

ALEXANDRIA HOUSING AFFORDABILITY ADVISORY COMMITTEE

DATE: NOVEMBER 1, 2018

LOCATION: ROOM 2000 - CITY HALL

AGENDA

1. Introductions and Chair remarks (Chair) 7:00 p.m.
2. Affordable Housing Plan for Greenhill (Tamara Jovovic/Mary Catherine Gibbs) 7:05 p.m.
Action Requested: Review and Vote on Affordable Housing Plan
3. Route 1 South Affordable Housing Strategy Update (Tamara Jovovic) 7:25 p.m.
4. Consideration of October 4, 2018 meeting minutes (Chair) 7:35 p.m.
Action Requested: Review and Approve Minutes
5. Alexandria Redevelopment and Housing Authority Update (Carter Flemming) 7:40 p.m.
6. Alexandria Housing Development Corporation Update (Jon Frederick) 7:45 p.m.
7. Information Items: 7:50 p.m.
Financial Report
Housing Master Plan Progress Report
8. Staff Updates 7:55 p.m.
9. Announcements and Upcoming Housing Meetings (Staff) 8:00 p.m.

ARHA Redevelopment Work Group Meeting
November 8; 5:30 pm, City Council Workroom, City Hall

City Council Budget Retreat
November 10; 9:00 am – 3 pm, Alex Renew, 1800 Limerick Street, Alexandria VA 22314

Housing Heroes
November 13; 5:00 pm, Sister Cities Conference Room, City Hall
10. Other 8:05 p.m.
- Adjournment (Chair) 8:15 p.m.

AFFORDABLE HOUSING ADVISORY COMMITTEE MINUTES

City Hall Room 2000 | October 4, 2018

	Members Present	Members Absent	Staff
1	William Alexander		Eric Keeler, Deputy Director
2	Dan Brendel (m)		Tamara Jovovic, Housing Planner
3		Michael Butler (excused)	
4	Katharine Dixon (m)		
5	Carter Flemming		
6	Holly Hanisian		
7	Bill Harris		
8	Robyn Konkell, Chair		
9	Michelle Krockner (m)		
10	Jessica Lurz		
11	Helen McIlvaine*		
12	Michael Doyle (m)		
13		Peter-Anthony Pappas (excused)	
14	Mary Parker		
15		Yasin Seddiq (excused)	
16		Nechelle Terrell (excused)	
17		Marian Wiggins	
18	Paul Zurawski		
19	Jon Frederick		
20	vacant		
21	vacant		
	Guests	Affiliation	
1	Caroline Herre	Walsh Collucci Lubeley Walsh	
2	Betsy Faga	Church of the Resurrection	
3	Martin Lucero	ARHA	
4	Sarah Scott	ARHA	
5	Bobby Zeiller	Silverstone	
6	Cathy Puskar	Walsh Collucci Lubeley Walsh	
7	Chris Ryan	Alexandria resident	
8	Judith Cabelli	Wesley Housing Development Corporation	
9	Kamilah McAfee	Wesley Housing Development Corporation	

*non-voting

(m) – took minutes during fiscal year

The meeting was called to order at 7:09 pm. Dan Brendel agreed to take minutes.

1. Introductions (Chair)

Introductions were made.

2. Silverstone Affordable Housing Plan (Tamara Jovovic/Cathy Puskar)

Cathy Puskar, representing the applicant, provided an overview of the proposed development and affordable housing plan (AHP). C. Puskar summarized the applicant's outreach to the Commission on Aging (COA) and the different affordable housing options presented to the COA. The AHP presented to the Committee reflects the COA's recommendation to provide seven deeply-discounted, auxiliary-grant (AG) funded single-occupancy units. The contribution is valued between \$19-\$25 million over 40 years (in today's dollars). Staff noted that the base affordable housing contribution for Landbay H-West was previously satisfied through CDD #10 through the provision of land for Station 209/The Station at Potomac Yard, along with \$6.5 million towards development of the 64 affordable/workforce units, as well as \$3.5 million in voluntary monetary contributions to the Housing Trust Fund. The contribution of the seven AG units is only associated with the pending requested Master Plan and CDD Amendments for a change in land use and approximately ten feet in additional height for the first building.

C. Puskar noted the importance of ensuring the AG units are consistent with state standards.

Will Alexander inquired about the length of the lag between the construction of the project's two phases and asked if it would be possible to deliver all seven units at the time the Certificate of Occupancy was requested for the first building. The applicant agreed. Katharine Dixon made a motion to approve the affordable housing plan as amended; Michelle Krockner seconded the motion. The affordable housing plan was approved unanimously.

