

**CITY OF ALEXANDRIA
PLANNING COMMISSION
WORKSESSION**

MARCH 1, 2016

OFFICE OF HOUSING

Office of Housing—what we do

2

- ❑ Develops housing policy
- ❑ Provides loans and TA to nonprofit and private developers to develop/preserve affordable housing
- ❑ Negotiates affordable units in market-rate properties
- ❑ Provides home purchase assistance, home rehab loans, and grants for rental accessibility
- ❑ Funds homebuyer training, foreclosure prevention, and condo education



Office of Housing—what we do

3

- Provides landlord-tenant services
 - ▣ Complaint resolution and mediation
 - ▣ Relocation assistance, including Beauregard
 - ▣ Fair housing testing and education
- Collaborates in small area planning and implementation
- Completes annual apartment survey
- Performs asset management and construction oversight
- Coordinates energy efficiency loans



ARHA

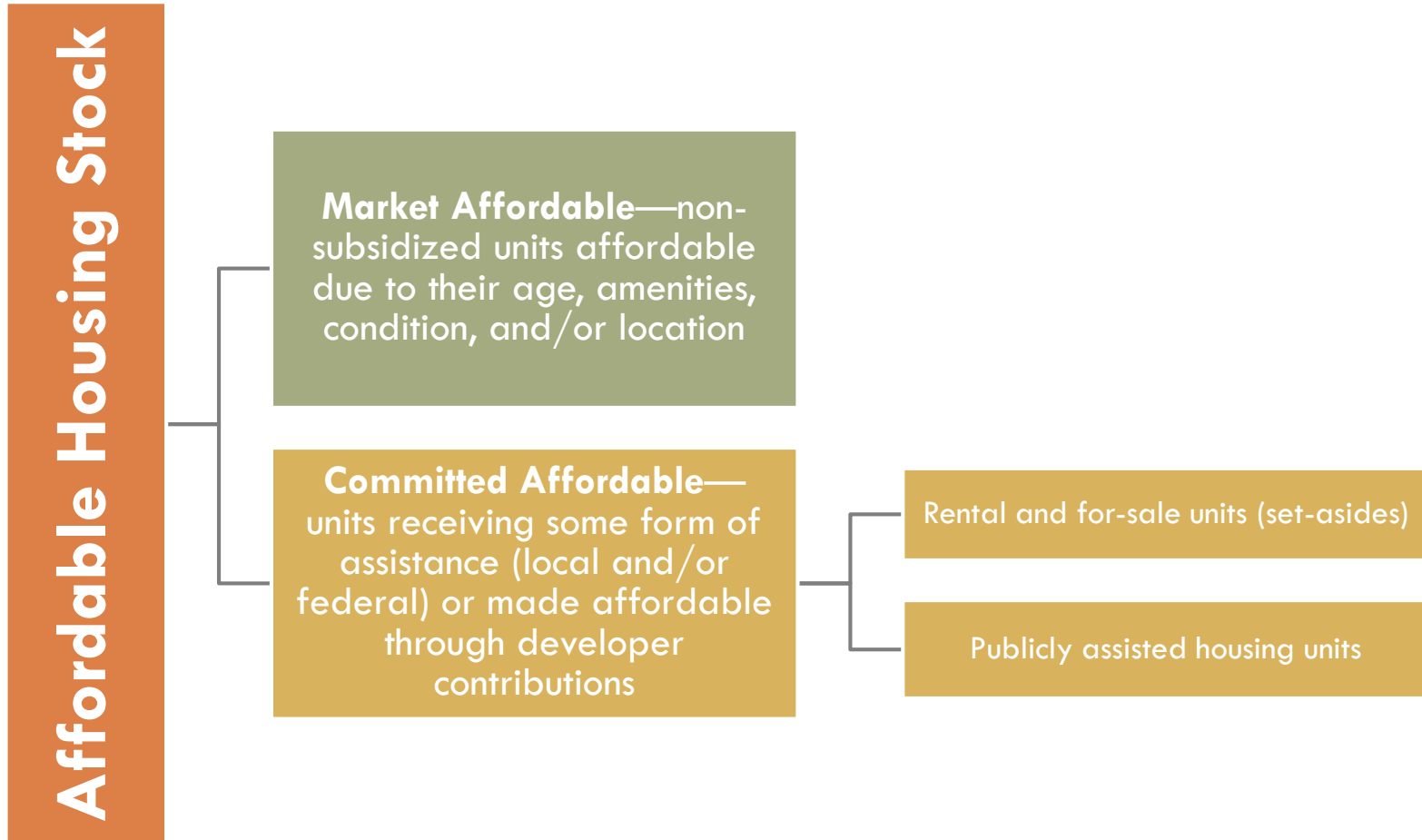
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- A public agency established under the Housing Authority Law, Chapter 1, Title 36 of the Code of Virginia of 1938
- Owns and operates public housing and affordable housing
 - ▣ Redevelopment and preservation
- Administers Housing Choice (Section 8) Voucher program
- Issues tax-exempt bonds



