



ARHA REDEVELOPMENT WORK GROUP

September 19, 2024

5:30 PM – 7:00 PM

City Council Workroom

Conference Line: 703.746.1860

Passcode: 776655

MEETING AGENDA

1. Welcome & Introductions Mayor Justin Wilson
 2. Introduction of New CEO Anitra Androh, ARHA Chair
 3. Review of June 20, 2024 ARHA Redevelopment Work Group Meeting Summary Redevelopment Work Group
 4. Process for Review of City/ARHA Memorandum of Understanding Mayor Wilson & the Redevelopment Work Group
 5. Update on Bond Issuance Process and Status of Applications to Date ARHA staff
 6. Development Planning Updates ARHA
 - a. Ladrey Redevelopment – Funding Plan
 - b. Samuel Madden Redevelopment –
 - i. Financial Closing
 - ii. Relocation Plans
 - iii. Building Demolition Plan
 - c. Cameron Valley –
 - i. Status of Section 18 Application
 - ii. Alexandria Community Outreach
 7. Other Business Redevelopment Work Group
 - a. Upcoming Meeting Schedule
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UPCOMING MEETINGS

October 17, 2024

▪ November 21, 2024

Alexandria Redevelopment and Housing Authority (ARHA) Redevelopment Work Group

June 20, 2024

Meeting Summary

Work Group Members

Justin M. Wilson, Mayor, City of Alexandria
Stephen Koenig, Planning Commission
Willie Bailey, Vice-Chair, ARHA Board of Commissioners

City of Alexandria/Alexandria Redevelopment and Housing Authority (ARHA) Staff

James Parajon, City Manager, City of Alexandria
Karl Moritz, Director, Department of Planning and Zoning
Nancy Williams, Assistant Director, Department of Planning and Zoning
Helen S. McIlvaine, Director, Office of Housing
Eric Keeler, Deputy Director, Office of Housing
Mary Horner, Office of Housing
Kim Cadena, Office of Housing
Christopher Do, Office of Housing
Jose Gonzalez, Office of Housing
Marisa Stanley, CFO, ARHA
Wanda Sherrod, ARHA
Thomas Jones, ARHA
Edwin Zelaya, ARHA

Welcome & Introductions

Mayor Justin Wilson convened the meeting. Mayor Wilson, Planning Commissioner Stephen Koenig, and ARHA Board Commissioner Willie Bailey were present. Councilman John Chapman and ARHA Board Chair Anitra Androh were absent. Quorum was confirmed.

April 18, 2024 Meeting Summary

Mr. Koenig motioned to approve the April 18, 2024 meeting summary. Mr. Bailey seconded. The meeting summary was approved.

Organizational Transitions

Mr. Bailey told the Work Group that the new ARHA CEO had been selected and they were expected to sign a contract by June 21. The new CEO is anticipated to start September 1. Mr. Bailey reported that the new CEO will be discussed during June 24, 2024 ARHA Board meeting and Mayor Wilson will be updated as new details become available.

Update on Bond Issuance

Marisa Stanley reported that Jair Lynch is in the process of identifying a new lender for the Heritage project and closing is anticipated in November. ARHA has received another bond application from Housing Alexandria for the Sansé & Naja project. That application is expected to be on the docket for City Council review at the July 2 legislative session. Ms. Stanley stated that the project includes 105 rental units at 40% AMI and Housing Alexandria requested \$9.5 million in bonds. Mayor Wilson asked what the money would be used for. Helen McIlvaine responded that the bond would replace the acquisition loan and that Housing Alexandria had planned to apply for bonds from the Harrisonburg Housing Authority prior to the revival of the ARHA bond program.

Development Planning Updates

Ladrey Redevelopment

Thomas Jones reported that the Ladrey redevelopment project is applying to multiple funding sources so the project can move forward. ARHA is seeking \$3 million in Congressionally Directed Spending and has asked for support from Senators Warner and Kaine and Congressman Beyer. Mayor Wilson asked how this funding would be used. Mr. Jones responded that the \$3 million would help close the financing gap. Mr. Jones told the group that ARHA is applying for 4% LIHTC tax credits from Virginia Housing and will submit an application for the Virginia Housing Opportunity Tax Credit (HOTC) program in July 2024. He reported that there is another Alexandria housing project that is competing for HOTC Funding. The lawsuit filed against ARHA and the City by the owners of Annie B. Rose House in opposition to the Ladrey Redevelopment will be heard in court on July 3 to rule on ARHA's motion to dismiss.

