

ALEXANDRIA HOUSING AFFORDABILITY ADVISORY COMMITTEE
HYBRID MEETING
DATE: JUNE 2, 2022
TIME: 7:00-9:15 P.M.
LOCATION: City Hall, Room 2000, 301 King Street

To participate via Zoom, please register at: https://zoom.us/webinar/register/WN_uWIDHOAxQBmz0BUkbTgWg
Webinar ID: 987 4603 7036; Webinar Passcode: 415142.

***Spanish interpretation will be provided via Zoom ***

AGENDA

1. Introductions and Chair remarks (Chair) 7:00 p.m.
2. Consideration of Affordable Housing Plan for the Potomac River Generating Station
Coordinated Development District (Tamara Jovovic/Mary Catherine Gibbs) 7:05 p.m.
Action Requested: Review and Vote on Affordable Housing Plan
3. Briefing on Samuel Madden Redevelopment (Brandi Collins/Noah Hale) 7:40 p.m.
Action Requested: Information Item/Opportunity to Ask Questions and Provide Input
4. Consideration of a Predevelopment Loan for CLI Elbert Avenue 8:00 p.m.
(Helen McIlvaine/Paul Browne)
Action Requested: Vote on Predevelopment Loan Request
5. Consideration of a Predevelopment Loan for CHP 2712 Duke Street 8:15 p.m.
(Helen McIlvaine/David Schultz)
Action Requested: Vote on Predevelopment Loan Request
6. Member Acknowledgements (Chair) 8:30 p.m.
7. Chair Election 8:35 p.m.
Action Requested: Elect FY23 Chair
8. Consideration of Draft April 2022 Minutes (Chair) 8:40 p.m.
Action Requested: Vote on Draft Minutes
9. Eisenhower West/Landmark Van Dorn Implementation Advisory Group 8:45 p.m.
Action Requested: Appoint Member Representative
10. Investment Committee Update (Eric Keeler) 8:50 p.m.
11. ARHA Updates (Salena Zellers) 8:55 p.m.

12. AHDC Updates (Jon Frederick) 9:00 p.m.
13. Information Items: 9:05 p.m.
Financial Report
14. Staff Updates and Upcoming Housing Meetings (Staff) 9:10 p.m.

ARHA Redevelopment Work Group

City Hall, Council Work Room, 301 King Street
June 16, 2022; 5:30 p.m.

Planning Commission Public Hearing: PRGS, Bonus Height Study, and AHDC Arlandria Amendment

City Hall, Council Chamber, 301 King St.
June 23, 2022; 7:00 p.m.

City Council Regular Public Hearing: PRGS, Bonus Height Study, and AHDC Arlandria Amendment

City Hall, Council Chamber, 301 King St.
July 5, 2022; tbd

ARHA Redevelopment Work Group

City Hall, Council Work Room, 301 King Street
July 21, 2022; 5:30 p.m.

ARHA Redevelopment Work Group

City Hall, Council Work Room, 301 King Street
August 18, 2022; 5:30 p.m.

Adjournment (Chair) 9:15 p.m.

Proposed Affordable Housing Plan
Redevelopment of the Potomac River Generating Station

1. An overview of the project, to include: 1.1 Its name, address, and application number; 1.2 A brief description of the proposed development program; 1.3 Requested zoning changes or waivers; and 1.4 A brief discussion on how the affordable housing goals and recommendations of its applicable small area plan are being addressed by the AHP.

Potomac River Generating Station CDD – 1300 North Royal Street

Master Plan Amendment #2022-00001

Text Amendment #2022-00007

Text Amendment #2022-00006

Rezoning #2022-00003

Coordinated Development District Conceptual Design Plan #2021-00004

The project involves the abatement and deconstruction of the former Potomac River Generating Station, and remediation and redevelopment of the 18.8 acre former coal-fired power plant site (Project). The Old Town North Small Area Plan (OTNSAP) envisioned a mixed-use redevelopment with up to 2.15 million Gross Floor Area (GFA), which in this case is equal to gross square feet. HRP Potomac, LLC, the owner of the site, is seeking approval for a plan that achieves up to 2.5 million GFA (2.15 million GFA base density and 350,000 GFA bonus density split between an affordable housing density bonus and an arts/cultural use density bonus). There will be a mix of 20-60% commercial square footage and 40-80% residential square footage. The exact mix of uses will be determined at the Development Special Use Permit (DSUP) level for each of the proposed 6 blocks. The proposed heights are within a range of heights based on FAA limitation with maximums of 160 feet towards the north and 172 feet in the middle/south and 70 feet at the very south. Each block will have a variety of heights to be determined at the DSUP for each block.

