

**ALEXANDRIA HOUSING AFFORDABILITY ADVISORY COMMITTEE
MEETING**

DATE: August 29, 2022

TIME: 7:00-8:45 P.M.

LOCATION: City Hall, Room 2000, 301 King Street

Spanish interpretation will be provided

AGENDA

- | | |
|---|-----------|
| 1. Introductions, New Member Welcome, and Chair remarks (Chair) | 7:00 p.m. |
| 2. Consideration of Landmark Mall Affordable Housing Plans (Brandi Collins/Jay Kelly) <i>Action Requested: Information Item/Opportunity to Ask Questions and Provide Input</i> | 7:10 p.m. |
| 3. Housing Opportunities Fund Product Matrix & Workflow (Eric Keeler) <i>Action Requested: Information Item/Opportunity to Ask Questions and Provide Input</i> | 7:30 p.m. |
| 4. Draft Annual Report to Council (Kenneth Turscak) <i>Action Requested: Review and Vote to Submit Annual Report</i> | 7:45 p.m. |
| 5. Consideration of Draft June 2022 Minutes (Chair) <i>Action Requested: Vote on Draft Minutes</i> | 7:55 p.m. |
| 6. Report Outs (Committee Members) | 8:00 p.m. |
| 7. ARHA Updates (Salena Zellers) | 8:05 p.m. |
| 8. AHDC Updates (Jon Frederick) | 8:10 p.m. |
| 9. FY2023 Meeting Dates | 8:15 p.m. |
| 10. Information Items: Financial Report FY22 Housing Master Plan Progress Report | 8:20 p.m. |
| 11. Staff Updates (Staff) | 8:25 p.m. |
| 12. Announcements and Upcoming Housing Meetings (Staff) | 8:30 p.m. |
| <i>September 15, 2022; 5:30 p.m.</i> ARHA Redevelopment Work Group City Hall, Council Work Room, 301 King Street | |
| <i>September 20, 2022; 7:00 p.m.</i> Public Hearing on the FY 2022 CAPER <u>Virtual</u> | |
| 13. Other | 8:35 p.m. |
| 14. Adjournment (Chair) | 8:45 p.m. |

City of Alexandria, Virginia

MEMORANDUM

DATE: AUGUST 23, 2022

TO: THE ALEXANDRIA HOUSING AFFORDABILITY ADVISORY COMMITTEE

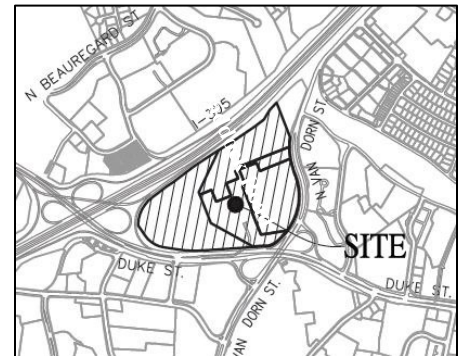
FROM: HELEN S. MCILVAINE, DIRECTOR

SUBJECT: LANDMARK MALL MULTIPLE DEVELOPMENT BLOCKS – DSUP 2022-10016 (BLOCK E & G), DSUP 2022 – 10015 (BLOCK I), DSUP 2022 – 10016 (BLOCK K)

ISSUE: Discussion of August 2022 Addendum to approved Affordable Housing Plan for Landmark Mall CDD 2020 – 00007 (May 3, 2021).

ACTION REQUESTED: That the Committee review the applicant’s proposed provision of rental CAUs in compliance with the approved May 3, 2021 Affordable Housing Plan.

BACKGROUND: In July 2021, the City Council approved the Landmark Mall Coordinated Development District (CDD). The 51.47-acre site is currently under construction and will be transformed from a vacant mall to an amenity-rich mixed-use destination neighborhood. The development includes an INOVA hospital complex (992,400 sf), residential units (2,172), office space (397,600 sf), retail establishments (298,000 sf), hotels (125,000 sf), and a fire station (52,000 sf), daycare facilities, public open spaces, and other uses.



Prior to City Council’s development approval, AHAAC approved an Affordable Housing Plan (AHP) in May 2021 for the CDD which estimated approximately \$13.8 million in voluntary developer affordable housing contributions. At the time, it was determined that the monetary contributions would be converted to 79 on-site rental committed affordable housing units (CAUs). The provision of the rental CAUs will be provided via two tracks – (1) 45 CAUs will be provided as rental multifamily blocks are developed and (2) the value of 29 CAUs will be used to construct a 200-unit multifamily building utilizing LIHTC on Block J, which will be co-located with a new fire station (relocated Station 208). Additionally, fifteen affordable homeownership units will be provided when homeownership units are constructed.

DISCUSSION: In August 2022, the developer, Foulger-Pratt submitted an addendum to the approved AHP for Phase 1 of their development project. Phase 1 includes four residential development blocks. The addendum to the AHP provides information on the number of units, unit size, affordability period, and income level served for each development block. Foulger-Pratt will provide 45 CAUs in Phase 1 and distribute the units proportionally across the four blocks and the unit sizes are provided proportionally within the blocks. A summary is below:

- Block E: 6 CAUs out of a total of 146 units
- Block G: 10 CAUs out of a total of 244 units
- Block K: 14 CAUs out of a total 339 units
- Block I: 15 CAUs out of a total 390 units

It is noted that the affordable homeownership units are anticipated to occur in a future development phase. Planning for the leveraged fire station-affordable housing project is also planned to occur in a future phase.

FISCAL IMPACT: None

ATTACHMENTS:

- (1) Affordable Housing Plan for Landmark Mall CDD 2020 - 00007, dated May 3, 2021
- (2) Addendum to Affordable Housing Plan Landmark Mall CDD 2020 - 00007 (May 3, 2021), submitted to Office of Housing on August 5, 2022

STAFF:

Eric Keeler, Deputy Director, Office of Housing
Brandi D. Collins, Housing Program Manager, Office of Housing

**Landmark Mall
Affordable Housing Plan
May 3, 2021**

1.1 Project Name and Address

Project Name: Landmark Mall

Address: 5701, 5701 B, 5801, 5815, and 5901 Duke Street (the “Properties”), with a total site area of 2,241,855 sq. ft.

Applications: CDD #2020-00007 and MPA#2020-00009 (the “Applications”).

1.2 Brief description of the application and proposed development program

Foulger-Pratt Development, LLC (the “Applicant”) is seeking approval of the Applications to permit redevelopment of the Properties, currently the site of the Landmark Mall shopping center, into a vibrant, mixed-use development with a complementary mix of uses, inclusive of commercial, non-profit medical campus, and up to 2,500 residential dwelling units.

Achieving the development proposed in the CDD Plan requires a rezoning of the Properties to a new CDD zone, and amendment of certain elements of Chapter 10 of the Landmark Van Dorn Small Area Plan. Individual blocks across the Properties will be developed pursuant to subsequent, individual DSUPs.

1.3 Requested zoning changes or waivers (if any)

Applicant proposes to rezone the Properties from the CR and CRMU-M zones to a new CDD zone, consistent with the application CDD #2020-00007.

1.4 A brief discussion on how the affordable housing goals and recommendations of its applicable small area plan are being addressed by the AHP.

Chapter 10 of the Landmark Van Dorn Small Area Plan contains several recommendations regarding affordable housing goals and related recommendations, which the Applicant has incorporated into its AHP, and the overall CDD Plan. Below are recommendations 10.6.1 through 10.6.5 and details on how these recommendations are being met by the Applicant.

10.6.1 In the future Coordinated Development District (CDD), establish a target percentage of new committed affordable and workforce units serving people earning between 30% and 80% of area median income (AMI), for the Landmark neighborhood. Housing may be rental or ownership, with affordable rentals targeting households with incomes up to 60% AMI.

The Applicant proposes, as discussed further below, committed affordable rental units (“CAUs”) at a 60% AMI for a minimum of forty years. Based on the maximum potential

residential development proposed for the Properties and converting the value of a monetary contribution to buy down affordable units, approximately 3% of the total residential development would be provided as CAUs.

While not required per the CDD Plan, the Applicant has also identified and discussed in detail with Housing staff the potential to partner on a Low-Income Housing Tax-Credit (“LIHTC”) project on Block J to increase the potential number of affordable rental units. Achieving the LIHTC project, which would require the availability of LIHTC funding and affordable housing subsidies in a to-be-determined amount from the City of Alexandria, could result in an overall combined CAU and LIHTC unit percentage of approximately 10%. That is the parties’ aspirational goal.

It is anticipated that a nonprofit housing development entity, Enduring Affordable Housing Corporation (“EAHC”), will partner with Foulger-Pratt to co-develop the LIHTC building and ensure it complies with all requirements of the Treasury program as administered by Virginia Housing. As a nonprofit, EAHC, is expected to comply with Section 42 of the IRS tax credit to maintain affordable housing requirements for projects it owns.

Finally, in the event any continuum of care facilities are constructed on the Properties, the Applicant is committed to meeting the City’s recently adopted guidelines of providing 2% of such residential units to be affordable at Auxiliary Grant level, or equivalent.

10.6.2 Pursuant to Section 7-700 of the Zoning Ordinance, allow the use of bonus density and/or bonus height to provide affordable housing within market-rate residential buildings.

