ARHA Redevelopment Work Group August 10, 2017 – Meeting Summary

Participants

Work Group Members

Justin M. Wilson, Vice Mayor, City of Alexandria

John Taylor Chapman, City Councilman

Mary Lyman, Chair, Planning Commission

Daniel Bauman, Chair, Alexandria Redevelopment and Housing Authority (ARHA) Board of Commissioners, Absent

Salena Zellers, Vice Chair, ARHA Board of Commissioners

Roy Priest, CEO, ARHA

Mark Jinks, City Manager, Alexandria

Helen McIlvaine, Director, Alexandria Office of Housing

Karl Moritz, Director, Alexandria Department of Planning and Zoning

City of Alexandria/Alexandria Redevelopment and Housing Authority Staff

Eric Keeler, Alexandria Office of Housing

Brandi D. Collins, Alexandria Office of Housing

Richard Lawrence, Alexandria Department of Planning and Zoning

James Banks, City Attorney's Office

Connie Staudinger, Alexandria Redevelopment and Housing Authority

Martin Lucero, Alexandria Redevelopment and Housing Authority

Introductions and Meeting Summary Approval

Vice Mayor Wilson convened the meeting and introductions were made of Work Group members, City and ARHA staff and others attending.

Upon a motion, the Work Group approved the summary of the July 20, 2017 meeting.

ARHA CEO Search and Transition Update

Salena Zellers provided the following update:

- The ARHA Board will make its final selection on Monday, August 14, 2017.
- A public announcement will be made once the candidate has accepted the offer and a contract is finalized.

Andrew Adkins DSUP Update

Karl Moritz provided the following update:

 After the July 20, 2017 ARHA Redevelopment Work Group meeting, City staff (Deputy City Manager Emily Baker, Karl Moritz and Helen McIlvaine) and the ARHA-CRC team met to discuss the status of the Adkins Development Special Use Permit application. At this time, there is still no consensus on the application of the bonus density provision on the site. CRC's perspective regarding Section 7-700 bonus remains the same as was presented at the July 20, 2017 Work Group meeting. Due to the unresolved issue surrounding the application of Section 7-700, the design cannot advance and the DSUP application cannot advance. The application is no longer on track to meet the 2018 Low-Income Housing Tax Credit (LIHTC) application deadline.

Casey Nolan of CRC expressed concern that he and his team are still unclear regarding the application of Section 7-700 and suggested that the project could advance without CRC using additional density. Vice Mayor Wilson shared that, in his view, additional density on the site is desirable due to its location across from the Braddock Metro station.

Salena Zellers stated that there is misinformation out in the community regarding whether current residents will be able to return to the Adkins property. She explained that the number of deeply affordable units for extremely low-income households is simply unknown at this time. She stated that ARHA's goal is to request project-based vouchers for the proposed 60-unit building; this would ensure the affordability of these units for existing public housing residents.

Ms. Zellers also stated that the neighborhood is fine with the proposed density and asked if the rental units provided by Section 7-700 in the market rate buildings can house households earning up to 80% of Area Median Income (AMI) since the 60 ARHA units will serve households earning up to 60% of AMI. Staff noted that the Zoning Ordinance limits units provided through bonus density to 60% AMI. Helen McIlvaine observed that the private market offers adequate rental housing supply for households earning 80% of AMI, however, there is a supply gap for households with incomes at and below the 60% of AMI level. She offered to provide the Work Group with staff's analysis of housing affordability in the Braddock area. Mr. Moritz stated that persons earning up to 80% of AMI do not generally need assistance with securing rental housing.

ARHA and CRC assured meeting attendees that the proposed Adkins transaction as it is structured and in the current market, appears to be financially feasible and can provide enough funding to replace all 90 ARHA units (including some offsite) even without the use of Section 7-700 for additional density. Roy Priest explained the treatment of land sale proceeds by HUD, noting that all proceeds must be spent to redevelop existing public housing and, in the event there is surplus, it must be used to redevelop other public housing. Councilman Chapman requested assurance that all 90 units will be built (including those located off-site) before the application is approved. Mary Lyman noted that vacant land is scarce in the City and finding appropriate locations to acquire and/or build 30 units off-site may be more expensive than ARHA and CRC anticipate. ARHA stated that there is not enough time for build offsite replacement units, but it is being aggressive in reviewing suitable options to acquire existing units and have visited 3-4 for-sale properties.

All present agreed that City staff, ARHA staff and CRC should continue to work to resolve the issues of interpreting and applying bonus density (and related program and design issues) so the project can be ready for the 2019 LIHTC application cycle. Vice Mayor Wilson and Councilman Chapman both stated that the language and guidance of Section 7-700 is clear and must be applied as required. A next step is for City staff to work with CRC/ARHA to model scenarios that apply bonus density onsite, including mixes of housing at various levels of affordability to see options what might be feasible.

Resolution 830 Working Group

Ms. McIlvaine provided the following update:

- The schedule of the 4 public meetings has been determined but may change due to the timeline for ARHA's CEO selection process. The meetings are tentatively scheduled to begin at 8:30am but there may be an evening meeting scheduled, too, to maximize stakeholder participation in response to comments from the Work Group. Staff will share dates and times with the Work Group once the start date and schedule is finalized.
- Stakeholders representing Alexandria's affordable housing advocates will be formally invited to attend and participate in the 4 public meetings. Those stakeholders that represent organizations will be asked to send the same person to each meeting so that the information and discussions will inform final recommendations and the revised 830 resolution.
- A monthly progress report will be provided to the ARHA Redevelopment Work Group from the consultant, EJP.

Ramsey Homes Update

Roy Priest provided the following update:

- Relocation of Ramsey residents is no longer scheduled for September 2017 as HUD deferred its review of the disposition application pending completion of the Environmental Assessment which includes the Section 106. The target date for tenant relocation is now March 2018 which will compress the project schedule. ARHA will await the outcome of the HUD disposition process before relocating the residents and apply for Tenant Protection Vouchers. ARHA staff will submit a revised schedule for relocation, including tenant notices, to City staff and City's Landlord Tenant Board.
- The Section 106 Process is in the Public Comment Period, with 17 days remaining in the city phase of the process. After the city Public Comment Period ends, HUD has an additional 15-day public comment period. When these conclude, the Environmental Review is deemed completed and ARHA can re-submit the disposition application. HUD has 75 days after receipt of a complete Application to approve the disposition.

Other Updates/Status of Other RFP Sites

Mr. Priest provided the following other updates:

Ladrey Senior Highrise

No updates since the July 20, 2017 ARHA Redevelopment Work Group meeting.

Cameron Valley

No updates since the July 20, 2017 ARHA Redevelopment Work Group meeting.

Sequence of RFP/Redevelopment Sites

No updates since the July 20, 2017 ARHA Redevelopment Work Group meeting.

Other Business

None.

Next Meeting Date

The next meeting of the ARHA Redevelopment Work Group will be held on September 14, 2017. Future meeting topics will include models for mixed income communities and public housing redevelopment, including best practices, the HUD RAD program, Project-Based Vouchers and a review of opportunities for ARHA replacement housing in approved Small Area Plans.

The meeting was adjourned by Vice Mayor Wilson.