

ALEXANDRIA HOUSING AFFORDABILITY ADVISORY COMMITTEE

DATE: APRIL 20, 2017

LOCATION: ROOM 2000 - CITY HALL

AGENDA

1. Introductions and Chair remarks (Chair) 7:00 p.m.
Action Requested: Consideration of Letter of Support for Church of the Resurrection Project
2. Consideration of March 2, 2017 meeting minutes (Chair) 7:10 p.m.
Action Requested: Review and Approve Minutes
3. Introduction and Public Hearing on the Draft CY2018 Action Plan for Housing and Community Development (Cindy Metcalf) 7:15 p.m.
4. Socrata Update (Rebecca Pica) 7:35 p.m.
5. North Potomac Yard Small Area Plan Update (Jon Frederick/Tamara Jovovic) 7:50 p.m.
6. Alexandria Redevelopment and Housing Authority Update (Carter Flemming) 8:10 p.m.
7. Alexandria Housing Development Corporation Update (Jon Frederick) 8:15 p.m.
8. Information Items: 8:20 p.m.
Financial Reports (Eric Keeler)
Housing Master Plan Progress Report
9. Staff Updates 8:25 p.m.
10. Announcements and Upcoming Housing Meetings (Staff) 8:40 p.m.
Old Town North Small Area Plan
Advisory Group Meeting, April 27, 2017, 7:00-9:00 p.m., tbd
North Potomac Yard Small Area Plan Update
Community Open House, April 18, 2017, 6:00-8:00 p.m., The Station at Potomac Yard, Community Room

Advisory Group Meeting, April 26, 2017, 7:00-9:00 p.m., The Station at Potomac Yard, Community Room
11. Other 8:45 p.m.
Topics of interest for future meetings
- Adjournment (Chair) 9:00 p.m.

Dear Mayor Silberberg and members of City Council,

As members of Alexandria's Housing Affordability Advisory Committee (AHAAC), we strongly urge you to provide the \$4.3 million in the FY2018 budget for the Church of the Resurrection proposal to develop 113 units of much-needed affordable housing.

In 2013, Council unanimously adopted the Housing Master Plan and made a commitment to create or preserve 200 affordable housing units annually through 2025. As a committee, we have monitored implementation of the plan, and have been pleased to recommend funding for AHDC's Gateway at King and Beauregard (74 units), AHC's St. James Plaza (96 units), and most recently for 98 units of housing at Carpenter's Shelter.

Significant progress has been made in achieving the goals of the Housing Master Plan; however, our progress is threatened by the elimination of funding for the Church of the Resurrection project. Eliminating the funding for this project sends the wrong message to an exemplary community partner who is willing to provide land at a deeply discounted price for affordable housing - an invaluable asset in a City where development opportunities are limited and land is scarce.

As budget dollars become more constrained, achieving the goals of the Housing Master Plan will require establishing new and creative partnerships – the kind embodied by the Gateway at King and Beauregard and the Church of the Resurrection projects. Not funding the Church of the Resurrection project could have a chilling effect on future potential partners, especially given the significant time and monetary investments needed for new parties to enter the affordable housing development field.

We appreciate the difficult choices that must be made in this budget year, but housing affordability has been identified by Council and citizens alike as a top priority for the City. We risk losing our diversity and our resiliency when there are few or no housing options for residents of all ages and all stages in life. We do not want to be a City of haves and have-nots; this is not who we are.

We support full funding for the Church of the Resurrection project, and stand ready to work with you to address sustained funding for future affordable housing proposals that we know will come before you.

Sincerely,

The members of the Alexandria Housing Affordability Advisory Committee

AFFORDABLE HOUSING ADVISORY COMMITTEE MINUTES

City Hall Room 2000 | March 2, 2017

| | Members Present | Members Absent | Staff |
|----|---------------------|-----------------------------------|---------------------------------|
| 1 | Michael Butler (m) | | Tamara Jovovic, Housing Analyst |
| 2 | Katharine Dixon (m) | | Shane Cochran, Division Chief |
| 3 | Carter Flemming | | Eric Keeler, Deputy Director |
| 4 | Jon Frederick (m) | | |
| 5 | Stephen Hales | | |
| 6 | Bill Harris (m) | | |
| 7 | Robyn Konkel, Chair | | |
| 8 | Michelle Krocker | | |
| 9 | Jessica Lurz* | | |
| 10 | Helen McIlvaine* | | |
| 11 | | Joe Ouellette | |
| 12 | | Peter-Anthony Pappas (excused) | |
| 13 | Mary Parker (m) | | |
| 14 | Yasin Seddiq (m) | | |
| 15 | Nechelle Terrell | | |
| 16 | Eric Weiss | | |
| 17 | | Marian Wiggins (excused) | |
| 18 | Paul Zurawski | | |
| 19 | Matthew McCarthy | | |
| 20 | Holly Hanisian | | |
| 21 | vacant | | |
| | Guests | Affiliation | |
| 1 | Joel Franklin | Arlington County | |
| 2 | Kat Turner | Church of the Resurrection | |

*non-voting

(m) – took minutes during fiscal year

The meeting was called to order at 7:00 pm. Yasin Seddiq volunteered to take minutes.

