ALEXANDRIA HOUSING AFFORDABILITY ADVISORY COMMITTEE
DATE: JUNE 1, 2017
LOCATION: ROOM 2000 - CITY HALL

AGENDA

1. Introductions and Chair remarks (Chair) 7:00 p.m.

2. Chair Election 7:05 p.m.

3. Consideration of May 4, 2017 meeting minutes (Chair)  7:10 p.m.
   Action Requested: Review and Approve Minutes

4. Consideration of Predevelopment Loan Request for Fairlington Presbyterian Church Project
   (Helen McIlvaine/Paul Browne and Judith Cabelli)
   Action Requested: Review and Approve Predevelopment Loan Request 7:15 p.m.

5. Consideration of AHAAC FY17 Annual Report (Tamara Jovovic)7:35 p.m.
   Action Requested: Review and Approve Minutes

6. Discussion of Potential Legislative Items (Michelle Krocker) 7:45 p.m.

7. North Potomac Yard Small Area Plan Update (Jon Frederick/Tamara Jovovic) 7:50 p.m.

8. Alexandria Redevelopment and Housing Authority Update (Carter Flemming) 7:55 p.m.

9. Eisenhower West/Landmark Van Dorn Implementation Advisory Group
   (Peter-Anthony Pappas) 8:00 p.m.

10. Alexandria Housing Development Corporation Update (Jon Frederick) 8:05 p.m.

11. Alfred Street Baptist Church Update (Jon Frederick) 8:10 pm.

12. Information Items:
   New Financial Report Format (Eric Keeler) 8:20 p.m.

13. Staff Updates 8:35 p.m.

14. Announcements and Upcoming Housing Meetings (Staff) 8:45 p.m.
    Old Town North Small Area Plan
    Planning Commission Hearing: Wednesday, June 14
    City Council Hearing: Saturday, June 24
    North Potomac Yard Small Area Plan Update
    Planning Commission Hearing: Tuesday, June 6
    City Council Hearing: Tuesday, June 13

15. Other 8:50 p.m.
   Topics of interest for future meetings

Adjournment (Chair) 9:00 p.m.
The meeting was called to order at 7:00 pm. Eric Weiss volunteered to take minutes.

1. **Chair Remarks (Robyn Konkel)**
   The Chair indicated that she would be unable to attend the June meeting and asked for a volunteer to chair the meeting as well as to participate in the May 22nd Boards and Committee Chairs meeting. Katharine Dixon and Mary Parker, respectively, volunteered.
2. **Consideration of April 20, 2017 Minutes (Chair)**
K. Dixon made a motion to approve the April minutes; Eric Weiss seconded the motion. The minutes were approved unanimously with two abstentions from Yassin Seddiq and Mary Parker.

3. **Consideration of Affordable Housing Plan for Braddock Gateway Phase II (Tamara Jovovic/Bud Hart)**
Bud Hart presented an overview of the affordable housing plan for Braddock Gateway Phase II. M. Parker inquired how many accessible units were in the project. Staff indicated it would follow up with the applicant. K. Dixon made a motion to approve the affordable housing plan; Y. Seddiq seconded the motion. The Committee voted unanimously to approve the AHP.

4. **Consideration of Affordable Housing Plan for Potomac Yard Landbay H/I East (Tamara Jovovic/Cathy Puskar)**
Cathy Puskar presented an overview of the affordable housing plan for Potomac Yard Landbay H/I East. M. Parker inquired how many accessible units were in the project. Staff indicated it would follow up with the applicant. Members inquired how the condo fee was factored into the affordability of the units and how the valuation of the units had been determined. Staff noted that assistance will be underwritten to take condo fees into account and explained how the city models the value of set-asides. B. Harris made a motion to approve the affordable housing plan; E. Weiss seconded the motion. The Committee voted unanimously to approve the AHP.

5. **Apartment Survey and Market-Affordable Units Report (Melodie Seau)**
Melodie Seau, Division Chief of the Landlord-Tenant Relations Division, presented the key findings from the recently completed annual apartment survey, including trends in average rents and vacancies. Discussion ensued regarding whether accessible units were and could be reported in the survey. M. Seau explained the challenges associated with reporting accessibility accurately and agreed to further examine the request with staff.

