

AFFORDABLE HOUSING ADVISORY COMMITTEE MINUTES

City Hall Room 2000 | February 1, 2018

	Members Present	Members Absent	Staff
1	Dan Brendel (m)		Tamara Jovovic, Housing Planner
2	Michael Butler (m)		Jeffrey Farmer, Deputy Director
3		Katharine Dixon (m) (excused)	Heba ElGawish, Planner
4	Carter Flemming (m)		
5	Jon Frederick (m)		
6	Holly Hanisian (m)		
7	Bill Harris (m)		
8	Robyn Konkell, Chair		
9	Michelle Krocker (m)		
10	Jessica Lurz*		
11		Matthew McCarthy	
12	Helen McIlvaine*		
13	Michael Doyle		
14	Peter-Anthony Pappas (m)		
15	Mary Parker (m)		
16		Yasin Seddiq (m) (excused)	
17		Nechelle Terrell (m) (excused)	
18	Marian Wiggins (m)		
19	Paul Zurawski		
20	vacant		
21	vacant		
	Guests	Affiliation	
1	Connie Staudinger	ARHA	
2	Lynn Thomas	CLI	

*non-voting

(m) – took minutes during fiscal year

The meeting was called to order at 7:00 pm. Dan Brendel agreed to take minutes.

1. Introductions and Chair Remarks (Robyn Konkell)

The chair welcomed everyone and added announcements from Michelle Krocker and Dan Brendel to the agenda.

2. Consideration of January 11, 2018 Minutes (Chair)

Jon Frederick made a motion to approve the January minutes; Michelle Krocker seconded the motion. The minutes were approved unanimously with 4 abstentions from Peter-Anthony Pappas, Holly Hanisian, Jon Frederick, and Marian Wiggins.

3. Arts District Text Amendment Update (Heba ElGawish/Jeffrey Farner)

Planning & Zoning staff provided updates on the proposed text amendment. These included excluding CDD sites from the Tier 2 incentive; prioritizing affordable housing for artists; ensuring cost equivalency between arts and affordable housing bonus density provisions (though no specific recommendations have been identified regarding how that would be achieved); and reducing floor area for arts space within the Old Town North small area from 250,000 to 50,000.

Robyn Konkel expressed hope that staff would have a better idea how to achieve cost parity between the affordable housing and arts and cultural bonus density options before the latter continues past its forthcoming trial phase. Members discussed whether AHAAC should press City Council about the potential negative impacts that could result from a new arts and culture bonus density provision (as discussed at previous meetings: e.g., erosion of city's primary affordable housing incentive tool and a potential precedent for similar amendments to other small area plans). Members agreed that AHAAC should not press Council on the subject: there are still too many unknowns and it would pit one public good against another. It was agreed that Robyn Konkel and Jon Frederick would draft a letter to City Council on AHAAC's behalf outlining the Committee's concerns. Members were invited to submit their suggestions to Robyn Konkel.

4. Partner Profile: Community Lodgings (Lynn Thomas)

Members watched a video about a Community Lodgings renovation project for which the City had provided a loan. The Executive Director, Lynn Thomas related that the project supports families transitioning out of homelessness, and answered members' questions. Mike Doyle suggested looking into how Alexandria might partner with AirBnB to expand the city's inventory of affordable housing, citing such a partnership in San Francisco. Jessica Lurz suggested that such a partnership could be particularly useful for expanding options for short-term, emergency housing.

5. Discussion on Workforce Housing (Tamara Jovovic)

Staff introduced the discussion stating that the ARHA Redevelopment Work Group had asked for AHAAC's recommendation regarding how "workforce housing" be defined with regard to ARHA's Andrew Adkins redevelopment. CRC, ARHA's development partner, has agreed to voluntarily add 14 workforce units to its market-rate building, mainly in order to accommodate the surrounding neighborhood's desire to see a greater spectrum of affordability. Helen McIlvaine said that these workforce units would not count toward the Housing Master Plan's target in terms of affordable units produced/preserved and that they won't be subsidized by the city.

Tamara Jovovic gave a presentation, showing the potential variation in rents and the types of jobs held by potentially qualifying households, depending on which of 4 different methods of defining "workforce" income levels is utilized. The 4 methods include, from lowest to highest income limits: HUD's 80% of AMI calculation (which takes into account national income averages), Fair Market Rent, a mathematical calculation of 80% of AMI based on the DC metropolitan area, and HUD's FY17 Small Area Fair Market Rent, a new standard that is neighborhood-based. Tamara provided examples of household incomes and benefits for public sector professions often targeted for workforce housing programs, i.e., ACPS teachers, APD police officers, and AFD firefighters. Housing staff concluded by stating that they did not see a great need for the 80% AMI units as more than one-half of Alexandria's rental stock falls into this category.

