

ALEXANDRIA HOUSING AFFORDABILITY ADVISORY COMMITTEE

DATE: NOVEMBER 3, 2016

LOCATION: ROOM 2000 - CITY HALL

AGENDA

1. Introductions and Chair remarks (Chair) 7:00 p.m.
2. Consideration of October 6, 2016 meeting minutes (Chair) 7:05 p.m.
Action Requested: Review and Approve Minutes
3. Consideration of Carpenter Shelter Affordable Housing Plan and Loan Application 7:10 p.m.
(Helen McIlvaine)
Action Requested: Review and Vote on Loan Application
Action Requested: Review and Vote on AHP
4. Report on 2016 Fair Housing Testing (Melodie Seau) 7:35 p.m.
5. Understanding Financial Reports (Eric Keeler) 7:50 p.m.
6. North Potomac Yard Update (Jon Frederick /Tamara Jovovic) 8:10 p.m.
7. Alexandria Redevelopment and Housing Authority Update (Carter Flemming) 8:15 p.m.
8. Alexandria Housing Development Corporation Update (Jon Frederick) 8:20 p.m.
9. Information Items: 8:25 p.m.
Financial Reports (Eric Keeler)
Housing Master Plan Progress Report (Tamara Jovovic)
10. Staff Updates 8:35 p.m.
11. Announcements and Upcoming Housing Meetings (Staff) 8:50 p.m.
Old Town North Small Area Plan
Advisory Group Meeting—November 15, 2016, 7:00-9:00 p.m., tbd
North Potomac Yard Small Area Plan Update
Advisory Group Meeting on Affordable Housing and Introduction to Transportation, November 14,
2016, 7:00-9:00 p.m., The Station at Potomac Yard, Community Room
12. Other 8:55 p.m.
Topics of interest for future meetings
- Adjournment (Chair) 9:00 p.m.

AFFORDABLE HOUSING ADVISORY COMMITTEE MINUTES

City Hall Room 2000 | October 6, 2016

	Members Present	Members Absent	Staff
1	Michael Butler		Tamara Jovovic, Housing Analyst
2	Katharine Dixon (m)		Eric Keeler, Division Chief
3	Carter Flemming		Dirk Geratz, Planning and Zoning
4	Jon Frederick		
5	Stephen Hales		
6	Bill Harris		
7	Robyn Konkel, Chair		
8	Michelle Krocker		
9	Jessica Lurz*		
10	Helen McIlvaine*		
11	Joe Ouellette		
12	Peter-Anthony Pappas		
13	Mary Parker (m)		
14	Yasin Seddiq		
15		David Taylor (excused)	
16	Eric Weiss		
17		Marian Wiggins (excused)	
18	Paul Zurawski		
19	Nechelle Terrell *(not yet sworn in)		
20	vacant		
21	vacant		
	Guests	Affiliation	Email
1	Connie Staudinger	VHD LLC	
2	Betsy Faga	Church of the Resurrection	
3			
4			

*non-voting

(m) – took minutes during fiscal year

The meeting was called to order by the Chair, Robyn Konkel, at 7:02 pm. Katharine Dixon took minutes.

1. Chair Remarks (Chair)

R. Konkel asked members to introduce themselves as she welcomed newest member Nechelle Terrell of the Alexandria Health Department; Nechelle has filled AHAAC's slot dedicated to a City or ACPS employee. R. Konkel also

reminded members that there are two open AHAAC seats representing the small business community.

2. Consideration of September 1, 2016 Minutes (Chair)

K. Dixon motioned to approve the September minutes; M. Krockner seconded. The minutes were approved with one abstention by M. Butler.

3. Consideration of Ramsey Homes Affordable Housing Plan and Loan Application Request (Helen McIlvaine)

C. Staudinger of ARHA's development entity, VHDLLC, presented elevation plans for the Ramsey Homes redevelopment project. H. McIlvaine discussed the evolution of the project and the issues outlined in the 9/29/16 memo to AHAAC, including the loan request, development program, and proposed affordability terms. Six units will be fully accessible. H. McIlvaine and E. Keeler discussed the implications of the ongoing Section 106 review. Discussion followed.

K. Dixon motioned to approve the permanent loan to ARHA of up to \$1,100,000 for offsite improvements related to the redevelopment of Ramsey Homes contingent on ARHA's repayment of the 2008 Glebe Park loan since it is proposed to be funded from proceeds of ARHA's future repayment, and to approve its affordable housing plan as part of the DSUP. B. Harris seconded. The Committee approved the affordable housing plan and loan request with one abstention by C. Flemming and one vote in opposition by S. Hales.

4. FY 2018 Budget Civic Engagement (Helen McIlvaine)

H. McIlvaine encouraged Committee members to attend the October 13th budget engagement meeting to voice their opinions on how the City's general funds should be used and what the City's priorities should be, including which projects could be reduced or cut or which services could be delivered more efficiently. Committee members were also encouraged to submit feedback via email.

Some suggestions for priorities offered by Committee members included increasing and preserving the City's inventory of affordable rental units and providing additional bonding authority to help pay for upcoming housing projects consistent with the Housing Master Plan's goals. S. Hales asked if Housing considered any of its programs underperforming. It does not and H. McIlvaine mentioned that nearly all of the City's financial support for housing is provided in the form of loans which are eventually repaid. She told members that Housing carefully tracks and reports the performance of all programs and services and soon the public will be able to view these reports.

5. North Potomac Yard Update (Jon Frederick)

J. Frederick informed the Committee that the NPY Advisory Group (AG), on which he represents AHAAC, is providing guidance to the property owner, JBG, on the overall framework of the first phase of redevelopment at North Potomac Yard (focused around the movie theater). Affordable housing will be discussed at the upcoming AG meeting in November.