6. **North Potomac Yard Small Area Plan Update (Tamara Jovovic)**
T. Jovovic presented a draft of the NPY SAP letter of support to the Planning Commission for the Committee’s consideration. The Committee voted unanimously to approve the letter with one correction to the spelling of the word collocate.

7. **Old Town North Small Area Plan Update (Tamara Jovovic)**
T. Jovovic presented a draft of the OTN SAP letter of support to the Planning Commission for the Committee’s consideration. The Committee voted unanimously to approve the letter.

8. **Alexandria Redevelopment and Housing Authority Update (Carter Flemming)**
Carter Flemming indicated that a search firm had been hired to assist with identifying candidates for the CEO position. Interviews are tentatively scheduled for late June.
Preliminary rankings for the 2017 VHDA low-income housing tax credit allocation had been released and the Ramsey Homes redevelopment project had not been approved for funding. ARHA will be appealing the scoring.

9. **Alexandria Housing Development Corporation Update (Eric Keeler)**
   The proposed preservation/renovation of Lacy Court has scored well in the preliminary rankings. While the Carpenter Shelter project did not score high enough in its pool to qualify, opportunities remain for the project to secure funding through the Tier 1 pool.

10. **Information Items (Eric Keeler/Tamara Jovovic)**
    Staff informed the Committee that the new financial report template would be distributed at the June meeting.

11. **Staff Updates (Eric Keeler/Tamara Jovovic)**
    Staff shared with the Committee the new Office of Housing website which had been recently reorganized to improve its functionality and accessibility. Committee members were invited to the groundbreaking of the upcoming renovation of one of Community Lodgings’ properties. Staff informed the Committee that the City had recently been awarded a grant from the Virginia Housing Development Authority to develop an affordable housing strategy to help preserve and potentially augment affordable housing in the Route 1 South Corridor.

12. **Other Discussion**
    Y. Seddiq asked for staff to outline at a future meeting the different types of outreach conducted regarding the Cambria Square affordable unit lottery.

The meeting adjourned at 8:15 pm.
City of Alexandria, Virginia

MEMORANDUM

DATE: MAY 25, 2017

TO: THE ALEXANDRIA HOUSING AFFORDABILITY ADVISORY COMMITTEE (AHAAC)

FROM: HELEN S. MCILVAINE, DIRECTOR

SUBJECT: CONSIDERATION OF A PREDEVELOPMENT LOAN TO WESLEY HOUSING DEVELOPMENT CORPORATION FOR AN AFFORDABLE HOUSING PROJECT AT THE FAIRLINGTON PRESBYTERIAN CHURCH SITE

ISSUE: A predevelopment loan to Wesley Housing Development Corporation (Wesley Housing) to develop an affordable rental housing project on the site of Fairlington Presbyterian Church.

RECOMMENDATION: That the Alexandria Housing Affordability Advisory Committee recommend that City Council approve a predevelopment loan to Wesley Housing of up to $400,000 for a proposed affordable rental housing project with up to 81 units.

BACKGROUND: Wesley Housing, an established non-profit affordable housing developer with three properties in the city, has proposed to purchase a portion of land currently owned by Fairlington Presbyterian Church (FPC) at 3846 King Street in order to develop a new 75-81 unit affordable housing rental building. As noted in its predevelopment loan application (Attachment 1), Wesley Housing and FPC have entered into a Letter of Intent to transfer a portion of the FPC site to Wesley Housing. The Church and its tenant, the Potomac Crescent Waldorf School, will continue to operate on the site.

A Concept 1 application submitted to the City in March shows a four-story affordable housing rental building above one level of underground parking; the units are proposed to serve households earning up to 50% and 60% of the area median income (AMI) (Attachment 2). The planned building design is consistent with the provisions of the RA Zone while taking advantage of bonus density to maximize the potential affordable housing (Attachment 3 and image on right).
Wesley Housing proposes a mix of one, two and three bedroom apartments and will include some fully accessible units. A courtyard will provide recreational and open space for residents. 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.