The CDD Plan does not preclude or prohibit the use of Section 7-700 at the individual DSUP phases for each Block.

10.6.3 Co-locate affordable housing with community facilities where feasible.

Applicant shall co-locate CAUs where feasible. As discussed in more detail below, the Applicant’s proposal for Block J, pending availability of appropriate funding and LIHTC equity, and in coordination with City Capital Improvement Project (CIP) funds being available for construction of the proposed 52,000 sq. ft. fire station, would provide approximately 200 LIHTC units.

10.6.4 Build partnerships between property owners and affordable housing providers to incorporate affordable housing projects into larger mixed-use developments where feasible.

The Applicant intends to integrate, at a minimum, 74 CAUs into the larger mixed-use development proposed in the CDD Plan. Units will be identified in future DSUPs as they are submitted. Furthermore, as detailed in this AHP, the Applicant is pursuing the development of a LIHTC building to provide a significant number of affordable units on Block J, and the provision of up to 15 condominium units for sale in a condominium building to income-qualified purchasers

through a process to be developed and managed by the City, in consultation with the Applicant or the developer of the condominium project. See response to question 5 for additional details.

10.6.5 Provide voluntary contributions to the Housing Trust Fund consistent with the housing contribution policies in effect at the time future development proposals are submitted.

Applicant has proposed to provide 74 on-site rental CAUs across the Properties to meet or exceed the voluntary contribution consistent with the housing contribution policies in effect at the time of approval based on the anticipated overall development square footage described above. See response to question 10 for additional information.

2. The number, type (rental/for-sale), size (number of bedrooms), level of affordability (percent of area median income), location, and length and terms of affordability of existing CAUs being demolished as part of redevelopment.

Not applicable. No existing CAUs will be affected.

3. The status of tenant engagement efforts.

Not applicable. There are no existing residential tenants on the Properties.

4. The status of tenant relocation planning efforts and outreach to the Landlord-Tenant Relations Board.

Not applicable. No relocation efforts are required as part of the Applications.

5. The number, type (rental/for-sale), size (number of bedrooms), level of affordability (percent of area median income), location, and length and terms of affordability of proposed CAUs.

The Applicant's plans call for contributing 74 rental CAUs across the Properties, in lieu of dollars to the Housing Trust Fund (see response to question 10 below). Pending availability of City or other third-party funding, the value of up to 29 of the CAUs is proposed to be converted and integrated into a LIHTC development as part of development on Block J, which is proposed to comprise approximately 200 LIHTC units, with financial participation by the City. If Block J development proceeds with the LIHTC development, the remaining 45 rental CAUs would be located elsewhere on the Properties as part of future market-rate multifamily development.

The Applicant and the City will cooperatively determine the timing of the LIHTC applications to ensure that the timing is consistent with the timing of the City's capital funding for the new fire station on Block J. The Applicant and the City have committed to cooperate in sharing information on the availability and timing of City and non-City funding to best advantage a successful tax credit application and collaborate to identify and secure non-City funding as well to bridge any funding gap required to make the LIHTC project sources and uses balance. In the event the LIHTC development is unable to proceed, whether due to a lack of availability of competitive

tax credits over three subsequent competitive cycles, or because the City elects not to provide the necessary affordable housing subsidy required to enable a competitive 9% tax credit or non-competitive 4% tax credit application for more than 74 CAUs (with such number to be determined by the parties' mutual agreement), the Applicant would develop Block J as a market-rate project. The 74 CAUs, which are equivalent to the voluntary contribution as discussed above, would then be provided throughout the Properties. In addition, the 15 affordable/workforce sales units would also be provided as described below.

Particular details such as the unit breakdown of CAUs will be determined at the time of individual DSUPs, whether for Block J, or future Blocks containing some or all of the 74 required CAUs. As previously mentioned, regardless of which Block they are constructed on, all CAUs provided as part of the redevelopment of Landmark Mall shall be affordable at 60% AMI or less, for a period of no less than 40 years. The Applicant intends to provide LIHTC units at AMI levels as determined by the corresponding LIHTC agreements, and or as assessed to be competitive based on the priorities established in the Qualified Allocation Plan governing the LIHTC cycle. It is understood that the level of City support requested may be calculated or adjusted to take into account lower affordability levels than required to be competitive for 9% credits or the corresponding LIHTC agreement. All efforts will be made by the Applicant and the City to fully leverage non-City sources.

Finally, the Applicant proposes to offer for sale to income-qualified homebuyers up to 15 condominium units in the first condominium building to be delivered on the Properties. The price of these finished units will be set at 110% of the condominium developer's pro-rated actual cost including land acquisition and hard and soft costs for construction.

6. A description of existing and proposed affordable housing financing agreements with third parties (including the Department of Housing and Urban Development).

The Applicant proposes to develop up to 200 LIHTC units on Block J, pending the availability of low-income housing tax credits for the project. Certain additional affordable housing subsidies from the City of Alexandria will also be required to facilitate the mixed CAU and LIHTC unit development on Block J.

7. An equivalency analysis that compares the value and location of CAUs proposed to be provided off-site to that of CAUs constructed on-site.

No off-site CAUs are proposed as part of the redevelopment of the Properties.

8. A description of how proposed CAUs will be incorporated into the overall project to create a successful mixed-income community, including whether CAU residents will have access to amenities available to residents of market-rate rental units

As discussed above, the Applicant has proposed locating approximately 200 LIHTC units in a single development atop the proposed fire station on Block J. Elsewhere, while certain amenities will be specifically determined as part of individual DSUPs, the Applicant anticipates

that residents of CAUs co-located with market rate units in a residential development, would enjoy the same access to amenities as market rate residents.

9. Information on proposed phasing and implications such phasing would have on the delivery of proposed CAUs

As proposed in the CDD Plan, redevelopment of the Properties will occur across several future phases and timing of such phases are all subject to market conditions. The current phasing plan anticipates a majority of development planned within Phase 1 (1-5 years following site work and infrastructure improvements) and a Future Phase thereafter, again subject to market conditions. Delivery of proposed CAUs will be determined via the individual Block DSUPs, as applicable.

10. Information on contributions proposed to be made to the Housing Trust Fund

Per the Applicant’s ongoing discussions with Housing Staff, the Applicant intends to deliver CAUs in lieu of a direct contribution to the City’s Housing Trust Fund. Overall, the Applicant estimates that the proposed redevelopment of the Properties, inclusive of all development proposed under the CDD Plan, would be subject to a voluntary contribution of approximately \$13.8 million under the 2020 rates. This equates to approximately 74 CAUs. The contribution amount may be increased if Applicant seeks additional development square footage in the future, and/or the amount will be governed by affordable housing policies related to the bonus density tool used (e.g., 7-700; RMF zone, etc.).

In addition to the contribution of 74 CAUs, the Applicant has identified an opportunity to employ LIHTC along with City affordable housing subsidies to convert 29 CAUs into a development of 200 LIHTC units on Block J. If funding is achieved, a projected 245 total combined CAUs and LIHTC units could be developed across the Properties.

As discussed above, should funding be unavailable for the LIHTC project, whether due to a lack of availability for competitive tax credits, or because the City elects not to provide the necessary affordable housing subsidy, the Applicant would develop Block J as a market-rate project. The 74 CAUs, which are equivalent to the voluntary contribution as discussed above, would then be provided throughout the Properties.

11. An estimate of the types and number of jobs to be created by mixed-use projects (for informational purposes only)

The Applicant does not have these details available at this time. Estimates on types and numbers of jobs to be created may be provided, where available, as part of individual DSUPs for specific development of Blocks across the Properties.

12. Other information the applicant deems relevant to the AHP

No additional information to share at this time.

Addendum #1: Blocks E, G, I, and K

Submitted to City of Alexandria, Office of Housing on August 5, 2022

Please see below a breakdown of the number, type, affordability, and duration of the CAUs being provided with the residential developments on Block E, Block G, Block I, and Block K within CDD 2020-00007. As can be seen in the below chart the 45 CAU units required by CDD Condition 26.b are being accelerated and all 45 CAUs will be delivered in the first phase of the development. The 45 CAU units have been allocated proportionately across the four residential buildings and distributed proportionately by unit type within each residential building. In accordance with the approved affordable housing plan, dated May 3rd 2021, all of the CAUs are proposed to be 60% AMI for a period of 40 years.

| Total Residential Units Per Building | | | | | | | | | |
|--------------------------------------|------------|-------------|------------|-------------|------------|-------------|------------|-------------|-------------|
| | Block E | | Block G | | Block K | | Block Eye | | Total |
| | Unit Count | Percentage | Unit Count | Percentage | Unit Count | Percentage | Unit Count | Percentage | |
| Studio | 1 | 1% | 37 | 15% | 5 | 1% | 58 | 15% | 101 |
| 1-BD | 78 | 53% | 166 | 68% | 250 | 74% | 239 | 61% | 733 |
| 2-BD | 52 | 36% | 41 | 17% | 77 | 23% | 81 | 21% | 251 |
| 3-BD | 15 | 10% | | 0% | 7 | 2% | 12 | 3% | 34 |
| Total | 146 | 100% | 244 | 100% | 339 | 100% | 390 | 100% | 1119 |

| CAUs by Type Per Building | | | | | | | | | |
|---------------------------|------------|-------------|------------|-------------|------------|-------------|------------|-------------|-----------|
| | Block E | | Block G | | Block K | | Block Eye | | Total |
| | Unit Count | Percentage | Unit Count | Percentage | Unit Count | Percentage | Unit Count | Percentage | |
| Studio | 0 | 0% | 2 | 20% | 1 | 7% | 2 | 13% | 5 |
| 1-BD | 3 | 50% | 6 | 60% | 10 | 71% | 8 | 53% | 27 |
| 2-BD | 2 | 33% | 2 | 20% | 2 | 14% | 4 | 27% | 10 |
| 3-BD | 1 | 17% | 0 | 0% | 1 | 7% | 1 | 7% | 3 |
| Total | 6 | 100% | 10 | 100% | 14 | 100% | 15 | 100% | 45 |