6. Eisenhower West/Landmark Van Dorn Implementation Update (Bill Harris)

B. Harris informed the Committee that the EW/LVDI Advisory Group has had one meeting. A variety of topics were discussed including infill development at Landmark Mall and a multimodal bridge from Duke Street to the Eisenhower Avenue/Van Dorn Metro Station.

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

C. Flemming deferred her time to speak as Ramsey Homes was discussed at the beginning of the meeting.

8. Alexandria Housing Development Corporation Update (Jon Frederick)

J. Frederick informed the Committee that the Carpenter's Shelter project is moving along and expected to go before City Council in December. Presentations were provided for the Braddock Implementation Advisory Group and the Partnership to End and Prevent Homelessness. The Gateway project is expected to break ground in November. AHDC is developing a 3-5 year strategic plan anticipated to be released in early 2017.

9. Staff Updates (Helen McIlvaine)

H. McIlvaine distributed a report on the City's Affordable Set-Aside Program and noted that staff is finalizing the draft application to VHDA for the Route 1 South Corridor Plan Community Impact Grant. Housing staff will provide an overview of the Housing Opportunity Fund and Housing Trust Fund financial reports in November or December. The City is planning an update to the Eisenhower East SAP.

10. Topics of Interest for Future Meetings

S. Hales suggested the non-permeable tax for stormwater at it relates to non-profit agencies and developers be examined. J. Frederick suggested discussing the fees tacked onto a nonprofit's and/or developer's overall project development costs.

The meeting adjourned 8:35 pm.

City of Alexandria, Virginia

MEMORANDUM

DATE: OCTOBER 27, 2016

TO: THE ALEXANDRIA HOUSING AFFORDABILITY ADVISORY COMMITTEE
(AHAAC)

FROM: HELEN S. MCILVAINE, DIRECTOR

SUBJECT: CONSIDERATION OF AN AFFORDABLE HOUSING PLAN AND A LOAN TO THE
ALEXANDRIA HOUSING DEVELOPMENT CORPORATION (AHDC) FOR A
MIXED-USE DEVELOPMENT, INCLUDING AFFORDABLE HOUSING, AT THE
CARPENTER'S SHELTER SITE

ISSUE: Consideration of an Affordable Housing Plan and a loan of up to \$7.1 million to the Alexandria Housing Development Corporation (AHDC) to develop 98 affordable rental housing units as part of a mixed-use building, including a new shelter and related space, on the current Carpenter's Shelter site.

RECOMMENDATION: That the Alexandria Housing Affordability Advisory Committee (AHAAC) recommend that City Council:

- (a) approve a permanent loan to AHDC of up to \$7,100,000 (including \$500,000 of previously approved predevelopment funds) for the development of 98 affordable apartments, including 10 units of permanent supportive housing for households transitioning out of the shelter; and
- (b) approve its affordable housing plan as part of the Development Special Use Permit (DSUP).

BACKGROUND: AHDC and Carpenter's Shelter, two City-based nonprofit housing organizations, are collaborating on a proposal to redevelop Carpenter Shelter's existing .82 acre property located at 930 N. Henry Street in the Braddock Metro Neighborhood Plan (BMNP) area. Pursuant to a Memorandum of Understanding between the parties, AHDC is acting as the developer for the joint venture and will acquire development rights for the affordable rental housing from CS pursuant to a third party appraisal. As AHDC states in its loan application (Attachment 1), "the area has experienced significant growth over the past several years" including a large amount of luxury apartments, and the shelter site, which is only .25 miles from the Metro station, is identified in the BMNP as prime for future redevelopment. In February, AHAAC and City Council approved a predevelopment loan of \$500,000 to assist AHDC with legal, architectural, engineering and other professional costs related to the project.

The proposed development comprises a new shelter facility, space for day programs offered to shelter clients and related administrative and case management space, all located on the ground floor and six

stories of rental housing affordable above. Ten (10) units of permanent supportive housing will be integrated within the affordable rental housing. These apartments will have deeply affordable rents and case management services will be provided. Consistent with the City's new parking standards for multifamily development, a total of 78 parking spaces will be provided in one level of underground parking; 21 of these spaces will serve staff and volunteers for the Carpenter's Shelter.

The proposed building design is consistent with the 2008 Braddock Neighborhood Metro Plan while taking advantage of bonus density to maximize the potential affordable housing. It is important to note that current shelter activities are not being intensified; rather the redevelopment will help CS build a facility that models current best practices with regard to serving persons experiencing homelessness, including permanent housing options paired with case management so that clients may successfully transition out of the shelter. Adopting this approach will enhance opportunities for CS to attract future funding for its operations and bolster the organization's long term sustainability.

AHDC proposes a mix of one, two and three bedroom apartments, including 10 fully accessible units (Attachment 2). 10 units will be affordable at 40% of the Area Median Income (AMI), 29 units at 50% AMI, and 39 units at 60% AMI (Attachment 3). In addition to a community room, ground floor open space with a playground will provide recreational and open space for all building residents pursuant to a management agreement between AHDC and CS. As is standard with all new affordable housing developed in the City, the apartments will be constructed to meet third-party certified energy efficiency/green building standards. Similar to the mixed-use model at The Station at Potomac Yard, the shelter and the affordable housing components will be owned and operated within a condominium regime by their respective nonprofit owners.