As proposed, the project meets several City housing needs articulated in the Housing Master Plan (HMP), including collaboration with nonprofit partners to leverage other resources and to maximize long term affordability, location of affordable housing development near transit, jobs and amenities, accessible housing and family-sized units. The proposed project adds an important element of committed affordable housing critical to Alexandria’s goal of creating mixed-income communities in an area of the City that currently doesn’t have committed affordable housing.

**DISCUSSION:** Requests for City predevelopment loan assistance are typical for affordable housing projects. While the Housing Master Plan enabled staff to administratively approve predevelopment loans for amounts totaling up to $5,000 per unit, staff has adopted the practice of bringing large predevelopment funding requests to AHAAC and to City Council in order to vet developments and solicit guidance early in the development process. This has also been useful in setting priorities and identifying resources that will be required to induce third party leverage and in measuring progress in meeting HMP targets by establishing a pipeline of future projects. If this project goes forward, staff currently propose that it be sequenced as the City-supported 2019 tax credit project.

Based on the number of affordable units anticipated to be constructed, Wesley Housing has requested up to $400,000 in predevelopment loan funding to advance the design and development of the project, take it through the City development review and community outreach processes, and secure financing. Wesley Housing’s planned acquisition of development rights from Fairlington Presbyterian Church will be used towards that entity’s costs for reconstruction of its parking lot and playground.

The Concept 1 plan was shared with the community in May. Wesley Housing plans to undertake extensive outreach to impacted civic associations and neighborhood groups in upcoming months to discuss the project and solicit community feedback; a project website, courbanize.com/projects/fpc-housing/information, has been established to help facilitate public engagement.

Although projections are very preliminary, the proposed total financing package of $33.5 million currently anticipates $20.5 million in competitive/9% low income tax credit equity, $7.5 in first trust mortgage debt, a deferred developer fee of $1.5 million, and a City permanent gap loan of around $4 million.

**FISCAL IMPACT:** Up to $400,000 in Housing Trust Fund to Wesley Housing, with the funds to be released as draws are submitted. Staff will return with a permanent loan request at the appropriate time in the future.

**ATTACHMENTS:**
- (1) Wesley Housing Predevelopment Loan Request
- (2) 2017 Income and Rent Limits for 50 and 60% AMI
- (3) Preliminary rendering and elevation of proposed project
STAFF:
Eric Keeler, Deputy Director, Office of Housing
Tamara Jovovic, Housing Planner, Office of Housing
Application for Pre-Development Funds:
Fairlington Presbyterian Church Affordable Housing Apartment Building

I. Project Description

Wesley Housing Development Corporation (Wesley Housing or WHDC) proposes to purchase a portion of land currently owned by Fairlington Presbyterian Church (FPC) at 3846 King Street in order to develop a new, 75-81 unit affordable housing apartment building. The four-story building will be primarily composed of family-sized units, with four out of every five apartments containing two or three bedrooms. The project will include an interior landscaped courtyard, replacement of the existing playground, and one level of underground parking. All units will be affordable to households earning up to 60 percent of area, which is today approximately $65,000 for a family of four.

The short-term goal of the project is to address the need for affordable rental homes in the City of Alexandria and the region more broadly. This includes the need for family-sized affordable apartment homes. Over the long term, this project will address goals that are consistently associated with the provision of affordable housing: ensuring better access to high quality jobs, education, and services; allowing households to devote monthly budgets to other, non-housing items (such as healthcare and education); and creating mixed-income neighborhoods.

Wesley Housing and FPC entered into a Letter of Intent to transfer a portion of the FPC site to Wesley Housing to develop the apartment building. The site is zoned “RA”, which permits 27 dwelling units per acre of multifamily development. When considering the 2.5 acres devoted to this building and the City’s Affordable Housing Multiplier, we currently estimate the site can accommodate approximately 81 units including the affordable housing density bonus.

