

## **ARHA Redevelopment Work Group**

**January 12, 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, Director

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

LeRoy Battle, Alexandria Redevelopment and Housing Authority

Doug Owens, Alexandria Redevelopment and Housing Authority

Eric Keeler, Office of Housing

Brandi D. Collins, Office of Housing

Joanna Anderson, City Attorney Office

Dirk Geratz, Department of Planning and Zoning

Ryan Price, Department of Planning and Zoning

#### **Introductions and Meeting Summary Approval**

Vice Mayor Wilson 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, including representatives from ARHA's development team for redevelopment of the Andrew Adkins site.

Upon a motion (Bauman) and second (Lyman), the Work Group approved the November 10, 2016 meeting summary.

#### **Ramsey Homes Update**

##### ***Section 106 Process***

On November 29, 2016, the City held a [Section 106 Consulting Parties Meeting](#) where interested parties discussed mitigation options. The meeting was facilitated by ARHA's consultant and the Director of the State Historic Preservation Office (SHPO) attended. Options suggested by the parties ranged from the installation of interpretive signs regarding the site's history to more substantial and potentially more expensive ideas. Eric Keeler, who is managing the process for the City stated that the parties have been

told that the DSUP requires that ARHA spend \$50,000 for mitigation efforts. The final options put forward by the interested parties should consider what ARHA's financial commitment has been to date to document the site's history.

Public comment regarding mitigation ideas were accepted through January 6, 2017. A community meeting in mid-February 2017 will review all options provided and, hopefully, the discussion will result in a consensus around options to be memorialized in a March/April 2017 Memorandum of Agreement among ARHA, the City and the Virginia Department of Historic Resources on the final mitigation plan.

Zellers asked if the consulting parties could be provided with cost estimates of the various options for their deliberations. It was reported that \$600,000 has been expended so far related to historical concerns and the *Section 106 Mitigation Process*.

### ***Potential Changes in Low-Income Housing Tax Credit Pricing***

Priest reported that anticipated changes in federal tax policy are impacting investor pricing for tax credits and will affect the anticipated funding for the Ramsey Homes development project. ARHA estimates the resulting project deficit at a minimum of \$700,000. These potential policy changes may also impact ARHA's future Low-Income Housing Tax Credit (LIHTC) projects. Since these issues will pose financial challenges for future LIHTC projects, as well as those in the pipeline, Virginia Housing Development Authority (VHDA) is exploring what additional funding resources it might provide to support projects funded in 2016 that cannot close due to shortfalls caused by drops in tax credit pricing.

### ***Glebe Park Loan Repayment***

Priest stated that ARHA continues to wait for HUD to approve the James Bland amended disposition application which will enable repayment of the City's Glebe Park loan. He reported that ARHA has met all requirements for the transaction and believes that further delays may be due to the federal transition.

### ***Andrew Adkins Development Special Use Permit***

Priest introduced the development team selected to redevelop Andrew Adkins. The team includes Alexandria Opportunity Housing, LLC (an affiliate of the CRC Companies and ARHA/VHDLLC) ARHA/VHDLLC), Northern Real Estate Urban Ventures (affordable housing structuring and community outreach), Cunningham Quill (architects), and McGuire Woods (attorney). The team presented on the site's Concept 1 (proposed) housing program which proposes 83% market-rate rental housing, 13% public housing, and 4% rental workforce housing, the site layout (two market-rate rental buildings, one ARHA affordable housing building and one ARHA workforce rental building), open space, an extension of Payne Street, and various building heights and massing.

Comments from the Redevelopment Work Group included:

- Concern regarding the physical separation of market-rate units from ARHA affordable units
- Expectation that all amenity spaces must be shared by all residents within the redevelopment and be accessible to all

- Conflicts created by the proposed Payne Street extension functioning as open space if it is also used for limited vehicle access
- Capacity of this transit-oriented site to make more use of height and possibly bonus density to provide additional affordable housing (60% of AMI)
- Concern regarding the permanent replacement of 30 ARHA public housing units that are not proposed to return onsite as part of the new development
- A relocation plan for the replacement units has not been included with the DSUP submission
- The entire block is not assembled; there are some parcels not under the team's control
- Concern that the sequencing does not allow for replacement units being available when needed
- Evaluation of the Adkins plan is difficult without consideration of what is planned for the other sites, including replacement of all existing/impacted units (need to ensure that inventory of all units on RFP public housing sites are replaced in the City)
- Concerns regarding finding appropriate temporary and permanent housing for large-sized families currently residing in Adkins 4 and 5-bedroom units, especially since half of the existing bedrooms are not expected to be replaced permanently per the concept proposed
- The review and approval timing is challenging given the gravity of the issues discussed

Vice Mayor Wilson requested that ARHA provide a plan regarding its strategy for replacement of all current ARHA units across the RFP sites, including the strategy, timing, locations, incomes served, unit mixes and financing to implement the plan for the Work Group's consideration at the February 9 meeting.

#### **Modernization and Expansion of Resolution 830**

Councilman Wilson provided a [Proposal](#) to review *Resolution 830*. Per the Proposal, the Resolution should be updated to modernize the language and reflect current housing policies, needs and financing tools (and potentially include other housing partners that participate in affordable development and preservation) to preserve and potentially expand the number of units protected. There was consensus that the next ARHA Redevelopment Work Group meeting would include discussion on the Proposal, and members of the Work Group were invited to provide feedback to Brandi Collins ahead of time, if feasible.

#### **Other Business**

The next meeting of the ARHA Redevelopment Work Group will be held on Thursday, February 9, 2017.

The meeting was adjourned by Vice Mayor Wilson.