(1) All Units are proposed at 60% AMI

(2) All Units are proposed committed affordable for 40 years

AHAAC

August 29, 2022

Housing Opportunities Fund Product Matrix & Workflow

Office of Housing

Eric Keeler, Deputy Director



Purpose

- To examine how the Committee can support staff's financial analysis and underwriting processes
- Set criteria for how deals can be evaluated at various milestones
- Provide a format structure for decision making process

Product Matrix

| Transaction Type | Max Loan Amount | Repayment Terms | Financing | Funding Schedule | AHAAC Sub Com Check-in |
|--|----------------------------|--|---|--|---|
| Predevelopment (Unsecured) | \$5,000 per unit | Rolled into permanent financing or forgiven | Unsecured financing (\$5K per unit) used solely for the purpose of long-term affordability. | Draws as spending occurs. | Changes in Loan Amount that exceed xx% |
| Development / New Construction (Multifamily) | Dependent on AMI structure | Residual receipts. Projected repayment to start in Years 5 through 15. | Gap Financing and/or Right of First Refusal | OK to issue one check with proper backup. If not covered by HUD-1, then remainder should be draws with supporting documentation. | Changes by xx% in construction costs |
| Purchase / Acquisition (Multifamily) | Dependent on AMI structure | Residual receipts. Projected repayment to start in Years 5 through 15. | Gap Financing and/or Right of First Refusal | OK to issue one check with Sales Contract or HUD 1 as backup | Changes in cost per unit that exceed \$xx |
| Rehabilitation (Multifamily) | Dependent on AMI structure | Residual receipts. Projected repayment to start in Years 5 through 15. | Gap Financing and/or Right of First Refusal | Draws with supporting documentation | Changes by xx% in construction costs |

Workflow and Milestones



1. Pre-Application Consultations

Discuss application process and proposed project (financial, technical, environmental compliance & legal)



2. Formal Application Submission

Determine technical eligibility & financial viability
Issue Preliminary Pre-Approval (AHAAC INTERNAL)



3. Due Diligence & Term Sheet

Perform financial, credit, legal, environmental, market due diligence.



4. Credit Approval Process

Underwrite transaction & negotiate term sheet
Issue Conditional Commitment Letter (AHAAC INTERNAL)



5. Loan Closing

Loan document negotiation
Disbursement of funds



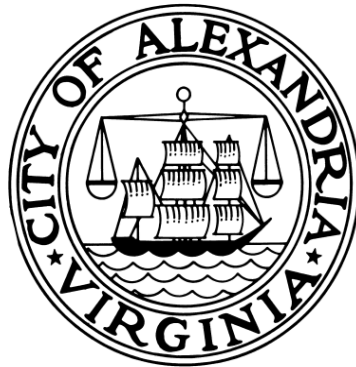
6. Project Monitoring

Project is monitored and evaluated until loan has been paid in full

| | |
|--|--------|
| Letter requesting consideration for funding submitted on applicant's letterhead | 1 or 2 |
| Project narrative (please include data on current tenant demographics, if known, foreexisting residential projects) | 2 |
| Location map, including directions to the site | 2 |
| Photographs of the project, unit interiors (if existing), and surrounding area | 2 |
| Site plan, and design sketches or building elevations | 2 |
| Floor plans, with unit sizes (architectural drawings or a unit-by-unit scope of work) | 3 |
| Resident relocation plan | 3 |
| Summary of public engagement program, including any letters of support (oropposition) from neighboring civic/homeowners associations | 2 |
| Market study or other evidence of market support for project | 2 |
| Describe any renovation or rehabilitation work undertaken on the property in the past 5 years including the scope and cost of the work and the contractor | 1 |
| Project development budget (Sources and Uses) | 3 |
| Project operating budget | 3 |
| Pro-forma (should be multiyear to Year 40, following placement of permanentfinancing) with repayment of City loan highlighted | 3 |
| Documentation regarding all other costs as specified in the Sources and Uses | 3 |
| Project development schedule (with critical financing and construction milestonesincluded) | 3 |
| Construction cost estimate and/or construction contract with preliminary bids for work;list of subcontractors and vendors (City may require two GC bids) | 3 |
| Evidence of financing commitments (construction and permanent, as applicable) | 3 |
| VH Development Authority Application for Reservation of Low-IncomeHousing Tax Credits (for most recent application cycle) | 3 |
| Partnership agreement | |
| Site control documentation (e.g., contract for sale, purchase agreement or option,long-term lease) | 2 |
| Physical needs assessment (PNA) and Phase I environmental report; other engineering(structural, civil, mechanical, archeological, environmental) studies, as warranted by PNA and Phase I, or as requested | 3 |
| Real estate appraisal | 4 |
| Copies of all loan agreements, notes, deeds of trust, covenants regarding the propertyfor which you are seeking City assistance | 1 or 2 |
| Title report for the property (will need to be updated within 30 days of the date theloan agreement is anticipated to be executed by the City and the applicant) | 3 |
| Applicant's organizational documents, including the following (if the applicant is a wholly owned subsidiary or special purpose entity, the following should be provided forboth the applicant and the parent organization): 1) IRS determination letter granting organization 501(c)(3) non-profit status, 2) Employer Identification Number or Tax Identification Number, 3) Articles of Incorporation and bylaws, 4) State Corporation Commission Certificate of Good Standing, 5) CHDO certification, 6) Applicant's audited financial statements for the past three years, includingmanagement letters, 7) Current balance sheet/statement of financial position, 8) Applicant's last three years' federal tax returns/990s | 2 |
| Organizational chart for applicant entity if it is part of an LP or LLC with other members | 1 |
| Resumes of board members and key development staff who will be involved in theproject | 1 |
| List of any local or state government agencies which have provided loans to the applicant, including a contact person for each (for new applicants or applicants whohave not conducted business with the City during the past 5 years) | 1 |
| List of five business references with contact information (for new applicants or applicants who have not conducted business with the City during the past 5 years) | 2 |
| Table listing any pending litigation in which the applicant, its employees and/or its Board of Directors is a party, including the caption, the court in which the matter is filed, the nature of the claims and the current status, including anticipated outcome | 1 |
| List of any debarment or adverse actions taken, or pending, against the applicant or any other related entity by a local, state or federal government/agency | 1 |
| Board of Directors' resolution authorizing submission of the HOF loan application, including an acknowledgement that the application and supporting materials will bereviewed by the Board President and Treasurer prior to submission | 1 |
| Name and title of person authorized to sign the City loan agreement on behalf of theapplicant | 5 |
| Proof of insurance, in amounts required by the City, naming the City as an additionalinsured (to be provided at closing, or before) | 5 |
| Executed Disclosure and Certification statement | 2 |

Documents Required for HOF Application

**The Alexandria Housing Affordability
Advisory Committee
FY22 Annual Report**



August 2022

**The Alexandria Housing Affordability Advisory Committee (AHAAC)
FY22 Annual Report, July 2021-June 2022**

The Alexandria Housing Affordability Advisory Committee (AHAAC) comprises members appointed by the Alexandria City Council and is staffed by the Office of Housing. A list of the committee positions and members serving during Fiscal Year 2022 is included at the end of this report. The purpose of the committee is to advise City Council on issues regarding the preservation and creation of affordable housing, to make recommendations on policies governing expenditures of the City's Housing Trust Fund (HTF) and Housing Opportunities Fund monies, to review affordable housing plans, to monitor implementation of the Housing Master Plan and the Beauregard Small Area Plan, and to oversee the administration of the HTF. AHAAC held nine official meetings and one informational session during the annual reporting period.

Six new members were appointed to the Committee during FY22, and six members were reappointed for another term. In August 2022, the Committee had four vacancies.

