

**AFFORDABLE HOUSING ADVISORY COMMITTEE
LOCATION: ROOM 3008**

***PLEASE NOTE LOCATION CHANGE TO REA/ALEX STAT CONFERENCE ROOM
CITY HALL***

MONDAY, APRIL 6, 2015 7:00 P.M.

AGENDA

1. Consideration of February 5, 2015 meeting minutes (Chair) 7:00 p.m.
2. Presentation and Public Hearing - Consolidated Plan 2016-2020 (Staff) 7:05 p.m.
3. Planning Initiatives Update (Staff)
 - a) Bonus Density Study 7:25 p.m.
 - b) Parking Standards for New Development Projects 7:50 p.m.
4. Consideration of a loan application from Community Lodgings, Inc. (CLI) for up \$300,000 to renovate 607 Notabene Drive 8:05 p.m.
5. Alexandria Redevelopment and Housing Authority Update (Committee Member) 8:20 p.m.
6. Alexandria Housing Development Corporation Update (Committee Member) 8:30 p.m.
7. AHAC Roster Positions (Chair) 8:40 p.m.
8. Update on City Housing Budget and Community Engagement (Staff and Chair) 8:50 p.m.
9. Information Items: 8:55 p.m.
 - a) Housing Trust Fund Financial Summary for February 2015
 - b) Housing Opportunities Fund Financial Status for February 2015
 - c) Homeownership Programs Report for February 2015
 - d) Tax and Bond Report for February 2015
10. Announcements and Upcoming Housing Meetings (Staff)

Parking Standards for New Development Projects

Planning Commission Public Hearing—April 7, 2015, 7:00 p.m., Council Chambers

City Council Public Hearing—April 18, 2015, 9:30 a.m., Council Chambers

City Council Budget Worksession on Housing

April 9, 2015, 6:30-8:30 p.m., Sister Cities 1101

FY 2016-2020 Consolidated Plan for Housing and Community Development

City Council Public Hearing—April 18, 2015, 9:30 a.m., Council Chambers

Eisenhower West Small Area Plan

Steering Committee Meeting—May 19, 2015, 7:00 p.m., Cameron Station Clubhouse Great Room
(200 Cameron Station Boulevard)

11. Adjournment (Chair) 9:00 p.m.

AFFORDABLE HOUSING ADVISORY COMMITTEE
Minutes of the February 12, 2015 Meeting

Members Present

Katherine Dixon- Chair
Eric Weiss
Jon Fredrick
Robyn Konkel
Michael Butler
Bill Harris
Helen McIlvaine (Non- voting)
Carter Flemming
Peter- Anthony Pappas
Michelle Krockner
Nan Goodwin

Staff Present

Eric Keeler

Guests

Douglas Owns – ARHA
Betsy Faga

The meeting was called to order by K. Dixon at 7:02; a quorum was present.

1. Prior Meeting Minutes- Eric Weiss proposed approving the minutes from the January 8, 2015 meeting as drafted. Bill Harris provided the second. The minutes were approved unanimously without objection by the Committee with one abstention from Peter-Anthony Pappas.
2. Office of Housing Financial Discussion/ City Budget Process - Kathleen Dixon provided some details regarding the two Civic Engagement Meetings she attended regarding the FY 2016 budget process and the priority of affordable housing and homelessness. Eric Keeler provided a chart detailing FY 2015 Housing Program Sources and Uses and the nature of the various Housing Programs and funding sources.

a) Programs:

Home Ownership	\$553k
Housing Rehabilitation	\$1.1 M
Landlord Tenant	\$536k
Affordable Housing	\$9.2M (Development and Preservation)
Leadership & Mgt Support Services	<u>\$759K</u>
Total Uses	\$12.2MM

b) Funding Sources:

CDBG	\$1.2M
HOME	\$905k
General Fund	\$2.4M
Housing Trust Fund	\$6.0M
GO Bonds for Beauregard	<u>\$1.6M</u>
Total Uses	\$12.2MM

Eric also provided the operating history of the Housing Trust Fund for the period FY 2010-2015, as well as the financial status with an Unreserved Balance of \$1.3MM as of December 31, 2014. Given the very low amount of potential funds projected to be available for affordable housing

production/preservation in FY 2016, M. Butler inquired whether the City had considered exploring whether any CRA-motivated lender or investor might be interested in buying the City's affordable housing loan portfolio and or provide a line of credit using the loan portfolio as collateral. H. McIlvaine responded that that was an interesting idea and Housing would consider further. Approximately eight years ago, a revolving line of credit was preliminarily explored, but the concept was jettisoned during the financial downturn.

3. AHAC Roster - K. Dixon announced a new committee member, Nan Goodwin, as the Department of Human Services representative. McIlvaine noted that the requested name change of the Committee to the Alexandria Housing Affordability Advisory Committee (AHAAC) is scheduled to be presented to the City Council for consideration at the March 10, 2015 meeting. Currently the Committee is made up of 17 members (14 voting / 3 non-voting); with 3 positions currently open. There was a suggestion that an invitation be extended to the City Manager's Office and members of City Council to attend a future Committee meeting. Following a discussion whether any of the name representative positions should be changed, it was decided that AHAC should formally consider its composition at the March meeting. The name change recommendation to Council will be deferred until April in case AHAC decided to make other recommendations to Council regarding its membership that would necessitate revisions to the City code.
4. Alexandria Redevelopment and Housing Authority Update. Mr. Douglas Owens of ARHA provided a handout detailing a status report on the following activities:
 - Ramsey Redevelopment Plan;
 - Provident St John's project;
 - Status of the RFP Process for the selection of the Development Partner for the five developments sites;
 - 401 Wythe Street office relocation;
 - ARHA's Mixed-Income Housing Lessons Learned publication.
5. Alexandria Housing Development Corporation Update. H. McIlvaine noted that there was no update as of this meeting. AHDC is working on two new potential projects.
6. Planning Initiatives Update - Housing Staff provided a general discussion of the following matters:
 - a. AHC's St. James project - Site Plan and funding was approved by City Council. Staff discussed the issue regarding the proposed pool at the market rate building and said the City would be looking more deeply at the concept of shared amenities in mixed income development.
 - b. Eisenhower West Small Area Planning Process – Staff discussed the various Community Meetings and upcoming Steering Committee meetings.
 - c. Parking Standards - Staff is currently reviewing the parking standards for new multifamily development and the appropriate ratio for affordable housing.
 - d. Housing Master Plan Implementation Update – Staff is reviewing the timing of updates to the various status reports for the Committee. The Committee suggested that it would like quarterly reports.
 - e. Alexandria Memory Care Center – The project is to be presented to City Council February 21, 2015. A motion was made by Michelle Krockner that Bill Harris represent

AHAC in favor of the project. The motion was seconded by Peter- Anthony Pappas and passed unanimously.

7. Announcements and Upcoming Housing Meetings -
 - a. A list of upcoming housing meetings was detailed in the Agenda;
 - b. Next meeting is scheduled for March 5, 2015.

8. Adjournment - Dixon adjourned the meeting at 8:40 pm.

Minutes prepared by Mike Butler

Bonus Density Analysis

Affordable Housing Advisory Committee
Meeting

April 6, 2015



Analysis Methodology

- Zoning Analysis
 - FAR
 - Height Maximums
 - Height Districts
- Historic Research
- Market Realities
 - Construction Types/Cost
 - Associated Risk
 - Parking



Section 7-700 Projects



Map 1: Projects that Utilized Section 7-700 (2006-2014)



Section 7-700 Projects

Year	DSP Number	Project Name	Bonus Density	Bonus Height	Units Created with Bonus Density	Percent of Bonus Density Applied	Dedicated Affordable Units		FAR/Height Allowed per Zone	Bonus Density FAR/Height Delta*		Approved Project FAR	Approved Height	Building Type	Zoning Notes	
							Sales	Rental		Net Increase	Allowed FAR per Zoning - FAR with Bonus Density					
	DSJP2004-0017															
2006	[DSJP2012-0028]	ATA - Lane (2012 Amendment)	Y			20%		34	3.2	0.8	3.2 - 4.0	4	28'4"	Concrete/Steel	CDD#2	
2007	DSJP2005-0041	Mt. Vernon Commons (Del Ray Central)	Y			19.90%		9	1	0.25	1.0 - 1.25	1.25	45'	Wood	CDD#13	
2007	DSJP2006-0026	Station at Potomac Yard	Y		64	20%		64				3.62	70'	Wood over Concrete Podium	CDD#10	
2008	DSJP2006-0030	Old Town Crossing (Glebe Park)	N					62		0	0	0.74	42'		RA/Multifamily zone	
	DSJP2006-0031	- Old Dominion East	Y					22	0.75	0.02	0.75 - 0.77	0.77	45'	Wood	RA/Multifamily zone	
2009	DSJP2008-0013	Old Town Commons (James Bland)	Y			20%		134	0.49			1.63	Various	Wood	Rezoning RM to CDD#16	
2009	DSJP2004-0028	Stevenson Ave Condos	Y		6.97	20%		9		0.3	1.5 - 1.8	1.8	77'	Wood	OCM(50)	
2010	SUP2009-0081	Carlyle Block O (Post Carlyle)	Y			1.6%		6		0.05		3.23	65'-142'	Concrete	CDD#1	
2010	DSJP2009-0004	Hoffman 11 & 12	Y			18.5%		55		0.62			277' - 339'	Concrete/Steel	CDD#2	
2012	DSJP2009-0016	Mount Vernon Village Center		Y	28	N/A		28	50'-65'	61% up to 65', tower up to 74'	35' up to 50' w/Stepback; 50% up to 65'	3	65' - 74'	Wood over Concrete Podium	CDD#7	
2012	DSJP2011-0024	Bradlock Metro Place		Y	10	N/A		10	77'	77' to 99'	1.25 - 2.5	2.5	99'	Concrete	CRMU-H	
2013	DSJP2011-0028	Jackson Crossing (East Reed AHC)	Y		77	20%		77	2	0.5	0.75 - 2.0 Rezoning Bonus Density	2.0 - 2.5	2.5	60'	Wood over Concrete Podium	Rezoning CDD#7/R8 to CRMU-M
2013	DSJP2012-0012	Landbay J Multifamily	Y		28	19.80%		8	N/A	28 units	153 to 181 units	2.64	71'	Wood over Concrete Podium	CDD#10	
2013	DSJP2012-0013	Glant at Potomac Yard	Y		42	20%		12	N/A	42 units	211 to 253 units	4.03	77'	Wood over Concrete Podium	CDD#10	
2014	DSJP2014-0004	Pickett Place Townhomes (The Delaney)	N/A			0		4	1.0 (2.0 w/SUP)			1.16	50'	Wood	Rezoning to amend CRMU-M with no proffers. Previous rezoning from CG to CRMU-M with proffers	
2014	DSJP2013-0007	Hunting Terrace	Y		73	20%		24	1.25	0.25	1.25 - 1.5	1.5	50'	Wood	RC/High Density Apartment	
2014	DSJP2012-0031	Slater's Lane	Y		5	20%		2	1.25	0.24	1.25 - 1.5	1.49	63'	Wood	Rezoning to amend RC with proffers	
Total								6	554							
								Total Affordable Units								560

Indicates projects that utilize partial City funds
 Project amended from previous approval

*FAR/Height Delta is the change in FAR/Height difference between the permitted zoning and the FAR/Height achieved through bonus density increase.



