

ALEXANDRIA HOUSING AFFORDABILITY ADVISORY COMMITTEE

DATE: NOVEMBER 7, 2019

LOCATION: ROOM 2000 - CITY HALL

DRAFT AGENDA

1. Introductions and Chair remarks (Chair) 7:00 p.m.
2. Eisenhower East Small Area Plan Update (Jose Ayala/Tamara Jovovic) 7:05 p.m.
Action Requested: Review Draft Recommendations and Provide Comment Letter
3. Transit Vision Plan Briefing (Steve Sindiong) 7:35 p.m.
Action Requested: Review [Draft Report and Recommendations](#) and Vote to Provide Comment Letter
4. Housing Contributions Workgroup Discussion (Tamara Jovovic) 8:00 p.m.
5. Consideration of October 3, 2019 meeting minutes (Chair) 8:20 p.m.
Action Requested: Review and Vote to Approve Minutes
6. FY2021 Budget Priorities Letter (Chair) 8:25 p.m.
Action Requested: Review and Vote to Send Letter
7. Alexandria Redevelopment and Housing Authority Update (Carter Flemming) 8:30 p.m.
8. Alexandria Housing Development Corporation Update (Jon Frederick) 8:35 p.m.
9. Information Items: 8:40 p.m.
Financial Report
10. Staff Updates 8:45 p.m.
11. Announcements and Upcoming Housing Meetings (Staff) 8:50 p.m.

Housing Contribution Workgroup Meeting
November 7; 6:00-7:00 pm, City Hall, Room 2000

ARHA Redevelopment Work Group
Regular Meeting, November 14; 5:30 pm, City Hall, Council Work Room

Housing Contribution Workgroup
Planning Commission Public Hearing, December 3; 7:00 pm, City Hall
City Council Public Hearing, December 14: 9:30 am, City Hall

Eisenhower East Small Area Plan Update
Planning Commission Public Hearing, December 3; 7:00 pm, City Hall
City Council Public Hearing, December 14: 9:30 am, City Hall

Housing Summit 2020
January 11, 2020; 10:30 a.m.-4 p.m., Lee Center
12. Other 8:55 p.m.
- Adjournment (Chair) 9:00 p.m.

AFFORDABLE HOUSING ADVISORY COMMITTEE MINUTES

Room 2000, City Hall | October 3, 2019

	Members Present	Members Absent	Staff
1	William Alexander (m)		Tamara Jovovic, Housing Program Manager
2	Annette Bridges (m)		Eric Keeler, Deputy Director
3	Michael Butler		
4	Zachary DesJardins		
5	Katharine Dixon		
6	Michael Doyle		
7	Betsy Faga		
8	Frank Fannon		
9	Carter Flemming		
10		Jon Frederick (excused)	
11		Holly Hanisian	
12	Bill Harris		
13	Robyn Konkell		
14	Michelle Krockner, Chair		
15	Helen McIlvaine*		
16	Shelley Murphy		
17	Peter-Anthony Pappas		
18	Paul Zurawski		
19	Vacant, small business rep		
20	Vacant, CPD rep		
21	Vacant, DCHS rep		
	Guests	Affiliation	
1	Keith Pettigrew	ARHA	
2	Sarah Scott	ARHA	
3	David Cortiella	ARHA	

*non-voting

(m) – took minutes during fiscal year

The Chair, Michelle Krockner, called the meeting to order at 7:00 pm. William Alexander took minutes.

1. Chair Remarks (Michelle Krockner)

The Chair indicated she had attended her first Boards and Commission meeting. It was noted that the October agenda incorrectly referred to the FY2020 budget priorities instead of the FY2021 budget.

2. ARHA Loan Modification for Ramsey Homes (Eric Keeler/David Cortiella)

Eric Keeler presented ARHA's loan modification request in the amount of \$1.4 million for a total permanent loan of up to \$5 million for the redevelopment of Ramsey Homes. The loan increase will be funded from the proceeds of ARHA's repayment of the City's 2008 Glebe Park loan, which totaled \$5 million. The proceeds of the repayment of the Glebe Park loan will be exhausted with the issuance of this loan modification.