Wesley Housing and Fairlington Presbyterian share a vested interest in together engaging with the surrounding community. A planned community engagement process is currently being developed. The first official introduction of the proposed development occurred on May 23, 2017. In an effort to most effectively engage with the neighbors and communities that surround the proposed development, a coUrbanize website was developed. This platform will enable the project team to keep the community apprised throughout the planning process. It will also be a tool in which neighbors can share their opinions – positive and constructive – as well as ask questions of the project team.

II. Predevelopment Funds Use/Budget

Predevelopment funds awarded by the City will be used for a range of predevelopment activities. These activities include but are not limited to: preparing, submitting, and administering the Development Special Use Permit Process (DSUP); preparing and submitting a Low Income Housing Tax Credit (LIHTC) application; funding the architecture and engineering work required to apply for the DSUP and LIHTC application; and legal expenses associated with the DSUP and acquisition processes.

The request is for $400,000 of predevelopment money.
III. Project Budget

Following is a preliminary sources and uses for the project. Please note that the preliminary loan amount of $50,000 per unit is financially feasible, but WHDC would reserve the right to modify its request in order to maximize its tax credit score.

### Permanent Sources

<table>
<thead>
<tr>
<th>Sources</th>
<th>Per Unit</th>
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<tbody>
<tr>
<td>Tax Credit Equity</td>
<td>$20,573,440</td>
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<tr>
<td>First Mortgage</td>
<td>$7,460,000</td>
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<tr>
<td>Alexandria Loan</td>
<td>$4,000,000</td>
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<tr>
<td>Equity</td>
<td>$0</td>
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<tr>
<td>Other Source</td>
<td>$0</td>
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<tr>
<td>Interim Income</td>
<td>$0</td>
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<tr>
<td>Deferred Fee</td>
<td>$1,438,786</td>
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<td><strong>Total Permanent</strong></td>
<td>$33,472,226</td>
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### Summarized Uses

<table>
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<th>Uses</th>
<th>Per Unit</th>
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<td>Acquisition Costs</td>
<td>$3,534,425</td>
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<td>Construction Costs</td>
<td>$22,075,350</td>
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<td>Design, Engineering and Architecture</td>
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<td>Owner’s Construction Costs, Professional Services and Fees</td>
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<td>Financing Costs</td>
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<tr>
<td>Partnership Costs</td>
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<tr>
<td>Developer’s Costs, Carrying Costs and Reserves</td>
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<tr>
<td>Developer’s Fee</td>
<td>$2,877,572</td>
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<td><strong>Total Uses</strong></td>
<td>$33,472,226</td>
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Excess (GAP) Permanent $0

IV. Project Schedule

<table>
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<tr>
<th>Milestone</th>
<th>Date</th>
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<tbody>
<tr>
<td>Complete schematic design</td>
<td>November 2017</td>
</tr>
<tr>
<td>Submit for DSUP and City Loan</td>
<td>November 2017</td>
</tr>
<tr>
<td>Submit LIHTC application</td>
<td>March 2019</td>
</tr>
<tr>
<td>Awarded tax credits</td>
<td>June 2019</td>
</tr>
<tr>
<td>Start construction</td>
<td>June 2020</td>
</tr>
<tr>
<td>Complete construction</td>
<td>December 2021</td>
</tr>
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</table>

V. Organizational Structure and Capacity

Wesley Housing’s connection to the City of Alexandria is significant and meaningful. First, the organization had its first offices at Fairlington Methodist Church at 3900 King Street (across the street from the FPC site discussed here). Over our 40+ year history, we have developed and managed high-quality affordable housing properties in the City. Wesley Housing has acquired and rehabilitated three Alexandria properties: ParcView Apartments (5380 Holmes Run Parkway), Beverly Park (613 Notabene Drive) and Lynhaven Apartments (3521 Commonwealth Avenue). Broadly speaking, Wesley Housing has developed and managed more than 1,600 apartment homes in the Washington, DC region.
In addition to property rehabilitations, Wesley Housing has significant experience in new construction projects like the one proposed for the FPC site. These include 79 apartments for seniors in Manassas (Quarry Station) and 88 apartments for seniors and people with disabilities in Herndon (Coppermine Place), and 193 mixed-income apartments in Arlington (Union on Queen). Wesley Housing is currently constructing a standard-setting affordable apartment building for seniors in McLean, The Fallstead at Lewinsville Center.