FAR Zoning Analysis

	Zone	FAR	FAR w SUP	Max height	with an SUP	Notes
Townhouse / Multi-family Residential Zones	RA	0.75		45'		
	RB	0.75		45'		
	RCX	1.25		50'		
	RC	1.25		150'		
	RD	N/A		150'		No maximum FAR applies
	RM	1.5		35' - 45'		
	RS	0.75		35'		
	RT	0.5		35'		
Commercial Zones	CL	0.75		35'	45'	
	CC	0.75		35'	45'	
	CSL	0.75		50'		
	CG	0.75		50'		
	CD (MF)	1.25		50'		
	CD (TH)	1.5		35' - 45'		
	CD-X	1.25	2.0	50'		
Office Commercial Zones	OC	1.25		50'		
	OCM(50)	1.5		50'	77'	
	OCM(100)	1.5		100'	150'	
	OCH	1.25	2.0- 3.0*	100'	150'	If located within 1000 ft of Metro may develop to 2.0; *3.0 with an SUP
Commercial Residential Mixed-Use Zones	CRMU-L	1.0	1.5	SAP		
	CRMU-M	1.0	2.0	SAP		
	CRMU-H	1.25	2.5	SAP		
	CRMU-X	1.5	2.5	SAP		1.5 for townhouse use only. Multifamily will require a SUP and can use 2.5 FAR



FAR



Map 3.1: Floor Area Ratio Maximum per Zone and Growth Areas



Height Maximums



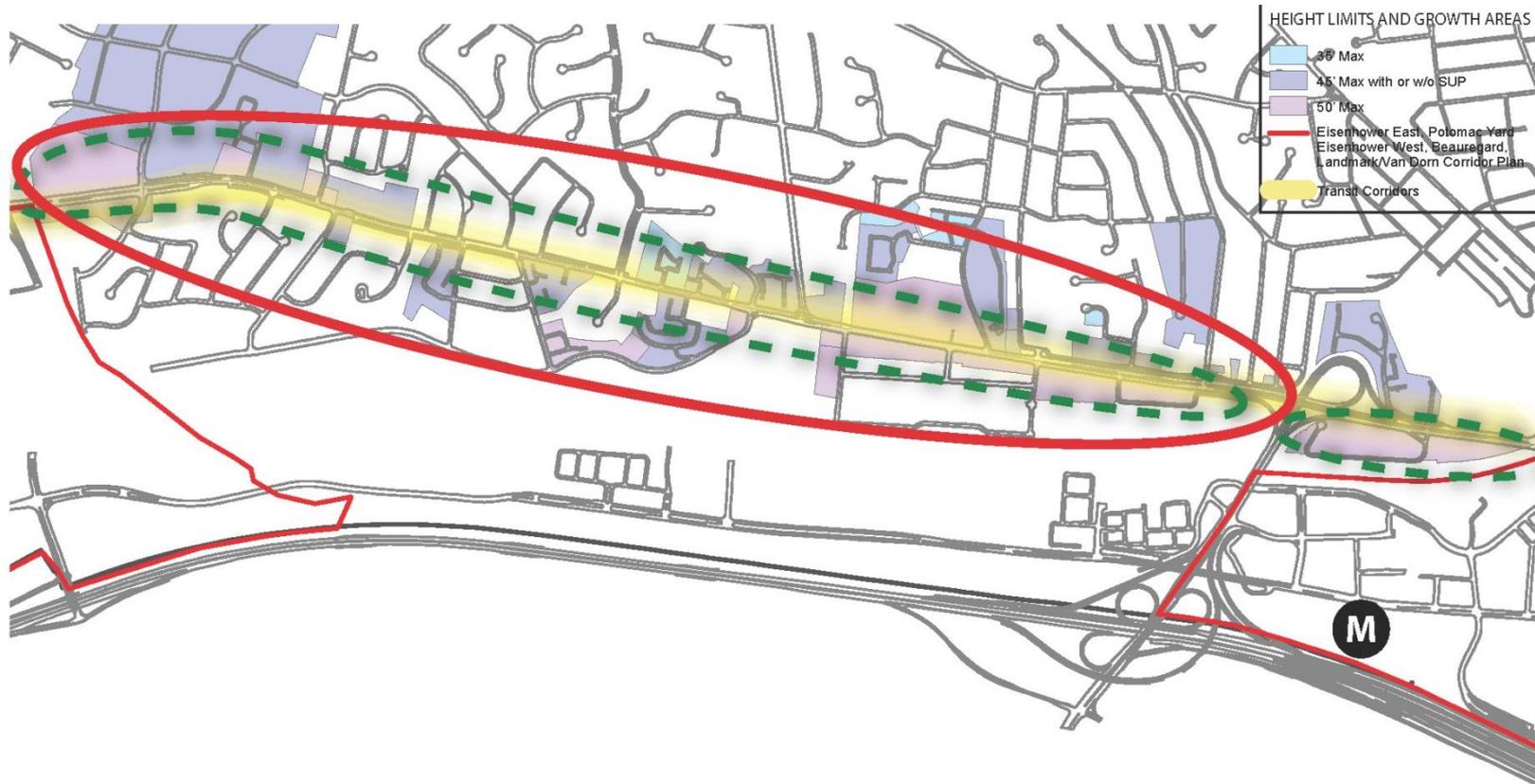
Map 4.1: Height Limits Per Zone and Growth Areas



Potential Opportunity Areas



Case Study Areas



Under existing zoning, building height maximums range between 35' and 50' and may limit properties from achieving the additional density through 7-700 provisions. However, opportunities exist in this area where a potential density increase may be feasible given the following:

- Properties are located in a designated growth area of the city;
- Properties are located along a major arterial road and planned Transitway

These may be arguments for increased height and higher density. Challenges to increasing height in this area will be neighborhood compatibility with surrounding residential communities.

Case Study Areas



Opportunities along Duke Street where a potential increase may be feasible however, associated building heights (50' and up to 77' with SUP) may limit properties from achieving additional density through 7-700 provisions.

Existing Opportunity Areas



Map 6: Opportunity Areas with Heights Greater than 77'



Findings

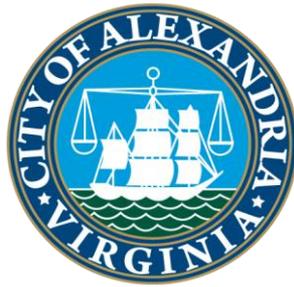
- Allowing up to 30% increase would produce limited benefits to the provision of affordable housing citywide.
- Potentially feasible for projects in areas with height limits greater than 50'-77' and FAR 2.5 and above.
- Setbacks, open space, and other zoning requirements may limit success.



Findings

- Utilization is site specific (based on zoning, lot size/dimensions, etc.).
- Project assumptions (project type, construction type, parking) determine if usage is cost-beneficial to developers.
- Heights can be studied as part of comprehensive small area planning processes.





Parking Standards for New Development Projects Phase 1: Multi-family Residential

Right-sizing the City's Parking Regulations

Affordable Housing Advisory Committee
April 6, 2015



Goals of the Study

- **Updated zoning ordinance**, reflective of demographics, demand, and City policies, practices and plans
- **Increased transparency and clarity** of development process
- **Efficient use of resources**, both city and environmental
- **Right-sized parking** to provide adequate parking on-site and not create spillover parking

Project Scope

- Data Collection & Analysis (fall 2013-spring 2014)
 - On-site parking counts
 - National Best Practices and factors that impact parking demand
- Alternative Draft Recommendations
- Public Input
- Work Sessions
- Revised Draft Recommendations
- Public Input
- Public Hearings



Public Engagement

- “Why Right-Sized Parking Matters” March 2014
- Task Force Public Meetings (6) April 2014 - March 2015
- Federation of Civic Assoc. Fall 2014, March 2015
- NAIOP October 2014, March 2015
- Work Sessions
 - Transportation Commission Dec. 2014
 - Planning Commission January 2015
 - City Council January 2015
- Environmental Policy Commission March 2015
- Affordable Housing Advisory Committee April 2015
- Public Hearings March-April 2015

Data Collection and Analysis

- Collected parking utilization data at 17 multi-family residential sites throughout City
- Site parking counts and on-street parking counts
- Additional site conditions:
 - Walk Score, bus routes, type of units, parking fees, car ownership, etc.
- Analyzed data to determine factors that impact on-site parking demand and utilization



Analysis and Recommendation

- Key factors impacting parking demand
 - Proximity to transit
 - Walkability of neighborhood
 - Percentage of studio units
- Projects closer to Metro Stations exhibited significantly lower parking demand
 - 74% utilization, versus 90% in other locations
 - Current zoning code would have resulted in even more empty spaces
- Recommendation
 - Update parking standards to be responsive to site context and factors impacting demand



Context-Sensitive Draft Recommendations

- Data-driven
- Geography-based
- Responsive to the factors that impact parking demand
- Market-Rate Housing Parking Standards and optional Affordable Housing Parking Standard