FY22 Accomplishments Overview

- Recommended approval of an affordable housing plan for 805 North Columbus/Columbus Flats, a 78-unit for-sale condominium building which is planned to yield eight affordable homeownership units.
- Recommended approval of an affordable housing plan for Mark Center CDD #4 Amendment.
- Recommended approval of an affordable housing plan and an equity investment request for AHDC Seminary Road which is planned to yield 36 affordable homeownership units, as well as three new and replacement supportive housing units for up to 12 residents of Sheltered Homes of Alexandria.
- Recommended approval of an affordable housing plan and permanent loan request of \$10.5 million for Phase I A of AHDC's mixed-use/mixed-tenure 474-unit affordable Arlandria project.
- Recommended approval of an affordable housing plan for Tide Lock, a mixed-use redevelopment project in Old Town North which is planned to yield 15 on-site affordable units, including 11 rental and 4 for-sale units.
- Recommended approval of a \$300,000 Housing Opportunity Fund loan request for ARHA in support of its major upcoming repositioning and redevelopment projects.
- Recommended approval of an affordable housing plan for Landmark Overlook, a mixed-use project which is planned to yield a HTF contribution and six on-site affordable units.
- Recommended approval of an affordable housing plan for Wesley Housing's ParcView II, which is planned to provide 373 affordable units through renovation of the existing high-rise (ParcView I) and construction of additional affordable units on the existing ParcView site.
- Recommended approval of an affordable housing plan for 901 North Pitt Street which is planned to yield 16 on-site affordable rental units and a contribution to the HTF.
- Recommended approval of a \$700,000 loan for an elevator modernization project at Wesley Housing's ParcView Apartments.
- Recommended approval of an affordable housing plan for Eisenhower East Block 23, a residential project that is planned to yield 44 on-site affordable rental units across two development phases and a HTF contribution.

- Recommended approval, with conditions, of an affordable housing plan for Hilco’s Potomac River Generating Station CDD, a proposed mixed-use redevelopment project which is planned to yield 58-65 on-site affordable units, a HTF contribution, and potential additional affordable housing units through a leveraged project developed through a public-private partnership.
- Received updates on ARHA’s proposed Samuel Madden redevelopment, which is planned to yield a mix of affordable and market-rate rental units.
- Recommended approval of a predevelopment loan for Community Lodgings’ Elbert Avenue project which plans to redevelop an existing 28-unit, affordable building into a 91-unit affordable project.
- Recommended approval of a predevelopment loan for Community Housing Partners’ proposed 2712 Duke Street (Witter Place) project, a 94-unit affordable rental project.

It is noted that AHAAC met virtually during the first three quarters of FY22 due to limitations on public meetings related to the pandemic health emergency. Hybrid meetings, with in-person and virtual participation options, began in April 2022 and continued through June 2022.

During the past year, AHAAC considered the following funding requests, affordable housing plans, and issues:

A. Housing Funding Requests: During the reporting period, AHAAC voted on six funding requests described below.

- 1. AHDC Seminary Road Funding Request:** In November, AHAAC considered an investment request of up to \$5 million for AHDC to develop 36 affordable for-sale homeownership units and three condominium units to be owned and operated by Sheltered Homes of Alexandria (SHA) for individuals with developmental and/or intellectual disabilities. The request sought a loan or equity investment (grant) of up to \$3.9 million (including \$250,000 of previously approved development funds) for the development of 36 affordable for-sale housing units; an additional equity investment through the transfer of City land valued at \$780,570 at no/low cost to AHDC for the project land assemblage; and an affordable housing grant or loan of up to \$1.1 million for the development of the SHA units. **AHAAC voted unanimously to approve the funding request. It is noted that when this request went to City Council in December, the funding requests were consolidated into a “grant” of up to \$5 million.**
- 2. AHDC Arlandria Project Affordable Housing Loan and Rental Subsidy Grant:** In November, AHAAC considered a \$10.5 million affordable housing loan and a \$240,000 rental subsidy grant request for AHDC’s Arlandria project. The \$10.5 million loan will fund Phase I A of the proposed project, which will construct 76 units affordable to households with incomes between 40% and 80% AMI. The loan is part of a larger funding package totaling approximately \$43 million that includes leveraged sources such as first trust mortgage financing and tax credit equity, as well as other soft debt and grants. The \$240,000 grant furthers the City’s pilot rental assistance program to help eight households in this project benefit from deeper levels of affordability. **AHAAC voted unanimously to approve the loan and subsidy grant requests.**

- 3. Repositioning, Redevelopment and Modernization Housing Opportunity Fund Request (ARHA):** In December, AHAAC considered a \$300,000 City Housing Opportunities Fund (HOF) loan request from the Alexandria Redevelopment and Housing Authority (ARHA) to support predevelopment costs related to the modernization, redevelopment, and repositioning of its assets at properties including Saxony Square Condominiums, Park Place Condominiums, Braddock-Whiting-Reynolds, Chatham Square, Ladrey Senior Highrise, and Samuel Madden Homes. This is the first of what are anticipated to be multiple requests as ARHA implements its repositioning and redevelopment strategy. The funding source is proposed to be the HTF reservation of funds for ARHA from Braddock area development. With one abstention, **AHAAC voted unanimously to approve the funding request.**
- 4. ParcView Elevator Modernization Loan (Wesley Housing):** In March, AHAAC considered a \$700,000 loan for Wesley Housing's ParcView elevator rehabilitation project. Built in 1973, ParcView is a 14-story building which Wesley Housing acquired and subsequently rehabilitated in 2006 for preservation as affordable housing to households with incomes up to 60% of the area median income (AMI). As Wesley's 2006 rehabilitation did not include elevator modifications, the aging elevators' state of repair results in frequent service interruptions, which is especially concerning due to the age of many of the residents. The \$700,000 loan, derived from Community Development Block Grant funds, will cover elevator repair work. The rehabilitation project will support Wesley's larger ParcView II redevelopment project (see Wesley ParcView II Affordable Housing Plan below). **AHAAC voted unanimously to approve the loan request, with one member abstaining.**
- 5. Elbert Avenue Project Predevelopment Loan (Community Lodgings):** In June, AHAAC considered a \$400,000 predevelopment loan request for Community Lodgings' (CLI) Elbert Avenue Apartments redevelopment project. Through a proposed rezoning to the RMF Zone, CLI proposes to redevelop its existing 28-unit property at 3908-3916 Elbert Avenue into a 91-unit building with units ranging in affordability from 30%-40% up to 60% AMI. CLI plans to utilize predevelopment loan funds to pay for architectural and engineering design, along with development consulting services and legal fees associated with the project's rezoning application. CLI received a \$50,000 loan administratively in 2020 to assess project feasibility. **AHAAC voted unanimously to approve the predevelopment loan request.**
- 6. 2712 Duke Street Project Predevelopment Loan (Community Housing Partners):** In June, AHAAC considered a \$400,000 predevelopment loan request for Community Housing Partners' (CHP) proposed Witter Place project, located at 2712 Duke Street. CHP proposes redeveloping this site, formerly utilized as a Land Rover dealership, into a 94-unit building with units ranging in affordability from 40% to 60% AMI. CHP plans to utilize predevelopment funds to pay third party costs of planning, design, engineering, and zoning counsel. **AHAAC voted unanimously to approve the predevelopment loan request.**

B. Affordable Housing Plans: During the reporting period, AHAAC voted on ten affordable housing plans that were included as part of the development process.

- 1. 805 North Columbus/Columbus Flats Development Special Use Permit:** This site is located at 805 North Columbus Street. The applicant proposes to construct a 78-unit for-sale condominium building on 0.57 acres, including eight affordable homeownership units, a below grade parking structure, and associated infrastructure. The set-aside units will be affordable to households with incomes up to 100% AMI. In addition, the applicant will contribute \$57,246 to the HTF. This is the first-time costs associated with parking have been unbundled from for-sale affordable units. **At its September meeting, AHAAC voted to approve the Affordable Housing Plan with one member opposing.**
- 2. Mark Center Coordinated Development District (CDD) #4 Amendment:** The CDD Amendment comprised sites located at 5000 Seminary Road (Hilton site) and 4880 Mark Center Drive (IDA site). The applicant proposes to amend CDD #4 to allow up to 497,072 square feet of residential multifamily, commercial development, and/or senior living on the Hilton site and up to 450,887 square feet of residential multifamily, commercial development, and/or senior living on the IDA site. The request for densities in excess of densities recommended in the Small Area Plan triggers the application of the 2020 Housing Contribution Policy. Per the Policy, the applicant will comply with the housing contribution rate in effect at the time of future DSUP submission(s). **At its September meeting, AHAAC voted to approve the Affordable Housing Plan unanimously.**
- 3. AHDC Seminary Road Project Development Special Use Permit:** Located on a 2.6-acre site at 4547 Seminary Road, AHDC proposes an affordable housing project featuring 31 condominium townhome units and eight condominium flats. The condominium flats building will include five ownership flats and three Sheltered Homes of Alexandria (SHA) units. All townhomes and condominium units are targeted to be affordable for sale to households with incomes at or below 80% AMI. The SHA units will house up to 12 residents in modern, accessible units and will replace an existing six-resident SHA group home on the site. Additional site improvements will include 62 garage parking spaces and 19 surface spaces, a bus stop, 54,000 square feet of open space, an 1,100 square foot community room and terrace, and improvements to the public right of way. **At its November meeting, AHAAC voted to approve the Affordable Housing Plan unanimously.**
- 4. Arlandria Project Development Special Use Permit:** AHDC's Arlandria project is proposed for a 3.2-acre site near the intersection of Mount Vernon Avenue and Glebe Road, centrally located within the Arlandria-Chirilagua neighborhood. The assemblage includes a City parking lot which is being donated for the project. AHDC proposed 417 affordable rental housing units, 58 affordable homeownership units, and approximately 38,000 square feet of commercial space. All units are planned to be affordable for households with incomes up to 80% AMI, with 25% of rental units proposed to be deeply affordable, i.e., for households with incomes at or below 40% AMI. Commercial space at the site is proposed to include flex space for City neighborhood services as well as potential medical and dental services, neighborhood-serving retail, affordable childcare, and other community-focused nonprofit organizations and programs. **At its November meeting, AHAAC voted to approve the Affordable Housing Plan unanimously.**

Following AHAAC's approval, City Council approved an amendment to the DSUP in July 2022; the amended DSUP includes site and architectural changes that result in one fewer rental unit (474 total) than the previous iteration.