3. Affordable Housing Plan and Housing Opportunity Fund Loan Request for Fairlington Presbyterian Church (Eric Keeler/Judith Cabelli)

Judith Cabelli, Project Manager at Wesley Housing, introduced the project and highlighted how the project has evolved in response to community and staff input and feedback. Carter Flemming noted that members in the Seminary Hill neighborhood have expressed concerns over not being able to participate more directly in the planning process, including serving on the project's internal design working group, and Seminary Hill's view that a more open process should have been pursued. J. Cabelli enumerated the number and range of outreach opportunities organized by Wesley Housing and the Church to ensure there was adequate community engagement, including direct outreach to Seminary Hills members and leadership.

The permanent loan request for up to \$7.65 million includes \$400,000 in pre-development funding approved in 2017, as well as the estimated cost of undergrounding utilities along King Street and Menokin Drive as required by the City. The loan request equals approximately \$94,000 per unit; the per unit increase is higher than what was originally anticipated due to significant increases, industry-wide, in labor and construction costs. Wesley's request includes some potential inflation as well during the period before construction

can begin and maximizes the points available through local support, reflecting the high degree of competition for tax credit equity in Northern Virginia.

Katharine Dixon made a motion to approve the affordable housing plan and loan request; Michelle Krocker seconded the motion. The motion passed unanimously.

4. Consideration of September 6, 2018 Minutes (Robyn Konkel)

Carter Flemming made a motion to approve the September minutes; Bill Harris seconded the motion. The minutes were approved unanimously.

5. Route 1 South Housing Affordability Strategy Update (Tamara Jovovic)

The Strategy was unanimously approved by the Planning Commission (6-0) and City Council (7-0). Staff will be working with the residents at The Heritage and Olde Towne West III to determine their housing and other needs through a housing needs assessment. Jessica Lurz offered to have DCHS assist with this process. Staff is also soliciting volunteers for a volunteer Tenant Advisory Group. Mary Parker recommended connecting senior residents to existing senior services, such as Meals on Wheels.

6. Housing Heroes (Helen McIlvaine)

Helen McIlvaine noted that five professionals would be recognized for their pro bono contributions to various housing programs at the upcoming Housing Heroes event on November 13th.

7. City Manager Request for AHAC Recommendations Regarding FY 2020 Budget Priorities (Helen McIlvaine)

Dan Brendel and Michelle Krocker agreed to draft a letter for the Committee's review. M. Krocker suggested the letter recommend bolstering the City's deeply affordable rental subsidy pilot program and thank council for the dedication of the increase in the meals tax rate to affordable housing while emphasizing that most of the additional dollars generated by this year's increase have already been committed. Staff noted that it would soon be updating its shortfall forecast.

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

C. Flemming reported that the archeological work at Ramsey Homes is almost complete and that ARHA expects to close on its permanent financing in October. ARHA plans to move forward with the entitlement process for the Andrew Adkins site while simultaneously releasing a new RFP.

Discussion ensued over the potential for temporary uses that could be housed at ARHA's old headquarters site, including a health clinic and a food distribution center for ALIVE.

9. Alexandria Housing Development Corporation Update (Jon Frederick)

J. Frederick reported that progress continues on the Lacy Court renovations. Renovation of the Sheltered Homes units on Bellefonte Avenue is also moving forward. Carpenter Shelter has closed on its permanent financing. Gateway at King and Beauregard expects to close on its loan later this fall.

10. Other

Michelle Krocker recognized Helen for having been awarded the Phyllis Campbell Newsome Public Policy Leadership Award by the Center for Nonprofit Advancement. The award was created to highlight the work of elected and non-elected officials who have gone above and beyond in partnership with the nonprofit sector to ensure more vibrant communities. Each year, the Center honors four public officials with this award. One official is recognized from each of the jurisdictions the Center supports including, the District of Columbia, Northern Virginia, and Montgomery and Prince George's counties.

11. Staff Updates

- A joint worksession will be held with the Environmental Policy Commission at the Committee's November meeting.
- The Chamber of Commerce recommended in its legislative agenda to request a permanent seat on AHAAC; Will Alexander, a member of the Chamber, expressed interest in helping to bring this idea to fruition.

The meeting was adjourned at 8:31 pm.

