virginia Department of Social Services.

#### **6. Chair Report**

Nothing to report.

#### **7. Member Report:**

Nothing to report.

The meeting adjourned at 8:17 pm.