VI. Attachments

The following items are included with this application:

a) IRS determination letter granting organization 501(c)(3) non-profit status
b) Employer Identification Number
c) Articles of Incorporation and Bylaws
d) State Corporation Commission Certificate of Good Standing
e) CHDA Certification – not applicable
f) Audited financing statements for the past year
g) Current balance sheet/statement of financial position
h) Last year’s federal tax returns/990s
Attachment 2—2017 Income and Rent Limits for 50 and 60% AMI

### 2017 Income Limits Based on Household Size

<table>
<thead>
<tr>
<th>% AMI</th>
<th>1 Person</th>
<th>2 People</th>
<th>3 People</th>
<th>4 People</th>
</tr>
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<tbody>
<tr>
<td>50%</td>
<td>$38,650</td>
<td>$44,150</td>
<td>$49,650</td>
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<tr>
<td>60%</td>
<td>$46,380</td>
<td>$52,980</td>
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### 2017 Rent Income Limits Based on Unit Size

<table>
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<th>% AMI</th>
<th>1 BR</th>
<th>2 BR</th>
<th>3 BR</th>
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<tbody>
<tr>
<td>50%</td>
<td>$1,035</td>
<td>$1,241</td>
<td>$1,434</td>
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<tr>
<td>60%</td>
<td>$1,242</td>
<td>$1,489</td>
<td>$1,721</td>
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</table>
Attachment 3—Preliminary renderings of the proposed project
The Alexandria Housing Affordability Advisory Committee (AHAAC) FY17 Annual Report, July 2016-June 2017

The Alexandria Housing Affordability Advisory Committee (AHAAC) comprises members appointed by the Alexandria City Council and is staffed by the Office of Housing. A list of the committee positions and members during Fiscal Year 2017 is included at the end of this report. The purpose of the committee is to advise City Council on issues regarding the preservation and creation of affordable housing; make recommendations on policies governing the expenditures of the City's Housing Trust Fund (HTF) and Housing Opportunities Fund monies; work with staff to monitor the implementation of the Housing Master Plan and the Beauregard Small Area Plan; and oversee the administration of the HTF. AHAAC held ten meetings during the annual reporting period.

Four new members joined the Committee representing a City employee, large employer, and small business (two positions). The Committee currently has only one vacancy for its landlord position.

FY 17 Accomplishments Overview

- Recommended approval of a loan of up to $1.1 million (and subsequently of a loan of up to $2 million) to ARHA for the redevelopment of Ramsey Homes which proposed to deliver 52 affordable units, including 15 replacement public housing units. Approved the application’s affordable housing plan.
- Recommended approval of a $7.1 million permanent loan to AHDC for the Carpenter’s Shelter project which proposed to deliver 97 units affordable to households with incomes ranging between 40% and 60% AMI, including ten permanent supportive units, on top of a new shelter. Approved the application’s affordable housing plan. Endorsed provision of a grant of $250,000 from HTF to provide a rental subsidy to make ten units deeply affordable.
- Recommended approval of a request to refinance and renovate Lacy Court Apartments utilizing competitive tax credits, including (i) a partial release of debt secured by an existing City loan in exchange for the City receiving an equity position through a future right of first option, (ii) repayment of $500,000 when the renovation is complete, and (iii) provision of a grant of $150,000 to AHDC from the repayment to fund a pilot rental subsidy program to create deep affordability in five units.
- Recommended approval of a predevelopment loan of up to $400,000 to Wesley Housing Development Corporation for the Fairlington Presbyterian Church project which proposed to deliver 81 affordable rental units.
- Approved an affordable housing plan for the Braddock Gateway Phase II site which proposed to deliver 4 affordable rental units and a voluntary contribution of $920,000 to the Housing Trust Fund.
- Approved an affordable housing plan for the Potomac Yard Landbay H/I East site which proposed to deliver eight affordable rental units and a voluntary contribution of $280,000 to the Housing Trust Fund.
- Attended community and advisory group meetings and provided feedback on three planning efforts—the Old Town North Small Area Plan, the North Potomac Yard Small Area Plan Update, and the Eisenhower West/Landmark Van Dorn Implementation Advisory Group.