City of Alexandria, Virginia

MEMORANDUM

DATE: OCTOBER 30, 2018

TO: THE ALEXANDRIA HOUSING AFFORDABILITY ADVISORY COMMITTEE

FROM: HELEN S. MCILVAINE, DIRECTOR

SUBJECT: GREENHILL COORDINATED DEVELOPMENT DISTRICT (CDD) AFFORDABLE HOUSING PLAN

ISSUE: Consideration of an Affordable Housing Plan for the Greenhill Coordinated Development District (CDD 2016-00003).

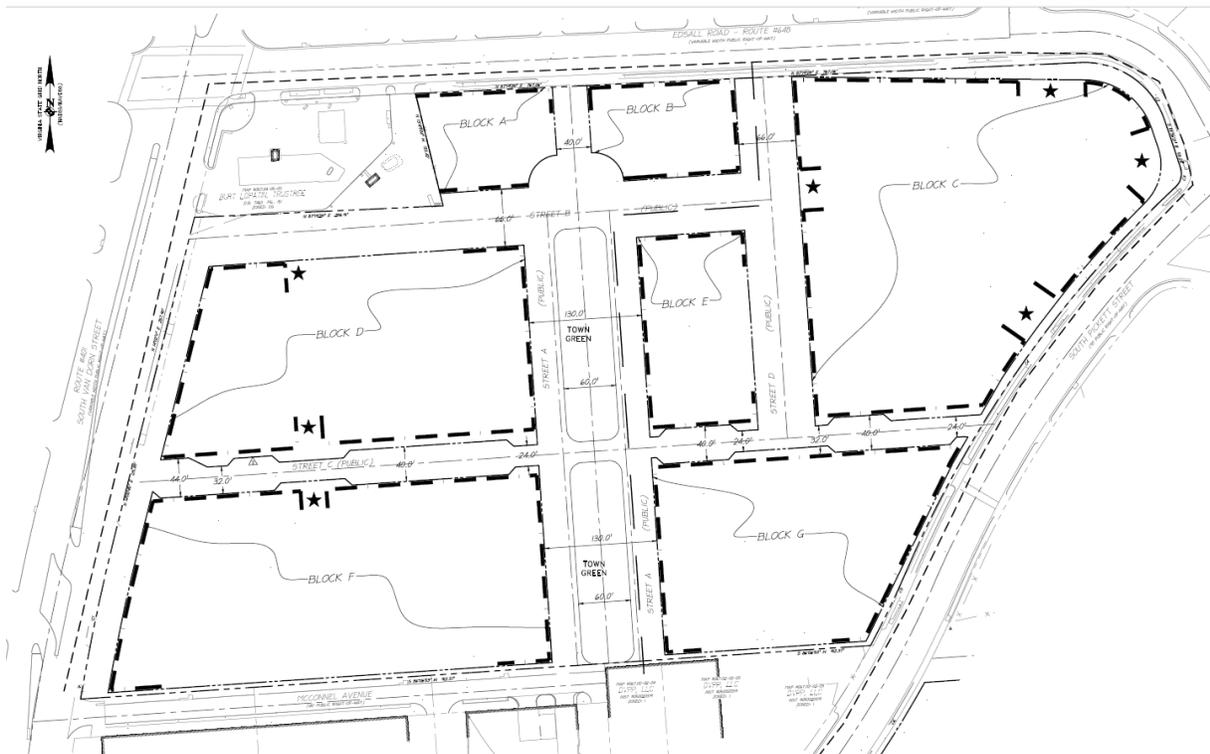
ACTION REQUESTED: That the Committee review and endorse the associated Affordable Housing Plan.

BACKGROUND: The subject application involves a rezoning of an approximately 14.9 acre site bounded by South Pickett Street, Edsall Road, and South Van Dorn Street to a Coordinated Development District (see site layout on page 2). The site is located in the Landmark Van Dorn Small Area Plan (LVD SAP). The rezoning application would allow for a walkable mixed-use development to replace an aging retail and light industrial center. The applicant has put forth two mixed-use options—one predominantly residential (Option #1) and one with a balance of office and residential uses (Option #2) [see Table 1]. Both options require of densification of the site from a .5-.85 floor area ratio (FAR) to an approximately 3.03-3.28 FAR. The increase in density is being requested through a three-step process—a rezoning to a base FAR of 2.0, as proposed by the LVD SAP; a master plan amendment for additional density; and 30% in additional bonus density paired with up to 25 feet in additional height pursuant to Section 7-700 of the Zoning Ordinance.

