Creating Opportunities for Housing through Partnerships & Innovation

Dr. Gregory C. Hutchings, Jr.
Superintendent of Schools
Home Locations of ACPS Staff by Area

- Alexandria City: 37%
- Alexandria Area of Fairfax: 31%
- Maryland: 13%
- DC: 13%
- Other Virginia: 6%
Breakdown of the 37% of employees who reside within the ACPS School Division/City of Alexandria
The Challenges

- Teachers with families have different school holidays
- Day to day issues: Snow day calls vary from county to county
- Harder work to create a sense of connectivity to the schools
- Teachers can feel less vested working in a city that different from the one in which they live
- Teachers with young families move out of Alexandria to be able to afford family-sized homes
- Teachers tempted to work where their children go to school
Housing Perks Offered to ACPS Staff

- Affordable For-Sale Units
- Mortgage Interest Rate Reduction for First-Time Homebuyers
- Closing Cost & Downpayment Assistance for First-Time Homebuyers
- Homebuyer Training
- Condominium Survey
Colocation of City/School Facilities
Lessons Learned from Shaker Heights, Ohio

- Teachers given empty lots on which to build
- Teachers supported during the building process
- Enabled them to continue to live inside their school district
- Supported community regeneration
Questions?

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About APAH

• Non-profit, award-winning, innovative affordable housing developer

• Developed and owns over 1,800+ rental homes at 18 properties with 800+ units in development. $400MM in assets.

• Partners with local non-profits for resident programs. Houses formerly homeless and persons with disabilities

• Governed by a board of community leaders and business leaders

• Operates throughout the DMV, including Arlington, Fairfax, Loudoun and Montgomery counties

“APAH is one of the premier affordable housing organizations in Virginia, and probably the country.”

Susan Dewey
VHDA Executive Director
The DMV Is Creating Insufficient Housing For Its Job Growth

Metropolitan Washington Council of Government (MWCOG) calls for **365,000 new housing units by 2030** in transit-rich activity centers.

Half of these new units need to be **affordable to families under $75,000/year**.

The Alexandria Housing Master Plan identified **14,000 households needing affordable housing**.
Lower Income Households Face Highest Rent Burden

Cost Burdened Renters by Income
Washington DC Metro Area, 2017

- Less than $20,000: 87% 30%+ of income, 77% 50%+ of income
- $20,000 - $34,999: 91% 30%+ of income, 66% 50%+ of income
- $35,000 - $49,999: 83% 30%+ of income, 26% 50%+ of income
- $50,000 - $74,999: 57% 30%+ of income, 7% 50%+ of income
- $75,000 - $99,999: 9% 30%+ of income, 1% 50%+ of income
- $100,000+: 5% 30%+ of income, 0% 50%+ of income

Prepared by Lisa Sturtevant, PhD of LSA Planning
Source: U.S. Census Bureau, 2017 American Community Survey, 1-year file
Affordable housing is critical to local economies

- Insufficient affordable housing creates challenges for businesses to attracting and retaining employees, and the cost of employee turnover
- Local economies benefit when individuals and families have more money to purchase goods and services
- Living near work reduces commute times and traffic congestion for everyone
- Greater housing availability experience can support less income inequality and attract a more diverse workforce
- Affordable housing supports more resilient economies
What Can We Do? Funding Tools

Federal Resources

- Low Income Housing Tax Credit (LIHTC) – federal program providing private equity, typically from banks. Produced 3M homes since 1987.
- Current bipartisan legislation to boost the program in 2020
- APAH and Virginia are leaders in creating hybrid (9%/4%) financing to access the underutilized 4% tax exempt bond program

State Resources

- VA Housing Trust Fund provided $11M in funding for 17 projects in 2019. Requesting $50M/year by 2022.

Municipal Resources

- Fairfax planning to bring Trust fund to $37M/year in 2020
- DC’s Trust Fund at $138M/year in 2019
- Alexandria increased its Trust Fund with a meals tax in 2018
What Can We Do?
Land Use Tools

- Increasing Density
- Public Land
- Underutilized Civic and Faith Properties
- Affordable Housing Bonus Density
- Historic Tax Credits
Increasing Density at Existing Affordable Housing

Queens Court

- Redeveloped garden apartments into high-rise
- 249 affordable units, 3rd hybrid
- Under construction. To open late 2021
- Integrated rezoning of more than 1M SF, including a new Arlington public school, fire station, and market rate development
- Provided new 9,000 SF public park over parking garage
Oakwood Senior

- 6-acre stormwater site in Fairfax
- APAH submitted unsolicited proposal to the County in Feb. 2018 and was selected Dec. 2018 under PPEA authority
- 150 units of new independent senior housing
- Affordable housing
  - Service-rich resident programming
  - Dynamic amenity spaces for seniors
- Seeking 9% LIHTC Allocation 2020
Partnership at Underutilized Faith Properties

Gilliam Place

- Faith partnership with Arlington Presbyterian Church
- 173 affordable units, 2<sup>nd</sup> hybrid (4%/9%)
- Opened August 2019
- Ground-floor retail and civic space to support mission-focused tenancy
  - La Cocina VA
  - New Church

Gilliam Place, 173 units
Historic Tax Credits

Fisher House II

• By-right renovation of 8 buildings totaling 68 units
• Area with extensive demolitions of historic garden style apartments to market-rate townhomes
• Historic preservation of 1940s colonial revival style

• $23M project funded with:
  • 4% LIHTC
  • State and Federal Historic Tax Credits
  • VHDA Tax Exempt Bonds
  • Sponsor Loan and Deferred Developer Fee
• A-SPAN partnership for 8 supportive housing units
Partnering at Underutilized Civic Properties

Terwilliger Place

• Partnership with American Legion Post

• $75M project funded with:
  • LIHTC hybrid 9%/4%
  • VHDA Taxable/Tax Exempt Bonds
  • Arlington County Funding
  • VA Housing Trust Fund
  • Private Philanthropy: Ron Terwilliger lead donor

• Completed rezoning of existing 1.3 acre parcel over two years

• Replacing outdated 1955 Legion Post with new, 6,000SF Post

• Creating 160 new affordable homes, 50% Vets preference

• Hub for innovative Vets programs
Other APAH Portfolio Highlights

Columbia Hills
- 229 affordable units, delivered Oct. 2018
- APAH’s first hybrid 4% and 9% financing
- Built on surface parking lot of existing LIHTC garden apartment complex on rezoned land

The Springs
- 104 units, delivered in 2016
- Leveraged density on older garden apt

Arlington Mill
- 122 affordable units, delivered in 2014
- Public-private partnership with housing atop shared parking garage with 75-year ground lease
- County Community Center on shared site
Housing for Everyone
Thank you!

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Using Church Property for a Housing Mission

January 11, 2020
St. James United Methodist Church
After discerning a bold new mission: build affordable housing for working families and a new church.
We left our building more than a year ago
God provides everything needed to do what God calls us to do.
Construction has begun
Partners in the Wilderness

- Virginia Theological Seminary – worship, education, fellowship, office space
- Immanuel Church-on-the-Hill – worship, fellowship, Bible study
- St. James Methodist – food pantry
- Fairlington Methodist – preschool
- Church of St. Clement – fellowship, scout troops
Resurrection’s Lessons for Church Housing Development

1. Use all tools to discern mission and build consensus
2. Consensus takes time
3. Choose partners wisely
4. Be flexible
5. Your neighbors will not be as enthusiastic as you are
Resurrection’s Mantra

God provides everything needed to do what God calls us to do