AHAAC discussed various considerations: on the one hand, if maximum income levels are set too low, certain such Alexandria employees would make too much to qualify, though the units would become more accessible, through the use of HCVs, to returning ARHA households. On the other hand, if maximum rents are set too high, ARHA would have to use a relatively high proportion of its HCV budget capacity to ensure accessibility for lower income families, constraining its overall utilization of vouchers as the number that can be used is bounded by the money available to subsidize the vouchers. Many of the higher rent standards would also be "unaffordable" (based on the 30% of gross income for housing baseline) to targeted workforce households. While it was noted that some other jurisdictions define workforce affordability as high as 120% of AMI, Michelle Krocker suggested that Alexandria households at that income level already have sufficient choices in the local market. Michelle also pointed out that many households, including hers, spend more than 30% of their household income on housing. She related that she spends about 35% on housing, and suggested that the traditional HUD measure may not be keeping up with reality.

Jon Frederick observed that The Station at Potomac Yard used the mathematical 80% method, perhaps providing some precedent for the city. He stated that the relative lack of amenities at that building and the time it took for the area to develop made it hard initially to lease the workforce units at the 80% rents in AHDC's proforma as households with 80% incomes had choices. As Fair Market Rents are standard for nonprofit and private developers that accept HCVs, he suggested that might be applied here, too. As such, Michelle made a motion to recommend defining the maximum income/rent for Adkins' workforce units using the Fair Market Rent method. Dan Brendel seconded the motion. The motion was approved with abstentions from Marian Wiggins, Mary Parker, and Carter Flemming.

Helen thanked the Committee for its discussion and said their comments and recommendation, as summarized by Dan Brendel (taking minutes for the meeting) would be reported to the ARHA Redevelopment Work Group.

6. Resolution 830 Community Engagement and Joint ARHA-City Council work session Update (Helen McIlvaine)

Helen McIlvaine outlined the current Andrew Adkins redevelopment proposal: 76 ARHA units on-site, 14 ARHA units off-site, 14 workforce units in the market-rate

building. She observed that ARHA's Board of Commissioners and the City Council preliminarily agreed to this arrangement at their Jan. 29 joint work session. She gave a brief update about the Resolution 830 working group.

7. Draft FY19 Long Range Planning Workplan Update (Tamara Jovovic)

Tamara Jovovic updated members on items of interest, including work on land use conversions, affordable assisted-living, and colocation opportunities.

8. Route 1 South Housing Affordability Strategy Update (Tamara Jovovic)

Tamara Jovovic reported that community events so far have yielded positive turnouts. Citizen feedback so far has been generally supportive. Though some citizens, who are concerned about insufficient funding for ACPS, would prefer that the city seek to maximize its tax base rather than pursue affordable housing. Members were encouraged to participate in upcoming events, including the 2/20 kick off meeting and 5-day charrette.

9. Alexandria Housing Development Corporation Update (Jon Frederick)

Jon Frederick indicated that Lacy Court was on track to commence renovations in March. Carpenter's Shelter construction was expected to start in May. Gateway Apartments were anticipated to open in August 2019.

10. Information Items (Staff)

Staff shared the January financial report.

11. Staff Updates

City Council approved the Church of the Resurrection's affordable housing project.

12. Other Discussion

Michelle Krocker announced a forthcoming proposal from Councilman Willie Bailey to increase the city's meals tax from 4% to 5%, with the extra 1% dedicated to affordable housing. She will provide more information and asked the members to help provide grassroots support for the proposal.

Dan Brendel asked that the members agree to dedicate time in their March agenda to discuss AHAAC's development and implementation of a strategic policy agenda and approach for 2018. This would entail two elements: First, defining a handful of the most decisive measures that AHAAC would recommend for Council to undertake in order to improve the overall environment for affordable housing. Members have suggested several possible ideas in past meetings, e.g., housing funds in the CIP in order to achieve the Housing Master Plan's recommendation of reliable and consistent funding, ADU policy, tax abatement, etc. Second, a strategic approach would entail determining mechanism(s) to communicate with City Council directly, e.g., with a written report, by requesting a work session, etc. Members discussed the concept preliminarily and agreed to entertain it further in March.

The meeting adjourned at 9:15 pm.