The applications include requests for: (A) an amendment to the Old Town North Small Area Plan chapter of the Master Plan to change the Recommended Height District Limits Map in the plan per the heights proposed in the Coordinated Development District conceptual design plan; (B) a Text Amendment to the Zoning Ordinance to amend the provisions of §6-901 to extend the boundaries of the Old Town North Arts and Cultural District Overlay Map; (C) a Text Amendment to the Zoning Ordinance to amend the provisions of §5-602 to establish CDD #30 / Coordinated Development District #30; (D) an amendment to the official zoning map to change the zone from UT / Utilities and Transportation to CDD #30; and (E) a Coordinated Development District conceptual design plan to redevelop the former Potomac River Generating Station site into a mixed-use neighborhood, currently zoned UT.

The OTNSAP identified a number of recommendations in Section 3.4 related to housing that are a part of the proposed Affordable Housing Plan including:

- a. **3.4(2) “Encourage mixed-income housing and maximize affordability throughout the plan area by implementing an increase in the density bonus provision from 20% to 30% pursuant to Section 7-700 of the Zoning Ordinance. The provision of the arts and cultural incentives as outlined in the Plan will not preclude the potential use of Section 7-700.”**

The Project seeks to utilize a portion of the 30% density bonus in exchange for the provision of on-site affordable units and the potential use of the arts bonus does not preclude the use of the affordable housing bonus. In exchange for a total of 175,000 square feet (GFA) of bonus density for affordable housing across all phases of development within the CDD Plan area, the applicant will provide a total of at least 58,333 square feet (GFA) of committed affordable housing within the CDD Plan area in the form of on-site affordable set-aside units located within market-rate residential developments to be delivered in a phased fashion.

- b. **3.4 (3): “Achieve the goal of a 40-year term of affordability for new affordable housing units in the plan area.”**

Any new on-site affordable housing units would satisfy this requirement.

- c. **3.4(5): “Explore other regulatory strategies to further expand mixed-income housing and to foster public private-nonprofit partnerships.”**

The Applicant has agreed to explore strategies that leverage affordable housing financing to determine the feasibility of a public private-nonprofit partnership (PPP) as part of this development and will do so in coordination with the City’s Office of Housing. Such PPP project(s) will utilize up to 100,000 square feet of the remaining 175,000 GFA of bonus density in the CDD Plan area available for arts and cultural bonus density.

- d. **3.4 (7): “Incorporate open passive and active recreational space and community space in residential developments for private and public use, if feasible.”**

The Project will create or unlock a significant amount of new publicly accessible open space in the Old Town North area with a variety of passive and active program uses. This includes the addition of over 5 acres of on-site public open space that will be integrated with existing or future adjacent public open space owned by others to potentially create a network of connected public open space in the district of over 14 acres.

2. The number, type (rental/for-sale), size (number of bedrooms), level of affordability (percent of area median income), location, and length and terms of affordability of existing CAUs being demolished as part of redevelopment.

NA

3. The status of tenant engagement efforts.

NA

4. The status of tenant relocation planning efforts and outreach to the Landlord-Tenant Relations Board.

NA

5. The number, type (rental/for-sale), size (number of bedrooms), level of affordability (percent of area median income), location, and length and terms of affordability of proposed CAUs.