The redevelopment meets several City housing needs articulated in the Housing Master Plan (HMP), including collaborations with and among nonprofit partners, deeply affordable subsidized units, location of affordable housing development near transit, jobs and amenities, accessible housing and family-sized units. Due to the significant level of luxury residential development nearby, the proposed joint project continues and adds an important element of affordable housing to critical to Alexandria's goals of creating mixed-income communities. Department of Community and Human Services (DCHS) staff who lead the Partnership to Prevent and End Homelessness have reviewed the redevelopment concept and find that the proposed changes to Carpenter's Shelter's program, including the creation of ten permanent supportive housing units, align with City's strategies and goals related to providing a real continuum of housing choice for Alexandria's most vulnerable.

DISCUSSION: AHDC has requested a loan of up to \$7.1 million from the City to help with the construction of the proposed 98 units of affordable rental housing. AHDC's planned acquisition of development rights from Carpenter's Shelter will cover that entity's costs for construction of its new shelter facility and related space. Other funding for the projected total development cost of \$37.8 million is anticipated to come from \$21.6 million in low income housing tax credit equity (AHDC plans to apply for 9% credits in March 2017) and \$7.9 million in first trust mortgage debt. AHDC plans to defer nearly \$1.2 million of its developer fee and to apply for state housing trust fund monies and new federal housing trust fund monies administered by the state. Since these are both new sources of funds for Virginia projects, AHDC is not able to forecast the likelihood of receiving these dollars, however, it believes this project, with its shelter, permanent supportive housing, and deep affordability of the proposed 40% and 50% AMI units, meets many criteria of the state-administered funds. AHDC also

intends to explore opportunities to secure federal home loan bank grant funds for the project. If realized, these supplemental funds may reduce the final amount needed from the City. Similar to other City loans for affordable housing, payments to the City are projected to begin around Year 13, after AHDC's deferred developer fee is fully paid, pursuant to IRS requirements (Attachment 1).

It is noted that, in addition to the loan request, AHDC has also requested rental subsidies for 10 units to enable the project to serve some very low income households and significantly increase the competitiveness of AHDC's low income housing tax credit application to the Virginia Housing Development Authority (VHDA). The 2017 low income housing tax credit program will prioritize projects with components of deep affordability. The City is working with ARHA to secure rental subsidies through an allocation of housing choice vouchers.

As noted in the Affordable Housing Plan, the Carpenter's Shelter and AHDC continue to undertake a comprehensive search for a temporary replacement site for the shelter facility. The Office of Housing and the Department of Human and Social Services will review AHDC's specific relocation plan once an interim site is identified. No construction will take place until a suitable interim relocation site for the shelter function of the Carpenter's Shelter facility has been identified and secured.

FISCAL IMPACT: The \$500,000 predevelopment loan was comprised of Housing Trust Fund and federal HOME funds. The additional \$6,600,000 loan request for a total \$7,100,000 permanent loan will be derived from the Housing Opportunities Fund, which includes the Housing Trust Fund, dedicated revenue, and City bonding capacity that was authorized as part of the City Fiscal Year 2018 budget. City loan dollars will be drawn down by AHDC at various project milestones, such as land acquisition and completion of site work.

ATTACHMENTS:

- (1) Loan Application
- (2) Affordable Housing Plan
- (3) HUD Income and Rent Limits for 40, 50, and 60% AMI
- (4) Draft DSUP Preliminary Plan Conditions

STAFF:

Eric Keeler, Division Chief, Program Administration, Office of Housing
Tamara Jovovic, Housing Analyst, Office of Housing

Carpenter’s Shelter Redevelopment

Proposed Project

The Carpenter’s Shelter project is a partnership between two Alexandria non-profits, the Alexandria Housing Development Corporation (AHDC) and Carpenter’s Shelter (CS), to redevelop the Shelter’s existing site to provide more housing options that are affordable to Alexandria residents at a variety of income levels. The nearly one acre site is located at 930 North Henry Street, within a quarter mile of the Braddock Metro Station. AHDC’s concept proposes a new shelter facility on the ground level, including associated case management and administrative and services space, topped with 98 units of rental housing to be owned and managed by AHDC. The apartments will be affordable to households with incomes ranging from 40% to 60% of the area median income, with ten of these units available to formerly homeless individuals who would continue to receive services from Carpenter’s Shelter.

The project will be built with high quality exterior finishes designed to mend seamlessly with neighborhood as shown in Figure 1. The project is currently contemplated as a five story wood frame construction built over a two story concrete podium for a total of seven stories. The ground floor of the project will host the residential lobby and a new shelter facility and will include three separate and distinct entrances (Carpenter’s Shelter, David’s Place, and residential lobby). The residential units will be equipped with Energy Star kitchen appliance packages and high-efficiency individually controlled HVAC systems. Residents of the project will enjoy laundry in each unit, a community room and outdoor space on the third floor, as well as onsite management staff. The proposed supportive housing units will be spread throughout the building and will fill a huge gap in the housing continuum in the City.

Figure 1. CS Redevelopment Rendering



Property

The project site is walkable to the Braddock Metro located in a neighborhood directly north of the newly developed Belle Pre project. This area has experienced significant growth over the past several years as the City has been implementing the Braddock Metro Small Area Plan. The site is approximately .82 acres in size and was anticipated for redevelopment in the Braddock Metro Small Area Plan. While the proposed project does take advantage of the City’s bonus density program for affordable housing, it does not require any additional amendments or modifications.

Proposed Project Target Population:

AHDC's development will be a rental project that will target a range of affordability levels between 40% area median income (AMI) and 60% AMI. The project affordability targets will be as follows: ten percent of the units at 40 percent AMI, 40 percent of the units at 50 percent AMI, and 50 percent of the units at 60 percent AMI. In addition, AHDC is requesting the use of the Office of Housing's proposed rent subsidy program to serve the individuals that will be living in the permanent supportive housing units. This program will allow AHDC to reduce the rent within the 40% AMI units down to a point that will allow the project to effectively serve the chronically homeless individuals identified by the Carpenter's Shelter.