Draft Recommendation: Market-Rate Housing

PROJECT LOCATION	STARTING PARKING RATIO
Within 0.5 mile Metro Station Walkshed	0.8 space/bedroom
Outside of 0.5 mile of Metro Station Walkshed	1.0 space/bedroom



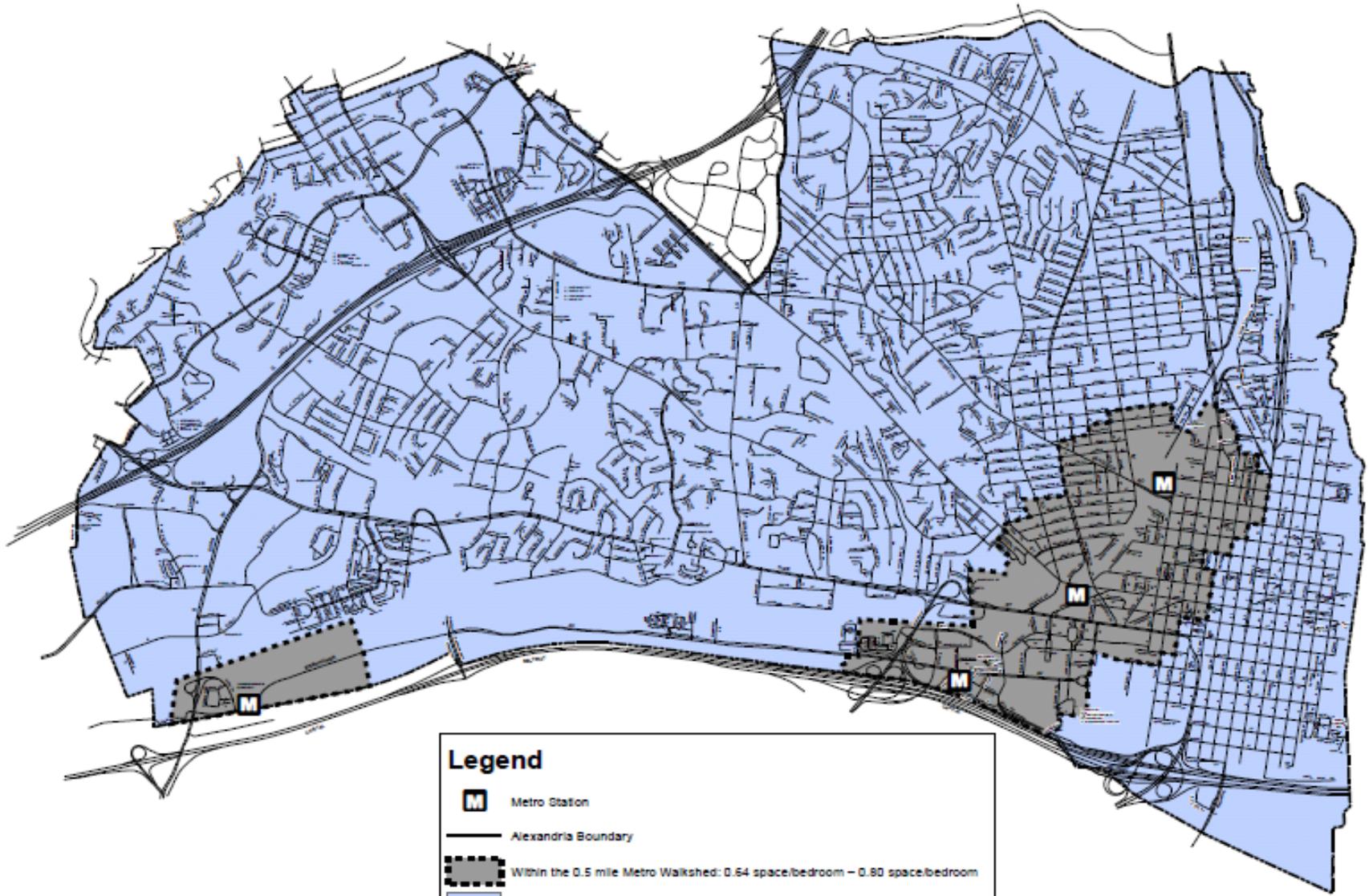
Draft Recommendation: Market-Rate Housing

Optional Credits, or Deductions, on the Starting Ratios

- Located within 1/2 mile of BRT Stop: 10%
Only if located outside of the 1/2 mile Metro Walkshed
- Located within 1/4 mile of 4 or More Bus Routes: 5%
- Walkability Index Score of Very High or High: 10% or 5%
- 20% or More of the Units are Studio Units: 5%



Draft Market-Rate Multi-Family Housing Parking Ratios: Location Specific



Legend



Metro Station

— Alexandria Boundary



Within the 0.5 mile Metro Walkshed: 0.64 space/bedroom – 0.90 space/bedroom



Outside the 0.5 mile Metro Walkshed: 0.70 space/bedroom – 1.0 space/bedroom

0 0.25 0.5 Miles

Draft Recommendation: Affordable Housing



INCOME SERVED	STARTING PARKING RATIO
Units at 60% Area Median Income	0.75 space/unit
Units at 50% Area Median Income	0.65 space/unit
Units at 30% Area Median Income	0.50 space/unit



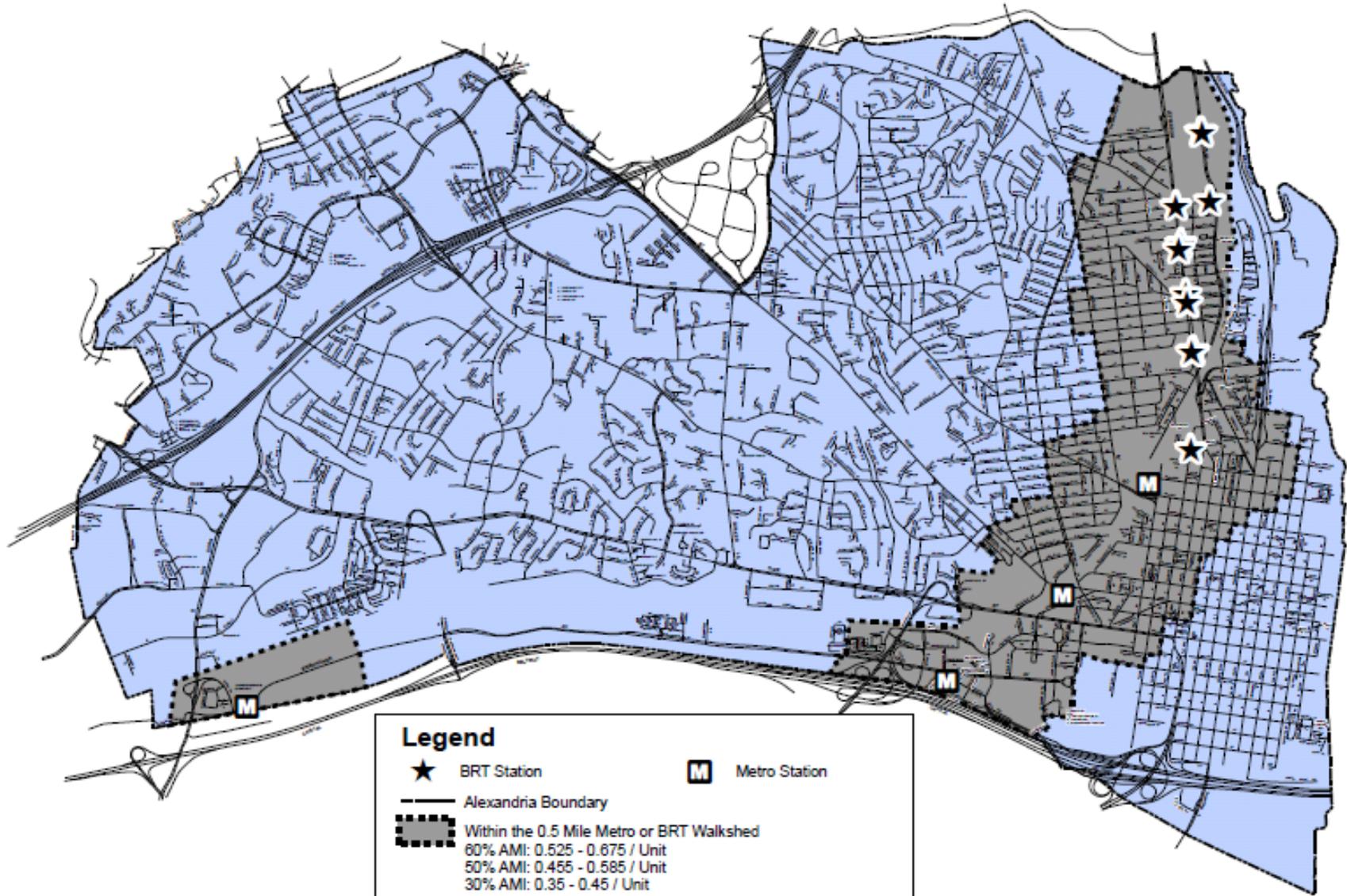
Draft Recommendation: Affordable Housing

Optional Credits, or Deductions, on the Starting Ratios

- Located within ½ mile of Metro Station or BRT Stop: 10%
- Located within ¼ mile of 4 or More Bus Routes: 5%
- Walkability Index Score of Very High or High: 10% or 5%
- 20% or More of the Units are Studio Units: 5%



Draft Affordable Multi-Family Housing Parking Ratios: Location and Income Specific



Legend

- ★ BRT Station
- M Metro Station
- Alexandria Boundary
- ▣ Within the 0.5 Mile Metro or BRT Walkshed
 - 60% AMI: 0.525 - 0.675 / Unit
 - 50% AMI: 0.455 - 0.585 / Unit
 - 30% AMI: 0.35 - 0.45 / Unit
- Outside the 0.5 mile Metro or BRT Walkshed
 - 60% AMI: 0.60 - 0.75 / Unit
 - 50% AMI: 0.52 - 0.65 / Unit
 - 30% AMI: 0.40 - 0.50 / Unit

0 0.25 0.5 Miles

Next Steps



DATE	TASK/MEETING
April 7	Planning Commission Public Hearing to consider Draft Parking Recommendations
April 18	City Council Public Hearing to consider Draft Parking Recommendations



Questions?