1. Consideration of February 2, 2017 Minutes (Chair)

Katharine Dixon made a motion to approve the February minutes; Michelle Krocker seconded the motion. The minutes were approved unanimously with two abstentions from Y. Seddiq and Mike Butler.

2. Arlington County Accessory Dwelling Unit Presentation (Joel Franklin)

Joel Franklin of the Arlington County Department of Community Planning, Housing, and Development discussed the county's experience developing and implementing its accessory dwelling unit (ADU) ordinance. J. Franklin noted that ADUs were a new concept to Arlington (Fairfax and Montgomery Counties have policies in place) and that the biggest community concerns were related to the fear of overcrowding and parking. Arlington's current policy—developed through a lengthy community engagement process involving 58 meetings—has many restrictions and has not, as a result, been widely used (only 20 applications have been approved to date). The policy is being revisited at the direction of the Affordable Housing Master Plan and in response to the rise of the “sharing economy” (Airbnb, Uber, etc). The County Board will consider amendments to the policy in the fall.

J. Franklin explained that ADUs do not need to comply with ADA or universal design requirements since they are privately owned and that tax breaks for participating properties would not likely incentivize more affordable rents as rents in ADUs are typically more affordable due to the units' smaller sizes.

The largest barrier to implementation continues to be that the ordinance does not allow ADUs to be constructed in detached structures (this precludes garages from being converted for ADU use).

3. Continuation of Energy Masters Program Support (Shane Cochran)

Shane Cochran, Division Chief for Program Implementation at the Office of Housing, briefed Committee members on the Energy Masters Program (EMP) and solicited the Committee's endorsement of a request to use \$27,000 in proceeds from the Neighborhood Stabilization Program to fund two additional years under the program. The program plans to work with Brent Place and with properties owned by AHDC during this period.

EMP implements Goal #7 of the Housing Master Plan (which charges the City with increasing awareness of energy-efficient housing). EMP was started in 2011 with the goal of training interested individuals on energy efficient techniques; trained participants, in turn, train others. In 2015, EMP partnered with ARHA; the first joint project involved 68 units at Princess Square (formerly Jefferson Village). The program to date has recorded a 6% reduction in energy use at Princess Square along with a 4% reduction in water use. These reductions have translated into \$39,000 in savings.

Katharine Dixon made a motion to endorse the use of the funds; Michelle Krocker seconded the motion. The endorsement was carried unanimously.

4. City FY 2018 Budget and Federal Policy Update (Helen McIlvaine/Eric Keeler)

Eric Keeler explained that \$4.3 million needed for the Church of the Resurrection had been placed in the proposed Budget under the CIP supplemental budget. This part of the budget includes desirable projects that are not currently funded. In order for these projects to be funded, changes to other parts of the budget must be approved or the tax rate would need to be increased. A public hearing on the property tax rate will be held on April 22nd.

M. Krocker encouraged affordable housing advocates to attend the City Council meeting on March 13th to note their support for affordable housing investments in the city.

E. Keeler noted that while tax credit pricing is expected to drop if corporate tax rates decrease, that this impact will be cushioned in the greater DC metropolitan area by strong demand for credits. E. Keeler discussed with the Committee the state of the federal budget as it relates to housing funding in the coming years.

5. North Potomac Yard Small Area Plan Update (Jon Frederick)

Jon Frederick noted that the North Potomac Yard SAP Update was currently focused on resolving environmental, sustainability, and transportation issues. The land use chapter, which includes housing, is scheduled to be discussed on March 28th. The complete update is on track for a June public hearing.

6. Alexandria Redevelopment and Housing Authority Update (Carter Flemming)

Carter Flemming noted that ARHA had repaid the city's loan in full. The LIHTC application for the Ramsey Homes redevelopment project was being submitted this week. The Section 106 process is ongoing. A concept plan has been submitted regarding the redevelopment of Andrew Adkins. A community workshop had been held with the Braddock Implementation Advisory Group. ARHA hopes to apply for tax credits in March 2018.