The units will be a mix of efficiencies, one bedroom, two bedroom, and three bedrooms with 80 percent of the project being dedicated for two and three bedroom units. Ten percent of the units will be full accessible for tenants with disabilities. AHDC believes the proposed unit and affordability mix will assist those households in the City that are the most in need, while at the same time maximizing scoring opportunities provided in the Virginia qualified action plan.

Ownership Structure

AHDC has an executed MOU with the Carpenter's Shelter which will lead to a purchase and sale agreement between AHDC and CS. The current planned ownership structure will be two separate condominium units within the new building including a new shelter facility and the AHDC housing development. AHDC will pay an acquisition cost of \$6,250,000 to Carpenter's Shelter based on an appraisal of the project. CS will use the proceeds of this sale to build a new shelter and AHDC will own outright the affordable housing project that is the subject of this application.

Financing Plan

AHDC's financing plan includes submitting an application for a nine percent low income housing tax credit allocation in March 2017. The LIHTC equity will be supplemented by a conventional first trust mortgage, City of Alexandria subordinated debt, AHDC deferred developer fee, as well as other financing sources that may be available including VA/Federal housing trust fund and federal home loan bank grants.

Market Demand

AHDC has yet to commission a full market study to demonstrate demand for the proposed project. However, the City of Alexandria Housing Master Plan (HMP) provides a significant amount of data that demonstrates a demand for the housing type and affordability levels that will be provided in this project. The HMP demonstrated the need for additional affordable units that at or below 60 percent AMI specifically those at or below 50 percent AMI. The report also showed the need for additional affordable 2BR and 3BR units to support families. In addition, there is a clear demand for the permanent supportive housing units that will serve chronically homeless individuals that are ready for an apartment.

Proposed Project Schedule (estimated to date):

-) Completion of entitlements – December 2016
-) Submission of VHDA 9% LIHTC application – March 2017
-) Award of 9% LIHTC application – June 2017
-) Acquisition – September 2017
-) Begin Construction – 1st quarter 2018
-) Completed Construction – 3rd quarter 2019

AHDC/Carpenter's Shelter Partnership
Carpenter's Shelter_HOF Application.xlsx
Project Summary

Sources			Uses	
Equity			Development Costs	
Tax Credit Equity	21,597,840		Acquisition	6,280,000
Sponsor Equity	-		Development Soft Costs	4,292,189
			Financing Costs	1,635,298
Debt			Construction Costs	22,873,199
Permanent Debt [Reserved]	7,900,000		Developer Fee	2,698,676
Gap Financing	-			
City of Alexandria	7,100,000			
Deferred Developer Fee	44%	1,181,522		
Total Sources	\$ 37,779,362		Total Uses	\$ 37,779,362
			Surplus/(Deficit)	-
Permanent Debt	\$ 7,900,000		Total Cost / Unit	385,504
Annual Debt Service	\$ 490,104		Hard Cost / Unit	233,400
Terms (Years)	30		Soft Cost / Unit	152,104
Interest Rate	4.60%			

Unit Type / Affordability Mix					
	%	No. Units		%	No. Units
Efficiency	10%	10	30% AMI	0%	0
One Bed	3%	3	40% AMI	10%	10
Two Bed	74%	73	50% AMI	40%	39
Three Bed	12%	12	60% AMI	50%	49
Four Bed	0%	0	80% AMI	0%	0
			100% AMI		0
Total Units	100%	98	Total	100%	98

Project Schedule	
Purchase/Dev Start	11/01/17
Comm Operating Date	06/01/19
Const Period (Months)	18
Lease-up Period (Months)	6
Perm Loan Conversion Date	02/01/20

Income & Operating Expenses	
	<u>Yr 1 Stabilized</u>
Revenue	
Potential Gross Income	\$1,398,060
Less: Vacancy Allowance	(69,903)
Effective Gross Income	1,328,157
Other Income	-
Total Income	1,328,157
Operating Expenses	
Administration	204,825
Repairs & Maintenance	56,560
Contract Services	97,840
Utilities	100,000
Taxes, Licenses, & Insurance	229,000
Miscellaneous	33,000
Total Operating Expenses	721,225
Replacement Reserves	29,400
Net Operating Income	577,532
DSCR	1.18
OpEx per unit (excl RR)	\$ 7,359

AHDC/Carpenter's Shelter Partnership
Carpenter's Shelter_HOF Application.xlsx
CF (Annual)