City of Alexandria, Virginia

MEMORANDUM

DATE: APRIL 6, 2015

TO: AFFORDABLE HOUSING ADVISORY COMMITTEE

FROM: HELEN S. MCILVAINE, ACTING DIRECTOR, OFFICE OF HOUSING

SUBJECT: CONSIDERATION OF A FUNDING APPLICATION FROM COMMUNITY LODGINGS, INC. (CLI) FOR UP TO A \$300,000 LOAN FROM THE HOUSING OPPORTUNITIES FUND

ISSUE: Funding request for up to \$300,000 in gap financing to renovate 607 Notabene Drive.

RECOMMENDATION: That the Committee approves up to a \$300,000 loan from the Housing Opportunities Fund (HOF) subject to City Council's approval of a budget transfer of Community Development Block Grant (CDBG) excess funds to the HOF.

BACKGROUND: Community Lodgings, Inc. (CLI) is a local non-profit organization, established in 1987, to preserve affordable housing, provide transitional housing for the homeless, and to help families become self sufficient through counseling and supportive services programs. CLI owns and operates a 28-unit rental property in the three buildings located at 3908, 3912 and 3916 Elbert Avenue, as well as two rental properties at 607 (6 units) and 612 Notabene Drive (10 units). Four residential units at 607 Notabene Drive were converted in 2006 for use as a Learning Center. All of CLI's properties are older, garden-style apartments, built in the early 1940s and are located in the Arlandria section of the City. CLI currently operates 14 units of transitional shelter for the homeless and 30 units of affordable housing.

The City has previously provided funds in the form of loans and grants to assist with CLI's initial purchase and rehabilitation of these properties, most recently in 2012. CLI has an excellent history of financial management: four loans have been repaid; the remaining two loans are current on their payments. City loan funding for CLI's properties is summarized below:

Property	Purpose	Original Amount	Source	Current Balance	Final Payment
607 Notabene	Acquisition	\$100,000	HTF	\$0	Paid
612 Notabene	Acquisition	\$100,000	HTF	\$0	Paid
607-12 Notabene	Rehabilitation	\$ 25,000	Low/Mod Housing	\$0	Paid
Elbert Avenue	Acquisition	\$300,000	HTF	\$0	Paid
Elbert Avenue	Rehabilitation	\$46,512	HOF/HOME	\$42,264	11/2024
612 Notabene	Rehabilitation	\$325,000	HOF/HOME	\$338,130	9/2052
Total Amount		\$896,512		\$380,394	

DISCUSSION: In its current request, CLI is asking that the City provide a loan of up to \$300,000 as gap financing for the substantial renovation of 607 Notabene Drive. As it did with the successful 2012 renovation of 612 Notabene, CLI is again working with HomeAid¹ Northern Virginia which builds and renovates homeless shelters, transitional houses, food banks, medical clinics, counseling centers, and other facilities that help homeless people gain stability and “a roof over their heads”. HomeAid leverages the resources of the homebuilding community and its corporate partners to conduct major renovations to shelters and homes to provide safe, stable and new living arrangements for previously homeless persons. HomeAid’s partners and resources help to significantly reduce the construction costs to care provider organizations, thereby allowing them redirect those dollars back into programs and services for these homeless families and individuals. As in 2012, it is anticipated that through HomeAid’s donated labor, supervision and materials and through ongoing fundraising and private financing initiatives, CLI will be able to leverage the City’s investment by 2:1 or greater.

The renovation plan for the building (which is comprised of 6 units, including two 1-bedroom, two 2-bedroom, and two 3-bedroom apartments) includes new windows, doors, an HVAC system replacement, an electrical and plumbing upgrade, a new roof, unit modernization with bathroom and kitchen upgrades (including new appliances, fixtures, and cabinets), common area updates, and new flooring. The project schedule shows CLI starting rehabilitation in August 2015, with construction completed in November 2015. This timeline will allow CLI to relocate current residents temporarily into other units it owns. The projected per unit cost for the renovation is \$139,167, of which the requested City investment will be \$50,000 per unit.

The preliminary estimated total cost of the rehabilitation is \$835,000 for construction and demolition costs, architectural fees, and insurance. At this time, the sources for the project include \$250,000 in savings from HomeAid (due to donated labor and materials), \$250,000 in financing from private sources (TD Bank, Bank of America, and JP Morgan), \$35,000 in CLI Operating Reserves, and the proposed \$300,000 loan from the City. CLI anticipates the private financing will be replaced with grant funding (applications are pending).

CLI’s equity position in the property will still be very strong. The 2015 assessed value of the Notabene property is \$1,193,374, so even with debt from the existing mortgage of \$104,102.30, additional loans totaling \$250,000 from TD Bank, Bank of America, and JP Morgan, and the proposed \$300,000 City loan, the LTV (loan to value) ratio will be just 55%.

As a condition of grant funding in 2006 for window replacement at the Elbert Avenue Apartments, the City required CLI to conduct a third party capital needs assessment. All of the work items that were identified in that assessment are being addressed in this renovation, including the replacement of the roof and the HVAC system with a more energy efficient building system. Another long-term goal of the City-mandated assessment process was to review CLI’s viability and its capacity to

¹ HomeAid is a leading national non-profit provider of housing for today's homeless. The organization builds and renovates multi-unit shelters for America's temporarily homeless families and individuals, more than one million of whom are children, while they rebuild their lives. Founded in 1989 by the Orange County chapter of the Building Industry Association of Southern California (BIA/SC), HomeAid is an affiliate of the National Association of Home Builders (NAHB). HomeAid has expanded throughout the country to 18 chapters in 12 states and one national office (headquarters): Irvine, CA and two regional offices: Pensacola, FL and Roseville, CA.

address ongoing funding needs to maintain its properties. Over the past few years, CLI has built up reserves for these properties to cover ongoing maintenance and repair needs and has also established a replacement policy at turnover of units. It is noted that the Fifer Learning Center, which is located in 607's first level and was built out by HomeAid in 2006, does not require renovation at this time. It is not part of the planned residential rehabilitation.

With the nature of CLI's programs targeting very low-income households, the constrained revenue stream that can be achieved at the Notabene Drive properties limits cash flow available for major repairs and renovations. CLI has developed partnerships with various community groups and businesses which over the years have provided volunteers to perform improvements and minor renovations at its properties and will continue this practice, as needed.

Staff is proposing that federal Community Development Block Grant (CDBG) funds be transferred to the HOF to be allocated for this project. The City typically uses CDBG to fund its home rehabilitation loan program and homeownership assistance. Currently there is an excess of federal funds (which need to be "spent down" shortly) due to recent, unanticipated repayments of some mature rehabilitation loans. Since rehabilitation of multifamily rental property serving low- to moderate-income households is an eligible use of these federal funds, the CLI project provides a fortuitous opportunity to deploy the excess CDBG balance. Given 607's small number of units and its future limited cash flow due to the population it serves, staff did consider recommending that the CDBG funds be provided as a grant; however, the advantages to making the investment as a loan, on favorable terms as described below, prevailed.

RECOMMENDATION: Housing staff recommends that up to \$300,000 in gap financing be provided in the form of a no-interest loan to CLI. The new loan will have a term of repayment if the property at 607 Notabene Drive ceases to operate as affordable housing; under those circumstances, the City will retain the right of first refusal to purchase the property.

Since the City HOF monies identified for this project are federal CDBG monies, CLI will need to comply with federal regulations including affordability restrictions, rent and occupancy requirements, tenant income eligibility requirements, and property standards inspections. Additionally, all units at 607 Notabene Drive will be affordable to persons at or below 50% of AMI. In 2015, this equates to no more than \$54,600 for a family of four.

FISCAL IMPACT: Up to \$300,000 in CDBG monies will be paid out of the HOF subject to City Council's approval of a budget transfer of CDBG excess funds to the HOF.

STAFF:

Eric Keeler, Division Chief for Program Administration
Tamara Jovovic, Housing Analyst

ATTACHMENTS:

1. Letter Requesting a City Loan of Up to \$300,000 to renovate 607 Notabene Drive.
2. Project Photos
3. Project Budget



Community Lodgings

"Celebrating 25 Years of Opening Doors to Independence"

Helen S. McIlvaine
Acting Director
Office of Housing
421 King Street, Suite 200
Alexandria, VA 22311

Dear Helen,

On behalf of Community Lodgings I am requesting a loan up to \$300,000 from the City of Alexandria to renovate 607 Notabene Drive, Alexandria, Virginia 22305. We have engaged HomeAid in assisting with underwriting some of the renovation cost. In addition to HomeAid we will be applying for a grant with Bank of American and TD Bank to support the additional renovation cost.

We would like to begin renovation late summer, we have deferred some needed repairs on the building pending renovation. This target date is contingent on funding.

We look forward to working with you on another successful project. As always, we are grateful for your assistance.

If you have any questions or need any additional information please don't hesitate to contact me at (703) 549-4407.

Sincerely,

Lynn Thomas
Executive Director

Project Description

Community Lodgings seeks a loan up to \$300,000 from the City of Alexandria to fund the rehabilitation of 607 Notabene Drive, a building of six Affordable Housing apartments and a Family Learning Center. The project would include a full renovation of the 10,446 square foot building, which was built in 1940. Since it was initially constructed, periodic updates and improvements have been made to keep the building up to code, but to continue serving families in this community, it is necessary to complete a full renovation of the deteriorating residences, beginning as soon as funding is secured. This building is across the street from the building that houses Community Lodgings' transitional housing families, which was rehabbed in 2012 – 2013. It is also located two blocks from another three affordable housing buildings, at which the administrative offices are located. The renovation plan for the six building units include: new windows, door. HVAC system replacement, electrical and plumbing upgrade, new roof, bathroom and kitchen upgrades (including new appliances, fixtures, cabinets and new flooring.

From 2000 to 2010, Alexandria had a decrease of approximately 6,051 market affordable rental units because of increases in rents. This project will address the critical need to rehabilitate six units to preserve Affordable Housing for an underserved population in Alexandria, many who have fled domestic violence or are chronically homeless. Community Lodgings will continue to provide decent housing options to these low-income families, who are vital to Alexandria's economic sustainability as many are employed in local businesses.

