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PLAN RECOMMENDATIONS

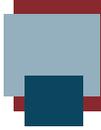


PLAN RECOMMENDATIONS

The preceding chapters contain a number of recommended policies and actions in the form of principles, goals, strategies, tools, and funding strategies for affordable housing. These recommendations are summarized below:

1. THE CITY'S AFFORDABLE HOUSING EFFORT SHOULD BE GUIDED BY THE FOLLOWING PRINCIPLES (CHAPTER 4).

- PRINCIPLE 1.** The City's affordable housing effort should be guided by the following principles (Chapter 4).
- PRINCIPLE 2.** Alexandria's housing stock should be expanded to offer greater housing choice to people of all ages and abilities.
- PRINCIPLE 3.** Partnerships are key to achieving measurable improvement in the affordable housing stock in Alexandria. The City can better leverage resources by being an active advocate and partner with Alexandria Redevelopment and Housing Authority (ARHA), nonprofit and for profit developers.
- PRINCIPLE 4.** Access to transportation and services, strategic preservation or location opportunities, and rental proportionality should be a key factor in the future distribution and allocation of affordable housing in the city.
- PRINCIPLE 5.** Mixed-income communities are the optimal way of maintaining social and cultural diversity through increased opportunities for interaction rather than isolation or polarization.
- PRINCIPLE 6.** Affordable housing is an important element of a healthy and growing economy.



2. THE CITY SHOULD PURSUE THE FOLLOWING GOALS AND STRATEGIES IN CARRYING OUT ITS AFFORDABLE HOUSING EFFORTS (CHAPTER 5):

GOAL 1: PRESERVE THE LONG-TERM AFFORDABILITY AND PHYSICAL CONDITION OF THE EXISTING STOCK OF PUBLICLY ASSISTED RENTAL HOUSING, AS WELL AS MARKET RENTAL HOUSING WHERE AFFORDABILITY COMMITMENTS CAN BE SECURED.

Strategy 1.1 Maximize opportunities to preserve the current stock of privately owned, publicly assisted units within the city, with priority for units serving households earning below 50% of AMI (subject to property owner cooperation)

Strategy 1.2 Obtain commitments from current owners for long-term preservation of currently existing market-rate affordable units.

Strategy 1.3 Partner with private non-profit or for-profit affordable housing providers in acquiring and/or rehabilitating existing market affordable units to increase the number of publicly assisted, privately-owned rental housing affordable to households earning below 60% AMI, with priority for units serving households below 50% AMI.

Strategy 1.4 Increase the number of housing units affordable to households earning below 30% of AMI and senior households in areas of the city that have the greatest presence of support services including transportation, retail, recreation, and public or private human service providers.

Strategy 1.5 Support, where appropriate, the rehabilitation and redevelopment of current ARHA units, or acquisition/rehabilitation of replacement units, in furtherance of the City's joint commitment with ARHA to provide 1,150 publicly- assisted units. (See also 2.4)



GOAL 2: PROVIDE OR SECURE LONG-TERM AFFORDABLE AND WORKFORCE RENTAL HOUSING THROUGH STRATEGIC NEW DEVELOPMENT AND REDEVELOPMENT.

Strategy 2.1 Develop policies and regulations that incorporate affordable housing units as part of new development and redevelopment projects.

Strategy 2.2 Partner with non-profit and for-profit developers to develop new affordable housing projects within the city.

Strategy 2.3 Include an affordable housing plan, using the tools identified in the Housing Master Plan, as part of all new or revised Small Area and Corridor Plans.

Strategy 2.4 Support, where appropriate, the redevelopment or new development of ARHA units, in furtherance of the City's joint commitment with ARHA to provide 1,150 publicly-assisted units and consistent with ARHA's Strategic Plan goals. (See also objective 1.5)

Strategy 2.5 Seek to achieve substantial replacement of existing market-rate affordable housing units on properties under consideration for redevelopment.

GOAL 3: PROVIDE AND SUPPORT THE PROVISION OF AFFORDABLE AND WORKFORCE HOME PURCHASE OPPORTUNITIES FOR ALEXANDRIA RESIDENTS AND WORKERS.

Strategy 3.1 Assist households in overcoming barriers to homeownership through homebuyer training and counseling services, and offer post-purchase counseling services, including default and delinquency counseling, to homeowners in crisis.