Commonly used terms

5



Commonly used terms (cont.)

□ AMI (Area Median Income)

Household Size/AMI	1-Person	2-Person	3-Person	4-Person
30% AMI	\$22,932	\$26,208	\$29,484	\$32,760
40% AMI	\$30,576	\$34,944	\$39,312	\$43,860
50% AMI	\$38,220	\$43,680	\$49,140	\$54,600
60% AMI	\$45,864	\$52,416	\$58,968	\$65,520
80% AMI*	\$61,152	\$69,888	\$78,624	\$87,360
100% AMI	\$76,440	\$87,360	\$98,820	\$109,200

— ARHA/DCHS

} Rental assistance

} Ownership assistance

Source: 2015 HUD Designated Median Income for Washington-Arlington-Alexandria, DC-VA-MD HUD Metro FMR Area (figures have not been rounded)

*Mathematical

Who do affordable units serve?

7

□ Typical 2015/2016 Hourly Salaries:

- Retail Sales Person: \$11.06 (2015)
- Housekeeper: \$12.39 (2015)
- Child Care Worker: \$14.78 (2015)
- ACPS Bus Driver: \$17.77 (2015)
- Alexandria Public Safety Communications Officer I: \$19.27 (starting) (2015)
- Alexandria Zoning Inspector: \$21.20 (starting) (2016)
- Alexandria Firefighter I: \$22.02 (2016)
- Alexandria Senior Residential Counselor: \$22.26 (starting) (2016)
- Alexandria Police Officer I: \$23.01 (starting) (2016)
- Alexandria Environmental Health Specialist: \$23.37 (starting) (2015)
- Administrative Assistant: \$23.52 (2015)
- Auto Mechanic: \$23.93 (2015)
- Alexandria Family Services Specialist II: \$28.40 (2016)
- Alexandria Senior Therapist : \$29.83 (starting) (2016)
- Alexandria Civil Engineer III: \$32.88 (starting) (2016)

Hourly wage needed to rent in Alexandria in 2015 (not to exceed 30% of income):

1 Bedroom (\$1,460): \$28.08

2 Bedroom (\$1,786): \$34.35

Sources: National Housing Conference 2015 Paycheck to Paycheck (www.nhc.org); City of Alexandria Public Schools 2015-16 Support Salary Scale; City of Alexandria Job Opportunities webpage (September 9, 2015 and February 5 and 10, 2016); City of Alexandria 2015 Market Rent Survey Wage: ((average rent/.3)*12months)/2,080 work hours per year