- 5. Tide Lock Development Special Use Permit:** This site is located at 1033 N. Fairfax Street in Old Town North. The applicant proposed converting existing office buildings into a mixed-use project including 169 rental units, 65 for-sale units, an approximately 6,600 square foot arts anchor, and approximately 6,500 square feet of retail space. As part of its redevelopment proposal, the applicant proposed a rezoning to the CRMU-X zone, a Special Use Permit (SUP) for bonus density in exchange for affordable housing pursuant to Section 7-700, and a SUP for bonus density in exchange for an arts anchor pursuant to Section 6-900. This was the first project in the city to pair the two bonus density tools. The proposed project's use of Section 7-700 will yield 15 on-site affordable units, 11 of which will be rental and 4 of which will be for sale; rental set-aside units will be affordable up to 60% AMI while for-sale set asides will be affordable to households with incomes up to 100% AMI. In addition, the applicant will contribute \$217,119 to the HTF. **At its December meeting, AHAAC voted to approve the Affordable Housing Plan unanimously.**
- 6. Landmark Overlook Development Special Use Permit:** This mixed-use project located at 5999 Stevenson Avenue, an 8.2-acre site, proposes a phased development with 88 two-over-two stacked condominiums, two multifamily buildings with 188 units and 174 units, and 6,913 square feet of retail space. For the first phase of the development, the 88 two-over-two stacked condominiums, the applicant will contribute \$727,967 to the HTF. The applicant will provide six onsite units affordable at 60% AMI in the two multifamily buildings in lieu of an approximately \$1.1 million voluntary affordable housing contribution. **At its January meeting, AHAAC voted to approve the Affordable Housing Plan unanimously. Following AHAAC's approval, City Council approved an amended DSUP in February 2022 which increased the total number of set-aside units to 15 in lieu of the phase 1 HTF contribution.**
- 7. ParcView II Development Special Use Permit:** The project is located at 5380 Holmes Run Parkway on approximately three acres and involves the substantial renovation and expansion of ParcView Apartments. ParcView Apartments is currently a 149-unit rental community with 120 committed affordable units affordable to households with incomes at 60% AMI; the property also features an additional 29 non-income restricted units. Through a land banking strategy that takes advantage of the Residential Multifamily (RMF) zone, the "ParcView II" project proposes to renovate the existing 14-story building, retaining 146 of the existing 149 one- and two-bedroom units, and to construct two nine-story buildings on the site of its existing surface parking lot and pool. The project is planned to result in up to 224 new units for a total of 373 committed affordable rental units. Units are proposed to offer a range of affordability between 30% and 80% AMI, with 19% of units proposed to be deeply affordable at 30% to 40% AMI. **At its January meeting, AHAAC voted to approve the Affordable Housing Plan unanimously with one member abstaining.**

8. **901 N. Pitt Street Development Special Use Permit:** Located in Old Town North, this project proposes replacing an existing office building with an eight-story mixed-use building featuring 250 multifamily units, ground-floor retail and restaurant space, and an arts and cultural anchor. The applicant proposes utilizing both Sections 7-700 and 6-900 to secure 30-percent bonus density in exchange for on-site affordable housing and arts and cultural uses, respectively. The proposed project's use of Section 7-700 will yield 16 rental units affordable at 60% AMI. **At its February meeting, AHAAC voted to approve the Affordable Housing Plan unanimously.**
9. **Eisenhower East Block 23 Development Special Use Permit:** Located at 2121 and 2111 Eisenhower Avenue, this project proposes two residential towers totaling 802 residential units. Consistent with the 2019 Eisenhower East Small Area Plan Update, the applicant will provide ten percent of the increase in residential density above the "Base Development" as committed affordable housing, equivalent to 44 rental units affordable at 60% AMI. **At its April meeting, AHAAC approved the Affordable Housing Plan with eight votes in favor and one vote opposed.**
10. **Hilco Potomac River Generating Station Project Concept Development Plan:** This site is located at 1300 North Royal Street in Old Town North and proposes redeveloping the former Potomac River Generating Station, a coal-fired power station that was decommissioned in 2012. Through its proposed Coordinated Development District (CDD) Conceptual Design Plan, the applicant, Hilco Redevelopment Partners (Hilco or HRP), plans to deliver a mixed-use development including office, retail, arts and cultural uses, and up to 2,000 residential units across six blocks. The CDD permits 2.15 million square feet of density across the site plus an additional 350,000 square feet of density provided for required affordable housing and arts uses.

The project's additional density comprises 75,000 square feet of arts and cultural density (required to yield a minimum of 30,000 square feet of arts and cultural uses on the site, including a minimum of 15,000 square feet reserved for an arts anchor space), and 175,000 square feet of affordable housing density (required to yield 58,333 square feet of affordable housing, or approximately 58-65 affordable units). The remaining 100,000 square feet of additional density is intended to be utilized for a Public-Private Partnership (PPP) for an on-site affordable housing project. If the PPP project fails to obtain necessary funding after no fewer than three Low Income Housing Tax Credit funding cycles, the applicant may utilize the remaining additional density by providing one-third of the 100,000 square feet as on-site affordable set-aside units.

This Affordable Housing Plan prompted discussion among AHAAC members about potential competing interests between the arts and cultural bonus density and affordable housing bonus density. In addition, AHAAC members expressed concern regarding the applicant's proposed affordable housing provisions if the PPP does not secure funding within three LIHTC cycles. **At its June meeting, AHAAC members conducted two votes on this Affordable Housing Plan. The first vote, to approve the Affordable Housing Plan's provisions excluding the PPP contingency plan, was approved with three members opposing. The second vote, to commit one-third of 100,000 square**

feet of dedicated PPP space to affordable housing if the PPP fails, carried unanimously with one abstention.

▪ **Housing Trust Fund Overview: FY22**

\$8,586,021 million was pledged of which \$5,004,718 is new and \$3,581,303 is associated with a prior development approval for Carlyle Plaza that was amended in FY22; and \$6,589,493 million was received.

▪ **Housing Master Plan:**

As stewards of the Housing Master Plan, the Committee helped monitor implementation through:

- Reviewing and providing guidance on a quarterly basis on the implementation of the Housing Master Plan.
- Receiving updates on progress made toward meeting Alexandria's allocation of the Regional Housing Initiative target (an additional 2,250 affordable and workforce units by 2030).
- Receiving updates on the Zoning for Housing Initiative and project timelines and providing input towards the Co-living Initiative. The City adopted a co-living policy in February 2022.
- Receiving monthly progress reports from ARHA and AHDC representatives.

▪ **Small Area Plans and Planning Initiatives:**

- Monitored meetings of the ARHA Redevelopment Work Group and the Hilco PRGS redevelopment.
- Appointed an AHAAC representative to the Eisenhower West/Landmark Van Dorn Implementation Advisory Group.
- Received updates on proposed text amendments to the bonus height provision of section 7-703B and the proposed codification of the 2020/2021 Housing Contribution Policy.

F. Other

- Received updates and provided feedback on the City's Fiscal Year 2023 Office of Housing budget. In addition, members voted to provide a letter to City Council outlining AHAAC's comments on both the FY 2023 budget and future budgetary concerns surrounding the affordable housing pipeline.
- Received updates and provided consultation on the Office of Housing's HOME-American Rescue Plan (ARP) funding priorities.
- Received updates on the Energy Masters program and its activities in the city.
- Received updates and provided feedback on the application of arts and cultural bonus density in the city.
- Received a briefing and provided feedback on the Office of Housing's Fiscal Year 2023 Annual Action Plan, a one-year plan outlining how the Office of Housing will allocate certain HUD funds.
- Received a briefing from Urban Institute on the impact of affordable housing on property values in the city.