Valuation:															
Year	1	2	3	4	5	6	7	8	9	10	11	12	13	14	
Revenue															
Rental	1,398,060	1,426,021	1,454,542	1,483,632	1,513,305	1,543,571	1,574,443	1,605,931	1,638,050	1,670,811	1,704,227	1,738,312	1,773,078	1,808,540	
Vacancy	69,903	71,301	72,727	74,182	75,665	77,179	78,722	80,297	81,903	83,541	85,211	86,916	88,654	90,427	
Total Revenue	1,328,157	1,354,720	1,381,815	1,409,451	1,437,640	1,466,393	1,495,721	1,525,635	1,556,148	1,587,271	1,619,016	1,651,396	1,684,424	1,718,113	
Expense															
Administration	204,825	210,970	217,299	223,818	230,532	237,448	244,572	251,909	259,466	267,250	275,267	283,525	292,031	300,792	
Repairs & Maintenance	56,560	58,257	60,005	61,805	63,659	65,569	67,536	69,562	71,649	73,798	76,012	78,292	80,641	83,060	
Contract Services	97,840	100,775	103,798	106,912	110,120	113,423	116,826	120,331	123,941	127,659	131,489	135,433	139,496	143,681	
Utilities	100,000	103,000	106,090	109,273	112,551	115,927	119,405	122,987	126,677	130,477	134,392	138,423	142,576	146,853	
Taxes, Licenses, & Insurance	229,000	235,870	242,946	250,234	257,742	265,474	273,438	281,641	290,090	298,793	307,757	316,990	326,499	336,294	
Miscellaneous	33,000	33,990	35,010	36,060	37,142	38,256	39,404	40,586	41,803	43,058	44,349	45,680	47,050	48,462	
Replacement Reserves	29,400	30,282	31,190	32,126	33,090	34,083	35,105	36,158	37,243	38,360	39,511	40,696	41,917	43,175	
Total Expenses	750,625	773,144	796,338	820,228	844,835	870,180	896,285	923,174	950,869	979,395	1,008,777	1,039,040	1,070,212	1,102,318	
Net Operating Income	577,532	581,577	585,477	589,223	592,805	596,213	599,435	602,461	605,279	607,875	610,239	612,356	614,213	615,795	
DSCR	1.18	1.19	1.19	1.20	1.21	1.22	1.22	1.23	1.23	1.24	1.25	1.25	1.25	1.26	
Debt															
Tranche 1	401,995	401,995	401,995	401,995	401,995	401,995	401,995	401,995	401,995	401,995	401,995	401,995	401,995	401,995	
Tranche 2	88,110	88,110	88,110	88,110	88,110	88,110	88,110	88,110	88,110	88,110	88,110	88,110	88,110	88,110	
Tranche 3	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Tranche 4	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Total Debt	490,104														
Net Sale Proceeds	-														
Reversion Cash Flow	-														
Operating Cash Flow	87,428	91,472	95,372	99,118	102,701	106,108	109,331	112,357	115,174	117,771	120,135	122,252	124,108	125,690	
Total Cash Flow	87,428	91,472	95,372	99,118	102,701	106,108	109,331	112,357	115,174	117,771	120,135	122,252	124,108	125,690	
Deferred Fee Balance	1,181,522	1,117,725	1,048,607	974,207	894,573	809,763	719,850	624,917	525,058	420,385	311,022	197,108	78,799	-	
Residual Payment	0	62,054	62,845												

AHDC/Carpenter's Shelter Partnership
Carpenter's Shelter_HOF Application.xlsx
CF (Annual)

Valuation:																
Year	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	
Revenue																
Rental	1,844,710	1,881,605	1,919,237	1,957,622	1,996,774	2,036,709	2,077,444	2,118,992	2,161,372	2,204,600	2,248,692	2,293,666	2,339,539	2,386,330	2,434,056	
Vacancy	92,236	94,080	95,962	97,881	99,839	101,835	103,872	105,950	108,069	110,230	112,435	114,683	116,977	119,316	121,703	
Total Revenue	1,752,475	1,787,524	1,823,275	1,859,740	1,896,935	1,934,874	1,973,571	2,013,043	2,053,304	2,094,370	2,136,257	2,178,982	2,222,562	2,267,013	2,312,353	
Expense																
Administration	309,816	319,110	328,684	338,544	348,701	359,162	369,936	381,035	392,466	404,240	416,367	428,858	441,723	454,975	468,624	
Repairs & Maintenance	85,552	88,119	90,762	93,485	96,290	99,178	102,154	105,218	108,375	111,626	114,975	118,424	121,977	125,636	129,405	
Contract Services	147,992	152,432	157,004	161,715	166,566	171,563	176,710	182,011	187,472	193,096	198,889	204,855	211,001	217,331	223,851	
Utilities	151,259	155,797	160,471	165,285	170,243	175,351	180,611	186,029	191,610	197,359	203,279	209,378	215,659	222,129	228,793	
Taxes, Licenses, & Insurance	346,383	356,775	367,478	378,502	389,857	401,553	413,599	426,007	438,788	451,951	465,510	479,475	493,859	508,675	523,935	
Miscellaneous	49,915	51,413	52,955	54,544	56,180	57,866	59,602	61,390	63,231	65,128	67,082	69,095	71,168	73,303	75,502	
Replacement Reserves	44,470	45,804	47,178	48,594	50,052	51,553	53,100	54,693	56,333	58,023	59,764	61,557	63,404	65,306	67,265	
Total Expenses	1,135,387	1,169,449	1,204,533	1,240,669	1,277,889	1,316,225	1,355,712	1,396,383	1,438,275	1,481,423	1,525,866	1,571,642	1,618,791	1,667,355	1,717,375	
Net Operating Income	617,088	618,075	618,742	619,072	619,047	618,649	617,859	616,660	615,029	612,947	610,391	607,341	603,771	599,658	594,978	
DSCR	1.26	1.25	1.25	1.25	1.24	1.23	1.22	1.21								
Debt																
Tranche 1	401,995	401,995	401,995	401,995	401,995	401,995	401,995	401,995	401,995	401,995	401,995	401,995	401,995	401,995	401,995	
Tranche 2	88,110	88,110	88,110	88,110	88,110	88,110	88,110	88,110	88,110	88,110	88,110	88,110	88,110	88,110	88,110	
Tranche 3	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Tranche 4	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Total Debt	490,104															
Net Sale Proceeds	-															
Reversion Cash Flow	-															
Operating Cash Flow	126,983	127,971	128,638	128,968	128,942	128,544	127,755	126,555	124,924	122,842	120,287	117,236	113,667	109,554	104,874	
Total Cash Flow	126,983	127,971	128,638	128,968	128,942	128,544	127,755	126,555	124,924	122,842	120,287	117,236	113,667	109,554	104,874	
Deferred Fee Balance	1,181,522	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Residual Payment	63,492	63,985	64,319	64,484	64,471	64,272	63,878	63,278	62,462	61,421	60,144	58,618	56,833	54,777	52,437	