All of the details related to the committed affordable units will be worked out as part of the DSUPs for the blocks as they move forward and use bonus density as outlined below:

- a. **Subject to paragraph b below, provide the following set-aside units in each phase of the development:**
 - i.) **Provide a minimum of 8,500 square feet of committed affordable set-aside units in Phase 1, unless more than 75% of the Phase 1 development is non-residential; in which case, that set-aside unit square footage may be provided in Phase 2.**
 - ii.) **Provide a minimum of 25,000 square feet of committed affordable set-aside units in Phase 2, unless more than 85% of Phase 2 development is non-residential; in which case, that set-aside unit square footage may be provided in future phases.**
 - iii.) **Provide the balance of the committed affordable housing in any later phase until the total of up to 58,333 square feet of affordable set aside units has been provided.**
 - iv.) **If either Phase 1 or Phase 2 delivers more than the square footage of committed affordable set-aside units indicated in 5.a.i.) or 5.a.ii.) above, then the square footage of committed affordable set-aside units to be delivered in future phases may be reduced by that increased amount.**
- b. **The pro rata apportionment of on-site committed affordable set-aside units is subject to the following: if the Applicant submits a DSUP or DSUPs for any given phase requesting the full amount of available GFA in that phase, including available bonus density, as shown in the Bonus Density Chart, but**

actions by the City Council reduce the final approved total GFA in that phase, it is understood and agreed that said reduction will apply to the available bonus density in that phase. If some or all of the reduction in the final approved bonus density is regained as part of a subsequent phase, the affordable housing GFA in such subsequent phase will be increased proportionally.

- c. **The tenure and unit mix of committed affordable set-aside units will be considered at the time of each DSUP in which bonus density is achieved as described above.**
- d. **Committed affordable rental set-aside units shall be affordable to households with incomes at 60% AMI.**
- e. **Committed affordable homeownership set-aside units shall be consistent with the affordable housing policies and procedures in effect at the time of each DSUP application; such units shall have covenants restricting future resale to ensure long term affordability.**
- f. **Committed affordable set-aside units shall be subject to the City's published standard set-aside conditions, policies, and procedures in effect at that time of each DSUP application.**

- 6. A description of existing and proposed affordable housing financing agreements with third parties (including the Department of Housing and Urban Development).

NA

- 7. An equivalency analysis that compares the value and location of CAUs proposed to be provided off-site to that of CAUs constructed on-site.

NA

- 8. A description of how proposed CAUs will be incorporated into the overall project to create a successful mixed-income community, including whether CAU residents will have access to amenities available to residents of market-rate rental units.

The Project's goal is to mix the affordable housing set-aside units within the market rate buildings. The potential PPP project may be designed as one or more stand-alone affordable buildings or as affordable units co-located with non-residential or residential market-rate development or other uses, to the satisfaction of the Director of Housing.

- 9. Information on proposed phasing and implications such phasing would have on the delivery of proposed CAUs.

See response to question number 5 above.

- 10. Information on contributions proposed to be made to the Housing Trust Fund.

Contributions to the Housing Trust Fund will be calculated based on the actual uses proposed at the time of each DSUP. Current calculations range from approximately \$8 million to approximately \$11 million based on the range of use mix proposed.

11. An estimate of the types and number of jobs to be created by mixed-use projects (for informational purposes only).

Early estimates indicate that approximately 1,100 construction-related jobs over a ten-year period and approximately 2,000 permanent jobs may be generated by this Project.

12. Other information the Applicant deems relevant to the AHP.

The redevelopment of this former coal fire power plant involves significant coordination of many complex issues including the abatement and deconstruction of the old plant, remediation of soil and groundwater, site constraints for existing easements related to the adjacent electrical substation that will remain, the provision of new infrastructure and roads, the provision of significant new and /or improved public open space and substantial sustainability goals. Layered on to these complexities are the number of City policies that impact the overall project and the Applicant is seeking to balance all of the competing demands of these important guidelines. The Applicant believes this Affordable Housing Plan strikes the right balance. Approximately 80% of the 350,000 GFA bonus density will be targeted toward affordable housing and if the PPP project is achieved, approximately 8-18% of the total units to be built will be affordable.