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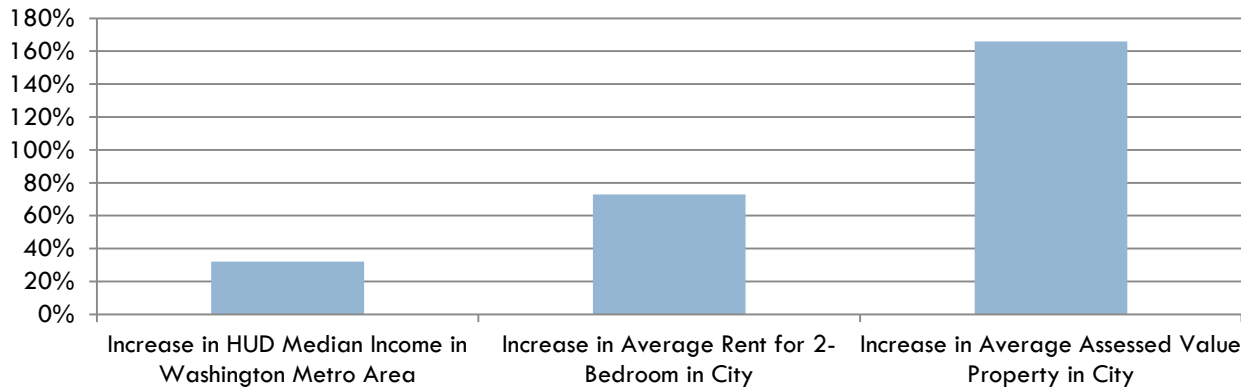
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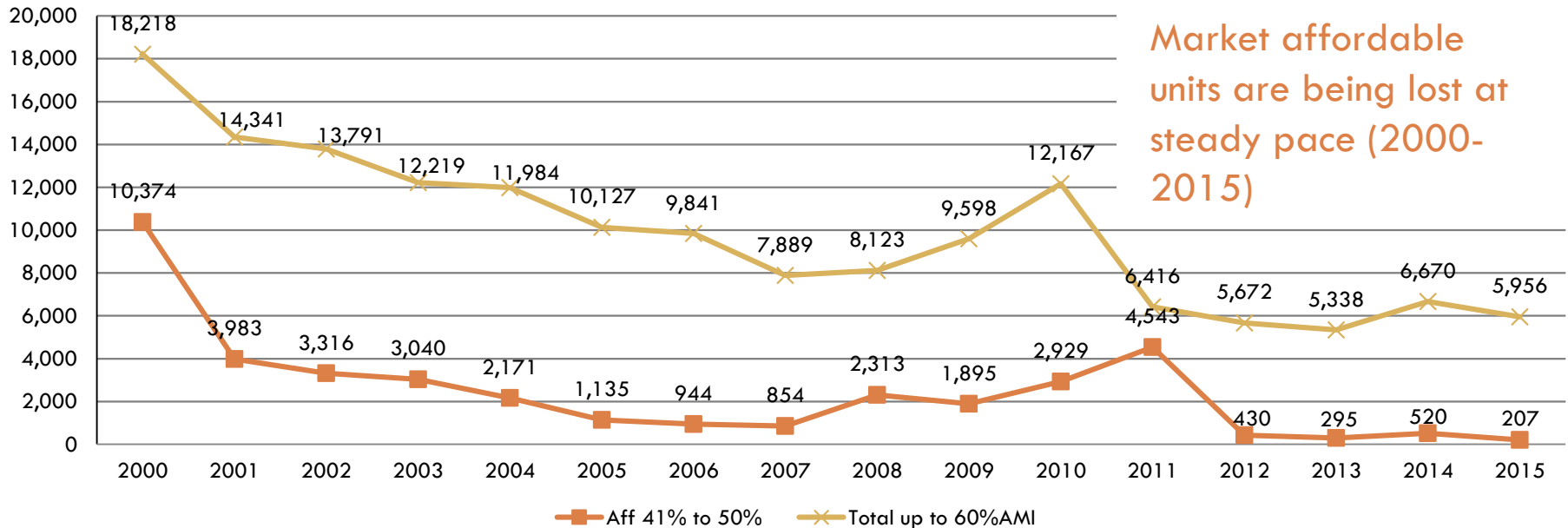
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Local trends and...



