



## COMMUNITY LODGINGS

*Opening Doors to Independence*

Eric Keeler  
Alexandria Office of Housing  
Subject: Funding Application for Housing Opportunity Funds Program

Dear Mr. Keeler:

I am writing to apply for funding consideration under the Housing Opportunity Funds program on behalf of Community Lodgings. Since 1987, Community Lodgings has been dedicated to assisting the Alexandria community by providing Transitional Housing, Affordable Housing, and Youth Education programs. These programs aim to help families transition from homelessness and instability to independence and self-sufficiency.

Our proposed project is the redevelopment of Elbert Avenue apartments, located within the Arlandria-Chirilagua community in Alexandria. Given the current housing situation in Alexandria, where affordable rental units are limited and rental costs are rising, we are seeking funding of \$3,450,000 in construction and permanent loans from the City of Alexandria Housing Opportunity Funds to support this redevelopment initiative. This amount is made up of \$450,000 which has been previously loaned to Community Lodgings for predevelopment, and \$3 million in new funds. In addition, CLI would request that the City allocate \$1 million in Amazon REACH funds from Virginia Housing to the project, and roll over the principal balance of its HOF sewer repair loan (\$23,242 as of January 2024) into the new loan. Finally, CLI would request that the City allocate \$350,000 to support a Pilot Rental Assistance program at the property for 10 units.

The need for increased housing affordability in Alexandria is significant. With the average assessed value of single-family homes reaching \$940,375 and condos averaging \$407,616, the housing affordability has become acute. There are fewer than 250 committed affordable rental units in Arlandria-Chirilagua, leaving over 850 households with incomes at or below \$50,000 housing cost-burdened. It is estimated that only 8% of the rental housing in Alexandria is affordable. Additionally, between 2000 and 2020, the cost of a two-bedroom apartment has increased by 128% city-wide.

To address these challenges, Community Lodgings proposes to demolish the existing 28-unit, multifamily garden-style residential buildings on the site and replace them with a new six-story 91-unit, affordable multifamily residential building. The proposed development will consist of 18 one-bedroom units, 55 two-bedroom units, and 18 three-bedroom units.

We are grateful for the opportunity to apply for funding for this vital housing initiative. If you have any questions or require further information, don't hesitate to contact me at (703) 549-4407.

Thank you for your time and consideration.

Sincerely,

*Lynn Thomas*

Lynn Thomas (May 31, 2024 23:02 EDT)

Lynn Thomas  
Executive Director  
Community Lodgings

**About Community Lodgings**

Founded in 1987, Community Lodgings' mission is to lift families from homelessness and instability to independence and self-sufficiency through [Transitional Housing](#), [Affordable Housing](#), and [Youth Education Programs](#). Learn more on [www.communitylodgings.org](http://www.communitylodgings.org), [Facebook](#), [Instagram](#), or [X](#).

**Elbert Avenue Residences**  
**Housing Opportunity Fund Application**

**Project Description**

- A. Provide a general description of the proposed project, including project type, size, location, short/long term goals, and population that will be served.**

Community Lodgings, Inc. (CLI), a nonprofit affordable housing provider founded in 1987 in Alexandria, Virginia, is seeking funds to support the redevelopment of an affordable multifamily residential project in Arlandria-Chirilagua. The project consists of the replacement of the current 28-unit Elbert Avenue Apartments (at 3908 – 3912 Elbert Avenue) with a new, 100% affordable 91-unit community. The goals of the project are to advance the mission of the sponsor/developer, Community Lodgings (CLI), by greatly expanding the number of – and improving the quality of – affordable housing opportunities in the Arlandria neighborhood. Furthermore, the project is intended to provide the sponsor with a long-term income stream that can support its other work in the community.

The project was rezoned in February 2023 with a Development Special Use Permit, and is now pursuing construction and permanent financing. CLI will apply for Virginia Housing Opportunities Tax Credits in July 2024 and, if successful, would begin construction by the end of 2025.