To fulfill our mission, Community Lodgings operates 44 affordable housing units, of which six are dedicated to homeless families. In addition to transitional and affordable housing, we operate three Family Learning Centers. The centers are key resources for families and children in the community. Our comprehensive services for at-risk families and children are under one roof, and are directed at assisting individuals who are often affected by instability and low-income.

According to Alexandria Housing Development Corporation, "Alexandria has lost over more than half of its affordable units in the past ten years". While the area median income (as determined annually by HUD) rose from \$82,800 to \$103,500 (a total of 25%) between 2000 and 2010, within the City monthly fair market rental housing costs for a two bedroom apartment grew from \$1,034 to \$1,624 (a total of 57%) during the same period, while the average assessed value of a residential condominium (including cooperatives) Introduction 3 increased from \$106,875 in 2000 to \$269,695 on 2010 (152%), after peaking in 2006 at \$364,286.

In a October 2011 study produced by George Mason University's Center for Regional Analysis, more than 1 million new jobs will be created in the Washington, DC area during the Plan period. For Alexandria to be competitive in participating in the regional economic growth anticipated, the City must dramatically increase the housing supply it has available. At least half of the jobs will be filled by a workforce with incomes in the 60% AMI range. Community Lodgings has and will work hard to continue to provide affordable housing to citizen of Alexandria.

The average household size in Alexandria is just over 2 persons, the supply of housing available locally (much of which was built post WWII to accommodate a growing but transient workforce) has perhaps shaped the city's demographic profile and limited options: of approximately 31,000 multifamily rental units, 47% have 1 bedroom, 36% have 2 bedrooms, efficiencies comprise 10%, and 3 or more bedroom units are 7%. Across all income levels, Alexandria lacks a sufficient supply of 3 or more bedroom units, a net need of nearly 5,000 3 bedroom units has been identified. Households with incomes at or below 30% AMI are underserved in all rental unit sizes; for households at 50, 60 or 80% AMI, there is unmet need in varying housing sizes, depending on income level.

Site Control/Land Use/Zoning

Community Lodgings as the owner of the building has 100% site control. The building is located in an area which is zoned for housing. Rehabilitating the building will have a positive impact on the community.

Project Target Population

According to the Partnership to Prevent and End Homelessness in the City of Alexandria the availability of affordable housing has long been recognized as a significant problem for low-income families, the working poor, and the homeless population in the community.

This project will address the critical need to rehabilitate six units to preserve Affordable Housing for an underserved population in Alexandria, many have fled domestic violence or have experienced homelessness. Community Lodgings will continue to provide decent housing options to low-income families, who are vital to Alexandria's economic sustainability as many are employed in local businesses.

To qualify for the affordable housing, individuals or families must be identified as low-income, which Community Lodgings defines as 60% of the area median income. A majority of the families participate in Medicaid and the Food Stamp program.

Project Budget

See Attached

Project Schedule

The project is proposed to start August 2015 - November 2015. During the renovation current tenants will be offered the opportunity to relocate to The New Brookside Apartments which is less than a .25 for their current residence. Relocation of the current residents will be done in accordance with the City of Alexandria.

Development Experience/Project Team

Community Lodgings has been a leading nonprofit in Alexandria since 1987, providing housing and supportive services to homeless families transitioning to self-sufficiency and low-income families living in affordable housing units.

In fall 2012, Community Lodgings broke ground on rehabilitation of ten units that provides transitional housing for homeless families. The renovations lasted through spring 2013, a project that was fully administered by Community Lodgings' staff.

Lynn Thomas, Executive Director, has over 27 years of experience managing housing programs for nonprofit, for-profit (private) and governmental organizations. Ms. Thomas will work closely with the contractor and construction team to ensure that the renovation project is in full compliance with all applicable state and county building code regulations and completed within the project timeline and budget.

Erika Orozco, Property Manager, has 20 years of work experience, the past two which have been at Community Lodgings, managing the 42 units. She qualifies tenants, checks references, enforces regulations for the tenants and ensures all maintenance requests are fulfilled and the buildings comply with building regulations. She will serve as an advisor to the project with knowledge of the property and building codes.

Karina Wiggs, Director of Operations, is a senior level finance professional with over 14 years of experience in all aspects of financial control and operations.

Erik Lopez, Building Engineer, has 10 years of experience specializing in home maintenance and repair, working on projects including plumbing, painting and light renovations and construction. He knows Community Lodgings' properties after many years with the organization so will advise on questions about the building during the project.

Barry Roman, Board Member, has over 35 years of experience specializing in commercial modular structures in remote locations. Will provide project oversight and guidance.

Organizational Structure and Capacity

In 1987 Community Lodgings was founded by eight Alexandria churches and subsequently purchased five apartment buildings in the Arlandria community of Alexandria, where we provide affordable housing for 34 low-income families and serve up to 12 homeless families a year in Transition in Place Housing.

To further support our mission to empower families to self-sufficiency, we opened the Fifer Family Learning Center in 1998. It was expanded in 2002 to include a Youth Education Program, which provides afterschool services for at-risk children both in our transitional housing

and throughout our community. Intensive, individualized academic and behavioral support is provided four days a week along with workshops and support to the parents.

In fall 2013, Community Lodgings is expanding its educational program into two new sites, The New Brookside Apartments and Brent Place Apartments. Each location will provide space for our programs and the opportunity to educate, counsel, and support the most vulnerable families and their children in Alexandria. All program components are targeted to eliminating the cycle of poverty, but our philosophy is that education is the ‘ticket out’. This expansion will allow us to serve more families in need and help their children succeed in school. With trusted bilingual staff, and increased variety of growing programs and services, Community Lodgings is Alexandria’s best resource for self-help and life improvement. Through our Transitional and Family Learning Center Programs – all within walking distance of the community – we will touch over 200 lives per week.

Our philosophy is that education is the ticket out of poverty; therefore our programs educate both adults and children in an effort to break the cycle of poverty.

**Community Lodgings
607 Notabene Drive
Rehab_Project_Budget**

Revenue Sources	Amt	Remarks
City of Alexandria	\$300,000	Pending
Home-Aid	\$250,000	Pending
TD Bank	\$100,000	Pending
Bank of America	\$100,000	Pending
JP Morgan	\$50,000	Pending
Community Lodgings Operating Reserve	\$35,000	Pending
Total Revenue	\$835,000	

Expenses	Amt	Remarks
Pre-Development Cost	\$47,000	
Relocation Cost	\$50,000	
Demolition	\$90,000	
Concrete	\$7,000	
Brick	\$9,000	
Brick Flashing	\$15,000	
Rough Lumber	\$4,000	
Rough Carpentry	\$8,500	
Roofing	\$22,000	
Exterior Trim/Gutters	\$9,000	
Exterior Doors	\$16,000	Estimate
Windows	\$35,000	Estimate
Stair Rail	\$7,000	
Plumbing	\$45,000	
HVAC	\$60,000	
Electric	\$50,000	Estimate
Electric Fixtures	\$7,500	
Insulation	\$4,000	
Drywall	\$20,000	
Paint Exterior	\$10,000	
Paint Interior	\$15,000	
Hardwood Floor	\$35,000	Hardwood in BR's and LR's
Ceramic Tile	\$15,000	Tile in Kitchens and Baths
Cabinets	\$16,000	Pending Final Cabinet Selection
Countertops	\$21,600	Countertops; granite
Interior Doors and Trim	\$35,000	
Hardware	\$5,500	
Appliances	\$12,000	Whirpool Black
Construction Cleaning	\$4,000	Progress cleaning and final cleaning
Landscaping	\$7,000	TBD Based on Final Design
Dumpsters	\$25,000	Estimate based on \$350/pull
Contingency	\$29,000	
GC Management Cost	\$98,900	12% Management Fee
Total Expenses	\$835,000	

Subject Photographs



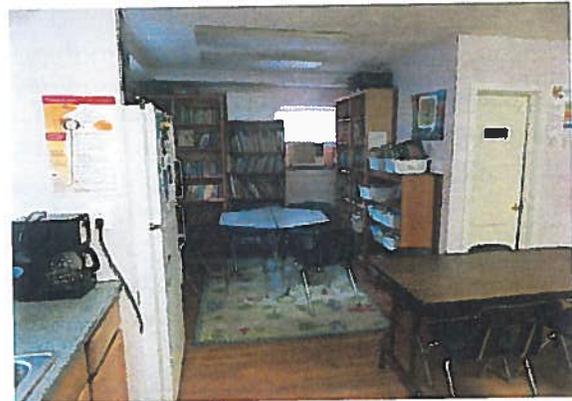
Front View



Common Area - First Floor



Community Center - First Floor



Community Center - First Floor



Stairwell



Typical Kitchen



Typical Bathroom



Typical Living Area

Sec. 2-4-71 - Creation, composition and organization.

- (a) There is hereby established a committee known as the affordable housing advisory committee.
- (b) The voting membership shall consist of 14 citizen members who shall be appointed by city council. The composition of the voting membership shall be as follows:
 - (1) one commissioner from the Alexandria Redevelopment and Housing Authority;
 - (2) one licensed and practicing attorney;
 - (3) one builder or developer of residential property;
 - (4) one real estate professional with knowledge and experience in residential real estate;
 - (5) one financial professional with knowledge and experience in the field of finance as it relates to residential housing;
 - (6) one landlord of residential property in the city;
 - (7) one residential tenant in the city;
 - (8) one homeowner in the city;
 - (9) one representative of the city's faith community;
 - (10) one representative of a civic association in the city;
 - (11) one representative who is employed by or affiliated with an organization that promotes and maintains affordable housing;
 - (12) one representative of an employer in the city who employs at least 100 employees;
 - (13) one person designated by, but who need not be a member of, the Commission on Aging; and
 - (14) one person who is either a City employee or a teacher with the Alexandria City Public Schools.
- (c) The non-voting membership of the committee shall consist of three representatives of the city who will serve in an advisory capacity. The city representative members shall consist of one representative of each of the following city departments:
 - (1) the office of housing;
 - (2) the department of planning and zoning; and
 - (3) the department of human services.
- (d) Voting members of the committee shall be appointed in the manner prescribed in article A of this chapter. Such members shall be appointed to three-year staggered terms and shall be eligible for reappointment. One-third of the initial appointments shall be for a one year term, one-third of the initial appointments shall be for a two-year term, and one-third of the initial appointments shall be for a three-year term. Initial terms of office shall be determined by lot at the first committee meeting. Non-voting members shall be appointed by the city manager. (Ord. No. 3615, 2/20/93, Sec. 1; Ord. No. 4188, 2/24/01, Sec. 1; Ord. No. 4460, 9/16/06, Sec. 1)

Sec. 2-4-72 - Functions; powers; duties.