Strategy 3.2 Provide financial assistance to low- and moderate-income households that have completed homebuyer training and



financial incentives to City and Alexandria City Public Schools employees that will allow them to seek homeownership opportunities.

GOAL 4: ENABLE HOMEOWNERS TO REMAIN IN THEIR HOMES SAFELY, COMFORTABLY, AND AFFORDABLY.

Strategy 4.1 Provide rehabilitation services to existing low- and moderate-income homeowners (below HUD 80% AMI) in maintaining their existing homes.

Strategy 4.2 Assist low- and moderate-income homeowners to maintain their homes and improve energy efficiency to decrease overall housing cost.

Strategy 4.3 Provide assistance to home owning seniors with limited incomes and resources in order to strengthen their ability to age in place.

GOAL 5: PROVIDE A VARIETY OF SAFE, QUALITY HOUSING CHOICES THAT ARE AFFORDABLE AND ACCESSIBLE TO HOUSEHOLDS OF ALL AGES AND ABILITIES.

Strategy 5.1 Partner with existing property owners to convert non-accessible and non-visitable units to allow for visitability and habitation by persons with physical disabilities.

Strategy 5.2 Develop mechanisms to promote and encourage the development of new universally designed housing units.

Strategy 5.3 Develop mechanisms to promote and encourage an increase in the number of accessible and adaptable units above the minimum requirements for new construction pursuant to the Fair Housing Act, the International Code Council (ICC), and/or other applicable law and regulation.

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- Strategy 5.4** Develop mechanisms to promote and encourage the development of visitable and accessible residential development in new construction exempted from the Fair Housing Act, ICC or other applicable law and/or regulation (e.g., single family residential development.)

 - Strategy 5.5** Develop minimum requirements for adaptable construction techniques and the accessible units in multi-family rehabilitation projects funded by City resources where compliance with the Fair Housing Act, ICC or other applicable law and/or regulation is not required.

 - Strategy 5.6** Facilitate the use of the Virginia Livable Home Tax Credit Program to cover 50% of the costs to retrofit existing housing units for accessibility and visitability.

 - Strategy 5.7** Collaborate with appropriate public and private partners to develop an assisted living facility serving Alexandrians of varying income levels.

GOAL 6: ENHANCE PUBLIC AWARENESS OF THE BENEFITS OF AFFORDABLE HOUSING AND PROMOTE AVAILABLE HOUSING AND PARTNERSHIP OPPORTUNITIES.

- Strategy 6.1** Continue, enhance and increase the City's outreach effort to the community regarding the need for and the benefits of having affordable housing, and provide affordable housing developers and advocates with quality information and materials to generate community support for affordable housing projects.

- Strategy 6.2** Work with the City agencies and appropriate service providers, such as in-home care providers, to ensure broad awareness of existing City services and resources.



Strategy 6.3 Conduct stakeholder outreach efforts directed to developers, financial institutions, lenders, property owners and real estate professionals to [1] increase awareness of the financial opportunities and benefits of affordable and universally designed housing; and [2] address issues or concerns related to existing or proposed affordable housing development.

Strategy 6.4 Identify, foster and encourage potential development and public/private partnership opportunities in the City.

3. IN ADDITION TO CONTINUING TO USE ITS CURRENT AFFORDABLE HOUSING TOOLS, THE CITY SHOULD PURSUE MODIFICATIONS OF SOME TOOLS, AND IMPLEMENT NEW TOOLS AS FOLLOWS (CHAPTER 6):

PROGRAMMATIC TOOLS

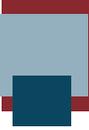
A. Modify Home Purchase Assistance Loan Programs

- Secure funding to enable programs to continue and become self-sustaining;
- Add post-purchase counseling; and
- Explore alternative approaches to loan repayment to create a stream of ongoing revenue and to allow the City to serve a greater number of qualified households.

B. Modify Home Rehabilitation Loan Program

- Make loans subject to a 5-year continued eligibility review that may enable the City to recapture and reinvest funds more quickly;
- Offer smaller energy efficiency loans that focus on reducing residential energy use; and
- Explore alternative approaches to loan repayment to create a stream of ongoing revenue and to allow the City to serve a greater number of qualified households.