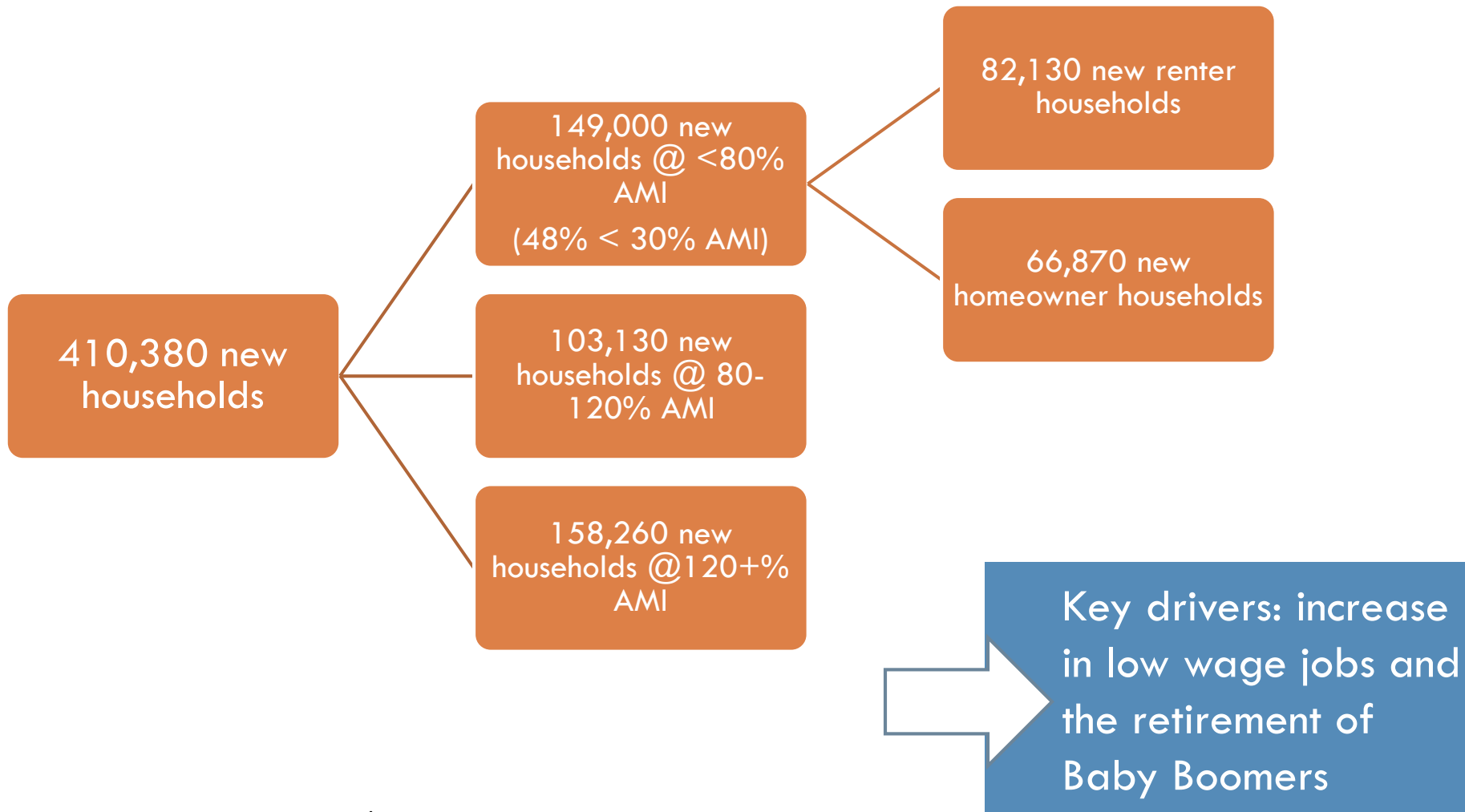
Wages are not keeping pace with housing costs (2000-2015)