- (a) The functions of the committee shall be as follows:
 - (1) to oversee the administration of the housing trust fund;
 - (2) to make recommendations to city council regarding the expenditure of housing trust fund monies;

- (3) to advise and make recommendations to city council regarding affordable housing policy and goals;
 - (4) to actively seek, promote and influence non-city funding opportunities through city council for affordable housing;
 - (5) to review staff recommendations on affordable housing plans;
 - (6) to appoint one member of the committee to serve as liaison to ARHA;
 - (7) to represent the interests of affordable housing before other city boards and commissions; and
 - (8) to serve as an advocate for the promotion of affordable housing.
- (b) Notwithstanding the provisions of section 2-4-9, the executive secretary to the committee shall provide no administrative assistance or resources to the committee. (Ord. No. 3615, 2/20/93, Sec. 1)



Livable, Green & Prospering City

- Leadership & Management
- Affordable Housing Development & Preservation
- Home Ownership
- Housing Rehabilitation
- Landlord Tenant Relations

Department Contact Info

703.746.4990

<http://alexandriava.gov/housing/>

Department Head

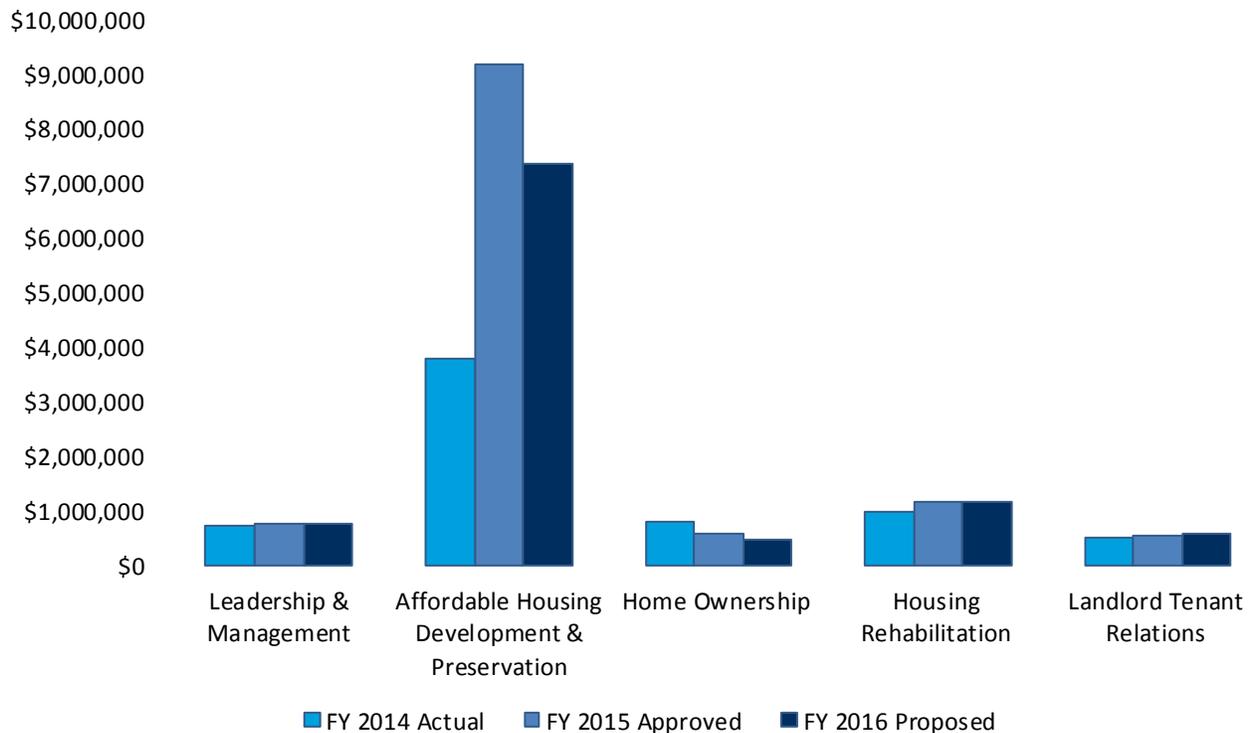
Helen McIlvaine

Acting Director

703.746.4990

helen.mcilvaine@alexandriava.gov

ALL FUNDS SUMMARY BY PROGRAM



CITY OF ALEXANDRIA, VIRGINIA
Office of Housing



EXPENDITURE & REVENUE SUMMARY

	FY 2014 Actual	FY 2015 Approved	FY 2016 Proposed	\$ Change 2015 - 2016	% Change 2015 - 2016
Expenditure By Character					
Personnel	\$1,699,298	\$1,847,652	\$1,817,011	(\$30,641)	-1.7%
Non-Personnel	\$4,340,010	\$3,686,924	\$3,215,148	(\$471,776)	-12.8%
Interfund Transfers	\$0	\$628,705	\$621,494	(\$7,211)	-1.1%
Housing Trust Fund*	\$713,565	\$6,008,000	\$4,654,608	(\$1,353,392)	-22.5%
Total Expenditures	\$6,752,872	\$12,171,281	\$10,308,261	(\$1,863,020)	-15.3%
Expenditures by Fund					
General Fund	\$1,986,127	\$2,436,813	\$2,448,606	\$11,793	0.5%
<i>General Fund New</i>	<i>\$1,956,502</i>	<i>\$1,881,351</i>	<i>\$1,749,898</i>	<i>(\$131,453)</i>	<i>-7.0%</i>
<i>Dedicated Revenue New (0.6 cent less debt service)</i>	<i>\$29,625</i>	<i>\$555,462</i>	<i>\$698,708</i>	<i>\$143,246</i>	<i>25.8%</i>
Affordable Housing Fund (dedicated revenue carryover)	\$1,623,245	\$0	\$0	\$0	0.0%
Grants	\$1,943,609	\$2,126,468	\$1,605,047	(\$521,421)	-24.5%
<i>CDBG, NSP and HOME New Revenue</i>	<i>\$188,004</i>	<i>\$1,025,268</i>	<i>\$1,030,047</i>	<i>\$4,779</i>	<i>0.5%</i>
<i>CDBG, NSP and HOME Carryover Revenue</i>	<i>\$514,285</i>	<i>\$850,200</i>	<i>\$360,000</i>	<i>(\$490,200)</i>	<i>-57.7%</i>
<i>CDBG, NSP and HOME Program Income</i>	<i>\$1,241,320</i>	<i>\$251,000</i>	<i>\$215,000</i>	<i>(\$36,000)</i>	<i>-14.3%</i>
Housing Trust Fund	\$713,565	\$6,008,000	\$4,654,608	(\$1,353,392)	-22.5%
<i>Housing Trust Fund New Revenue - Earmarked</i>	<i>\$0</i>	<i>\$500,000</i>	<i>\$100,000</i>	<i>(\$400,000)</i>	<i>-80.0%</i>
<i>Housing Trust Fund New Revenue - Not Earmarked</i>	<i>\$0</i>	<i>\$470,000</i>	<i>\$1,320,000</i>	<i>\$850,000</i>	<i>180.9%</i>
<i>Housing Trust Fund Carryover Revenue - Earmarked*</i>	<i>\$713,565</i>	<i>\$3,491,655</i>	<i>\$3,234,608</i>	<i>(\$257,047)</i>	<i>-7.4%</i>
<i>Housing Trust Fund Carryover Revenue - Not Earmarked</i>	<i>\$0</i>	<i>\$1,546,345</i>	<i>\$0</i>	<i>(\$1,546,345)</i>	<i>-100.0%</i>
Affordable Housing Bonds - Earmarked*	\$486,326	\$1,600,000	\$1,600,000	\$0	0.0%
Total Expenditures	\$6,752,872	\$12,171,281	\$10,308,261	(\$1,863,020)	-15.3%
Less Interfund Transfer	\$0	\$628,705	\$621,494	(\$7,211)	-1.1%
Net Expenditures	\$6,752,872	\$11,542,576	\$9,686,767	(\$1,855,809)	-16.1%
Total Department FTEs	16.00	16.00	15.00	(1.00)	-6.2%

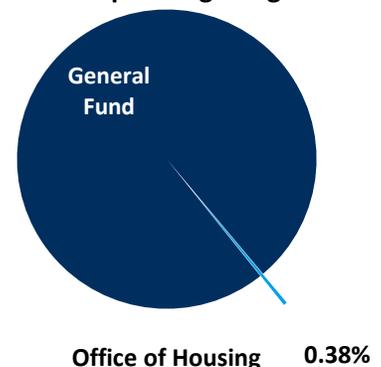
*FY 2016 reflects \$4,334,000 previously earmarked by City Council through the Braddock (\$834K) and Beaugard Small Area Plans (\$3.5M) for affordable housing.

Note: Carryover monies are shown to provide more accurate information on expenditures from year to year. Carryover monies are included for non-General Fund sources (CDBG and HOME Grants, Housing Trust Fund, Affordable Housing Bonds, and Dedicated Revenue). The Housing Trust Fund has been separated from the non-personnel character to emphasize that this money can only be spent on affordable housing initiatives and projects.

FISCAL YEAR HIGHLIGHTS

The FY 2016 Proposed budget for the Office of Housing decreases by 16.1% over FY 2015 levels. The total General Fund budget increases by \$11,793 or 0.5% due to expected dedicated revenue for affordable housing projects. However, discretionary General Fund expenditures used for operations decrease by 7.0% due to the elimination of a Fiscal Officer I position. The department plans to reorganize responsibilities among existing staff as a result of this FTE reduction. In FY 2016, the Office of Housing will also use more Housing Trust Fund (HTF) resources to pay for the operating funds provided to the Alexandria Housing Development Corporation. The balance of Housing Trust Fund carryover decreases noticeably from FY 2015 as result of use of this funding for a project in FY 2015. In FY 2016, all remaining HTF carryover is earmarked. The department continues to use federal grant funding and the HTF to make investments in new home ownership, home rehabilitation, and affordable housing. Funds not spent during the 2015 fiscal year will be carried over to FY 2016.