- Reviewed and provided guidance on a quarterly basis on the implementation timeline of the Housing Master Plan.
- Received updates on and provided counsel to the FY 18 budget process.
- Received updates on and provided counsel regarding the 2016-2022 City Strategic Plan.
- Received updates on the Socrata indicator tracking system.
- Received updates on the implementation of the Beauregard Small Area Plan and activities of the relocation coordinator.
- Reviewed and conducted a public hearing on the FY18 Action Plan.

During the past year, AHAAC dealt with the following funding requests, affordable housing plans, and issues:

A. **Housing Funding Requests**: During the reporting period, AHAAC voted on five funding requests described below.

1. **Ramsey Homes**: In February 2016 ARHA requested a $835,000 loan to support offsite infrastructure improvements and other required amenities to enable the redevelopment of Ramsey Homes into a mixed-income community; the loan was proposed to be funded from proceeds of ARHA’s future repayment of the City’s 2008 loan for Glebe Park. AHAAC voted unanimously to approve the loan and its associated Affordable Housing Plan.

   In March 2016, City Council approved the rezoning for the site and directed further study of the design of the overall project. In October 2016 ARHA submitted a new loan application for up to $1.1 million to support the offsite infrastructure improvements associated with the revised design concept. The proposed building had 52 affordable units (serving households with incomes at 30%, 50%, and 60% AMI), including 15 replacement units. AHAAC voted unanimously to approve the loan with one abstention and one opposing vote. ARHA presented an Affordable Housing Plan during the same meeting which AHAAC also voted to approve unanimously. City Council approved the DSUP for the project in November 2016.

   In February 2017 ARHA requested an increase in the approved City loan amount for the Ramsey Homes project from “up to $1.1 million” to $2 million. The request was the result of several factors that had increased the potential project costs since the initial loan approval in February 2016. These included increased construction costs and changes in the pricing of tax credits and VHDA’s scoring system. AHAAC voted unanimously to approve the loan with one abstention.

2. **Carpenter’s Shelter**: In November 2016 AHDC requested a permanent loan of up to $7.1 million for the proposed redevelopment of the Carpenter’s Shelter site to provide a new shelter and related administrative and case management space; 10 units of permanent
supportive housing for households transitioning out of the shelter; and 88 affordable apartments. (It is noted that the total number of units has since been reduced to 97.)

AHDC and Carpenter’s Shelter are collaborating on the proposal with AHDC acting as the developer for the joint venture. The proposed rental units will be affordable to incomes ranging between 40% and 60% of AMI and include a mix of studios, one, two and three bedroom apartments, including 10 fully accessible units. The planned building took advantage of bonus density to maximize the potential affordable housing. **AHAAC voted to approve the loan with two abstentions.** At a subsequent meeting, the Committee endorsed City Council’s provision of a $250,000 grant from the HTF to create 10 deeply affordable units as part of AHDC’s proposal.

3. **Lacy Court:** In February 2017 AHDC requested approval to refinance and renovate Lacy Court Apartments utilizing competitive tax credits, including (i) a partial release of debt secured by an existing City loan in exchange for the City receiving an equity position through a future right of first option, (ii) repayment of $500,000 when the renovation is complete, and (iii) provision of a grant of $150,000 to AHDC from the repayment to fund a pilot rental subsidy program to create deep affordability.

