



City of Alexandria, Virginia

Affordable Housing Initiatives Work Group Final Report

May 2009

Major Topics

- Preservation
- Development
- Funding
- Metrics
- Public Outreach
- Governance

Four Types of Recommendations

- Already adopted (FY 2010 Budget or HUD Action Plan)
- Adopt June 13 after public hearing
- Refer to Housing Master Plan or other process
- Defer until City's fiscal situation has improved

Preservation

- Already Done
 - Modify HAP and MIHP home purchase programs to provide long-term affordability (Approved 5/12/09 in HUD Action Plan)
- Adopt June 13
 - Convene landlord focus groups
 - Provide technical assistance/business services to “participating landlords”
- Refer to Housing Master Plan or other process
 - Priority Housing Unit policy calling for preservation of both ARHA and non-ARHA assisted units (3,457 units) affordable to households below 50% of area median (5 recommendations)
 - Includes recommendation that ARHA Strategic Plan address coordination of City and other supportive services to ARHA residents
- Defer
 - Partial Real Estate Tax Exemption
 - Affordable housing easements as alternative to tax exemption
 - Use the City's credit for credit enhancement or support for developer financing
 - Rehabilitation Grants/Loans
 - Right of First Refusal to purchase affordable properties

Development

- Adopt June 13

Refer to staff for review, analysis and the development of specific recommendations:

- Revise current permit approval processing, and other regulatory requirements, to reduce affordable housing development costs.
- Reduce parking ratios, when feasible, to reduce the cost of affordable housing.
- Expand developer access to non monetary tools and resources through the City (i.e., technical assistance, loan guarantees, tax incentives) to facilitate affordable housing development

- Refer to Master Plan process

– Investigate the following:

- Encourage mixed-use projects with affordable housing included.
- Provide City-owned land and/or air rights for affordable housing development.
- Promote adaptive re-use for affordable housing development.
- Allow accessory dwelling units and/or caregiver or granny flats
- Explore ways to use density and the transfers of development rights (TDRs)
- Promote universal design.

Funding

- Already adopted
 - Increase EHIP loans to \$10,000 (included in Approved FY 2010 Operating Budget)
 - Establish tiered levels of assistance for HAP and MIHP home purchase funding (approved 5/12/09 in HUD Action Plan)

- Adopt June 13
 - A. Funding Strategies
 - Continue support for the dedicated tax revenue through the City's One Cent Fund. Policy priority includes restoration of fund from 0.7 cents back to one cent.
 - Preserve existing affordable housing through the following strategies:
 - Home purchase assistance and home rehabilitation loan programs with long-term affordability.
 - Use land-use tools to preserve existing market rate affordable housing.
 - Set goal of \$3 million in funding annually to be used for preservation activities, to include:
 - Dedicated tax revenue
 - Developer contributions
 - New sources of preservation funding

Funding

B. Creation and Preservation of Affordable Homeownership

- Expand the Employee Homeownership Incentive Program (EHIP) to include the following agencies should they wish to participate and include funding in their budgets:
 - Alexandria Convention and Visitors Association (ACVA)
 - Alexandria Transit Company (ATC)
 - Alexandria Economic Development Partnership (AEDP) and
 - Alexandria Redevelopment and Housing Authority (ARHA)
- Home buyer counseling and training should be high priority
- Continue Home Rehabilitation Loan Program (HRLP); continue partnerships and support to organizations such as Rebuilding Together Alexandria

Metrics

City of Alexandria Housing Annual Report

Table A Affordable Rental Units

		Privately Owned with Income/Rent restrictions															
		Res 830				Income/Rent restrictions				Market Rate Affordable				Total			
		2007		2008		2007		2008		2007		2008		2007		2008	
Affordable @ 80-120% ami	Units gained (lost)	0	0%	0	0%	0	0%	0	0%	3,677	14%	4,661	17%	3,677	12%	4,661	15%
				0	0%			0	0%			984	21%			984	21%
60-80% ami	Units gained (lost)	0	0%	0	0%	0	0%	0	0%	14,152	54%	14,857	54%	14,152	47%	14,857	47%
				0	0%			0	0%			705	5%			705	5%
50-60% ami	Units gained (lost)	0	0%	0	0%	1,448	60%	1,541	62%	7,933	30%	5,810	21%	9,381	31%	7,351	23%
				0				93	6%			(2,123)	-37%			(2,030)	-28%
under 50% ami	Units* gained (lost)	1,150	100%	1,150	100%	950	40%	950	38%	583	2%	2,313	8%	2,683	9%	4,413	14%
				0	0%			0	0%			1,730	75%			1,730	39%
	total gained (lost)	1,150	100%	1,150	100%	2,398	100%	2,491	100%	26,345	100%	27,641	100%	29,893	100%	31,282	100%
				0	0%			93	4%			1,296	5%			1,389	4%

Note: Units are shown in the category of the lowest income group that can afford to rent without receiving additional assistance (i.e. vouchers). Therefore, project-based Section 8 units, while open to households up to 80% of median are reflected as being affordable to households under 50% of median, as such households are eligible to rent these units for no more than 30% of their income.
 *Units available to households under 50% of median are referred to as priority housing units. 2,100 of the priority housing units are included in this line under Res 830 (1,150 units) and privately owned with rent restrictions (950 units). Priority housing units also include Housing Choice Vouchers (HCV) that are not listed in these charts which accounts for another 1,314 units (1,450 HCVs supported by ARHA's currently available funding, less the 110 vouchers used in Resolution 830 housing and 26 vouchers which are project-based).