7. Alexandria Housing Development Corporation Update (Jon Frederick)

Jon Frederick noted that the Carpenters Shelter and Lacy Court projects are also submitting their tax credit applications. Construction at the King & Beauregard project site is underway.

8. Staff Updates (Helen McIlvaine)

Staff indicated that a new member presentation would be held in May or June. The final drawing on the last two units for Cambria Square was being held on March 3. The 2017 Housing Expo was taking place on March 18 in Sterling.

9. Other Discussion

M. Krocker shared with the Committee that legislation to fund affordable housing with a reduction in the mortgage interest deduction was gaining momentum. Stephen Hales recommended the city's infill guidelines be revisited, including regulations on decks/patios.

The meeting adjourned 8:29 pm.

Housing Trust Fund Programs Financial Status

As of February 28, 2017

| | |
|---------------------------------------|------------------|
| Balance as of January 31, 2017 | 7,423,195 |
|---------------------------------------|------------------|

| Revenues for February 2017 | |
|-----------------------------------|--|
|-----------------------------------|--|

| | | |
|-------------------------------------------------|-----------|------------------|
| Contributions | 0 | |
| Loan Repayments | | |
| Moderate Income Homeownership Program (MIHP) | 32,000 | |
| Employee Homeownership Incentive Program (EHIP) | 2,890 | |
| Mutlifamily Loan Repayments | 1,049,085 | |
| HCS - Subordination Fee Deposits | 75 | |
| | | 1,084,051 |

| Expenditures for February 2017 | |
|---------------------------------------|--|
|---------------------------------------|--|

| | | |
|---------------------------------------------------------|-------|--------------|
| Flexible Homeownership Program | (164) | |
| Homeownership Counseling | (152) | |
| Rebuilding Together Alexandria | 0 | |
| Housing Opportunities Fund - <i>see attached report</i> | 0 | |
| Rental Accessibility Modification Program (RAMP) | 0 | (316) |

| | |
|----------------------------------------------------------------------|------------------|
| Balance Available Before Outstanding Commitments/Reservations | 8,506,930 |
|----------------------------------------------------------------------|------------------|

| Outstanding Commitments/Reservations as of February 28, 2017 | |
|---------------------------------------------------------------------|--|
|---------------------------------------------------------------------|--|

| | | |
|---------------------------------------------------------|-----------|--|
| Braddock Small Area Plan Fund | 834,080 | |
| Flexible Homeownership Program | 839,046 | |
| HOME/HOF Match | 167,799 | |
| Homeownership Counseling | 117,139 | |
| FY 2018 Budget Reservation | 400,000 | |
| Housing Opportunities Fund - <i>see attached report</i> | 4,757,415 | |
| Rebuild Together Alexandria | 0 | |
| Rental Accessibility Modification Program (RAMP) | 2,729 | |

| | |
|---------------------------------------------------|------------------|
| Unreserved Balance as of February 28, 2017 | 1,388,722 |
|---------------------------------------------------|------------------|

Housing Opportunities Fund Financial Status

As of February 28, 2017

| | HTF | General Fund | HOME and Match | Tax Revenue | Authorized Bonds | ARHA Set Aside | TOTAL |
|---------------------------------------------------------|------------------|--------------|----------------|------------------|------------------|------------------|-------------------|
| Balance as of January 31, 2017 | 4,757,415 | 0 | 620,175 | 1,329,584 | 6,800,000 | 0 | 13,507,174 |
| ARHA Glebe Park Loan Repayment Allocation | | | | | | | |
| February 2017 Expenditures | | | | | | | |
| Alexandria Housing Development Corporation (AHDC) | | | | | | | |
| AHDC Carpenter's Shelter | | | | | | 5,000,000 | |
| AHDC King and Beauregard | | | | | | | |
| Balance Available Before Outstanding Commitments | 4,757,415 | 0 | 620,175 | 1,329,584 | 6,800,000 | 5,000,000 | 18,507,174 |
| Outstanding Commitments | | | | | | | |
| Alexandria Housing Development Corporation (AHDC) | 72,015 | 0 | 0 | 0 | 0 | | 72,015 |
| AHDC King and Beauregard | 2,640,260 | 0 | 460,877 | 571,584 | 1,600,000 | | 5,272,721 |
| AHDC Carpenter's Shelter | 1,535,435 | 0 | 159,296 | 758,000 | 4,341,787 | | 6,794,518 |
| AHC Inc. Church of the Resurrection | 400,000 | 0 | 0 | 0 | 0 | | 400,000 |
| Ramsey Homes | | | | | | 2,000,000 | 2,000,000 |
| Fees for Professional Services | 41,850 | 0 | 0 | 0 | 0 | | 41,850 |
| Unreserved Balance as of February 28, 2017 | 67,855 | 0 | 0 | 0 | 858,213 | 3,000,000 | 3,926,069 |

