

**ARHA Redevelopment Work Group
June 8, 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

Eric Keeler, Alexandria Office of Housing

Brandi D. Collins, Alexandria Office of Housing

Introductions and Meeting Summary Approval

Vice Mayor Wilson convened the meeting and introductions were made of Work Group members, City and ARHA staff and others attending the meeting.

Upon a motion, the Work Group approved the summary of the May 11, 2017 meeting.

City Council Work Session Debrief

On June 6, 2017, City Council held a Work Session on both the Resolution 830 Working Group and the Andrew Adkins Revised Concept 1 DSUP application. Helen McIlvaine, Karl Moritz, Eric Keeler, and Brandi Collins participated on behalf of the City. Roy Priest, Daniel Bauman, and Selena Zellers participated on behalf of ARHA. The members of the Work Group provided the following feedback on the City Council Work Session to meeting attendees:

- The discussion was productive as it provided education to the City Council on ARHA's financial constraints and an understanding of the ARHA Board's organizational priorities (hiring a new CEO, Ramsey Homes redevelopment, and Andrew Adkins redevelopment) and concerns regarding limited staff and financial resources (as it relates to participating in the Resolution 830 Working Group process).
- Given that the discussion was held late in the evening, City Council's participation in the in the discussion and input were limited. Additional feedback will be solicited.
- Some members of City Council strongly expressed concerns with the lack of affordable housing being proposed on the Adkins site, especially compared to the number of planned market-rate unit and stated that use of bonus density requires additional on-site affordable housing units. Councilman Bailey contacted Helen McIlvaine to request that she reiterate his concerns to the Work Group regarding the proportion of affordable housing to market-rate units onsite. Per Ms. McIlvaine, he also stated that if ARHA is selling its land to CRC, and not leasing it, a greater number of on-site affordable units is warranted as there will not be a future opportunity to get more.

- Some community members feel that the Braddock East Master Plan (BEMP) calls for a de-concentration of public housing in the neighborhood so the Adkins project seeks to achieve that goal. The overall proportion of public housing units to market-rate units within the Braddock area is significantly lower than it was when the BEMP was adopted by City Council in 2008 due to the large number of market-rate units subsequently developed in the neighborhood. If the Adkins project is constructed as proposed, the number of public housing units in the neighborhood will further decrease. It was also pointed out that the proposed redevelopments of Ramsey Homes and Carpenter Shelter are providing affordable housing, not public housing.
- There is a desire for a full spectrum of affordable housing; to include workforce housing.
- ARHA is not functioning like other affordable housing non-profits because it still serves households at very low income (less than 30% of Area Median Income (AMI)).
- The shortage of and demand for affordable housing requires the City work with many housing providers.
- The Braddock Metro and Braddock East Plans are almost 10 years old: there is a need to educate the public and stakeholders regarding the goals of the Plans. Some individuals feel the financing framework that was proposed in 2008 no longer works and, in their opinion, should be re-evaluated.
- It was recommended that a video be created to communicate how ARHA has redeveloped its properties in the past and to communicate the current market/financial dynamics that impact ARHA'S development and future provision of public housing and replacement housing. The video can include past Alexandria examples of successful mixed-income residential development and how the 1:1 replacement requirement was fulfilled.
- We should study other local examples that are different from the financial model that ARHA uses. Two examples are a new Wesley Housing/Buzzuto project in Arlington and an APAH project in Rosslyn. Some of these use a condominium structure to finance, build and own affordable and market-rate housing within one building.
- Relocation and replacement costs are unknown but expected to be very expensive.

Resolution 830 Working Group

Ms. McIlvaine and Mr. Moritz provided the following update to Work Group members and meeting attendees:

- Responses to the solicitation for professional services to secure a facilitator are due to the City on June 9, 2017. The solicitation was sent directly to 5 firms that both the City and ARHA deem qualified.
- The public process may begin after ARHA's new CEO is hired. City/ARHA staff and the selected consultant will begin work before then to prepare for the public consultation process.
- In response to the staff capacity concerns voiced in the ARHA Board's statement, City staff will manage the process and the bulk of the work in consultation with ARHA staff.

Andrew Adkins

Mr. Moritz and Mr. Priest provided the following update to Work Group members and meeting attendees:

- City staff met with the applicant today and the meeting was productive.
- ARHA is exploring replacement options for the 30 units that are not anticipated to remain on-site. The plan for replacement must be finalized within 6 months because disposition of the property cannot be approved by HUD without a solid relocation plan. ARHA is exploring options to acquire more than 30 units to create a "bank" of units that would be available for future relocation/replacement.

- Office conversions (converting office buildings into residential buildings) might be considered for potential replacement units, but the cost to retrofit properties is high and the use conversion and requirements can be complex. However, this should remain as an option because a wide range of options will be necessary to achieve goals regarding temporary and permanent replacement/relocation.
- Current options for permanent replacement units include: acquisition of current market-affordable residential properties, office conversions, residential set-aside units within new development projects (Oakville Triangle, Eisenhower Avenue Blocks 11 & 12) as well as redevelopment of existing ARHA properties to add more units.
- ARHA/CRC continues to explore the method of addressing City Council's desire for shared amenities.

Ramsey Homes Update

Mr. Priest provided the following update to Work Group members and meeting attendees:

- Ramsey Homes was awarded Low-Income Housing Tax Credits (LIHTC) from VHDA via the appeals process. The LIHTC closing is expected to occur in January 2018. The Section 106 process needs to be completed and HUD must approve the property's disposition before closing. City Council will consider the Section 106 mitigation during their June 13 session.
- ARHA is working with HUD now on disposition of Ramsey Homes. The construction start is slated for the end of 2017. Project completion is anticipated by January 2020.

Status of other ARHA Request for Proposal (RFP) Sites

Mr. Priest shared that ARHA will pursue the redevelopment of the Cameron Valley properties after the Andrew Adkins site is underway. ARHA currently expects to submit a LIHTC application for the redevelopment of Cameron Valley in March 2019.

ARHA CEO Search and Transition

The ARHA Board is working with S.R. Narloch & Associates to select a new CEO. Interviews with the finalists will occur the week of June 26. The interview panel will be comprised of representatives from the ARHA Resident Council (1), the City Manager's Office (1), the CEO Search Committee (3), the ARHA Board (2), and the ARHA Human Resources Department (1). The ARHA Board will interview finalists at its meeting on June 26. The Board hopes to make a final decision on the new CEO that night.

Other Business

None.

Next Meeting Date

The next meeting of the ARHA Redevelopment Work Group will be held on July 20, 2017. Discussion topics include: ARHA CEO Update, Options for Replacement Units, Relocation Strategies, Andrew Adkins DSUP (shared amenities), Update on Resolution 830 Working Group Schedule and Plan, and a Report on the Cameron Valley Physical and Capital Needs Assessment and an Outreach Plan for the Cameron Valley redevelopment.

The meeting was adjourned by Vice Mayor Wilson.