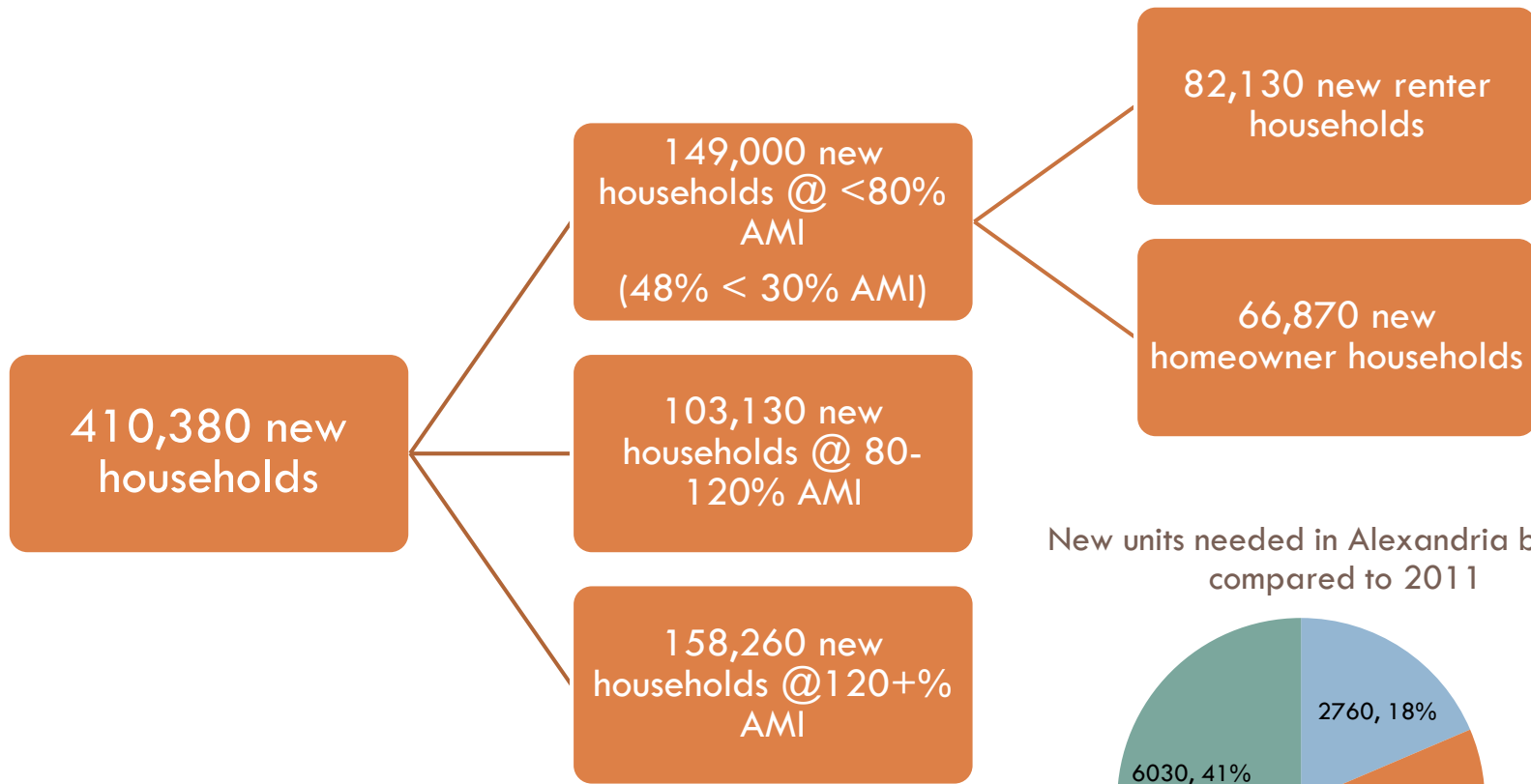
Market affordable units are being lost at steady pace (2000-2015)

...regional forecasts (2011-2023)

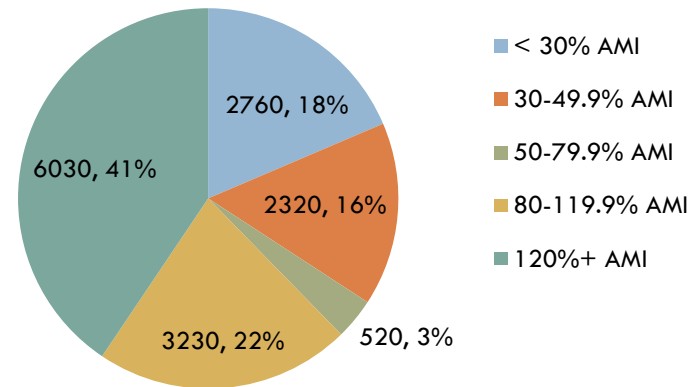
10



...regional forecasts (2011-2023)



