



## ARHA REDEVELOPMENT WORK GROUP

May 15, 2025

5:30 PM – 7:00 PM

City Council Workroom

Conference Line: 703.746.1860

Passcode: 776655



### MEETING AGENDA

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|--|---|
| 1. Approval of the October 17, 2024 & April 17, 2025 Meeting Summaries | Work Group                                  |
| 2. Opportunity Zones   | ARHA, Office of Housing & Planning & Zoning |
| a. Overview  |   |
| b. Discussion  |   |
| 3. Long-Range Planning   | Planning & Zoning                           |
| a. City Long-Range Work Plan   |   |
| b. Duke Street Corridor Plan   |   |
| c. ARHA Properties in Small Area Plans                                 |   |
| 4. ARHA Development Updates  | ARHA  |
| a. Samuel Madden North Building  |   |
| b. Samuel Madden South Building  |   |
| 5. Items in Progress   | Housing                                     |
| a. ARHA Portfolio - City Data Sharing/Mapping                          |   |
| b. Incorporating ARHA Projects into the Housing Pipeline               |   |
|  | Mayor Gaskins                               |
| 6. Open Discussion   |   |
| 7. Other Business  | Work Group                                  |
| a. Upcoming Meeting Dates  |   |

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### UPCOMING MEETINGS

June 26, 2025

**Alexandria Redevelopment and Housing Authority (ARHA) Redevelopment Work Group**  
**April 17, 2025**  
**Meeting Summary**

**Work Group Members**

Alyia Gaskins, Mayor, City of Alexandria  
John Taylor Chapman, Councilman, City of Alexandria  
Stephen Koenig, City of Alexandria Planning Commission  
Anitra Androh, Chair, ARHA Board of Commissioners  
Willie Bailey Sr., 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 & Zoning  
Nancy Williams, Assistant Director, Department of Planning & Zoning  
Erik Johnson, CEO, ARHA  
Lester Thomas, ARHA  
Edwin Zelaya, ARHA  
Helen McIlvaine, Director, Office of Housing  
Eric Keeler, Deputy Director, Office of Housing  
Stephanie Sample, Department of Planning & Zoning  
Bonnie Brown, City Attorney  
Kim Cadena, Office of Housing  
Jose Gonzalez, Office of Housing

**Welcome & Introductions**

Mayor Alyia Gaskins convened the meeting. At the Mayor's request, everyone introduced themselves. All Work Group members were present.

**Federal Impacts on ARHA & City Funding**

Mayor Gaskins asked Helen McIlvaine what impacts recent federal policy changes and funding cuts would have on the City's housing programs. Ms. McIlvaine said the largest current impact identified would be from the Memorandum of Understanding between HUD and the Department of Homeland Security (DHS) to share information about mixed-status families residing in HUD properties or receiving HUD benefits. She said DHS and HUD could use this information to force families out of their housing. As for federal funding to the City, she reassured the Work Group that the City's Community

Project Funding grants (earmarks) awarded for the Arlandria project and the Rooming House project were locked in and that CDBG & HOME funding for the upcoming federal fiscal year would likely be safe. Erik Johnson added that ARHA believes the Housing Choice and Project-Based Voucher programs would continue to be funded. He said ARHA was looking into the number of mixed-status families in public housing and in the HCV program who might be impacted by the new federal policy. Mayor Gaskins asked if ARHA had a choice in whether to assist DHS and Mr. Johnson said no because HUD had the same information about ARHA residents that ARHA does and if they chose not to comply with HUD requests HUD could withhold funding for the entire agency. He said that if HUD did require ARHA to remove mixed-status families from ARHA housing, the City would likely need to find those families housing that does not receive federal funding. Mayor Gaskins said the City and ARHA need to work together on this issue and Mr. Johnson said ARHA would work with the Office of Housing.