Lacy Court Apartments, which is located in the Del Ray neighborhood, contains 44 units, including 22 three-bedroom units. 18 of the units have rents affordable to households with incomes at or below 50% of the area median income (AMI), with the other 26 affordable at 60% AMI. The rental subsidy pilot program was proposed to make five of the current 50% AMI units deeply affordable to households with incomes ranging up to 30% AMI for a five-year period. **AHAAC voted to approve the loan with two abstentions.**

4. **Fairlington Presbyterian:** In June 2017 Wesley Housing Development Corporation requested a predevelopment loan of up to $400,000 for the Fairlington Presbyterian Church project to provide up to 81 affordable apartments.

The proposed rental units will be affordable to incomes ranging between 50% and 60% of AMI and include a mix of one, two and three bedroom apartments, including some fully accessible units. **AHAAC voted to approve the loan with x abstentions.**

**B. Affordable Housing Plans:** During the reporting period, AHAAC voted on five affordable housing plans that were included as part of the development process. Two of the plans are described below; the remaining three were included in Section A as they were paired with funding requests.

1. **Braddock Gateway Phase II:** The project is the second of three phases of development under CDD #15 (referred to as Braddock Gateway). Braddock Gateway is a 7-acre site generally bounded by North Fayette, North Payne, and First Streets, and the WMATA/CSX train tracks. It was approved in 2008 for up to 770,000 net square feet of development, with a mixture of residential and commercial space. As part of Phase II, the
applicant proposed to construct two buildings with a total of 258 residential units and 8,150 square feet of ground-level retail, in addition to a new 2/3-acre open space.

As part of the development approval process for CDD #15, the applicant agreed to provide a $5 million contribution to the Housing Trust Fund. In 2015, CDD #15 was amended (CDD 2015-00005) to reflect a change in the phasing of the project and the timing of the housing contribution was adjusted with the first phase of the project to provide a $1 million contribution and the remaining $4 million paid proportionately through the remaining two phases. Under this agreement, a monetary contribution to the Housing Trust Fund in the amount of $1.84 million was anticipated with Phase II (equal to 46% of the remaining two phases of the Braddock Gateway project).

At the time of approval of CDD 2015-00005, City Council expressed an interest in securing affordable units on-site in lieu of some portion of subsequent monetary contributions. The applicant agreed to fulfill its contribution for Phase II with 50% provided in the form of a monetary contribution to the Housing Trust Fund and 50% in the form of units. Four affordable rental units (two one-bedrooms and two two-bedrooms) will be provided on site affordable to households with incomes at 60% AMI for a 40-year period. The contribution of four on-site rental units was valued at approximately $920,000. A monetary contribution of $920,000 will also be made to the Housing Trust Fund; these monies are reserved to help fund ARHA’s potential acquisition of offsite units, if required, pursuant to the Braddock Metro Neighborhood Plan. The reservation must be maintained pending completion of the redevelopment of all Braddock area ARHA properties.

AHAAC voted unanimously to approve the Braddock Gateway Phase II Affordable Housing Plan at its May meeting.

2. **Potomac Yard Landbay H/I East:** The site is bounded by Swann Avenue, Main Line Boulevard, Watson Street, and Potomac Avenue. The majority of the site lies within Potomac Yard Landbay H with the balance of the site in Landbay I. The applicant proposed to construct two multifamily residential condominium buildings with a total of 142 units. As part of the redevelopment process, the applicant requested a Master Plan Amendment for an increase in height from a maximum of 55’ to up to 72.7’; and a Master Plan Amendment, Text Amendment, and Amendment to Coordinated Development District (CDD) #10 to increase the allowable residential multifamily units from 36 to 142.

The applicant offered to provide eight affordable homeownership units on-site affordable to households with incomes up to 100% AMI. The units will remain affordable for a 40-
year period with equity sharing enforced through deeds of covenant. The contribution of
the units (four one-bedrooms and four two-bedrooms) is valued at approximately $2.8
million, which is approximately $2.0 million more than the standard monetary
contribution. In addition, the applicant has offered a contribution of $35,000 per unit to
the Housing Trust Fund, for a total of $280,000, to be utilized, as needed, for down
payment and other forms of housing assistance to eligible households. **AHAAC voted
unanimously to approve the Potomac Yard Landbay H/I East Affordable Housing
Plan at its May meeting.**

**C. Housing Trust Fund Overview: FY 17**

$X million was pledged; $X million was received; and $X million was expended from the
Housing Trust Fund.