Housing Master Plan Progress Report

Period: FY17 Q1-Q3

City of Alexandria, Office of Housing

Updated: 04.11.17

| TYPE OF ACTIVITY | FY17 Q1-Q3 Impact (Jul 2016-Mar 2017) | | | Prior Reported Impact (Jan 2014-Jun 2016) | Total Impact (Jan 2014-Dec 2016) | Housing Master Plan (Jan 2014-Dec 2025) | |
|-------------------------------------------------------------------------|------------------------------------------|------------|------------|----------------------------------------------|-------------------------------------|--------------------------------------------|------------|
| | Completed | Underway | Pipeline* | Prior Completed | Total Completed | Target | Balance |
| Rental Units Created or Preserved/Rehabilitated | 0 | 167 | 341 | 184 | 184 | 660 | 476 |
| Jackson Crossing | | | | 78 | | | |
| St. James Plaza (Fillmore) | | 93 | | | | | |
| Gateway at King and Beauregard | | 74 | | | | | |
| Church of the Resurrection | | | 113 | | | | |
| New Hope Veterans Home (Aspen Street) | | | | 3 | | | |
| Carpenter's Shelter | | | 97 | | | | |
| Fairlington Presbyterian Church | | | 81 | | | | |
| Arbelo Apartments | | | | 34 | | | |
| Longview Terrace Apartments | | | | 41 | | | |
| Community Lodgings | | | 6 | | | | |
| Lynhaven Apartments | | | | 28 | | | |
| Lacy Court Apartments | | | 44 | | | | |
| Units Created through the Development Process | 2 | 28 | 103 | 63 | 65 | 336 | 271 |
| Alexandria Memory Care Center | | 2 | | | | | |
| Goodwin House | | | 6 | | | | |
| Cambria Square (Pickett's Place/The Delaney) | 2 | 2 | | | | | |
| Notch 8 | | | | 12 | | | |
| Station 650 at Potomac Yard | | | | 8 | | | |
| The Bradley (Braddock Station/Braddock Metro Place) | | | | 10 | | | |
| Parc Meridian at Eisenhower Station | | | | 33 | | | |
| Hunting Terrace | | 24 | | | | | |
| Slater's Lane | | | 2 | | | | |
| 2901 Eisenhower Avenue | | | 21 | | | | |
| Oakville Triangle Site | | | 65 | | | | |
| ABC/Giant site | | | 9 | | | | |
| Beauregard Committed Units | 0 | 0 | 0 | 105 | 105 | 494 | 389 |
| Southern Towers | | | | 105 | | | |
| Units Created or Preserved through Redevelopment Support to ARHA | 0 | 0 | 282 | 0 | 0 | 174 | 174 |
| Ramsey Homes | | | 52 | | | | |
| Ladrey Senior Highrise | | | 170 | | | | |
| Andrew Adkins | | | 60 | | | | |

| TYPE OF ACTIVITY | FY17 Q1-Q3 Impact (Jul 2016-Mar 2017) | | | Prior Reported Impact (Jan 2014-Jun 2016) | Total Impact (Jan 2014-Dec 2016) | Housing Master Plan (Jan 2014-Dec 2025) | |
|------------------------------------------------------------------------------------|------------------------------------------|--|--|----------------------------------------------|-------------------------------------|--------------------------------------------|------------|
| | Loans Closed/Grants Issued | | | Prior Closed/Issued | Total Closed/Issued | Target | Balance |
| Rental Accessibility Modification Projects [Grants] | 1 | | | 8 | 9 | 24 | 15 |
| Homebuyer Loans | 5 | | | 21 | 26 | 72 | 46 |
| Homeowner Rehab Loans /RTA Projects [Rebuilding Together Alexandria Grants] | 9 | | | 51 | 60 | 240 | 180 |

| HOUSING MASTER PLAN PROGRESS REPORT SUMMARY | FY17 Q1-Q3 Impact (Jul 2016-Mar 2017) | | | Prior Reported Impact (Jan 2014-Jun 2016) | Total Impact (Jan 2014-Dec 2016) | Housing Master Plan (Jan 2014-Dec 2025) | |
|------------------------------------------------|------------------------------------------------------------------|--|--|----------------------------------------------|-------------------------------------|--------------------------------------------|--------------|
| | Created & Preserved (Completed) Units/Loans Closed/Grants Issued | | | | | Target | Balance |
| TOTAL | 17 | | | 432 | 449 | 2,000 | 1,551 |