AHDC/Carpenter's Shelter Partnership
 Carpenter's Shelter_HOF Application.xlsx
 CF (Annual)

Valuation:											
Year	30	31	32	33	34	35	36	37	38	39	40
Revenue											
Rental	2,482,737	2,532,392	2,583,040	2,634,701	2,687,395	2,741,143	2,795,966	2,851,885	2,908,923	2,967,101	3,026,443
Vacancy	124,137	126,620	129,152	131,735	134,370	137,057	139,798	142,594	145,446	148,355	151,322
Total Revenue	2,358,601	2,405,773	2,453,888	2,502,966	2,553,025	2,604,086	2,656,167	2,709,291	2,763,476	2,818,746	2,875,121
Expense											
Administration	482,683	497,164	512,079	527,441	543,264	559,562	576,349	593,639	611,449	629,792	648,686
Repairs & Maintenance	133,287	137,286	141,405	145,647	150,016	154,517	159,152	163,927	168,844	173,910	179,127
Contract Services	230,566	237,483	244,608	251,946	259,504	267,290	275,308	283,568	292,075	300,837	309,862
Utilities	235,657	242,726	250,008	257,508	265,234	273,191	281,386	289,828	298,523	307,478	316,703
Taxes, Licenses, & Insurance	539,654	555,843	572,518	589,694	607,385	625,606	644,375	663,706	683,617	704,125	725,249
Miscellaneous	77,767	80,100	82,503	84,978	87,527	90,153	92,857	95,643	98,512	101,468	104,512
Replacement Reserves	69,283	71,362	73,502	75,707	77,979	80,318	82,728	85,209	87,766	90,399	93,111
Total Expenses	1,768,897	1,821,964	1,876,622	1,932,921	1,990,909	2,050,636	2,112,155	2,175,520	2,240,785	2,308,009	2,377,249
Net Operating Income	589,704	583,809	577,266	570,045	562,116	553,450	544,012	533,771	522,691	510,737	497,872
DSCR	1.20	#####	#####	#####	#####	#####	#####	#####	#####	#####	#####
Debt											
Tranche 1	401,995	-	-	-	-	-	-	-	-	-	-
Tranche 2	88,110	0	0	0	0	0	0	0	0	0	0
Tranche 3	-	-	-	-	-	-	-	-	-	-	-
Tranche 4	-	-	-	-	-	-	-	-	-	-	-
Total Debt	490,104	0									
Net Sale Proceeds	-	-	-	-	-	-	-	-	-	-	-
Reversion Cash Flow	-	-	-	-	-	-	-	-	-	-	-
Operating Cash Flow	99,600	583,809	577,266	570,045	562,116	553,450	544,012	533,771	522,691	510,737	497,872
Total Cash Flow	99,600	583,809	577,266	570,045	562,116	553,450	544,012	533,771	522,691	510,737	497,872
Deferred Fee Balance	1,181,522	-	-	-	-	-	-	-	-	-	-
Residual Payment	49,800	291,905	288,633	285,022	281,058	276,725	272,006	266,885	261,346	255,369	248,936



PROJECT NUMBER: 20140266 PROJECT NAME: AHDC / Carpenter's Shelter
 SHEET NUMBER: A.4.11 - 3D PERSPECTIVE
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ISSUANCES		
No.	Drawing Issue Description	Date
	DEVELOPMENT PRELIMINARY SITE PLAN	08/08/2016
	COMPLETENESS SUB #2	09/16/2016
	SUBMISSION FOR COMPLETENESS	10/11/2016

AHDC / Carpenter's Shelter

930 North Henry Street
Alexandria, VA 22314

AHDC / Carpenter's Shelter

3D PERSPECTIVE

APPROVED	
SPECIAL USE PERMIT NO. _____	
DEPARTMENT OF PLANNING & ZONING	
DIRECTOR _____	DATE _____
DEPARTMENT OF TRANSPORTATION & ENVIRONMENTAL SERVICES	
SITE PLAN NO. _____	
DIRECTOR _____	DATE _____
CHAIRMAN, PLANNING COMMISSION _____ DATE _____	
DATE RECORDED _____	
INSTRUMENT NO. _____	DEED BOOK NO. _____ PAGE NO. _____

Designer	20140266
Principal-in-Charge	Project No.
Approver	10/11/16
Project Manager	Date
Checker	
Project Architect	
Author	
Staff Architect	

A 4.11

Carpenter's Shelter Redevelopment AHP

1.1 Project name and address: Carpenter's Shelter Redevelopment

1.2 Application Number: DSUP 2016-0008

1.3 Brief Description of the application and proposed development

AHDC has filed a Development Special Use Permit to redevelop the site of the current Carpenter's Shelter. The Carpenter's Shelter project is a partnership between two Alexandria non-profits, the Alexandria Housing Development Corporation (AHDC) and Carpenter's Shelter (CS), to redevelop the Shelter's existing site to provide more housing options that are affordable to Alexandria residents at a variety of income levels. The nearly one acre site is located at 930 North Henry Street, within a quarter mile of the Braddock Metro Station. AHDC's concept proposes a new shelter facility on the ground level, including associated case management and administrative and services space, topped with 98 units of rental housing to be owned and managed by AHDC. The apartments will be affordable to households with incomes ranging from 40% to 60% of the area median income, with ten of these units available to formerly homeless individuals who would continue to receive services from Carpenter's Shelter.