Committee Composition (voting members): 19

- 1 Builder or developer of residential property
- 1 Real estate professional with knowledge and experience in residential real estate
- 1 Landlord of residential property in the City
- 1 Residential tenant in the City
- 1 Homeowner in the City
- 1 Commissioner from the ARHA Board
- 1 Representative of the City's faith community
- 1 Representative of a civic association in the City
- 1 Representative who is employed by or affiliated with an organization that promotes and maintains affordable housing
- 2 Financial professional with knowledge and experience in the field of finance
- 1 Representative of an employer in the city who employs at least 100 employees
- 1 Licensed and practicing attorney
- 1 Person designated by, but who need not be a member of the Commission on Aging
- 1 Person who is either an employee of the City or the Alexandria City Public Schools
- 1 Person who represents housing consumers under 30 years of age
- 2 Representatives of the City's small business community, including the retail, restaurant, or hospitality sectors
- 1 Person designated by, but need not be a member of, the Commission on Persons with Disabilities

Voting Members between July 2021 and June 2022:

| | |
|--|--|
| Michelle Krockner, Chair | Frank Fannon (<i>membership ended December 2021</i>) |
| Robyn Konkel | Annette Bridges |
| Katharine Dixon (<i>membership ended June 2022</i>) | Shelley Murphy |
| Michael Butler (<i>membership ended June 2022</i>) | Paul Zurawski (<i>membership ended June 2022</i>) |
| William Harris (<i>membership ended November 2021</i>) | Betsy Faga |
| Peter-Anthony Pappas | Felicia Brewster |
| Jon Frederick | Merle Cuthrell (<i>membership ended November 2021</i>) |
| Michael Doyle | Salena Zellers |
| William Alexander (<i>membership ended October 2021</i>) | Michael Jackson (<i>appointed September 2021</i>) |
| Zachary DesJardins (<i>membership ended March 2022</i>) | Jan Macidull (<i>appointed January 2022</i>) |
| | Alison O'Connell (<i>appointed March 2022</i>) |

ALEXANDRIA HOUSING AFFORDABILITY ADVISORY COMMITTEE DRAFT MINUTES

Hybrid | June 2, 2022

| | Members Present | Members Absent | Staff |
|----|--|------------------------------|---|
| 1 | Felicia Brewster | | Eric Keeler, Deputy Director |
| 2 | Annette Bridges | | Tamara Jovovic, Housing Program Manager |
| 3 | Michael Butler | | Brandi Collins, Housing Program Manager |
| 4 | Katharine Dixon | | Kenny Turscak, Housing Analyst |
| 5 | Mike Doyle | | Sam Gates, Management Analyst |
| 6 | Betsy Faga (m) | | Kim Cadena, Housing Analyst |
| 7 | Salena Zellers | | |
| 8 | Michael Jackson II | | |
| 9 | Robyn Konkell | | |
| 10 | Michelle Krocker | | |
| 11 | Helen McIlvaine*, Housing | | |
| 12 | | Shelley Murphy | |
| 13 | Peter-Anthony Pappas | | |
| 14 | Paul Zurawski | | |
| 15 | Alison C. Coleman* DCHS staff representative | | |
| 16 | Jan Macidull | | |
| 17 | | Jon Frederick | |
| 19 | Alison O'Connell | | |
| | Guests | Affiliation | |
| 1 | Mary Catherine Gibbs | Wire Gill LLP | |
| 2 | Melissa Schrock | Hilco Redevelopment Partners | |

| | | |
|----|-----------------|--|
| 3 | Michelle Chang | Hilco Redevelopment Partners |
| 4 | David Cortellia | ARHA |
| 5 | Max Gilman | Fairstead |
| 6 | Noah Hale | Fairstead |
| 7 | Robert Barnard | Fairstead |
| 8 | Paul Browne | Joseph Browne Development Associates LLC |
| 9 | David Schultz | Community Housing Partners |
| 10 | Lynn Thomas | CLI |
| 11 | Bert Bayou | UNITE HERE |
| 12 | Sami Bourma | UNITE HERE |
| 13 | Patricia Haney | UNITE HERE |
| 14 | Ismail Ahmed | UNITE HERE |
| 15 | Wafae Said | UNITE HERE |

*non-voting

Chair Michelle Krocker called the meeting to order at 7:05 PM. Michael Jackson took minutes.

1. Introductions and Chair remarks (Chair)

2. Consideration of Affordable Housing Plan for the Potomac River Generating Station Coordinated Development District (Tamara Jovovic/Mary Catherine Gibbs)

Action Requested: Review and Vote on Affordable Housing Plan

Tamara Jovovic provided a synopsis of AHAAC's May Potomac River Generating Station (PRGS) project briefing before introducing Mary Catherine Gibbs, Melissa Schrock, and Michelle Chang, representing Hilco Redevelopment Partners.

Ms. Gibbs, Ms. Schrock, and Ms. Chang provided an overview of the PRGS project including its proposed bonus density use, affordable housing plan, land use approach, and development review process. A copy of their presentation is available at https://www.alexandriava.gov/sites/default/files/2022-06/AHAAC_PRGSPresentation_06.02.22.pdf

Several committee members expressed confusion regarding what would happen to the 100,000 SF dedicated to the P3 (an important component of the applicant's affordable housing plan) if the partnership did not come to fruition. Hilco indicated that it was committing to work with the City to secure Low-Income Housing Tax Credit (LIHTC) funding through three LIHTC cycles, and that if it does not secure funding that the density could be used for affordable housing or arts uses. Members expressed concern that Hilco was not committing to utilize the 100,000 SF as additional density for affordable housing if the partnership was unsuccessful. Members asked if any other project in the city has failed

three funding cycles, and Eric Keeler responded that all city projects have received funding.

Hilco stated that they have not yet determined if units will be rental or for-sale. Ms. Gibbs also explained the affordable housing contribution, which will be based on the project's uses; a condition allows the developer to expedite this payment at the applicant's discretion.

Members asked about the cost of building and maintaining arts space relative to that of affordable housing. Ms. Gibbs shared that the arts space would cost less to build but will not generate rent during its affordability period, while affordable housing will cost more to build but will generate rent or for-sale revenue.

Another member asked if affordable housing residents will be able to use the project's amenities. Hilco shared that residents of the affordable set-aside units will have access to the same amenities as their market-rate counterparts. Residents of the P3 building would have access to the amenities in that building.

Members asked about environmental considerations. Hilco shared details about its in-house environmental team and its plans to work with the city and state regulators.

One member asked if the project will include healthcare services for tenants or job readiness programs, especially as they relate to innovative uses. Hilco shared that it was too early to commit to such uses but expressed interest in exploring them as part of the P3 building. The applicant also stated that no commercial users have been identified at this time.

Another member asked about a study of arts density bonuses. Tamara Jovovic shared that while a study has not yet been conducted, there are ongoing discussions within the Department of Planning and Zoning about a possible study in the future.

Community guests representing Unite Here expressed concerns that the project is not committing the 100,000 SF of P3 space to affordable housing and that the applicant may not pay the housing contribution up front, potentially reducing the viability of the P3. Members of Unite Here urged the committee to decline the project based on P3, zoning, and contribution concerns. In response, Ms. Gibbs reiterated that the applicant has worked with City staff for several months and stated that the P3 component is complex and will involve continued negotiation. Ms. Schrock also noted that the City has not committed funding toward the project due to budget constraints, but that Hilco will continue to work with the City to support the P3. Another Unite Here member expressed worry that the City is losing affordable housing and that many people will face eviction as state rental assistance ends. Several Unite Here members shared their experiences regarding their search for affordable housing and livable wages, expressing concern that the applicant's affordable housing plan does not adequately address affordable housing shortages in the City. The applicant thanked the community members for their advocacy and emphasized the new affordable housing that will be provided at an otherwise underutilized site.

One AHAAC member asked the applicant about competing interests or mandated interest regarding arts versus housing at the site. Hilco shared that the project is not

mandated to include arts or affordable housing density bonuses. At its discretion, the applicant plans to utilize approximately 79% of bonus density for affordable housing and the remainder for arts, stating both are community interests. The applicant stated that even if the P3 does not proceed, the project will deliver at least 58,000+ SF of on-site affordable housing through the use of bonus density.

Ms. Krockler closed the discussion and called for a vote on the affordable housing plan. Members proposed two separate votes:

Vote 1: Affordable housing plan, excluding the provision that would grant the applicant the option to utilize the 100,000 SF dedicated to the P3 as either additional density for affordable housing or the arts.

The affordable housing plan, excluding the above provision, was approved with three members opposed.

Vote 2: If the P3 fails, commit one-third of the 100,000 SF dedicated to the P3 to affordable housing. [One member raised the option of the applicant providing the full 100,000 SF as affordable housing; this option did not gain support amongst committee members.]

The Committee voted in favor of this provision with one abstention.

3. Briefing on Samuel Madden Redevelopment (Brandi Collins/Noah Hale)

Action Requested: Information Item/Opportunity to Ask Questions and Provide Input

Brandi Collins provided a brief overview of the Samuel Madden redevelopment project and introduced Noah Hale, Director at Fairstead, who gave a presentation on the proposal. The applicant proposes to redevelop the existing 66-unit public housing complex into a mixed-use, mixed-income community comprising 529 rental units, 321 of which will be affordable units and 208 will be market rate. 161 units will be affordable up to 30% AMI, 79 will be affordable between 50-60% AMI, and 81 will be affordable between 60-80% AMI. The project will also incorporate neighborhood serving uses and open space. The applicant expects construction to begin during the fourth quarter of 2023.

For financing purposes, the project will be divided into a north and south building, each with multiple funding sources. Additional information is reflected in the applicant's presentation to the Committee: https://www.alexandriava.gov/sites/default/files/2022-06/AHAAC_SamuelMaddenPresentation_06.02.22.pdf

Members praised the mixed-income component of the project and inquired if current residents who relocate during construction will be able to remain in Alexandria. The applicant stated that the goal is for everyone to remain in the city and stay connected, though the decision is ultimately up to the resident. Ms. Jovovic asked if any of the proposed project-based voucher units will be conversions of existing housing choice vouchers.

Eric Keeler stated that additional information is available on ARHA's website, including community meeting details.