New units needed in Alexandria by 2023 compared to 2011



2013 Housing Master Plan

12

- Establishes a *Housing for all* policy to meet the diverse and changing housing preferences of current and future residents, workers, and retirees
- Encourages geographic distribution of affordable units across the City
 - ▣ Promotes social and cultural diversity
- Advocates for affordable housing in areas with the greatest potential for density and mixed-use development near transit, jobs, and amenities
 - ▣ Places affordable housing-jobs imbalance at forefront

CITY OF ALEXANDRIA, VA

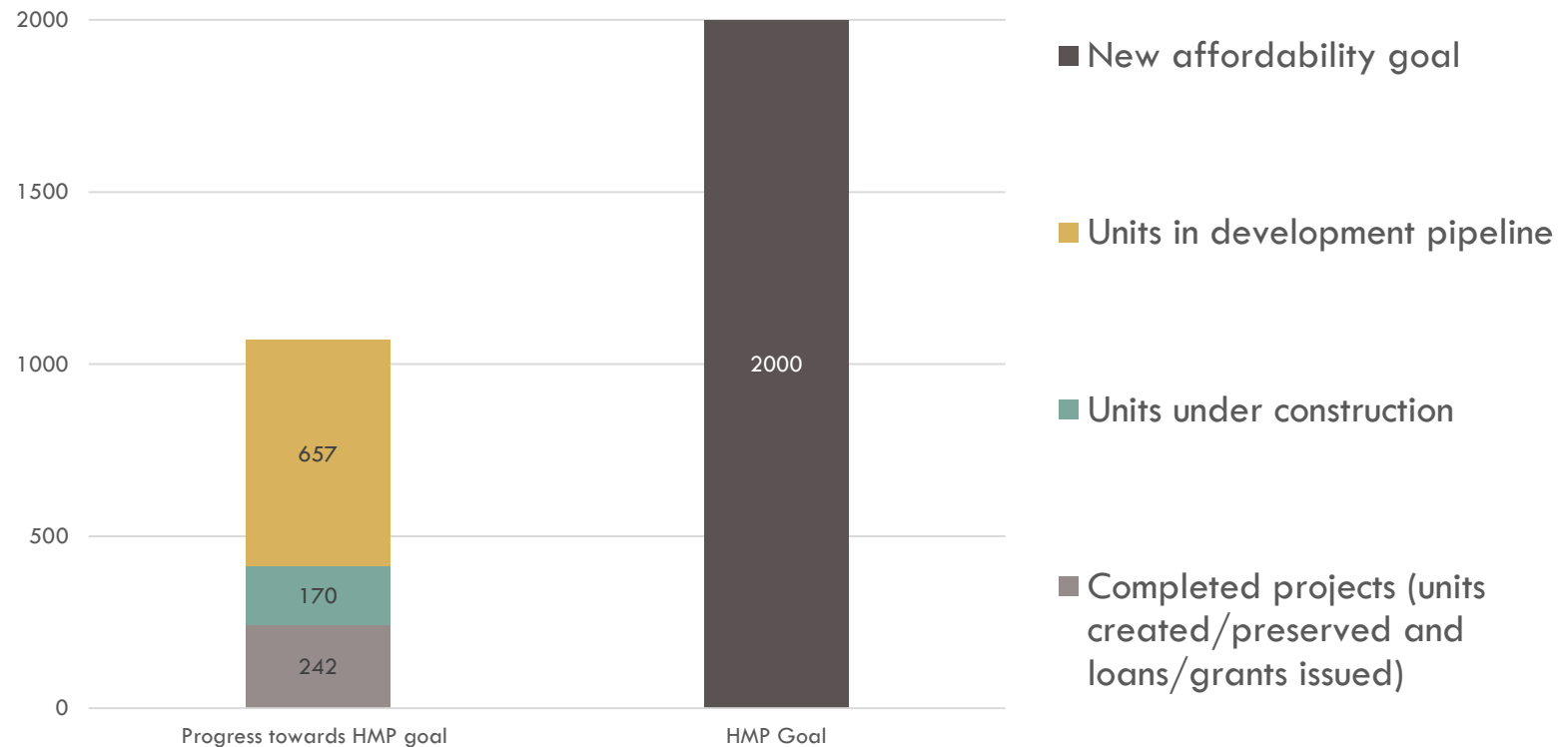
HOUSING MASTER PLAN