Ms. McIlvaine mentioned Opportunity Zones (OZ) as a possible way to create more housing. Mr. Johnson said that OZs are a federal priority and lobbying the state to create more OZs might open the door for more affordable housing funding options. Mayor Gaskins asked if OZs were included in the Housing 2040 Plan and Ms. McIlvaine said they had previously not been a good match for funding affordable housing projects in the city but that staff were looking at all available financial tools. Mr. Johnson pointed out that most successful OZ projects were scaled to be very large to suit investor pool requirements and the City would have to think big if it wanted to attract investors to an OZ project. Councilman John Chapman asked if there was staff capacity to handle such large projects. Ms. McIlvaine replied that there was staff capacity, though staff might need to refresh themselves on how OZs work. Mayor Gaskins remarked that OZ projects could potentially cause displacement. Karl Moritz mentioned that OZ was referred to as a driver in a newly proposed Mark Center project and stated that Planning & Zoning would explore the issue further to see what potential effects the project might have.

Ms. McIlvaine mentioned the state has introduced grants to fund workforce housing associated with economic development activity. Mr. Johnson said the state is expanding housing funding from being focused solely on LIHTCs to include other sources. He believes Virginia wishes to remain a top state to do business in and it considers workforce housing a key part of its economic development strategy.

Mayor Gaskins asked how cuts to other federal programs such as SNAP and TANF would affect ARHA residents. Mr. Johnson said he did not know the exact effects, but that ARHA was tracking the policies and the needs of its residents.

### **City FY 2025 Budget Process, Including Funds for Housing**

Mayor Gaskins turned the subject to the City budget process. Ms. McIlvaine explained that all departments had been asked to make cuts to their budgets this year and that funding for major Housing projects came from dedicated sources like the penny on real estate, the one-cent increase in the meals tax, the annual \$1 million inducement related to Amazon HQ2, developer contributions and federal

funds. She explained that the meals tax for housing had caused affordable housing to be incorporated into City's Capital Improvement Plan and allowed potentially projects to be considered on a ten-year horizon instead of a one-year one. She added that Housing Alexandria's Sanse/Naja project was using multiple years of city funding, but that the Office of Housing was leveraging funding from as many other sources as possible to enable various, smaller-scale pipeline projects to move forward. Mr. Johnson commented he had been having a number of meetings with intermediaries who he would like to introduce to Ms. McIlvaine to discuss how the meals tax might be leveraged to achieve more funding for housing projects. Ms. McIlvaine said she welcomed those introductions as the idea might be included among the list of financial tools Housing is reviewing as part of the Housing 2040 Plan Update.

Mayor Gaskins asked if ARHA projects had ever been included in the City's project pipeline. Ms. McIlvaine explained that the pipeline was a relatively recent tool intended to track how affordable projects, typically requiring City financial support, were moving through the development and funding approval processes. It also serves as a metric to measure the City's progress in meeting Housing Master Plan and Regional Housing Initiative targets for the number of committed affordable units produced and preserved. Ms. McIlvaine added that ARHA's Quaker Hill and Lineage developments had been included in the past. Eric Keeler said that there had been \$8 million allocated specifically for ARHA but that it had been used to help fund the Lineage and the Samuel Madden redevelopment.

City Manager James Parajon added that the pipeline (a copy of FY 2026 Budget Question and Answer #62, with the pipeline matrix was distributed to all) has proven to be a good way to determine what projects should be prioritized.

Mayor Gaskins requested ARHA projects be mapped into the pipeline. Ms. McIlvaine said she would provide Mr. Johnson with a template containing the pipeline and he could add ARHA projects to it based on ARHA's anticipated timeline for the projects. ARHA Chair Anitra Androh said that ARHA had to consider the sequencing of its projects carefully so they could release RFPs to development partners at the right time to result in successful projects. Mayor Gaskins pointed out that pipeline projects could shift and ARHA projects might shift in priority if other projects didn't go forward as has occurred before. Mayor Gaskins said the pipeline should be integrated with other City plans and needs and Mr. Chapman said he would like to see collaboration between the City and ARHA on the Duke Street Corridor Plan because of the location of the Quaker Hill and Cameron Valley developments within the Corridor. Mr. Moritz said ARHA was very welcome to work with Planning & Zoning on the upcoming Duke Street Plan. Mr. Johnson said he thought the Work Group is the venue where City plans and ARHA deals should be compared and integrated.

Summing up, Mayor Gaskins requested that the agenda for the next Work Group meeting include where ARHA projects fit in the housing pipeline, what plans Planning & Zoning is currently working on which may affect ARHA, and what the City can do with Opportunity Zones to generate more housing. Additionally, she requested that staff schedule a call with her prior to the next ARHA Work Group

meeting to finalize the agenda.

