

DRAFT – Framework for a Resolution 830 Working Group 030917

What

Community consultation process for review and potential revision/expansion of Resolution 830

When

Spring/Early Summer 2017 (with report and recommendations to be prepared and released by June 30 for adoption in Early Fall)

Who

Professional facilitator Mutually selected by City and ARHA staff through informal City solicitation. Staff are in agreement that facilitator should be knowledgeable regarding HUD regulations/requirements and affordable housing development, finance, policy and best practices, in general.

Invited stakeholders Representatives of ARHA Board and City Council (Chairs?)
ARHA and Ladrey Resident Associations and/or residents of RFP sites
Alexandria Housing Affordability Advisory Committee (AHAAC)
Landlord Tenant Relations Board
Economic Opportunity Commission (EOC)
Commission on Aging
Commission on Persons with Disabilities
AHDC
Wesley
Tenant and Workers United
Partnership to Prevent and End Homelessness
VOICE
HUD expertise
Multifamily financing expert (VHDA, if available)
Lender or realtor familiar with the City’s homeownership programs
Civic associations which include RFP redevelopment sites within their boundaries
Two at-large members
Others?

Community at-large

Outreach

City to coordinate outreach, with ARHA supporting through its website, etc.; City will coordinate meeting venues.

Content and format of public meetings

Details to be developed by City and ARHA staffs, in consultation with facilitator selected, but the general idea is that the stakeholders will be invited to a series of four meetings to be scheduled from April through late May. The first half of each meeting will be devoted to education on the night’s topic; during the second half, the stakeholders will break into small groups to discuss the topic, develop recommendations or comments, and report out.

Potential Meetings and Topics

- **Meeting 1: Existing Resolution 830 Units and the History of Replacement**

- **Education:**

- Review the genesis of Resolution 830: the specific language and the characteristics of a Resolution 830 unit (public housing/ACC contract; income level served, with and without assistance; rental subsidy, including project based vouchers or other; requirements for interim and permanent relocation assistance of impacted residents; term of affordability; location).
- Review the types of households served/potentially to be served by Resolution 830:
 - ARHA residents/residents facing displacement
 - Special needs and at-risk populations, e.g., persons with disabilities, elderly, households experiencing/at risk of homelessness
 - Non-ARHA households facing displacement due to redevelopment – e.g., Beauregard
 - Extremely low-income and very low income households, i.e., those most housing-cost burdened
- History of replacement of 830 units, addressing how the replacement was achieved, including the extent to which the characteristics of the replacement units were different than the units replaced; also, timing, funding/financing and level of integration with market rate units

- **Discussion:** What are the key characteristics that define a Resolution 830 unit and what characteristics have defined a replacement unit? How does this impact the types of households served?

- **Meeting 2: Funding and Financing Replacement Units**

- **Education:** Explain available financial resources and how they may impact the key characteristics of replacement units.
 - Describe the federal/HUD funds or programs, that currently exist to maximize and or maintain public housing and/or support its operation, and how is ARHA using them for renovation and redevelopment? What other financing mechanisms and/or funding sources are available (including federal programs) to support renovation, preservation or production of Resolution 830 units? What do Resolution 830 units cost to develop or preserve and how does this compare to non-Resolution 830 units at similar affordability levels? Are there now factors that should change the current model that suggests providing approximately 3 times the existing density is sufficient to replace existing units? What do current market/economic factors indicate regarding the value that must be achieved to yield 1:1 replacement?
 - What do Resolution 830 units cost to operate (distinguishing subsidies from daily operations and maintenance) and how does this compare to non-Resolution 830 units at similar affordability levels? What is the relationship between construction cost, rental subsidies, and daily operation/maintenance costs?
- **Discussion:** How does the information about the current funding and financing realities, as well as costs, impact our collective ability to produce replacement units? Are there sources we might use, but aren't? What, if any, of the key characteristics of Resolution 830 may have to be adjusted to reflect funding/financial realities? What opportunities exist to change the current approach to achieve more units or deeper levels of affordability? What other alternatives, specific to ARHA, might qualify as meeting Resolution 830, such as exclusive use of a set-aside rental unit for a defined period of time (20 years)?

