

**ARHA Redevelopment Work Group
May 11, 2017 - Meeting Summary**

Participants

Work Group Members

Justin M. Wilson, Vice Mayor, City of Alexandria

John Taylor Chapman, City Councilman

Mary Lyman, Chair, Planning Commission

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

Salena Zellers, Vice Chair, ARHA Board of Commissioners

Mark Jinks, Alexandria City Manager

Roy Priest, CEO, ARHA

Helen McIlvaine, Director, Alexandria Office of Housing

Karl Moritz, Director, Alexandria Department of Planning and Zoning

City of Alexandria/ Alexandria Redevelopment and Housing Authority Staff

Connie Staudinger, Alexandria Redevelopment and Housing Authority

Martin Lucero, Alexandria Redevelopment and Housing Authority

Eric Keeler, Alexandria Office of Housing

Brandi D. Collins, Alexandria Office of Housing

Dirk Geratz, Alexandria Department of Planning and Zoning

James Banks, Alexandria City Attorney's Office

Introductions and Meeting Summary Approval

Daniel Bauman convened the meeting and introductions were made of Work Group members, City and Alexandria Redevelopment and Housing Authority (ARHA) staff and others attending the meeting.

Upon a motion, the Work Group approved the summary of the March 9, 2017 meeting.

Ramsey Homes Update

Low-Income Housing Tax Credit (LIHTC) Application Status and Funding Implications

Roy Priest shared the following with Work Group members and meeting attendees:

- Roy Priest reported that the LIHTC application for Ramsey ranked below the threshold for funding and ARHA submitted an appeal to VHDA on Monday for reconsideration. Two areas that resulted in a scoring deficit are tax abatement (a requirement which ARHA believes the originally submitted application satisfied based on its experience with prior applications) and Project Financing (ARHA used identical requirements to those that received points in past winning LIHTC applications). Priest is hopeful that the project may be selected and funded based on ARHA's appeal.
- Per the process established by the Virginia Housing Development Authority (VHDA), an applicant can submit a formal appeal and VHDA will respond by May 24 with a "final ranking" list that may or may not include those projects requesting an appeal. If an applicant is still not selected for funding, they may appeal in-person before the VHDA Board of Directors on June 7.

Section 106 Process

Eric Keeler shared that a public meeting was held in April to discuss potential mitigation measures to meet requirements of the Section 106 Process. The options under final consideration do not exceed the \$50,000 minimum budget established in the DSUP conditions. The Section 106 consultant is drafting a Memorandum of Agreement (MOA) that will articulate the selected mitigation options. In June, City Council will consider the MOA and potentially authorize the City Manager to sign it. Other signatories include ARHA, Advisory Council on Historic Preservation and the Virginia Department of Historic Resources (VDHR). After the agreement is executed, and the environmental review of which it is part completes a comment period, ARHA can apply to the U.S. Department of Housing and Urban Development (HUD) for disposition of Ramsey Homes.

Open Space

Priest and Connie Staudinger reported that the Final Site Plan for Ramsey was submitted in April and interdepartmental City staff comments are due back to ARHA next week. Comments on the open space will be included. Currently, the open space elements include a fenced lawn, landscaping, barbeque grills, and play equipment for children. This reflects feedback provided by the community during public meetings.

Update on Ladrey Senior Highrise Building Refinance/Renovation

Priest shared that ARHA is seeking financing for a major renovation of the Ladrey building. Due to the age of the building, some of the systems require significant upgrades (ex. plumbing). A complete building demolition and rebuild is not an option. Renovation is the desired course of action and there are several potential financial structures that ARHA is considering: 1) Project-Based Section 8, 2) a Housing Assistance Program (HAP rental subsidy) Contract, and 3) 4% LIHTC Bonds (preferred option). All of these options are premised on ARHA using debt, which must be repaid, to undertake the renovation.

As for the future of Ladrey, ARHA prefers that the building only house senior citizens and not non-elderly disabled (there are currently 30-40 younger households). There have been some community/neighborly relation issues that result from housing the two populations. As part of the project, non-elderly disabled persons will be relocated to other ARHA properties. Additionally, ARHA is exploring the option of converting some existing one bedrooms into two-bedroom units during the renovation, to allow for a live-in health care professional or caretaker, if needed. This will allow more residents to age-in-place. The units in Ladrey are protected Resolution 830 units so any consolidation/reduction in the number of units will require their replacement elsewhere in the City.