Housing Master Plan goal

13

- 2,000 units of new affordability by 2025

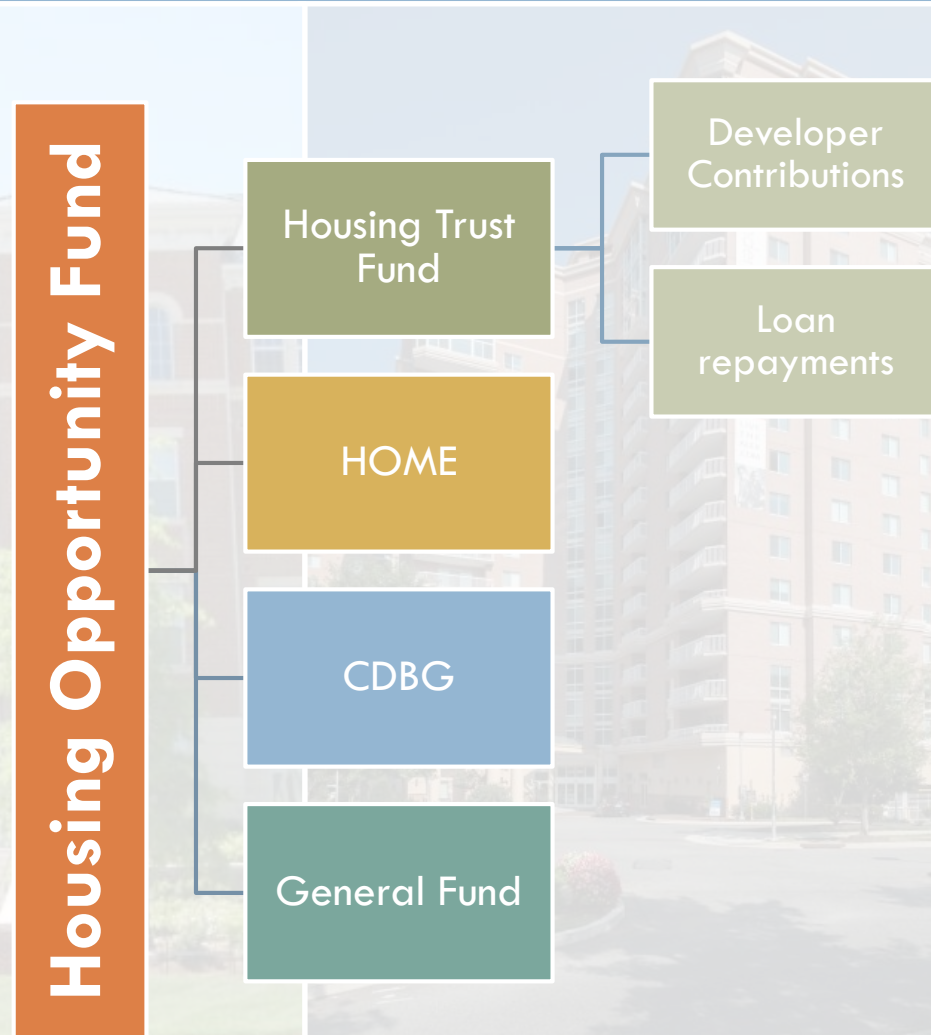


Source: City of Alexandria, Office of Housing, February 5, 2016

Building and preserving affordable units

14

- Voluntary monetary contributions to the Housing Trust Fund
 - Voluntary on-site or off-site units
- Sec. 7-700
- CDDs and rezonings



Voluntary monetary contributions

15

Development Category	Tiers	2015 Rates per Sq. Ft.
Non-residential	n/a	\$1.89
Residential	Tier 1 (by right)	\$2.51
Residential	Tier 2	\$5.03

- Rates adjusted annually (CPI for Housing)
 - ▣ 2016 rates to be released in March
- Paid when projects are completed