The floor area ratio (FAR) is the relationship between the total amount of usable floor area that a building has, or has been permitted to have, and the total area of the lot on which the building stands. This ratio is determined by dividing the total, or gross, floor area of the building by the gross area of the lot.

Table 1

	RETAIL/COMMERCIAL SPACE	OFFICE/COMMERCIAL SPACE	RESIDENTIAL*	ABOVE GRADE COVERED PARKING	TOTAL**
RESIDENTIAL - GROSS FLOOR AREA	223,000 GSF	187,100 GSF	1,623,400 GSF	96,500 SF	2,130,000 GSF
OFFICE - GROSS FLOOR AREA	223,000 GSF	830,000 GSF	818,500 GSF	96,500 SF	1,968,000 GSF



DISCUSSION: As part of the development approval process for CDD 2016-00003, the applicant has agreed to provide a contribution to the Housing Trust Fund in addition to the required affordable housing units associated with the use of Section 7-700.

Development Option #1 attributes approximately 492,000 gross square feet to bonus density, which results in approximately 164,000 gross square feet of affordable housing. Staff estimates this will generate up to 164-182 affordable units depending on unit size; a proportionately lower number of units would be anticipated with Development Option #2 which is moderately smaller in scale.

The units will be proportional to the overall mix of units in the projects. Rental units will be affordable to households with incomes at 60% of the area median income for a 40-year period (equivalent to \$49,260-\$70,320 for a household of one to four in 2018). Homeownership units will be affordable to households with incomes at 80% of the area median income for a 40-year period (equivalent to \$65,680-\$93,760 for a household of one to four in 2018).

Staff notes that at the mutual agreement of the Director of Housing and the applicant, the applicant may pursue opportunities to construct an equivalent amount of affordable housing through two or more affordable or mixed-income housing projects within the CDD Plan Area. The specifics associated with such scenarios will be presented to the Committee for consideration through separate Affordable Housing Plans.

In addition to the units, the applicant has agreed to provide a contribution to the Housing Trust Fund. The value of contribution will be calculated at the time each DSUP comes forward for

review. 400,331 gross square feet of market-rate residential and commercial development will be subject to the Residential Tier 1 and Commercial Contribution rate, respectively. Market-rate residential and commercial development exceeding 400,331 gross square feet of development will be subject to the Residential Tier 2 and Commercial Contribution rate, respectively. The applicant has agreed to provide the contribution in the form of a monetary contribution, in the form of on-site affordable units of equivalent value, or a mixture thereof, to be determined as each DSUP moves forward with its respective Affordable Housing Plan.

FISCAL IMPACT: The value of the developer's anticipated contribution is estimated to be \$7.68 million over the CDD plan area.

ATTACHMENTS:

(1) Affordable Housing Plan for Greenhill Coordinated Development District, CDD 2016-00003, dated October 24, 2018

STAFF:

Eric Keeler, Deputy Director, Office of Housing
Tamara Jovovic, Housing Analyst, Office of Housing

Affordable Housing Plan for Greenhill Capital West Alexandria Development (Final)

October 24, 2018

Greenhill Capital Corporation (“Greenhill”) is the owner of approximately 14.9 acres in the Landmark Van Dorn Small Area Plan (“LVDSAP” or “the Plan”) area in the West End of Alexandria near the intersections of S. Pickett, Edsall and S. Van Dorn Streets. Greenhill is working to master plan these 14.9 acres of existing warehouse/retail property within a coordinated development district as provided for in the LVDSAP (the “Project”). The LVDSAP plan authorizes 2.0 FAR in this area described as Pickett Place in the Plan. As a result, Greenhill has calculated the base zoning as follows: 649,137 sq. ft. (14.902 acres) x 2.0 = 1,298,274 square feet of development. The current proposal requests a CDD Concept Plan for a mixed-use development with a total of 2,130,000 square feet in two options, to provide flexibility as each block moves forward.

Site Area (sq. ft.)	Permitted Density (FAR)	Total Square Footage Permitted By-Right	Total Square Footage Requested	Additional Density Requested:
649,137	2.0	1,298,274	2,130,000	831,726

Calculation of the Affordable Housing Contribution

Section 7-700 of the Zoning Ordinance provides the means for increasing the square footage up to 30% more in density and up to 25 more feet in height over the height limit for the zone/area. The Project is seeking to increase the overall total square footage in either a max residential option or a max office option and Greenhill would like to utilize the bonus density and height authorized in Section 7-700.