4. Consideration of a Predevelopment Loan for CLI Elbert Avenue (Helen McIlvaine/Paul Browne & Lynn Thomas)

Action Requested: Vote on Predevelopment Loan Request

Helen McIlvaine introduced Paul Browne and Lynn Thomas, representing the Community Lodgings (CLI) project. Mr. Browne and Ms. Thomas shared background on the project and CLI as a long-standing organization in the Arlandria-Chirilagua community. The redevelopment project proposes to replace the existing 28-unit property with 91 units ranging in affordability between 30% and 60% AMI; five of the units will be set aside for homeless families. 80% of units are anticipated to be two-bedroom or larger.

The committee unanimously approved the project's predevelopment loan request.

5. Consideration of a Predevelopment Loan for CHP 2712 Duke Street (Helen McIlvaine/David Schultz)

Action Requested: Vote on Predevelopment Loan Request

David Schultz, Senior Vice President of Development and Construction, shared background on Community Housing Partners and the services it provides to its residents. The project proposes 94 two- and three-bedroom units serving households at 40%, 50%, 60%, and 80% AMI. Additional information is reflected in the applicant's presentation to the Committee: https://www.alexandriava.gov/sites/default/files/2022-06/AHAAC_CHPPresentation_06.02.22.pdf

Katharine Dixon made a motion to approve the predevelopment loan. The Committee unanimously approved the project's predevelopment loan request.

6. Member Acknowledgements (Chair)

Chair Michelle Krocker acknowledged Paul Zurawski and Katharine Dixon on their final meeting and thanked them for their service to the Committee.

7. Chair Election

Action Requested: Elect FY23 Chair

Felicia Brewster nominated Betsy Faga to serve as chair and Mike Butler seconded the motion; Ms. Faga accepted the nomination. The Committee voted unanimously to elect Ms. Faga as AHAAC chair for fiscal year 2023.

8. Consideration of Draft April 2022 Minutes (Chair)

Action Requested: Vote on Draft Minutes

Betsy Faga moved to accept the April 2022 minutes; Felicia Brewster seconded the motion. The Committee approved the April 2022 minutes unanimously.

9. Eisenhower West/Landmark Van Dorn Implementation Advisory Group

Action Requested: Appoint Member Representative

Tamara Jovovic outlined the position and its responsibilities. Felicia Brewster volunteered to serve as the AHAAC representative to the advisory group.

10. Investment Committee Update (Eric Keeler)

Item 10 was deferred to a future meeting.

11. ARHA Updates (Salena Zellers)

Salena Zellers was unable to attend; no ARHA update was provided.

12. AHDC Updates (Jon Frederick)

Jon Frederick was unable to attend; no AHDC update was provided.

13. Information Items:

Staff reiterated that members may contact them directly with any questions.

14. Staff Updates and Upcoming Housing Meetings (Staff)

Ms. Jovovic explained that AHAAC's next meeting is scheduled for September 1 but is subject to change. Kenny Turscak will send a poll to members this summer to determine a meeting date.

ARHA Redevelopment Work Group

City Hall, Council Work Room, 301 King Street
June 16, 2022; 5:30 p.m.

Planning Commission Public Hearing: PRGS, Bonus Height Study, and AHDC Arlandria Amendment

City Hall, Council Chamber, 301 King St.
June 23, 2022; 7:00 p.m.

City Council Regular Public Hearing: PRGS, Bonus Height Study, and AHDC Arlandria Amendment

City Hall, Council Chamber, 301 King St.
July 5, 2022; tbd

ARHA Redevelopment Work Group

City Hall, Council Work Room, 301 King Street
July 21, 2022; 5:30 p.m.

ARHA Redevelopment Work Group

City Hall, Council Work Room, 301 King Street
August 18, 2022; 5:30 p.m.

15. Adjournment (Chair)

The Chair adjourned the meeting at 9:40 p.m.

AHAAC Fiscal Year 2023 Scheduled Meeting Dates

Calendar Year 2022

| | |
|------------------|--------------------------|
| September | <i>Monday, August 29</i> |
| October | Thursday, October 6 |
| November | Thursday, November 3 |
| December | Thursday, December 1 |

Calendar Year 2023

| | |
|-----------------|----------------------|
| January | Thursday, January 5 |
| February | Thursday, February 2 |
| March | Thursday, March 2 |
| April | Thursday, April 6 |
| May | Thursday, May 4 |
| June | Thursday, June 1 |

A new Virginia Electronics Meeting Policy goes into effect September 1, 2022, that will offer additional flexibility for hosting virtual and hybrid meetings. This new policy offers most Commission and Advisory Boards the option to conduct an all-virtual meeting two times (or 25 percent of all meetings) annually and allows for remote participation for the public and individual Commission Members on exception. The two permitted all-virtual meetings may not be held consecutively.

FY 2022 Affordable Housing Development Funds

Financial Report

June Highlights

| Payments Received | Reference | DSUP or Transation ID | \$ Amount |
|-----------------------------|-----------|---|--------------------|
| Developer Contributions | Lots 7-14 | 2017 - 00014 | \$58,719 |
| Multifamily Loan Repayments | CLI | 612 Notabene - 2012 (Pre-development and Renovation) Elbert Ave Renovations Sewer - 2009 | \$1,021 \$2,319 |
| Grand Total | | | \$62,058 |

| New Pledges / Project Name | Developer | Project Type | \$ Pledged |
|-----------------------------------|-------------|--------------|-----------------|
| Colvin Street Garage | Kahn Nguyen | Commercial | \$22,593 |
| Colvin Street Garage Total | | | \$22,593 |
| Grand Total | | | \$22,593 |

| New Transaction(s) | Fund | Date Loan Closed | \$ Amount |
|--------------------|------|------------------|-----------|
| Grand Total | | | |

Revenues

| | 2021 | | | | | | 2022 | | | | | | FY Total |
|--|--------------------|--------------------|--------------------|------------------|-----------------|------------------|------------------|------------------|--------------------|-----------------|-----------------|-----------------|---------------------|
| | Jul | Aug | Sep | Oct | Nov | Dec | Jan | Feb | Mar | Apr | May | Jun | |
| Developer Contributions | \$20,824 | \$31,236 | \$1,585,201 | \$41,648 | \$31,236 | \$548,342 | \$688,259 | \$448,153 | \$2,025,070 | \$20,396 | \$10,412 | \$58,719 | \$5,509,493 |
| Developer Contributions - Braddock SAP | \$0 | \$1,080,000 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$1,080,000 |
| Multifamily Loan Repayments | \$0 | \$0 | \$3,339 | \$67,807 | \$4,846 | \$3,339 | \$3,339 | \$0 | \$506,679 | \$0 | \$3,339 | \$3,339 | \$596,030 |
| New Revenue Allocated by City Council | \$9,318,522 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$9,318,522 |
| FY Total | \$9,339,346 | \$1,111,236 | \$1,588,540 | \$109,455 | \$36,082 | \$551,681 | \$691,599 | \$448,153 | \$2,531,748 | \$20,396 | \$13,751 | \$62,058 | \$16,504,045 |

Balance Available
\$0

Commitments and Reservations

The lifecycle of a project often spans more than a single FY. The "Start" column in the table below represents remaining monies already committed and/or reserved for a project on July 1 of the current FY.

| Fund / Project | Start | Jul | Aug | Sep | Oct | Nov | Dec | Jan | Feb | Mar | Apr | May | Jun | FY Total | Grand Total |
|--|--------------------|---------------------|--------------------|-------------------|------------|------------------|--------------------|---------------------|---------------------|-------------------|------------------|-------------------|------------|--------------------|---------------------|
| Housing Trust Fund | | | | | | | | | | | | | | | |
| Braddock SAP | \$2,343,273 | \$0 | \$1,080,000 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$1,080,000 | \$3,423,273 |
| Pilot Rental Assistance | \$824,957 | \$0 | -\$19,624 | \$0 | \$0 | -\$71,775 | \$0 | -\$13,844 | \$0 | -\$22,067 | \$0 | \$0 | \$0 | -\$127,310 | \$697,647 |
| Rebuilding Together Alexandria (RTA) | \$0 | \$50,000 | -\$50,000 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Housing Trust Fund Total | \$3,168,230 | \$50,000 | \$1,010,376 | \$0 | \$0 | -\$71,775 | \$0 | -\$13,844 | \$0 | -\$22,067 | \$0 | \$0 | \$0 | \$952,690 | \$4,120,920 |
| Housing Opportunity Fund | | | | | | | | | | | | | | | |
| AHDC - Arlandria | \$500,000 | -\$500,000 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | -\$500,000 | \$0 |
| AHDC - Arlandria Ph 1 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$10,000,000 | \$0 | \$0 | \$0 | \$0 | \$10,000,000 | \$10,000,000 |
| AHDC - Carpenter's Shelter / The Bloom | \$1,100,000 | -\$1,100,000 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | -\$1,100,000 | \$0 |
| AHDC - Lacy Court, L.P. | \$810,000 | -\$810,000 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | -\$810,000 | \$0 |
| AHDC - Operating | \$275,000 | -\$275,000 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | -\$275,000 | \$0 |
| AHDC - Park Vue | \$0 | \$0 | \$0 | \$0 | \$0 | \$500,000 | \$0 | \$0 | \$0 | -\$500,000 | \$0 | \$0 | \$0 | \$0 | \$0 |
| AHDC - Seminary | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$5,000,000 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$5,000,000 | \$5,000,000 |
| EHIP | \$162,000 | \$0 | -\$15,000 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | -\$15,000 | \$147,000 |
| Landmark Towers | \$2,500,000 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | -\$2,500,000 | \$0 | \$0 | \$0 | \$0 | \$0 | -\$2,500,000 | \$0 |
| Wesley - Fairlington / The Waypoint | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Wesley - Parcview Elevator | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$700,000 | -\$700,000 | \$0 | \$0 | |
| Wesley - Parcview II | \$400,000 | \$0 | \$0 | -\$400,000 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | -\$400,000 | \$0 |
| Housing Opportunity Fund Total | \$5,747,000 | -\$2,685,000 | -\$15,000 | -\$400,000 | \$0 | \$500,000 | \$5,000,000 | -\$2,500,000 | \$10,000,000 | -\$500,000 | \$700,000 | -\$700,000 | \$0 | \$9,400,000 | \$15,147,000 |