Status of other ARHA Request for Proposal (RFP) Sites

Priest shared that ARHA believes that the property that will be redeveloped after Andrew Adkins is Samuel Madden. However, no pre-development work or entitlement work has been initiated for any property at this time. Redeveloping the ARHA homes at Cameron Valley may be moved up in the schedule due to structural issues that need attention because of soil erosion. ARHA envisions the former Administrative Building to be redeveloped into a mixed-income residential property, with primarily market rate units to generate proceeds needed to fund future redevelopment projects. Helen McIlvaine stated that all properties – post Adkins – are subject to the outcome of the Resolution 830 Working Group that will convene later this year.

Update on Resolution 830 Working Group

Mr. Bauman, Ms. McIlvaine, Mark Jinks, and Mr. Priest provided updates to the meeting attendees.

Bauman reported that Vice Mayor Wilson attended the March ARHA Board of Commissioners meeting which was characterized as a productive and informative meeting. The Board shared their concerns with the both the timing of this effort (the Board's work priorities are selecting a new CEO and redeveloping Andrew Adkins property) and the amount of effort that is required to do it properly. The Board also shared concerns about ARHA's Resolution 830 properties being considered with other affordable housing properties that are not currently protected under Resolution 830. In his discussion with the ARHA Board, Vice Mayor Wilson assured the members that this is a joint effort between City and ARHA staff, City Council, and ARHA Board so all stakeholders will work together. He reiterated that the redevelopment of Andrew Adkins is not subject to the timing or outcome of the Resolution 830 Working Group and a review of Resolution 830 is critically necessary and there may never be an optimal time so work should be undertaken before more RFP sites are redeveloped.

The solicitation for a third-party facilitator will be advertised next week and it is anticipated that the project will begin in late June/July. City Council will hold a work session on the Resolution 830 Working Group and Community Engagement Process on June 6 to be briefed on the proposed process and the types of issues that will be studied and discussed. Ms. Zellers and Mr. Bauman are invited to speak on behalf of the ARHA Board of Commissioners at the Work Session. It is anticipated that the work of the Working Group will conclude by the end of 2017/beginning of 2018.

ARHA CEO Search and Transition

The recruiter, S.R. Norlach & Associates, has established a process to assist the ARHA Board in selecting a new CEO. The position is being advertised currently. An interview council (comprised of representation from ARHA staff, the ARHA Board and ARHA Resident Association, and City staff) will be convened to review resumes, select top candidates, and make a recommendation to the ARHA Board. Although the process is running slightly behind schedule to accommodate additional outreach to residents and solicit their input regarding the CEO profile, the ARHA Board is expected to make its final decision on the new CEO in late June.

Andrew Adkins Development Special Use Permit (DSUP) Update

DSUP Revised Concept 1

The development team of CRC (Jay Stewart and Adam Voci) and Cunningham & Quill (Lee Quill) [presented](#) the Revised DSUP Concept 1 Plan for Andrew Adkins. The major changes include:

- Assemblage and inclusion of the privately-owned properties on West Street and Wythe Street into the site design
- Removing the ARHA Workforce Housing building located on Wythe Street
- Creating more consolidated open space
- Increased development density (increase from 2.5 Floor Area Ratio (FAR) to 2.92 FAR)
- Increased number of market rate units (increase from 370 to 511) with 60 units as ARHA-owned affordable housing
- Building entrances from each building facing Payne Street
- Retail location on corner of West and Wythe instead of West and Madison

Feedback from the Work Group includes:

- Concern regarding the ratio of market-rate units to affordable units; which is almost 10:1
- Site layout that orients the front building entrances internally along Payne Street

- More information on shared amenities is requested
- What is the square footage of proposed open space

Priest shared that ARHA’s prior mixed-income developments lacked shared open space of significant size, so ARHA hopes that the large-sized shared open space proposed for Adkins can promote social integration and serve as an amenity for all residents to enjoy together.

Ms. Zellers shared that during an ARHA Resident meeting, some residents expressed disappointment at the loss of workforce affordable units. She said that they viewed it as an opportunity to “move up” in housing.

City Council will hold a work session on Andrew Adkins on June 6.

Updated Schedule

The project is still tracking for public hearings before the 2018 LIHTC deadline, but is no longer on-schedule for consideration by Planning Commission and City Council in Fall 2017.

Other Business

None.

Next Meeting Date

The next meeting of the ARHA Redevelopment Work Group will be held on June 8, 2017. Discussion topics include: Adkins DSUP, Ramsey Homes, and Resolution 830 Working Group.

The meeting was adjourned by Vice Mayor Wilson.