Mr. Jones also said that a cookout will be held on Thursday, June 27 at Ladrey and that members of City Council will receive invitations.

Samuel Madden Redevelopment

Mr. Jones provided an update on Samuel Madden. ARHA is scheduled to close on the North Building on November 22. He reported that the 4% tax credit application had been submitted. The 9% tax credits the project won in 2023 carried forward into 2024, but Virginia Housing would not let them carry forward the credits again, so the project had to begin by the end of the year.

Mr. Jones reported that the South Building is on hold as equity investors assess the project as an investment for next year. Mayor Wilson asked when the delay in the South Building would become a problem. Mr. Jones responded that the master development agreement allows penalties to be imposed when the project is delayed more than six months. Mr. Jones expressed hope that the market would become favorable for investment and would allow the South Building to catch up to the North Building. Ms. McIlvaine noted that the projects were anticipated to be delivered together and many of the project's amenities would be delivered through the South Building, so a delay would negatively affect residents of the North Building.

Mr. Jones noted that the Samuel Madden project had hoped for the Early Start to release the City's loan, as had been requested at previous meetings. Mayor Wilson asked for a reminder about what the Early Start money would be pay for. Eric Keeler said that ARHA had requested the Early Start to pay for necessary utility work. However, after discussions with Planning and Zoning, Mill Creek, and ARHA, the Office of Housing was not comfortable providing the Early Start while the project was still going through the final site plan approval process and that the City loan was intended only to help finance the all-affordable North Building. The Early Start loan would have partially benefited the South Building, which will have a mix of affordable and market-rate units. Mayor Wilson asked if Mill Creek was withdrawing from the project. Mr. Keeler responded that they are not.

Cameron Valley Community Outreach

Mr. Jones also reported on the status of the Cameron Valley community outreach. Mr. Jones told the Work Group that ARHA is applying for Section 18 vouchers and will submit the application by Friday, June 28. He said ARHA has been working on getting resident buy-in to move forward with the subsidy repositioning. Mr. Jones said that residents are happy to be making progress on the repositioning. He stated that they would like to obtain a letter of support from the Mayor. Ms. McIlvaine said she could help ARHA with the letter.

Ms. McIlvaine reminded the Work Group that ARHA had promised there would be a presentation on community outreach. Mr. Jones responded that he was not sure about the status of the presentation but could speak to the community outreach strategy. ARHA is following a similar strategy as the one they used for the Ladrey redevelopment: meeting monthly with residents, working with community leaders, conducting weekly outreach, providing document translation and meeting interpretation in multiple languages, and holding on-site office hours Monday through Thursday from 1 to 4 p.m. Mr. Jones noted that the engagement process is being recorded.

Ms. McIlvaine asked for assurance that ARHA is conducting community outreach to the community around Cameron Valley. Mr. Jones promised that the broader community would be addressed by ARHA's outreach. Mayor Wilson interjected that ARHA should be prepared to address both residents of the Cameron Valley complex and the wider community. Mayor Wilson noted that the issue with the proposed Andrew Adkins redevelopment was community pushback because the project received support from the City before it had engaged with the community. Mayor Wilson highlighted the importance of providing information early on and stressing that there was much more of a process to follow before anything is approved. Mr. Jones responded that upon receiving approvals for Section 18 vouchers, the project could begin more formal community engagement.

Mr. Keeler added that the project has only completed an environmental review for the project's financial impact and that a more extensive review would be needed before any further redevelopment. Karl Moritz asked for clarification of whether Section 18 approval is the deciding factor to proceed with the redevelopment. Mr. Jones responded that if ARHA gets Section 18 approval, then the project can begin soliciting development partners. He added that the project would not likely issue an RFP without the approval of Section 18 vouchers for the project because having an operating subsidy would be more attractive to developers. Ms. McIlvaine asked if ARHA would send the RFP to their pool of pre-qualified developers. Mr. Jones confirmed that ARHA would disseminate an RFP to their existing pool of developers.

Other Business

Ms. McIlvaine suggested that among other topics for the fall, the Work Group should revisit the memorandum of understanding (MOU) between the City and ARHA, which the MoU specifies should be reviewed every three years. Mayor Wilson noted that the next meeting, scheduled for September 19, 2024, will coincide well with the new CEO transition.

Mayor Wilson adjourned the meeting.