Department Share of General Fund Operating Budget





DEPARTMENTAL CHANGES TO CITY SERVICES

Program	City Service Adjustment	FTE Impact	FY 2016 Amount
Leadership & Management/ Affordable Housing Development & Preservation	Elimination of Fiscal Officer I Position. The Office of Housing will realign functions among several positions to reduce overhead within the department without impacting service.	(1.00)	(\$91,000)
Home Ownership	Two fewer loans made to low and moderate income Alexandria residents.	0.00	(\$100,000)
Affordable Housing Development & Preservation	Two fewer committed affordable housing units as result of using \$96,890 of Housing Trust Fund monies to cover federal match grant and a larger portion of Alexandria Housing Development Corporation support, expenses that had previously been covered by the General Fund.	0.00	N/A
Affordable Housing Development & Preservation	Reduction of Housing Trust Fund carryover as result of the use of these resources for a project in FY 2015. Housing Trust Fund monies are invested in the development or preservation of affordable housing opportunities, the provision of technical assistance to affordable housing developers, and the oversight of projects and/or construction. In FY 2015, Housing Trust Fund new and carryover monies were used to provide a \$5.7 million loan to fund 93 affordable units at St. James Plaza/The Fillmore.	0.00	(\$1,703,392)



PROGRAM LEVEL SUMMARY DATA

Expenditure Summary

Expenditures By Program	FY 2014 Actual	FY 2015 Approved	FY 2016 Proposed	\$ Change 2015 - 2016	% Change 2015 - 2016
Leadership & Management	\$699,435	\$759,219	\$745,034	(\$14,186)	-1.9%
Affordable Housing Development & Preservation	\$3,791,051	\$9,167,971	\$7,375,731	(\$1,792,240)	-19.5%
Home Ownership	\$797,601	\$553,164	\$457,639	(\$95,525)	-17.3%
Housing Rehabilitation	\$975,023	\$1,154,098	\$1,151,552	(\$2,546)	-0.2%
Landlord Tenant Relations	\$489,762	\$536,829	\$578,305	\$41,476	7.7%
Total Expenditures	\$6,752,872	\$12,171,281	\$10,308,261	(\$1,863,020)	-15.3%

Staffing Summary

Authorized Positions (FTEs) by Program	FY 2014 Actual	FY 2015 Approved	FY 2016 Proposed	FTE Change 2015 - 2016	% Change 2015 - 2016
Leadership & Management	5.30	5.60	5.10	(0.50)	-8.9%
Affordable Housing Development & Preservation	3.70	3.70	3.20	(0.50)	-13.5%
Home Ownership	0.80	0.80	0.80	0.00	0.0%
Housing Rehabilitation	1.90	1.90	1.90	0.00	0.0%
Landlord Tenant Relations	4.30	4.00	4.00	0.00	0.0%
Total FTEs	16.00	16.00	15.00	(1.00)	-6.2%



LEADERSHIP & MANAGEMENT

Outcomes Supported: Ensure the fiscal strength of the City Government
Achieve results that the community values

Lines of Business

Goals

Asset Management	Department complies with Federal, State or local funding guidelines
Department Business Processes	Department is well-managed and high performing

	FY 2014 Actual	FY 2015 Approved	FY 2016 Proposed
Expenditure By Character			
Personnel	\$574,340	\$635,702	\$611,622
Non-Personnel	\$125,096	\$123,517	\$133,412
Total Expenditures	\$699,435	\$759,219	\$745,034
% of All Funds Departmental Budget	10.4%	6.2%	7.2%
Total Program FTEs	5.30	5.60	5.10
	FY 2014 Actual	FY 2015 Approved	FY 2016 Proposed
Performance Measures			
<i>Number of noncompliance findings</i>	0	0	0
<i>Percent of primary strategy indicators met or exceeded</i>	-	75.0%	75.0%

PROGRAMMATIC ADJUSTMENTS

TOTAL FY 2015 APPROVED ALL FUNDS PROGRAM BUDGET		5.60	\$759,219
Funding Source	Adjustments to Program Funding	FTE Impact	Cost Modification
General Fund	Maintain current levels of service delivery with personnel related adjustments, non-personnel resources, and capital good outlay. This includes technical adjustments for reallocation of resources within the department. No service impact.	0.00	\$31,289
General Fund	Eliminate Fiscal Officer I position. The Office of Housing will realign responsibilities among existing staff within the department. The total cost to eliminate this position is \$91,000, but is divided between two programs.	(0.50)	(\$45,500)
CDBG	Decrease in new budgeted grant funding.	0.00	(\$5,469)
HOME	Increase in new budgeted grant funding.	0.00	\$5,495
TOTAL FY 2016 PROPOSED ALL FUNDS PROGRAM BUDGET		5.10	\$745,304



Office of Housing

AFFORDABLE HOUSING DEVELOPMENT & PRESERVATION

Outcomes Supported: Promote neighborhoods that are inclusive and diverse

Lines of Business

Goals

Affordable Rental Housing Development & Preservation | The City has committed affordable rental housing to serve households at a variety of income levels at or below 80 percent of Area Median Income (AMI)

	FY 2014 Actual	FY 2015 Approved	FY 2016 Proposed
Expenditure By Character			
Personnel	\$419,352	\$419,925	\$401,241
Non-Personnel	\$2,842,127	\$914,341	\$401,388
Capital Outlay ¹	\$0	\$1,600,000	\$1,600,000
Interfund Transfers	\$0	\$628,705	\$621,494
Housing Trust Fund ²	\$538,572	\$5,605,000	\$4,351,608
Total Expenditures	\$3,791,051	\$9,167,971	\$7,375,731
% of All Funds Departmental Budget	56.1%	75.3%	71.6%
Total Program FTEs	3.70	3.70	3.20

	FY 2014 Actual	FY 2015 Approved	FY 2016 Proposed
Performance Measures			
<i>Number of committed affordable rental units serving households at income levels at or below 80 percent of AMI</i>	3,716	3,691	3,812

1. GO Bond Reservation for future Beaugard Units
 2. Includes earmarked/committed funds for Beaugard

PRORGAMMATIC ADJUSTMENTS

TOTAL FY 2015 APPROVED ALL FUNDS PROGRAM BUDGET		3.70	\$9,167,671
Funding Source	Adjustments to Program Funding	FTE Impact	Cost Modification
General Fund	Maintain current levels of service delivery with personnel related adjustments, non-personnel resources, and capital good outlay. This includes technical adjustments for reallocation of resources within the department. No service impact.	0.00	(\$91,353)
General Fund	Eliminate Fiscal Officer I position. The total cost to eliminate this position is \$91,000, but is divided between two programs.	(0.5)	(\$45,500)
General Fund	Increase in expected dedicated revenue. This increases resources available for affordable housing projects.	0.00	\$112,139
HOME	Reduce HOME budget as result of a reduction in new grant funding and no carryover or program income in FY 2016.	0.00	(\$514,134)

[Continued on next page]

Office of Housing

AFFORDABLE HOUSING DEVELOPMENT &
PRESERVATION

PROGRAMMATIC ADJUSTMENTS, CONTINUED

[Continued from previous page]

Funding Source	Adjustments to Program Funding	FTE Impact	Cost Modification
Housing Trust Fund	Decrease in projected program carryover funding.	0.00	(\$1,703,392)
Housing Trust Fund	Increase in new outside contribution to the Housing Trust Fund from developers.	0.00	\$450,000
Housing Trust Fund	Two fewer committed affordable housing units as result of using \$96,890 of Housing Trust Fund monies to cover a larger portion of Alexandria Housing Development Corporation support, expenses that had previously been covered by the General Fund.	0.00	N/A
TOTAL FY 2016 PROPOSED ALL FUNDS PROGRAM BUDGET		3.20	\$7,375,731



HOMEOWNERSHIP

Outcomes Supported: Promote neighborhoods that are inclusive and diverse

Lines of Business

Goals

Home Ownership | Low, moderate and workforce income level Alexandria residents and workers purchase affordable homes in Alexandria with City assistance/involvement

	FY 2014 Actual	FY 2015 Approved	FY 2016 Proposed
Expenditure By Character			
Personnel	\$24,077	\$95,773	\$98,979
Non-Personnel	\$648,531	\$107,391	\$108,660
Housing Trust Fund	\$124,994	\$350,000	\$250,000
Total Expenditures	\$797,601	\$553,164	\$457,639
% of All Funds Departmental Budget	11.8%	4.5%	4.4%
Total Program FTEs	0.80	0.80	0.80
Performance Measures			
<i>Number of low, moderate and workforce income level Alexandria residents and workers who purchased a home affordably with City assistance/involvement</i>	5	9	7

PROGRAMMATIC ADJUSTMENTS

TOTAL FY 2015 APPROVED ALL FUNDS PROGRAM BUDGET		0.80	\$553,164
Funding Source	Adjustments to Program Funding	FTE Impact	Cost Modification
General Fund	Maintain current levels of service delivery with personnel related adjustments, non-personnel resources, and capital goods outlay. This includes technical adjustments for reallocation of resources within the department. No service impact.	0.00	\$4,475
Housing Trust Fund	Two fewer loans made to low and moderate income Alexandria residents as result of less carryover funding.	0.00	(\$100,000)
TOTAL FY 2016 PROPOSED ALL FUNDS PROGRAM BUDGET		0.80	\$457,639



HOME REHABILITATION

Outcomes Supported: Promote neighborhoods that are inclusive and diverse

Lines of Business

Housing Rehabilitation

Goals

Residents' homes are safe and suitable as a result of rehabilitation and accessibility projects

	FY 2014 Actual	FY 2015 Approved	FY 2016 Proposed
Expenditure By Character			
Personnel	\$253,933	\$239,063	\$229,492
Non-Personnel	\$671,090	\$862,035	\$869,060
Housing Trust Fund	\$50,000	\$53,000	\$53,000
Total Expenditures	\$975,023	\$1,154,098	\$1,151,552
% of All Funds Departmental Budget	14.4%	9.5%	11.2%
Total Program FTEs	1.90	1.90	1.90
	FY 2014 Actual	FY 2015 Approved	FY 2016 Proposed
Performance Measures			
<i>Number of homes deemed safe and suitable resulting from a rehabilitation project</i>	12	11	11