The project will be built with high quality exterior finishes designed to mend seamlessly with neighborhood as shown in Figure 1. The project is currently contemplated as a five story wood frame construction built over a two story concrete podium for a total of seven stories. The ground floor of the project will host the residential lobby and a new shelter facility and will include three separate and distinct entrances (Carpenter's Shelter, David's Place, and residential lobby). The residential units will be equipped with Energy Star kitchen appliance packages and high-efficiency individually controlled HVAC systems. Residents of the project will enjoy laundry in each unit, a community room and outdoor space on the third floor, as well as onsite management staff. The proposed supportive housing units will be spread throughout the building and will fill a huge gap in the housing continuum in the City.

1.4 Requested zoning changes or waivers (if any);

The proposed project is not requesting a zoning change. The project is requesting the use of Section 7-700 of the zoning ordinance that allows for bonus density in exchange for affordable housing. All units within this project will be below 60% of area median income.

1.5 The Small Area Plan in which the project is located and a brief discussion of how relevant affordable housing goals and recommendations are being addressed by the AHP.

The project is located within the Braddock Metro Small Area Plan. The plan emphasized the redevelopment of public housing and the need to create mixed income communities. While this project is not a public housing site, it is an opportunity to add a variety of housing affordable to households with incomes between 60% and 40% AMI. This neighborhood has seen a lot of redevelopment over the past several years and very little of the housing would be affordable as defined in the City's Housing Master Plan. This project will add income diversity and help to ensure

the vision of mixed-income communities becomes a reality as the neighborhood continues to redevelop.

2. Description of the AHP to include:

This project will be a rental project with all units within this project will be affordable to households with incomes below 60% AMI. The project will include 49 units affordable to households at or below 60% AMI, 39 units affordable to households at or below 50% AMI, and finally 10 units that will serve as permeant supportive housing units for the chronically homeless. The project will include a total of 98 units consisting of 10 efficiencies, 3 1br, 73 2BR, and 12 3BR units. AHDC, a local non-profit, will own and operate the units and commit to keep them affordable for minimum of 40 years.

This project will result in the full redevelopment of the current site. As such, Carpenter's Shelter will need to be relocated during construction of the project. Carpenter's Shelter has formed search committee that has been exploring a number of opportunities for relocation during construction. They have visited several sites and spoke to several owners about possibilities and will continue to explore opportunities. One of the challenges has been the length of time between now and when Carpenters' Shelter would need to relocate. This project is still in the early stage of obtaining financing commitments and many owners, while interested, have been unwilling to hold space available for such a long period of time. As the project progresses the Carpenter's Shelter team will continue to explore all opportunities with the goal of maintaining shelter operations during construction.

930 North Patrick Street
DSUP #2016-00008—Preliminary Plan Conditions
October 24, 2016
Office of Housing

1. The developer shall set aside all 98 new units as affordable rental housing for income eligible households. 10 of the 98 units will serve as permanent supportive housing.
2. 10 units shall be affordable at 40% of Area Median Income (AMI), 39 units shall be affordable at 50% of AMI, and 49 units shall be affordable at 60% of AMI.
3. Rents payable for the units shall not exceed the maximum rents allowed under the Federal Low Income Housing Tax Credit program for households with incomes at or below 40, 50, and 60 percent, as applicable, of the Washington D.C. Metropolitan Area Median Family Income (taking into account utility allowances) for a period of 40 years from the date of initial occupancy of each affordable unit. The developer shall re-certify the incomes of resident households annually, and shall provide annual reports to the Office of Housing to demonstrate the project's compliance with income and rent requirements set out here. Copies of documentation provided to the Virginia Housing Development Authority (VHDA) can be substituted to satisfy this requirement.
4. An income-eligible household may reside in an affordable unit until the household's income increases to more than 140 percent of the then-current income limit. The household will be given one additional one-year lease term at the affordable rent after which it will be required to vacate the unit and replaced with an income-eligible household.
5. The developer shall submit a project-specific Housing Relocation Plan for the residents of the Carpenter's Shelter to the satisfaction of the directors of the Office of Housing and Department of Community and Human Services. Construction building permits shall not be released until an interim relocation site for the shelter function of the Carpenter's Shelter facility has been identified and/or secured.
6. The new development shall include accessible units as required by the Virginia Uniform Statewide Building Code, the Low Income Housing Tax Credit program, and any other applicable state or federal law.
7. Households receiving Housing Choice Voucher assistance will not be denied admission on the basis of receiving such assistance. A household will be considered income qualified if the amount of rent it can pay based on income, together with the voucher payment, is sufficient to cover the applicable rent.
8. The developer shall notify the Landlord-Tenant Relations Division Chief at the Office of Housing in writing 45 days prior to commencing leasing activities and shall provide the City with marketing information, including the affordable rents, fees, and property amenities. The City will notify interested parties of the availability of the units. The developer shall not accept applications for the units until 45 days after written notification has been provided to the Office of Housing.
9. The developer shall list the units in www.VirginiaHousingSearch.com, an online housing search database sponsored by VHDA.
10. The developer shall provide the City with access to the necessary records and information to enable annual monitoring for compliance with the above conditions for the 40-year affordability period.
11. Amendments to the approved Affordable Housing Plan must be submitted to the Alexandria Housing Affordability Advisory Committee for consideration, and require final approval from the City Manager.
12. The total of non-refundable fees, excluding application and pet fees, shall not exceed 15% of gross affordable rent.