- **Meeting 3: Expansion of Resolution 830**

- **Education:** Review past and current affordable or mixed-income projects by private non-profit and for-profit entities.
 - How do the projects produced compare with Resolution 830 units in terms of the key characteristics (of the units and the households they serve)?
 - Are there tools that are currently not used or not available to ARHA and/or other developers that, if utilized, could allow them to produce units or otherwise achieve deep affordability that meet key characteristics of Resolution 830 units? What are the potential costs or challenges related to these tools? How might these be used to assist nonprofit and private owners preserve properties with expiring affordability contracts? Tools may include:
 - Real estate tax exemptions and/or PILOTs
 - RAD and RAD II
 - Development, permit and tap fee waivers and/or exemptions from other fees and infrastructure costs (e.g., sewer)
 - Project based vouchers/housing choice vouchers (tenant protection vouchers)
 - Local rental subsidies (for deep affordability)
 - Braddock Fund (1/2 of developer contributions for housing)
 - ARHA site increment of real estate taxes from market rate development (per Braddock Metro Neighborhood Plan)
 - State and federal housing trust fund monies
 - City homeownership assistance resources

Please note that not all tools will actually result in a deeply affordable unit, but may help achieve housing affordability for very low income households

- **Discussion:** Is Resolution 830 a ceiling or a floor in terms of the number of potential units? What characteristics would comprise its equivalent? (Income level served with or without assistance, ARHA owned or nonprofit/private developer-owned, rental or ownership, term of affordability). What does this review suggest in terms of involving nonprofit/private developers in the production of new Resolution 830 units? How does Resolution 830 fit into Alexandria's vision of a successful mixed-income community?

- **Meeting 4: Wrap Up of Recommendations**

- **Education:** Review of key points of previous meetings, including discussion.
- **Discussion:** Group recommendations on key issues, such as:
 - Recommended definition of a Resolution 830 unit and its replacement, in terms of the key characteristics.
 - Recommended definition of the households to be served by Resolution 830 units
 - Recommendations for funding/financing tools to expand the number of Resolution 830 units and/or maintain affordability levels of current Resolution 830 units
 - Recommendations for involving nonprofit/private developers in the production of Resolution 830 units or their equivalent, and target Resolution 830-unit goal.

Deliverables and Timeline

Monthly updates to ARHA Redevelopment Work Group. Draft recommendations and draft “Revised Resolution 830” presented to the ARHA Work Group and City Council and ARHA Boards in June for feedback. Opportunity for public comment over the summer with potential consideration/adoption in early Fall.

Open questions/issues:

- Should the proposed Andrew Adkins redevelopment be de-coupled from the Resolution 830 modernization/expansion process so it can move forward on a development review schedule to potentially compete for 2018 LIHTCs? What potential impacts if de-coupled? What impact does the proposed process otherwise have for the design, planning, funding, and overall timing of Andrew Adkins if it must be completed first?
- What parties are to be bound by the proposed Revised Resolution (e.g., City, ARHA, nonprofits, private developers), and what are the mechanics for accomplishing that?
- Next steps and guidance re schedule/timing

| Modernization | Expansion |
|---|--|
| How many Resolution 830 units currently exist? | Is Resolution 830 a ceiling or a floor in terms of the number of potential units? |
| <p>What characteristics define a Resolution 830 unit?</p> <ul style="list-style-type: none"> (a) Public housing/ACC contract (b) Income level served, with and without assistance (c) Rental subsidy, including project based vouchers or other (d) Requirements for interim and permanent relocation assistance of impacted residents (e) Term of affordability | <p>What characteristics would comprise its equivalent?</p> <ul style="list-style-type: none"> (a) Income level served with or without assistance (b) ARHA owned (c) Nonprofit/private developer-owned (d) Rental or ownership (e) Term of affordability |
| <p>What characteristics define a replacement unit?</p> <ul style="list-style-type: none"> (a) On- site; off-site (b) Income level served (c) Unit type/BR mix (d) Preference for households displaced by ARHA redevelopment | <p>Whom should Resolution 830 serve?</p> <ul style="list-style-type: none"> (a) ARHA residents/residents facing displacement (b) Special needs and at-risk populations, e.g., persons with disabilities, elderly, households experiencing/at risk of homelessness (c) Non-ARHA households facing displacement due to redevelopment – e.g., Beauregard (d) Extremely low income and very low income households, i.e., those most housing-cost burdened |
| <p>What federal/HUD funds or programs, currently exist to maximize and or maintain public housing and/or support its operation, and how is ARHA using them for renovation and redevelopment?</p> <ul style="list-style-type: none"> (a) RAD (b) Others | <p>What tools might potentially be used to produce/expand the number of Resolution 830 units, if appropriate?</p> <ul style="list-style-type: none"> (a) Real estate tax exemptions and/or PILOTs (b) Development, permit and tap fee waivers and/or exemptions from other fees and infrastructure costs (e.g., sewer) (c) Project based vouchers/housing choice vouchers (tenant protection vouchers) (d) Local rental subsidies (for deep affordability) (e) State and federal housing trust fund monies (f) City homeownership assistance resources |
| <p>What other financing mechanisms and/or funding sources are available to support renovation/production of Resolution 830 units?</p> | <p>What do Resolution 830 units cost to develop and operate? What financial resources are available to increase the number of Resolution 830 units?</p> |