Staff modified the Housing Trust Fund and Housing Opportunity Fund reports to make them
more user-friendly.

**D. Housing Master Plan:**

AHAAC is an important champion and steward of the Housing Master Plan. As such, in
FY17 AHAAC helped monitor implementation through the following efforts:

1. **Quarterly Progress Report:** Staff shared the Housing Master Plan Progress Report on a
   quarterly basis.
2. **Housing Master Plan Tools Update:** Staff briefed the Committee on the status of the
   implementation of the Housing Master Plan tools.
3. **Southern Towers:** Staff sought guidance from the Committee on a proposal to amend
   the Beuregard tenant assistance and relocation policy to allow the committed affordable
   units at Southern Towers to be marketed generally to income eligible households.
4. **Extension of Energy Masters Program:** Staff briefed the Committee on a proposed
   two-year extension of the successful Energy Master’s Program.

**E. Small Area Plans and Planning Initiatives:**

AHAAC received updates on various planning efforts throughout the year. The Committee
provided letters of support for the North Potomac Yard Small Area Plan and for the Old
Town North Plan Update and endorsed the submission of a request to VHDA for grant funds
to update the Routh 1 South Corridor Plan with an Affordable Housing Strategy study
(anticipated to start in Spring 2018). The Committee was briefed on the upcoming Resolution
830 community engagement process (anticipated to occur from July through December
2017). The Committee endorsed the proposed amendment to the City’s Bonus Density and
Height Program (Section 7-700) to increase the density bonus from 20% to 30% to maximize
the production of affordable housing at no financial cost to the city.

**F. Other**

As part of its monthly meetings, AHAAC also received regular updates on the activities of
AHDC and ARHA and on local and regional housing initiatives. In Winter and Spring 2017,
staff conducted and organized a series of educational presentations and initiated several policy
discussions with the Committee. Topics addressed included:
- Affordable housing policies in Arlington County and Fairfax County
- Inclusionary zoning
- Pilot rental subsidy program
- Fair housing testing program
- ARHA operational challenges and RFPs
- Accessory Dwelling Unit Program in Arlington County

The Committee also received copies of educational and outreach materials produced in FY17 by staff pursuant to ongoing implementation of the Housing Master Plan. These included the Affordable Set-Aside Report and the Fair Housing Testing Report.

Staff held an orientation/refresher session for new members prior to its June 2017 meeting.
Committee Composition (voting members): 19
1 Builder or developer of residential property
1 Real estate professional with knowledge and experience in residential real estate
1 Landlord of residential property in the City
1 Residential tenant in the City
1 Homeowner in the City
1 Commissioner from the ARHA Board
1 Representative of the City's faith community
1 Representative of a civic association in the City
1 Representative who is employed by or affiliated with an organization that promotes and maintains affordable housing
2 Financial professional with knowledge and experience in the field of finance
1 Representative of an employer in the city who employs at least 100 employees
1 Licensed and practicing attorney
1 Person designated by, but who need not be a member of the Commission on Aging
1 Person who is either an employee of the City or the Alexandria City Public Schools
1 Person who represents housing consumers under 30 years of age
2 Representatives of the City’s small business community, including the retail, restaurant, or hospitality sectors
1 Person designated by, but need not be a member of, the Commission on Persons with Disabilities

Voting Members between July 2016 and June 2017:
Robyn Konkel, Chair
Katharine Dixon
Michael Butler
Carter Flemming
Stephen Hales
William Harris
Eric Weiss
Peter-Anthony Pappas
Michelle Krocker
Jon Frederick
Joe Ouellette (May 2014 – April 2017)
Mary Parker
David Taylor (May 2015 – October 2016)
Marian Wiggins
Yasin Seddiq
Nechelle Terrell (November 2016 – present)
Holly Hanisian (January 2017 – present)
Matthew McCarthy (March 2017 – present)
Michael Doyle (April 2017 – present)