HUD FY 2016 Income Limits for Washington-Arlington-Alexandria, DC-VA-MD HUD Metro FMR Area

2016 Income Limits*	1 Person	2 People	3 People	4 People
40% AMI	\$30,440	\$34,760	\$39,120	\$43,440
50% AMI	\$38,050	\$43,450	\$48,900	\$54,300
60% AMI	\$45,660	\$52,140	\$58,680	\$65,160

Source: HUD

*Numbers are rounded pursuant to HUD guidelines.

2016 Maximum Gross Rents

2016 Rent Limits*	Efficiency	1-bedroom	2-bedroom	3-bedroom
40% AMI	\$761	\$815	\$978	\$1,129
50% AMI	\$951	\$1,018	\$1,222	\$1,411
60% AMI	\$1,141	\$1,222	\$1,467	\$1,694

Source: VHDA, Office of Housing

*includes utility allowance

Housing Trust Fund Programs Financial Status

As of September 30, 2016

Balance as of August 31, 2016 **8,993,275**

Revenues for September 2016		Totals
Contributions	0	
Interest	0	
Loan Repayments		
Moderate Income Homeownership Program (MIHP)	34,433	
Employee Homeownership Incentive Program (EHIP)	12,715	
Fees Offsetting Expenditures	75	
		47,223

Expenditures for September 2016		
Flexible Homeownership Program	0	
Homeownership Counseling	(220)	
Rebuilding Together Alexandria	0	
Housing Opportunities Fund - <i>see attached report</i>	(65,790)	
Rental Accessibility Modification Program (RAMP)	0	
		(66,010)

Balance Available Before Outstanding Commitments/Reservations **8,974,488**

Outstanding Commitments/Reservations as of September 30, 2016		
Braddock Small Area Plan Fund	834,080	
Flexible Homeownership Program	773,278	
HOME/HOF Match	387,799	
Homeownership Counseling	118,437	
FY 2018 Budget Reservation	400,000	
Housing Opportunities Fund - <i>see attached report</i>	5,292,460	
RTA	0	
Rental Accessibility Modification Program (RAMP)	3,269	
		(7,809,323)

Unreserved Balance as of September 30, 2016 **1,165,166**

Housing Opportunities Fund Financial Status

As of September 30, 2016

	HTF	General Fund	HOME and Match	Tax Revenue	Authorized Bonds	TOTAL
Balance as of August 31, 2016	5,322,837	0	1,949,325	1,329,584	6,800,000	7,272,161
September 2016 Expenditures						
Alexandria Housing Development Corporation (AHDC)						0
ARHA Ramsey	(65,790)					(65,790)
Balance Available Before Outstanding Commitments	5,257,046	0	1,949,325	1,329,584	6,800,000	7,206,371
Outstanding Commitments						
Alexandria Housing Development Corporation (AHDC)	217,125	0	0	0	0	217,125
AHDC King and Beauregard	2,828,755	0	460,877	571,584	1,600,000	5,461,217
AHDC Carpenter's Shelter	69,308	0	368,020	0	0	437,328
AHC Inc. Fillmore	1,582,246	0	1,120,426	0	0	2,702,672
AHC Inc. Church of the Resurrection	400,000	0	0	0	0	400,000
ARHA Ramsey	79,449	0	0	0	0	79,449
Fees for Professional Services	41,850	0	0	0	0	41,850
Unreserved Balance as of September 30, 2016	38,313	0	0	758,000	5,200,000	5,996,313

Housing Master Plan Progress Report

Period: FY17 Q1

City of Alexandria, Office of Housing

Updated: 10.27.16

TYPE OF ACTIVITY	FY17 Q1 Impact (Jul-Sep 2017)			Prior Reported Impact (Jan 2014-Jun 2016)	Total Impact (Jan 2014-Sep 2017)	Housing Master Plan (Jan 2014-Dec 2025)	
	Completed	Underway	Pipeline*	Prior Completed	Total Completed	Target	Balance
Rental Units Created or Preserved/Rehabilitated	0	93	310	184	184	660	476
Jackson Crossing				78			
St. James Plaza (Fillmore)		93					
Gateway at King and Beauregard			74				
Church of the Resurrection			132				
New Hope Veterans Home (Aspen Street)				3			
Carpenter's Shelter			98				
Arbelo Apartments				34			
Longview Terrace Apartments				41			
Community Lodgings			6				
Lynhaven Apartments				28			
Units Created through the Development Process	0	28	105	63	63	336	273
Alexandria Memory Care Center			2				
Goodwin House			6				
Cambria Square (Pickett's Place/The Delaney)		4					
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	222	0	0	174	174
Ramsey Homes			52				
Ladrey Senior Highrise			170				

TYPE OF ACTIVITY	FY17 Q1 Impact (Jul-Sep 2017)		Prior Reported Impact (Jan 2014-Jun 2016)	Total Impact (Jan 2014-Sep 2017)	Housing Master Plan (Jan 2014-Dec 2025)	
	Loans Closed/Grants Issued		Prior Closed/Issued	Total Closed/Issued	Target	Balance
Rental Accessibility Modification Projects [Grants]	0		8	8	24	16
Homebuyer Loans	2		21	23	72	49
Homeowner Rehab Loans /RTA Projects [Rebuilding Together Alexandria Grants]	1		51	52	240	188

HOUSING MASTER PLAN PROGRESS REPORT SUMMARY	FY17 Q1 Impact (Jul-Sep 2017)		Prior Reported Impact (Jan 2014-Jun 2016)	Total Impact (Jan 2014-Sep 2017)	Housing Master Plan (Jan 2014-Dec 2025)	
	Created & Preserved (Completed) Units/Loans Closed/Grants Issued				Target	Balance
TOTAL	3		432	435	2,000	1,565