Breakdown of Additional Density Requested:

I. Residential Option

Permitted FAR (2.0)	MPA Increase Requested	What would be considered 7-700 Bonus (30% of Permitted plus MPA Increase)	Total Proposed
1,298,274 sq ft	340,188 sq ft	491,538 sq ft	2,130,000
Permitted Height under LVD SAP	MPA Increase Requested	7-700 Bonus Requested	Total Proposed
65-120	Block A to 100		Up to 100
	Block B to 100		Up to 100
	Block C to 85		Up to 85
	Block D to 145	25 feet in bonus height	Up to 170
	Block E to 145	25 feet in bonus height	Up to 170
	Block F to 145	25 feet in bonus height	Up to 170
	Block G to 145	25 feet in bonus height	Up to 170

II. Office Option

Permitted FAR (2.0)	MPA Increase Requested	What would be considered 7-700 Bonus (30% of Permitted plus MPA Increase)	Total Proposed
1,298,274 sq ft	215,572 sq. ft.	454,154 sq. ft.	1,968,000
Permitted Height under LVD SAP	MPA Increase Requested	7-700 Bonus Requested	Total Proposed
65-120	Block A to 100		Up to 100
	Block B to 100		Up to 100
	Block C to 85		Up to 85
	Block D to 145	25 feet in bonus height	Up to 170
	Block E to 145	25 feet in bonus height	Up to 170
	Block F to 145	25 feet in bonus height	Up to 170
	Block G to 145	25 feet in bonus height	Up to 170

For purposes of this proposed affordable housing plan, we have used the majority residential option to make the calculation for the proposed affordable housing contribution as described below. However, each proposed option has a mix of retail/office/commercial/hotel and residential uses. Those mixes are proposed as follows:

	RETAIL/COMMERCIAL SPACE	OFFICE/COMMERCIAL SPACE	RESIDENTIAL*	ABOVE GRADE COVERED PARKING	TOTAL**
RESIDENTIAL - GROSS FLOOR AREA	223,000 GSF	187,100 GSF	1,623,400 GSF	96,500 SF	2,130,000 GSF
OFFICE - GROSS FLOOR AREA	223,000 GSF	830,000 GSF	818,500 GSF	96,500 SF	1,968,000 GSF

In order to account for the increased density requested, and for ease of the calculation, we have proposed using the residential tiers for determining the contribution amount at this time.¹ If in the future, the actual uses built varies from the majority residential option, the calculations will need to be updated.

We have a base amount of density under current zoning, which is CG and I for the six parcels of property. Those zones are not what the Landmark Van Dorn Small Area Plan envisions for purposes of zoning but the affordable housing calculations presume the base is existing zoning. Currently, under CG and I zoning the properties can be developed with the following square footages:

PARCEL	SITE AREA	ZONING	BASE FAR	FAR CALCULATION (in sq. ft.)
057.04-05-04	172,790 sq. ft.	CG	.5	86,395
057.04-05-05	216,465 sq. ft.	I	.85	183,995.25
057.04-05-06	8,419 sq. ft.	CG	.5	4,209.50
057.04-05-07	20,262 sq. ft.	CG	.5	10,131
057.00-05-08	12,123 sq. ft.	CG	.5	6,061.50
067.02-02-01	219,078 sq. ft.	CG	.5	109,539
			TOTAL:	400,331.25

Permitted FAR (2.0)	MPA Increase Requested	What would be considered 7-700 Bonus (30% of Permitted plus MPA Increase)	Total Proposed
1,298,274 sq ft	340,188 sq ft	491,538 sq ft	2,130,000

Calculation	Square Footage Requested	Calculation of Contribution (PSF)	Estimated Contribution
Tier One	400,331.25	2.67	\$1,068,884
Tier Two: Up to 2.0 FAR under LVD SAP (1,298,274 – 400,331.25)	897,942.75	5.34	\$4,795,014
Tier Two: Master Plan Amendment	340,188	5.34	\$1,816,604
7-700 Bonus	491,538	See Below for Unit Calculation	0
Total:	2,130,000		\$7,680,502

Housing Trust Fund

Based on the above calculations, Greenhill estimates the affordable housing contribution to be approximately \$7.68 million. That amount can either be in the form of a cash contribution or a provision of on-site affordable units or a mixture thereof, to be determined as each DSUP moves forward. We would propose that actual contributions to the affordable housing trust fund be calculated at the time of each DSUP submission and that the first 400,331 square feet of development within the CDD (exclusive of the floor area associated with the bonus density, including the on-site affordable housing units) be subject to the current Tier One contribution rate. Development exceeding the first 400,331 square feet (exclusive of the floor area referenced above) will be subject to the current Tier Two contribution rate.