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- C. Waive development fees for projects that provide at least 65% of units as affordable for a period of 30 years, provided that such fees are not the primary source of funding for the department that collects them.
 - D. Revise the formula for voluntary contributions to reflect inflation, and continue to be indexed to inflation on an ongoing basis.
 - E. Pursue the development of a Community Land Trust for affordable housing
 - F. Develop policies and programs to increase visitable, adaptable, accessible, and universal design housing units to create a variety of housing choice for all residents of Alexandria.
 - G. Establish a policy of maximizing public land for affordable housing through the development of criteria to evaluate when it is appropriate to include affordable housing on City-owned land and facilities.
 - H. Establish a Resource Center for Affordable Housing, largely through the provision and maintenance of online housing information.
 - I. Develop a nomination, for inclusion in the National Register of Historic Places, for a multiple resource district of postwar midrise garden apartments. A successful nomination would make such properties eligible for federal and state Historic Preservation Tax Credits.
 - J. Reactivate the City's Affordable Assisted Living Work Group to examine the issues and barriers to creating a mixed-income affordable assisted living facility in Alexandria.



ZONING TOOLS

- A. Revise Section 7-700 to standardize the percentage of bonus that is dedicated to affordable at 1/3 of bonus square footage; and allow affordable housing units to be located off-site and/or provided in the form of a monetary contribution (calculation method to be determined) in lieu of the units if agreed upon by the City and the developer.

- B. Revise the Zoning Ordinance to establish specific parking ratios for affordable housing, including lower ratios for transit-oriented development.

- C. Create a policy to allow accessory dwelling units (either within primary dwelling units or as detached structures) in new Coordinated Development Districts, and pursue a community process to explore the possibility of developing a broader program.

- D. Revise the Zoning Ordinance to exempt multifamily properties with a commitment of at least 30 years to serving households at or below 60% of median income from the requirement to meet current parking standards when the cost of rehabilitation exceeds 33 1/3% of the building value.

- E. Study the development of a modified Transfer of Development Rights(TDR) program for affordable housing.



FUNDING TOOLS

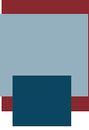
- A. Provide loan guarantees as a form of credit enhancement for affordable housing projects. Alternatively, use City funding as a loan loss reserve, i.e., a source to guarantee 20% to 50% of the project loan amount in order to reduce a conventional lender's risk.

- B. Provide predevelopment funds from the the City's Housing Opportunities Fund (HOF) to allow projects to receive the greater of \$50,000 (the original HOF limit) or \$5,000 per unit, to be approved administratively by staff, for predevelopment purposes. This will enable the provision of a meaningful level of assistance to larger projects.

- C. Develop a program of partial, time-limited tax abatement for substantial rehabilitation of affordable housing, pursuant to existing state law, and seek authority to enact such a program for new construction of affordable housing.

- D. Pursue the creation of a loan consortium that brings together the City, ARHA, lending industry and private investors to provide loans for affordable housing.

- E. Provide General Fund support through such mechanisms as increasing the current \$0.06 dedication of real estate tax revenues for affordable housing, dedicating a portion of the incremental tax revenue from new development to affordable housing, and/or providing matching funds for developer contributions to affordable housing.



4. THE CITY SHOULD PURSUE AND/OR PROMOTE THE USE OF THE FOLLOWING FUNDING SOURCES, WHEN AND IF APPLICABLE (CHAPTER 7):

A. FEDERAL

- Sustainable Communities Grant and Community Challenge Grants
- Historic Preservation Tax Credit
- Green Retrofit Program for Multifamily Housing and similar programs for renovating existing units
- National Housing Trust Program (if and when funded)
- Support efforts to increase funding levels for the Community Development Block Grant (CDBG) and Home Investment Partnerships (HOME) Programs

B. STATE

- Virginia Livable Home Tax Credit Program
- Support adoption of State Housing Trust Fund
- Mortgage Credit Certificates (MCCs) (when made available by VHDA)

C. FUNDING OPPORTUNITIES FROM ORGANIZATIONS SUCH AS THE FOLLOWING:

- Virginia Community Capital
- The MacArthur Foundation
- Enterprise Community Partners (including anticipated GreenPath funding for affordable housing projects in high capacity transportation corridors)
- Home Depot Foundation



CONCLUSION

The recommended principles, goals, strategies, and tools contained in this Housing Master Plan provide a framework for the City to achieve a range of affordable housing options to serve a wide variety of housing needs, preserve and enhance its diversity, and contribute to a strong and vibrant economy.