PROGRAMMATIC ADJUSTMENTS

TOTAL FY 2015 APPROVED ALL FUNDS PROGRAM BUDGET		1.90	\$1,154,098
Funding Source	Adjustments to Program Funding	FTE Impact	Cost Modification
General Fund	Maintain current levels of service delivery with personnel related adjustments, non-personnel resources, and capital goods outlay. This includes technical adjustments for reallocation of resources within the department. No service impact.	0.00	\$5,113
CDBG	Increase in new budgeted grant funding.	0.00	\$13,541
CDBG	Decrease budget of projected carryover program funds.	0.00	(\$21,200)
TOTAL FY 2016 PROPOSED ALL FUNDS PROGRAM BUDGET		1.90	\$1,151,552



LANDLORD TENANT RELATIONS

Outcomes Supported: Promote neighborhoods that are inclusive and diverse

<u>Lines of Business</u>	<u>Goals</u>
Fair Housing Testing	Monitor housing discrimination through validated fair housing violations
Housing Relocation Support	The effects of redevelopment, renovation and condominium conversion on displaced tenants are mitigated
Landlord Tenant Counseling Services	Counseling participants successfully resolve their disagreement in compliance with the Virginia Residential Landlord Tenant Act

	FY 2014 Actual	FY 2015 Approved	FY 2016 Proposed
Expenditure By Character			
Personnel	\$436,596	\$457,189	\$475,677
Non-Personnel	\$53,166	\$79,640	\$102,628
Total Expenditures	\$489,762	\$536,829	\$578,305
% of All Funds Departmental Budget	7.3%	4.4%	5.6%
Total Program FTEs	4.30	4.00	4.00

Performance Measures	FY 2014 Actual	FY 2015 Approved	FY 2016 Proposed
<i>Number of fair housing violations validated by the Office of Human Rights</i>	7	7	7
<i>Percent of cases where counseling results in successful resolution of participants' disagreement in compliance with the Virginia Residential Landlord Tenant Act</i>	98.0%	95.0%	95.0%
<i>Percent of displacement causing activities where tenants receive counseling and/or assistance</i>	100.0%	100.0%	100.0%

PROGRAMMATIC ADJUSTMENTS

TOTAL FY 2015 APPROVED ALL FUNDS PROGRAM BUDGET		4.00	\$536,829
Funding Source	Adjustments to Program Funding	FTE Impact	Cost Modification
General Fund	Maintain current levels of service delivery with personnel related adjustments, non-personnel resources, and capital goods outlay. This includes technical adjustments for reallocation of resources within the department. No service impact.	0.00	\$10,023
General Fund	Increase in expected dedicated revenue funding.	0.00	\$31,107
CDBG	Increase new grant funding.	0.00	\$5,346
CDBG	Decrease in budgeted carryover funding.	0.00	(\$5,000)
TOTAL FY 2016 PROPOSED ALL FUNDS PROGRAM BUDGET		4.00	\$578,305



FY 2016 HOUSING PROGRAM SOURCES AND USES

Program (Uses)	Affordable Housing						Total All Funds
	Home Ownership	Housing Rehabilitation	Landlord Tenant	Development & Preservation	Leadership & Mgmt Support Services		
Funding (Sources)							
CDBG							
New Grant	\$0	\$515,641	\$21,306	\$0	\$135,842	\$672,789	
Program Income	\$50,000	\$125,000	\$0	\$0	\$0	\$175,000	
Carryover	\$0	\$360,000	\$0	\$0	\$0	\$360,000	
	\$50,000	\$1,000,641	\$21,306	\$0	\$135,842	\$1,207,789	
	One Loan	Eight HPRLP Loans One RAMP Loan	One Round of Fair Housing Testing				
HOME							
New Grant	\$0	\$0	\$0	\$319,845	\$37,413	\$357,258	
Program Income	\$40,000	\$0	\$0	\$0	\$0	\$40,000	
Carryover	\$0	\$0	\$0	\$0	\$0	\$0	
	\$40,000	\$0	\$0	\$319,845	\$37,413	\$397,258	
	One Loan						
GENERAL FUND							
New	\$117,639	\$97,911	\$429,875	\$505,894	\$571,779	\$1,723,098	
Dedicated Revenue			\$127,124	\$571,584		\$698,708	
New HOME Match	\$0	\$0	\$0	\$26,800	\$0	\$26,800	
	\$117,639	\$97,911	\$556,999	\$1,104,278	\$571,779	\$2,448,606	
	Admin Support for Homeownership Program			Projected 28 Developer Pledged Units & Funding to Support AHDC			
HOUSING TRUST FUND							
New	\$100,000	\$0	\$0	\$1,320,000	\$0	\$1,420,000	
Carryover	\$150,000	\$53,000	\$0	\$2,978,447	\$0	\$3,181,447	
HOME Match (Carryover)	\$0	\$0	\$0	\$53,161	\$0	\$53,161	
	\$250,000	\$53,000	\$0	\$4,351,608	\$0	\$4,654,608	
	Five Loans and Housing Counseling	Two Mini-RAMP Grants & Funding for RTA		Beauregard and Braddock Fund Carryover			
GO BONDS FOR BEAUREGARD*	\$0	\$0	\$0	\$1,600,000	\$0	\$1,600,000	
ALL FUNDS	\$457,639	\$1,151,552	\$578,305	\$7,375,731	\$745,034	\$10,308,261	

Notes: \$834K of carryover HTF is allocated to the Braddock Fund. \$3.5 million of the HTF and Bond funds are allocated for Beauregard.

*Interest from GO bonds reserved for future Beauregard units is being paid through the 0.6 cent Affordable Housing dedication.



MISCELLANEOUS INFORMATION

Proposed Housing Trust Fund (HTF) expenditures for FY 2016 include a new allocation of up to \$550,000 in estimated carryover Housing Trust Fund monies for the following programs:

\$200,000	Housing Opportunities Fund (HOF): Not yet designated
\$300,000	HOF: AHDC, Home Match, and Fees for Professional Services
<u>\$50,000</u>	Rebuilding Together Alexandria
\$550,000	Total

In addition to the estimated Housing Trust Fund carryover monies, new projected Housing Trust Fund revenue received in FY 2016 will be used to supplement the following programs:

<u>\$700,000</u>	HOF: Not yet designated
\$700,000	Total

Proposed HOF allocation to the Alexandria Housing Development Corporation of \$257,557 consisting of both General Fund and Housing Trust Fund HOF monies.

Housing Trust Fund Programs Financial Status

As of February 28, 2015

Balance as of January 31, 2015	7,321,764
---------------------------------------	------------------

Revenues for February 2015	
Contributions	198,187
Loan Repayments	
ARHA Loan Repayment	700,000
Community Lodgings, Inc. (CLI)	0
Moderate Income Homeownership Program (MIHP)	402
Employee Homeownership Incentive Program (EHIP)	1,495
HCS - Subordination Fee Deposits	75
Fees Offsetting Expenditures	200
	900,359

Expenditures for February 2015	
Flexible Homeownership Program	(350)
Homeownership Counseling	(1,500)
AHC Inc. - Fillmore	0
Rebuilding Together Alexandria	0
Housing Opportunities Fund - <i>see attached report</i>	0
Rental Accessibility Modification Program (RAMP)	(901)
	2,751

Balance Available Before Outstanding Commitments/Reservations	8,224,874
--	------------------

Outstanding Commitments/Reservations as of February 28, 2015	
Braddock Small Area Plan Fund	834,080
Flexible Homeownership Program	353,478
HOME/HOF Match	433,657
Homeownership Counseling	48,902
FY 2016 Budget Reservation	300,000
Housing Opportunities Fund - <i>see attached report</i>	1,727,782
AHC Inc. - Fillmore	1,286,375
Rebuild Together Alexandria	0
Beauregard Fund	1,900,000
Rental Accessibility Modification Program (RAMP)	5,514
	(6,889,787)

Unreserved Balance as of February 28, 2015	1,335,087
---	------------------

Housing Opportunities Fund Financial Status

As of February 28, 2015

	HTF	General Fund	HOME	TOTAL
Balance as of January 31, 2015	1,727,782	0	2,093,971	3,821,753
February 2015 Expenditures				
Alexandria Housing Development Corporation (AHDG)	0			
Balance Available Before Outstanding Commitments	1,727,782	0	2,093,971	3,821,753
Outstanding Commitments				
Alexandria Housing Development Corporation (AHDG)	59,327	0	393	59,327
CLI Notabene			1,035,825	1,035,825
Wesley Lynhaven Apt			1,057,754	2,704,359
AHC Inc. Fillmore	1,646,605			1,646,605
Fees for Professional Services	21,850			21,850
Unreserved Balance as of February 28, 2015	0	0	(0)	(0)

Other Housing Development Fund Financial Status
As of February 28, 2015

	Tax Revenue Account	Bond Account	TOTAL
Balance as of January 31, 2015	1,249,266	0	1,249,266
February 2015 Expenditures		\$0	
Balance Available Before Outstanding Commitments	1,249,266	0	1,249,266
Outstanding Commitments			
AHC Inc. Fillmore	1,249,266		1,249,266
Unreserved Balance as of February 28, 2015	0	0	0

HOMEOWNERSHIP PROGRAMS REPORT
February 2015

	<i>February 2015</i>				<i>Total FY 2015 as of February 28, 2015</i>			
	Loans Committed	Amount and Source of Committed Loan Funds	Loans Settled	Amount and Source of Settled Loan Funds	Loans Committed	Amount and Source of Committed Loan Funds	Loans Settled	Amount and Source of Settled Loan Funds
Flexible Homeownership Program	0	\$0	0	\$0	7	CDBG - \$0 HOME - \$178,500 MIHP - \$70,000 EHHP - \$10,000	7	CDBG - \$0 HOME - \$178,500 HTF - \$70,000 EHHP - \$10,000

Flexible Homeownership Loan Balances by source as of February 28, 2015:

HOME \$ 96,725
 CDBG \$ 1,329
 Housing Trust Fund \$ 353,478