### **Samuel Madden Redevelopment**

Mr. Johnson reported on the status of the Samuel Madden Homes redevelopment. He said financing for the North Building would close on May 2 and that ARHA was working with Planning & Zoning to ensure they had all the necessary permits before then. He also said all the residents of the North Building had been relocated. Turning to the South Building, he said ARHA & Fairstead expected it to close in 2026. He said ARHA would be sharing information about the relocation of residents of the south units with the City pursuant to development conditions. Mayor Gaskins asked how many residents wanted to relocate in Alexandria and Mr. Johnson replied that ARHA was planning to provide that information to the Office of Housing at its prior request.

### **Ladrey Redevelopment**

Moving on to the Ladrey redevelopment, Mr. Johnson said that if the demolition and redevelopment of the Ladrey site was infeasible, ARHA would pivot to renovation instead. He said they would know whether they were going to redevelop or renovate within the next 45-60 days. Mayor Gaskins asked that as part of its feasibility study ARHA would work with Planning & Zoning to determine what would be allowed under current regulations if the property were renovated only. Mr. Johnson said ARHA had already begun working with Planning & Zoning. He told the Work Group that relocation of Ladrey residents was becoming urgent because HUD is reducing its operating subsidies for the property because of delays in its redevelopment. As a result, relocation of residents would have to begin soon. To address this, ARHA was interested in buying a property and relocating a majority of Ladrey residents there. If such a plan comes to fruition, he said the relocation of the Ladrey residents would be considered permanent and they would not have a guaranteed right to return to a future renovated Ladrey building. He said he hoped for City support of the property acquisition plan.

Mr. Chapman observed that during the initial discussion of redeveloping Ladrey in 2018 some members of Council were in favor of renovation while ARHA favored redevelopment. He mentioned that this change of plans by ARHA could lead to many questions and comments about why ARHA had not chosen renovation in the first place. Mr. Johnson explained that when the project was first proposed it made more financial sense to redevelop but with the delay caused by the pandemic, increased project costs, and rising interest rates the development and financing environments had changed. Ms. Androh added that the deal looks very different now than it did in 2020 when ARHA negotiated it. Ms. McIlvaine noted that ARHA might have to revise their Section 18 disposition application again to reflect the revised plan. She also mentioned that even if the Ladrey redevelopment did not proceed, ARHA still owned the old headquarters building on the southeast corner of the block and held a ground lease for the Annie B Rose development and perhaps should look at whole-block redevelopment options. Mr. Johnson said that ARHA still wanted to do something with the HQ site.

## **RFP Sites**

Mayor Gaskins moved the meeting onto sites ARHA may issue Request for Proposals to redevelop in the future. Mr. Johnson said that ARHA was looking to redevelop Cameron Valley and Andrew Adkins next, but that Cameron Valley would probably be the priority because of structural issues with the buildings. He said he understood the need for a public process in regard to what the redevelopment would look like and that ARHA would start the community engagement process when they were more ready (including a potential subsidy repositioning) because HUD has a three-year time limit after a project begins for that project to move forward. Because community engagement can be a long process, he said that ARHA needs to consider the HUD timeline when it starts community engagement.

## **Other ARHA Properties**

Regarding the physical condition of ARHA properties not currently undergoing redevelopment, Mr. Johnson said that ARHA had \$2 million of capital expenditures planned based on physical needs assessments of those properties. Mayor Gaskins asked if 311 data reporting code violations and resident complaints could help ARHA prioritize which property improvements to undertake first. Mr. Johnson said ARHA would appreciate any help the City would like to provide in identifying a prioritized scope of work. Mayor Gaskins then asked what the timeline for ARHA's repairs was. Mr. Johnson responded that they intended the initial work to take place from May to October of this year. Mayor Gaskins requested the City work with ARHA to identify planned or outgoing City projects which could benefit ARHA residents and potentially assist in creating a heat map of Code violations and 311 calls about housing conditions to help guide these efforts.

## **Other Business**

Ms. Androh said that ARHA would like to collaborate with APD on a more consistent working relationship. She said Chief McGuire and the police were always responsive to emergencies when those occur, but ARHA seeks better communications and a more sustained community policing effort going forward.

The next meeting is scheduled to be May 15. Kim Cadena will reach out to Ms. Androh to confirm a representative from ARHA will be present.