Exemptions:

- Religious, public, municipal uses, and ARHA
- Residential uses < 5 units
- New construction and additions < 3,000 sq ft
- Parking except for single-owner garages

601 Henry Street (The Park Residences)

16

Application:

18 Townhouses: 49,034 GFA

Site characteristics:

Lot area: 29,523

Zoning: CSL

FAR permitted: 0.75

FAR proposed: 1.75

By right: 22,142 GFA

Development Category	GFA	2014 Rates per Sq. Ft.	Voluntary Contribution
Non-residential	n/a	\$1.85	n/a
Residential Tier 1 (by right)	22,142	\$2.47	\$54,691
Residential Tier 2	26,892	\$4.94	\$132,845
Total contribution to Housing Trust Fund:			\$187,537



Housing Trust Fund dollars at work!

17



Leveraging City Housing Opportunity Fund

18

- Jackson Crossing (East Reed Street and US 1)
 - 77 units @ 60% AMI for 60 years
 - \$24.5 million total development cost
 - Financing:
 - LIHTC: \$12.2 million
 - Debt: \$8 million
 - Deferred developer fee: \$1 million
 - City loan: \$2.5 million
 - 250,000 predevelopment loan
 - City land note: \$720,000

\$1 → \$6.58

The diagram consists of a small white circle containing the text '\$1' on the left. A white arrow points from this circle to a larger white circle on the right containing the text '\$6.58'. The entire diagram is set against a solid orange background.

Section 7-700 (bonus density and/or height)

19



Section 7-700 (changes since 2013)

- More than 20% bonus permitted if authorized by small area plan
 - ▣ 2015 Eisenhower West SAP
- 1/3 of bonus units (or equivalent) must be committed affordable
- Affordable offsite units permitted if equivalent in value
- Cash in lieu of units permitted if mutually agreed to

CDDs and rezonings

22

- When additional density is requested, the Housing Master Plan recommends contributions take into account that affordable housing is one of the City's highest priorities and that there should be a significant monetary or in-kind contribution to affordable housing in excess of what would normally be required with a DSUP
 - Oakville Triangle (approved)
 - ABC/Giant site (proposed)

Oakville Triangle DSUP and CDD

- Affordable housing negotiated as part of broader community benefits package
 - Estimated standard monetary contribution
 - Developer agreed to provide on-site units
 - Estimated affordable unit target
 - Negotiated number and terms of units at a significantly higher value

Development Category	GFA	2015 Rates per Sq. Ft.	Voluntary Contribution
Non-residential	460,962	\$1.89	\$871,218
Residential Tier 1 (by right)	476,349	\$2.51	\$1,195,635
Residential Tier 2	567,902	\$5.03	\$2,856,545
Standard contribution to Housing Trust Fund:			\$4,923,398

Net Present Value Analysis	
Number of affordable units	65 (63 studios & 2 two-bedrooms)
Area median income	At or below 60% AMI
Term of affordability	25 years
Annual escalation rate	3%
Discount rate	5%
Estimated value of on-site units:	\$7,818,570

ARHA Strategic Plan—redevelopment as mixed-income communities

24

- RFPs
 - ▣ Andrew Adkins (90 units at Braddock Metro Station)
 - ▣ ARHA Administrative Building on North Fairfax Street
 - ▣ Samuel Madden Homes Uptown (66 units on North Henry Street)
 - ▣ Hopkins Tancil Courts (109 units on North Royal Street)
 - ▣ Cameron Valley (40 units on Yale Drive)
- Other projects
 - ▣ Ladrey renovation
 - ▣ Ramsey Homes redevelopment

Resolution 830—a 1981 City-ARHA joint agreement for 1:1 replacement of 1,150 public or publicly-assisted housing units in the City

Future opportunities

25

- Enhanced bonus density, including through small area plans
- Increased focus on more deeply subsidized units
- Redevelopment of church properties
- FY16/17 interdepartmental workplan
 - ▣ Maximizing public land for affordable housing
 - ▣ Mixed-income affordable assisted living
 - ▣ Enhancing homeownership and energy programs
- Expanded education and outreach

26

Thank you! Questions/Ideas?