Table B Employment

		% of School Employees						% of Police/Fire/Safety						% of City General Government Employees						Jobs by Average Salary of Industry					
		2007		2008		2007		2008		2007		2008		2007		2008		2007		2008					
120% + ami	% of Jobs gained (lost)	56	3%	60	3%	35	3%	33	3%	89	7%	70	5%	943	1%	841	1%								
				4	7%			(2)	-6%			(19)	-27%			(102)	-12%								
80-120% ami	% of Jobs gained (lost)	632	31%	601	29%	405	39%	381	39%	337	26%	314	23%	35,356	36%	34,866	33%								
				(31)	-5%			(24)	-6%			(23)	-7%			(490)	-1%								
60-80% ami	% of Jobs gained (lost)	471	23%	483	23%	307	30%	282	29%	360	28%	410	31%	22,024	22%	27,423	26%								
				12	2%			(25)	-9%			50	12%			5,399	20%								
50-60% ami	% of Jobs gained (lost)	231	11%	234	11%	203	20%	183	19%	238	18%	268	20%	12,967	13%	17,980	17%								
				3	1%			(20)	-11%			30	11%			5,013	28%								
under 50% ami	% of Jobs gained (lost)	621	31%	679	33%	77	7%	87	9%	265	21%	282	21%	27,911	28%	25,594	24%								
				58	9%			10	11%			17	6%			(2,317)	-9%								
	Total gained (lost)	2,011	100%	2,057	100%	1,027	100%	966	100%	1,289	100%	1,344	100%	99,201	100%	106,704	100%								
				46	2%			(61)	-6%			55	4%			7,503	7%								

The percent of area median income (ami) is based on the three person household income as defined by U. S. Department of Housing and Urban Development

Metrics

QUANTITATIVE GOALS AND METRICS MEASURES

Table 1

	Past 3 year Annual Average(FY 06-08)		FY 09		AGGRESSIVE		MID RANGE		Conservative (FY09 budget based where applicable)		
	Average	\$ per unit	As of Dec 08	\$ per unit	10-Year	Annual	10-Year	Annual	10-Year	Annual	\$ per unit
Rental Units											
Preserve existing 8,000 privately owned, market affordable units	80	\$93,966	0	\$0	6,400	640	3,500	350	Acquisition: 1,240 Other: TBD	Acq:124 Other: TBD	\$64,516
Preserve/replace 3,414 priority housing units	48	\$59,028	0	\$0	1,750	175	880	88		219	\$36,350
Add new affordable rental units in conjunction with new developments	17	\$56,067	0	\$0	1,000	100	500	50	0	0	\$0
Allow flexible use of existing Single Family units to include room rentals and/or accessory units (future goal subject to authorization of accessory units)	NA	NA	NA	NA	2,000 rooms rental/AA units	200	1,000	100	NA	NA	NA
Ownership Units											
Add new affordable ownership units in conjunction with new developments	4	\$129,636	0	\$0	500	50	250	25			\$0
Rehabilitate SF low-income ownership units or NP rental units	City: 8 RTA: 76	\$69,544 \$3,182	City: 6 RTA: NA	\$ 37,602 \$NA	800	80	400	40	City: 110 RTA: 750	City: 11 RTA: 75	\$88,488 \$3,299
Assist city workforce (public & private employees) at <100% AMI to become first time homeowners	91	\$40,838	52	\$38,055	1,000	100	900	90	780	78	\$41,994

Public Outreach

- Adopt June 13
 - Authorize staff to employ materials for the purpose of public education on affordable housing, and to seek partnerships and sponsorships for this purpose when opportunities arise.
 - Materials should explain the linkages between adequate affordable housing and:
 - the maintenance of community diversity
 - economic development
 - a quality environment
 - energy efficiency

Governance

- Adopt June 13
 - Appoint two Council Members to coordinate input and advice from ARHA, Alexandria's Affordable Housing Advisory Committee, non-profit and for-profit land-owners and developers in order to develop a policy development and governance approach for affordable housing
 - Pursue the creation of an overall Affordable Housing Commission that would have policy oversight for all areas of public- and private-sector affordable housing activities.
 - Participation by ARHA in such an arrangement would have to be voluntary and cooperative, as ARHA is not subject to City oversight.
 - In conducting this evaluation, examine and evaluate the approaches used by other jurisdictions within and outside of Virginia.