Affordable Housing

In addition, Greenhill would propose that 163,846 square feet of affordable units be provided in the overall 14.9 acre plan, separate and apart from the contribution amount described above for the provision of additional density and height pursuant to Section 7-700 of the Zoning Ordinance. Assuming an average of 1,000 gross square feet per unit, this would result in approximately 164 units (the actual unit count will be determined at the time of DSUP submission and is typically proportional to the overall mix of units in the building). The affordable units would remain affordable for a period of 40 years. The units could either be provided at approximately 10% of the units in each residential building, to be capped at 163,846 square feet or if an affordable housing developer seeks to provide an entire building as an affordable housing building, that building could provide a significant number of the on-site units.

ⁱ If we were to include a separate calculation for the commercial square footage provided, we could do so as follows and deduct the amount of the commercial contribution from the overall residential contribution described above:

Commercial	Square Footage	Calculation of Contribution (psf)	Contribution Calculation
Retail	223,000	2.00	\$446,000
Office	187,100	2.00	\$374,200
Total	410,100		\$820,200

Housing Master Plan Progress Report

Period: FY19 Q1

City of Alexandria, Office of Housing

Updated: 10.30.18

TYPE OF ACTIVITY	FY19 Q1 Impact (Jul-Sep 2018)			Prior Reported Impact (Jan 2014-Jun 2018)	Total Impact (Jan 2014-Sep 2018)	Housing Master Plan (Jan 2014-Dec 2025)	
	Completed	Underway	Pipeline	Prior Completed	Total Completed	Target	Balance
Rental Units Created or Preserved/Rehabilitated	0	215	81	191	191	660	469
<i>Created</i>							
Jackson Crossing				78			
Gateway at King and Beauregard		74					
New Hope Veterans Home (Aspen Street)				3			
Carpenter's Shelter		97					
Fairlington Presbyterian Church			81				
<i>Preserved</i>							
Arbelo Apartments				34			
Longview Terrace Apartments				41			
Community Lodgings				7			
Lynhaven Apartments				28			
Lacy Court Apartments		44					
Units Created through the Development Process	0	22	122	93	93	336	243
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			
The Thornton (Hunting Terrace)				24			
2901 Eisenhower Avenue		13	8				
Oakville Triangle Site			65				
ABC/Giant site		9					
Braddock Gateway Phase II			4				
Potomac Yard Landbay H/I			9				
Sunrise Senior Living			2				
Block 6A*			2				
Eisenhower East Block 20			15				
1200 North Henry			11				
Beauregard Committed Units	0	0	113	198	198	494	296
St. James Plaza (Fillmore)				93			
Church of the Resurrection			113				
Southern Towers				105			
Units Created or Preserved through Redevelopment Support to ARHA	0	52	260	0	0	174	174
Ramsey Homes		52					
Ladrey Senior Highrise			170				
Andrew Adkins			90				

* Project also includes three units affordable at 80% AMI.

TYPE OF ACTIVITY	FY19 Q1 Impact (Jul-Sep 2018)		Prior Reported Impact (Jan 2014-Jun 2018)	Total Impact (Jan 2014-Sep 2018)	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		12	12	24	12
Homebuyer Loans	1		40	41	72	31
Homeowner Rehab Loans /RTA Projects [Rebuilding Together Alexandria Grants]	0		90	90	240	150

HOUSING MASTER PLAN PROGRESS REPORT SUMMARY	FY19 Q1 Impact (Jul-Sep 2018)		Prior Reported Impact (Jan 2014-Jun 2018)	Total Impact (Jan 2014-Sep 2018)	Housing Master Plan (Jan 2014-Dec 2025)	
	Created & Preserved (Completed) Units/Loans Closed/Grants Issued				Target	Balance
TOTAL	1		624	625	2,000	1,375

TYPE OF ACTIVITY	FY18 Q1-Q4 Impact (Jul 2017-Jun 2018)			Prior Reported Impact (Jan 2014-Jun 2017)	Total Impact (Jan 2014-Jun 2018)
	Completed	Underway	Pipeline	Prior Completed	Total Completed
Workforce Affordable Rental Units (70-80% AMI) Created through the Development Process	0	0	13	0	0
Block 6A (also see above)			3		
Park Center			10		