



**Housing Master Plan
Advisory Group Meeting
Public Private Partnership Tools for Creating Affordable Housing
Thursday, October 28, 2010 6:30p.m. – 9 p.m.
Jefferson Houston School**

Meeting materials are available online at: www.Alexandriava.gov/housingplan

Meeting Summary

Introduction

Kyle Talente, RKG Associates, welcomed meeting attendees and reviewed the goals for the meeting.

Presentation: Public Private Partnership Tools for Affordable Housing

The presentation was given by Jesse Wiles, President of ADP Urban Planning and Management, who provided a description of a variety of tools that address the following affordable housing objectives:

- Preservation of Publicly Assisted Units
- Preservation of Market Rate Affordable/Workforce units
- Provision of Units for households earning below 50% AMI
- Preservation of Affordable Homeownership
- Construction of New Affordable Housing, and
- Provision of Units for Special Needs Households

The presentation can be found online at www.alexandriava.gov/housingplan

Summary of Q&A on the Presentation:

- Community Land Trusts as a potential tool sparked interest among committee members, and resulted in requests for additional information regarding who would operate a Trust, who pays the taxes, what does it look like, is it scattered development or all in area, etc.
- One member emphasized that all new construction should be 100 percent accessible.

- The Plan should not limit affordable housing goals to one income group, but work to address a variety of income groups taking into account special needs and the services some beneficiaries of housing programs provide to the City.
- There were some questions regarding the City's current processes of Historic designation and the manner in which this would conflict with its ability to use the historic tax credit.
- There was some discussion about whether the City should use HUD's standard definitions of affordability. Most members came to the conclusion that using HUD's definitions would be beneficial for a number of different reasons, including funding, lack of biases, etc.
- Elderly Housing – one member expressed concerns about PACE, a tool presented by Mr. Wiles. Another member stated that creating situations for people to age in place was important, but that this should not preclude us from creating housing opportunities in the City for the frail elderly who cannot stay at home (member stated that currently few affordable assisted living opportunities exist in the City and people have to relocate to other areas of northern VA to be served). Another member suggested that the City look at the existing federal program for equity conversion and explore a local option to allow elderly to age in place.
- There was interest and requests for more information on the idea of a lender consortium
- City should look at its 33 1/3 rule, which requires that when the cost of a rehab project is more than >33% of the value of the building/improvements, the development has to meet current parking requirements (this can be a burden when an aging, affordable housing project is rehabilitated).

Discussion Questions

Discussion Question 1

- Most of the committee agreed that the City should participate in Public/Private Partnerships in one manner or another, but very few thought the City should play the active role of a developer of this housing, or only do so as a last resort. Instead, the City should act as a regulator to provide affordable housing, a developer if no one else will do it, an equity partner/lender/grantor depending on the circumstance;
- Should look at per unit limits for subsidy to guide staff recommendations, should require matching funds; funds should be paid back unless the only way to do a good deal is a grant;

- Rental New construction/preservation is the highest priority and should have the highest percentage targeted at 30 percent;
- There were several that rated “Equity Partner” highly, stating that the City could receive a return on investment that could be used for future projects;
- One member stated the City’s role in PPP’s should be as providing regulatory assistance;
- Mixed income development should be used in all types of projects.

Discussion Question 2

- At least one member of the committee thought that affordable housing subsidies should not exceed a predetermined basis. However, while other members provided this statement with a high ranking citing limited resources, they also stated that flexibility was desired. Subsidies might vary to meet needs of special need groups or to assist members of the community who provide services to the community (i.e. mental health professionals, first responders, etc)
- Most members thought that the City should attempt to get outside matches for affordable housing subsidies and attempt to recapture money over time. However, there was some discussion about times when recapture and outside matches may not be possible and the general consensus of the group was that this should not preclude the City to providing affordable housing services, especially if no other organization was providing these services.
- One member of the committee stated that City funds should not be used to subsidize housing and that only non-monetary forms of assistance (such as regulatory assistance) should be provided instead.

Discussion Question 3

- It appeared that most of the committee leaned toward new construction rental and preservation rental over production/assistance for ownership units
- Most committee members that answered the second part of this question leaned toward helping residents at or below of 30% and the 30% to 50% AMI groups. However one member commented and most seemed to agree that the City should focus on assisting a mix of income groups and providing assistance as part of a larger mixed income development.

Meeting adjourned at 9:00PM.