David Cortiella, representing ARHA's development arm, VHD LLC, attributed the loan modification request to substantial increases in hard and soft costs related primarily to project weather delays and site conditions; these have delayed the project's delivery date to June 2020. Housing staff have worked closely with ARHA in reviewing the new additional costs related to the project. Among the additional costs that will be funded with the City's new loan authorization are archeological work, additional construction management requirements, and material cost escalation, as well as an increase in soft costs related to construction and financing delays. It was noted that to cover the project's overall funding gap, ARHA has increased its deferred developer fee from \$310,000 to \$734,000 and will draw \$625,000 from construction contingency funds incorporated in the project budget. More developer fee will have to be deferred if there are future overruns, however, ARHA believes the riskiest phase of the project is over.

Six of the 52 rental units will be traditional public housing units receiving ACC payments and the other nine households (of the total 15 original public housing households) will be served by tenant protection vouchers. The 37 net new units will be affordable to households at 50-60% AMI.

A third-party management company will handle the leasing and property management for the project.

The Committee discussed the loan modification as its related to the project's other sources, and the terms of the repayment.

Mike Doyle made a motion to approve the loan. Bill Harris seconded the motion. The committee voted to approve the loan with three abstentions by Carter Flemming, Katharine Dixon, and Peter-Anthony Pappas.

3. Briefing on 1300 King Street Temporary Relocation Assistance Program (Tamara Jovovic)

Tamara Jovovic briefed the Committee on the recently approved 1300 King Street development application and explained staff's decision to develop an ad hoc relocation assistance program for the boarding house residents impacted by the development, using Housing Trust Fund monies, without advance consultation with AHAAC or the Landlord Tenant Relations Board. Staff became aware of the operations of a boarding house on the site one week prior to the

application's scheduled hearing before City Council. While members appreciated staff's willingness to identify resources for impacted residents on such short notice and potentially prevent them from becoming homeless due to the inadequacy of the city's voluntary assistance policy (with which the developer complied), they conveyed their frustration and disappointment that staff had not been made aware of the presence of the boarding house earlier on. They indicated that staff's decision established a precedent that the City could potentially not afford to follow in future similar circumstances. H. McIlvaine noted that staff would be examining relocation assistance policies more holistically as part of Housing's upcoming workplan.

4. Input on FY2021 Budget Priorities (Helen McIlvaine/Michelle Krockner)

M. Krockner relayed the Commission on Aging's request for the Committee's support for the COA's recommendation that the City's senior/disabled rental subsidy program be increased by 50% to address its waiting list. Currently, there is a 16-month waiting list for eligible seniors and persons with disabilities. Bill Harris moved to support the submission of a letter of support from the Committee to the Council. Shelley Murphy seconded the motion. The Committee voted unanimously to approve the submission of the letter.

5. Housing Contributions Workgroup Update (Tamara Jovovic)

T. Jovovic provided an update on the HCWG process, including the status of stakeholder meetings, and on completed research and analysis. The housing contribution recommendations will be presented to Planning Commission and City Council in December. The Committee was encouraged to attend the scheduled public hearings.

6. Arlandria-Del Ray Plan Updates (Tamara Jovovic)

T. Jovovic briefed the Committee on the upcoming Arlandria-Del Ray Plan Updates and on ways to become involved in the planning process. Staff are currently finalizing the community engagement strategy. The planning process has adopted a Spanish-first approach to help facilitate meaningful participation across the two communities.

7. Housing Initiatives – Revised Interdepartmental FY 2020 Workplan (Helen McIlvaine)

H. McIlvaine briefed the Committee on the interdepartmental workplan for FY2020-201 which includes a wide range of housing initiatives to enhance housing affordability.

She also briefed members on the Arlington County-City of Alexandria joint council meeting and its commitment to create an Inclusive Growth Task Force. The task force will focus on five topics—affordable housing, K-12 education, transportation and mobility, small- and women-owned business, and workforce development—to help ensure that all benefit from the growth associated with Amazon HQ2 and related development. They stated that affordable housing was their top priority.

8. Consideration of June 6 and September 5, 2019 Minutes (Chair)

M. Krockner made a motion to approve the June and September minutes. Frank Fannon seconded the motion. The Committee voted to approve the minutes with abstentions by Betsy Faga and Katharine Dixon. It was noted that the October package was circulated to the Committee late which made review of the submitted materials difficult.

9. Information Items (Staff)

The monthly financial report was presented to the Committee. The Friends of Guest House project has been completed. The Spire has broken ground.

The meeting was adjourned at 8:36 pm.