FY 2022 Affordable Housing Development Funds

Financial Report

May Highlights

Payments Received	Reference	DSUP or Transation ID	\$ Amount
Developer Contributions	Robinson Terminal South (Robinson Landing)	2014 - 00006	\$10,412
Multifamily Loan Repayments	CLI	612 Notabene - 2012 (Pre-development and Renovation)	\$1,021
		Elbert Ave Renovations Sewer - 2009	\$2,319
Grand Total			\$13,751

New Pledges / Project Name	Developer	Project Type	\$ Pledged
Eisenhower East Block 23	Mid-Atlantic Realty Partners, LLC	Multifamily Residential	\$1,499,186
Eisenhower East Block 23 Total			\$1,499,186
Grand Total			\$1,499,186

New Transaction(s)	Fund	Date Loan Closed	\$ Amount
Wesley - Parcview Elevator	Housing Opportunity Fund	5/1/2022	-\$700,000
Wesley - Parcview Elevator Total			-\$700,000
Grand Total			-\$700,000

Revenues

	2021						2022						FY Total
	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	
Developer Contributions	\$20,824	\$31,236	\$1,585,201	\$41,648	\$31,236	\$548,342	\$688,259	\$448,153	\$2,025,070	\$20,396	\$10,412	\$0	\$5,450,775
Developer Contributions - Braddock SAP	\$0	\$1,080,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,080,000
Multifamily Loan Repayments	\$0	\$0	\$3,339	\$67,807	\$4,846	\$3,339	\$3,339	\$0	\$506,679	\$0	\$3,339	\$0	\$592,690
New Revenue Allocated by City Council	\$9,318,522	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$9,318,522
FY Total	\$9,339,346	\$1,111,236	\$1,588,540	\$109,455	\$36,082	\$551,681	\$691,599	\$448,153	\$2,531,748	\$20,396	\$13,751	\$0	\$16,441,987

Balance Available
\$13,586,987

Commitments and Reservations

The lifecycle of a project often spans more than a single FY. The "Start" column in the table below represents remaining monies already committed and/or reserved for a project on July 1 of the current FY.

Fund / Project	Start	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	FY Total	Grand Total
Housing Trust Fund															
Braddock SAP	\$2,343,273	\$0	\$1,080,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,080,000	\$3,423,273
Pilot Rental Assistance	\$824,957	\$0	-\$19,624	\$0	\$0	-\$71,775	\$0	-\$13,844	\$0	-\$22,067	\$0	\$0	\$0	-\$127,310	\$697,647
Rebuilding Together Alexandria (RTA)	\$0	\$50,000	-\$50,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Housing Trust Fund Total	\$3,168,230	\$50,000	\$1,010,376	\$0	\$0	-\$71,775	\$0	-\$13,844	\$0	-\$22,067	\$0	\$0	\$0	\$952,690	\$4,120,920
Housing Opportunity Fund															
AHDC - Arlandria	\$500,000	-\$500,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	-\$500,000	\$0
AHDC - Carpenter's Shelter / The Bloom	\$1,100,000	-\$1,100,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	-\$1,100,000	\$0
AHDC - Lacy Court, L.P.	\$810,000	-\$810,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	-\$810,000	\$0
AHDC - Operating	\$275,000	-\$275,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	-\$275,000	\$0
AHDC - Park Vue	\$0	\$0	\$0	\$0	\$0	\$500,000	\$0	\$0	\$0	-\$500,000	\$0	\$0	\$0	\$0	\$0
AHDC - Seminary	\$0	\$0	\$0	\$0	\$0	\$0	\$5,000,000	\$0	\$0	\$0	\$0	\$0	\$0	\$5,000,000	\$5,000,000
EHIP	\$162,000	\$0	-\$15,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	-\$15,000	\$147,000
Landmark Towers	\$2,500,000	\$0	\$0	\$0	\$0	\$0	\$0	-\$2,500,000	\$0	\$0	\$0	\$0	\$0	-\$2,500,000	\$0
Wesley - Fairlington / The Waypoint	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Wesley - Parcview Elevator	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$700,000	-\$700,000	\$0	\$0	
Wesley - Parcview II	\$400,000	\$0	\$0	-\$400,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	-\$400,000	\$0
Housing Opportunity Fund Total	\$5,747,000	-\$2,685,000	-\$15,000	-\$400,000	\$0	\$500,000	\$5,000,000	-\$2,500,000	\$0	-\$500,000	\$700,000	-\$700,000	\$0	-\$600,000	\$5,147,000