Housing Master Plan Progress Report

Period: FY22 Q1-Q4

City of Alexandria, Office of Housing

Updated: 08.23.22

| TYPE OF ACTIVITY | FY22 Q1-Q4 Impact (Jul 2021-Jun 2022) | | | Prior Reported Impact (Jan 2014-Jun 2021) | Total Impact (Jan 2014-Jun 2022) | Housing Master Plan (Jan 2014-Dec 2025) | |
|---|--|------------|------------|--|-------------------------------------|--|-------------|
| | Completed | Underway | Pipeline | Prior Completed | Total Completed | Target | Balance |
| Rental Units Created or Preserved/Rehabilitated | 196 | 81 | 796 | 578 | 774 | 660 | -114 |
| <i>Created</i> | | | | | | | |
| Jackson Crossing | | | | 78 | | | |
| The Nexus at West Alex (Gateway at King and Beauregard) | | | | 74 | | | |
| New Hope Veterans Home (Aspen Street) | | | | 3 | | | |
| The Bloom (Carpenter's Shelter) | | | | 97 | | | |
| Fairlington Presbyterian Church (Waypoint at Fairlington) | | 81 | | | | | |
| Ellsworth Apartments | | | | 20 | | | |
| Friends of Guest House - 120 South Payne | | | | 4 | | | |
| Parkstone (Avana) Apartments | | | | 130 | | | |
| AHDC Seminary Project | | | 37.5 | | | | |
| AHDC Arlandria Project | | | 317 | | | | |
| Parcview II | | | 154 | | | | |
| Park Vue | 196 | | | | | | |
| <i>Preserved</i> | | | | | | | |
| Arbelo Apartments | | | | 34 | | | |
| Longview Terrace Apartments | | | | 41 | | | |
| Community Lodgings | | | | 7 | | | |
| Lynhaven Apartments | | | | 28 | | | |
| Lacy Court Apartments | | | | 44 | | | |
| Bellefonte Permanent Supervised Apartments | | | | 12 | | | |
| Friends of Guest House - 120 South Payne | | | | 6 | | | |
| The Heritage | | | 140 | | | | |
| AHDC Seminary Project | | | 1.5 | | | | |
| Parcview I | | | 146 | | | | |
| Units Created through the Development Process | 32 | 103 | 223 | 119 | 151 | 336 | 185 |
| Alexandria Memory Care Community (Silverado) | | | | 2 | | | |
| Goodwin House | | | 6 | | | | |
| Cambria Square (Pickett's Place/The Delaney) | | | | 4 | | | |
| Notch 8 | | | | 12 | | | |
| Station 650 at Potomac Yard | | | | 8 | | | |
| The Bradley (Braddock Station/Braddock Metro Place) | | | | 10 | | | |
| Parc Meridian at Eisenhower Station | | | | 33 | | | |
| The Thornton (Hunting Terrace) | | | | 24 | | | |
| 2901 Eisenhower Avenue (The Denizen + South Tower) | | | 8 | 13 | | | |
| Oakville Triangle Blocks A & B | | 65 | | | | | |
| Gables Old Town North (ABC/Giant site) | | | | 9 | | | |
| The Platform 1 (Braddock Gateway Phase II) | 4 | | | | | | |
| Dylan (Potomac Yard Landbay H/I) | | 9 | | | | | |
| Sunrise Senior Living | | | | 2 | | | |
| The Foundry (Block 6A)* | | | | 2 | | | |
| Eisenhower East Block 20 | | 15 | | | | | |
| 1200 North Henry | | 11 | | | | | |
| Monday Properties | 5 | | | | | | |
| Silverstone Senior Living | 7 | | | | | | |
| The Platform 2 (Braddock Gateway Phase III) | 4 | | | | | | |
| Alexan Florence (600 Royal Street - WMATA Bus Barn) | 12 | | | | | | |
| The Aspire Independent Living | | | 9 | | | | |
| 701 N. Henry | | | 7 | | | | |
| North Potomac Yard Phase I | | | 14 | | | | |
| Benchmark Senior Living | | 3 | | | | | |
| Newport Village | | | 12 | | | | |
| The Heritage | | | 55 | | | | |
| Braddock West | | | 14 | | | | |
| 805 N. Columbus | | | 8 | | | | |
| TideLock | | | 15 | | | | |
| Landmark Overlook | | | 15 | | | | |
| 901 N. Pitt | | | 16 | | | | |
| Eisenhower East Block 23 | | | 44 | | | | |
| Beauregard Committed Units | 0 | 0 | 0 | 311 | 311 | 494 | 183 |
| St. James Plaza (Fillmore) | | | | 93 | | | |
| Church of the Resurrection | | | | 113 | | | |
| Southern Towers | | | | 105 | | | |
| Units Created or Preserved through Redevelopment Support to ARHA | 0 | 0 | 0 | 52 | 52 | 174 | 122 |
| <i>Created</i> | | | | | | | |
| The Lineage (Ramsey Homes) | | | | 37 | | | |
| <i>Preserved</i> | | | | | | | |
| The Lineage (Ramsey Homes) | | | | 15 | | | |

* Project also includes three units affordable at 80% AMI.

| TYPE OF ACTIVITY | FY22 Q1-Q4 Impact (Jul 2021-Jun 2022) | | Prior Reported Impact (Jan 2014-Jun 2021) | Total Impact (Jan 2014-Jun 2022) | Housing Master Plan (Jan 2014-Dec 2025) | |
|---|--|--|--|-------------------------------------|--|------------|
| | Loans Closed/Grants Issued | | Prior Closed/Issued | Total Closed/Issued | Target | Balance |
| Rental Accessibility Modification Projects [Grants] | 2 | | 19 | 21 | 24 | 3 |
| Homebuyer Loans [Individuals served by first-time homebuyer assistance, and individuals receiving SPARC allocations] | 15 | | 71 | 86 | 72 | -14 |
| Homeowner Rehab Loans/RTA Projects [Rebuilding Together DC-Alexandria Grants >=\$5k] | 7 | | 112 | 119 | 240 | 121 |

| HOUSING MASTER PLAN PROGRESS REPORT SUMMARY | FY22 Q1-Q4 Impact (Jul 2021-Jun 2022) | | Prior Reported Impact (Jan 2014-Jun 2021) | Total Impact (Jan 2014-Jun 2022) | Housing Master Plan (Jan 2014-Dec 2025) | |
|---|--|--|--|-------------------------------------|--|------------|
| | Created & Preserved (Completed) Units/Loans Closed/Grants Issued | | | | Target | Balance |
| TOTAL | 252 | | 1262 | 1514 | 2,000 | 486 |

| TYPE OF ACTIVITY | FY22 Q1-Q4 Impact (Jul 2021-Jun 2022) | | | Prior Reported Impact (Jan 2014-Jun 2021) | Total Impact (Jan 2014-Jun 2022) |
|---|--|----------|------------|--|-------------------------------------|
| | Completed | Underway | Pipeline | Prior Completed | Total Completed |
| Workforce Affordable Units (70-80% AMI) Created or Preserved | 230 | 0 | 231 | 117 | 347 |
| The Foundry (Block 6A) (also see above) | | | | 3 | 3 |
| Ford + Park | 10 | | | 0 | 10 |
| Parkstone (Avana) Apartments | | | | 114 | 114 |
| Landmark Towers | 154 | | 0 | 0 | 154 |
| Parc Square | 66 | | | 0 | 66 |
| AHDC Arlandria Project | | | 158 | 0 | 0 |
| Parcview II | | | 73 | 0 | 0 |

| TYPE OF ACTIVITY | FY22 Q1-Q4 Loss (Jul 2021-Jun 2022) | | Prior Reported Loss (Jan 2014-Jun 2021) | Total Loss (Jan 2014-Jun 2022) |
|--|--|----------|--|-----------------------------------|
| | Completed | Underway | Prior Completed | Total Completed |
| Committed Affordable Units Where Affordability Term has Expired | -13 | | -88 | -101 |
| 101 North Ripley (housing assistance contract expired) | | | -76 | -76 |
| Northampton Place (set-aside term of affordability expired) | | | -12 | -12 |
| The Alexander (set-aside term of affordability expired) | | -13 | 0 | -13 |

| Adjusted Housing Master Plan (Jan 2014-Dec 2025) | |
|---|------------|
| 2,000 | 587 |