MEMORANDUM

TO: Mayor Justin Wilson and Members of City Council

FROM: Alexandria Housing Affordability Advisory Committee (AHAAC)

DATE: November 7, 2019

RE: FY2021 Budget

Mayor Wilson and City Council Members,

As you begin work on the budget, AHAAC has two priority issues which we respectfully request that you take into consideration for inclusion in the FY2021 Budget. They are:

Restore One Penny for Affordable Housing. The Amazon HQ2 announcement and VA Tech Innovation Campus at Potomac Yard have created significant opportunities for growth and prosperity for many in our region, but the City must ensure that vulnerable residents are not adversely impacted by these events. Rents continue to rise across the City, even as the wages for critical employees that support the local economy remain flat.

Housing affordability is a challenge for the region, and we applaud the City's participation in the Metropolitan Washington Council of Governments' retreat on Housing in the fall, and the City's affirmative vote for regional housing goals through 2030. Those goals include a commitment to produce an additional 2,600 units above the 8,600 forecasted in Alexandria by 2030, 75% of which should serve low- and moderate-income households.

While AHAAC acknowledges the importance of newly adopted land use and zoning tools to incentivize affordable housing preservation and production, we know that increased City loan investment and other subsidies are still needed to serve very low -income households and create more deeply affordable units. With planned economic growth, and the anticipated increased value of residential properties, we believe now is the right time to restore the full penny of the real estate tax for the housing production trust fund to ensure all benefit more equitably.

Rental Subsidy for Low-Income Seniors. We join with the Commission on Aging to request a \$230,000 increase for the City's Rental Subsidy program in FY2021. This is a 50% increase over the current funding. At present, there are 45 persons on the waiting list. Twenty-nine are elderly (65-89); 14 have a disability; and 2 are both elderly and disabled. The average time on the waiting list is 16 months. The proposed funding increase is a much-needed investment in our senior and disabled population and we hope you will approve it.

Thank you for considering these budget recommendations for housing. We look forward to continuing our work with City staff and Council to secure affordable housing opportunities for all residents in Alexandria.

FY 2020 Affordable Housing Development Funds Financial Report | October 31, 2019

Balance Remaining: \$3,550,000

Revenues

	2019						2020						Total
	July	August	September	October	November	December	January	February	March	April	May	June	
Developer Contributions Received	\$0	\$168,368	\$218,000	\$518,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$904,368
Multifamily Loan Repayments	\$65,875	\$3,505	\$459	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$69,839
New Revenue Allocated by City Council	\$4,000,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$4,000,000
Total	\$4,065,875	\$171,873	\$218,459	\$518,000	\$0	\$4,974,207							

Commitments & Reservations

	Start	July	August	September	October	November	December	January	February	March	April	May	June	FY Total	Running Total
Housing Trust Fund (HTF)															
Temporary Relocation Assistance	\$0	\$0	\$0	\$115,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$115,000	\$115,000
Rebuilding Together Alexandria (RTA)	\$0	\$50,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$50,000	\$50,000
Pilot Rental Assistance	\$870,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$870,000
Braddock Small Area Plan Fund	\$1,334,080	\$0	\$89,193	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$89,193	\$1,423,273
Housing Trust Fund (HTF) Total	\$2,204,080	\$50,000	\$89,193	\$115,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$254,193	\$2,458,273
Housing Opportunity Fund (HOF)															
Wesley - Fairlington Presbyterian Church	\$7,250,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$7,250,000
Sheltered Homes Alexandria (Bellefonte Apts)	\$0	\$0	\$0	\$450,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$450,000	\$450,000
Friends of Guest House	\$145,000	\$0	-\$42,361	-\$82,113	-\$20,526	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	-\$145,000	\$0
ARHA - Set Aside	\$1,400,000	\$0	\$0	\$0	-\$1,400,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	-\$1,400,000	\$0
ARHA - Ramsey Homes	\$3,179,680	-\$237,029	-\$346,388	-\$664,532	\$913,911	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	-\$334,037	\$2,845,642
AHDC - Operating	\$275,000	-\$275,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	-\$275,000	\$0
AHDC - King & Beauregard	\$700,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$700,000
AHDC - Ellsworth	\$1,800,000	\$0	\$0	-\$1,800,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	-\$1,800,000	\$0
AHDC - Carpenter's Shelter / The Bloom	\$1,700,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,700,000
AHC - Church of the Resurrection / The Spire	\$5,249,290	\$0	-\$5,249,290	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	-\$5,249,290	\$0
Housing Opportunity Fund (HOF) Total	\$21,698,970	-\$512,029	-\$5,638,039	-\$2,096,645	-\$506,615	\$0	-\$8,753,328	\$12,945,642							