**Also describe the project’s current or proposed design and a summary of any planned rehabilitation. Include any green building design, techniques or materials that will be incorporated.**

The project will replace the three garden-style apartment buildings with a single six-story midrise building that will feature ground-level parking. The residential units are planned for the second through sixth floors, surrounding a courtyard on the second level that will serve as open space for residents. This design creates a U-shaped massing when viewed from Elbert Avenue. Additionally, there will be open spaces for residents on two rooftop terraces on the sixth floor and at ground level in front of the building.

The project will achieve EarthCraft Gold-level green building certification.

**Describe how the project is incorporating accessibility and universal design pursuant to VHDA’s Guidelines for Universally Designed Units.**

The project will include 10 fully UFAS accessible units (which will also meet the Virginia Housing Universal Design standards). 100% of the units will be visitable.

**Describe the project’s location, including the immediate neighborhood or civic association(s) and the context of other development/uses in the adjacent area.**

The site is located in the Arlandria-Chirilagua neighborhood. The property is surrounded by a mix of residential uses in the immediate vicinity. Mid- and high-rise apartment buildings are located north on Four Mile Road and west on Old Dominion Drive. Residential townhouses and the Presidential Greens multifamily residential community are located to the east. Additional townhouses and two-family and single-family dwellings are located to the south and west, including the Sunnyside at Lenox Place community. Commercial uses are also located a short distance away along Mount Vernon Avenue.

**List the amenities and services available near the project, particularly access to existing and planned future public transit.**

The neighborhood has good access to public transportation, with a bus stop serving two lines on Mount Vernon Avenue. Plenty of shopping and service options exist in the Arlandria commercial area, all within a ¼ mile of the site. The nearest Metro stations are Potomac Yard and Braddock Road. Residents can easily reach shopping centers, grocery stores, restaurants, and cafes within walking distance or by short drive to Potomac Yard and Del Ray. Outdoor enthusiasts will appreciate the proximity of Mount Vernon and Leonard “Chick” Armstrong recreation centers, which offer a variety of recreational activities. Families with children will find several schools in the area, including Core Kelly, Mount Vernon, Charles Barrett Elementary, and George Washington Middle School, catering to elementary and middle school students. Residents can also enjoy cultural attractions at the Birchmere.

**B. Site Control/Land Use/Zoning:**

**Describe the status of the applicant’s site control, and if any master plan amendments (MPAs), special use permits (SUPs), zoning changes, and/or waivers or variances are likely to be required to accomplish the project (e.g. height, density, parking, open space, etc) and the expected timeline to secure these. Note if any discussions have been held with other City departments (Planning and Zoning, Historic Preservation, Code, Transportation & Environmental Services, or others) and the nature of those discussions.**

The City of Alexandria approved this project for a Development Special Use Permit (DSUP) for a Residential Multifamily (RMF) Zone with 23 percent of the units to be deeply affordable at 30-40% Area Median Income (AMI), 7 percent at 50% AMI and the balance at 60% AMI.

However, as part of the application for Housing Opportunity Tax Credits (which are competitively allocated), CLI intends to propose deeper income targeting, with 50% of the units affordable at or below 50% AMI, comprising 22 units at 50% AMI, 15 units at 40% AMI and nine units at 30% AMI. The remaining 45 units will be affordable to households at or below 60% AMI.

**Identify any potential or known development challenges related to the site, including environmental, preservation, historic or geotechnical issues, as well as any plans to address and/or remediate the issues.**

A phase 1 Environmental Site Assessment of the site revealed no Recognized Environment Conditions. However, according to a recent remapping, the existing building faces a key obstacle: It lies within a FEMA flood zone. Consequently, constructing underground facilities like parking space poses a challenge. CLI has devised plans to incorporate parking facilities, community amenities, and an office into the ground level of the new building. Residential living begins on the second level of the building.

**Please indicate if the project has been discussed with neighbors and/or surrounding civic associations. Describe the level of support or opposition. Have any letters of support been received? If community outreach has not yet occurred, describe the strategy and timeline for this.**

Significant support from the neighborhood for this redevelopment project has been received, with endorsements from residents, local non-profits, local religious institutions, and neighboring communities. Correspondence expressing approval for the project has been submitted to the city authorities and included in official reports presented to the Planning Commission and City Council.

Community Lodgings showed its commitment to inclusivity by involving its residents, neighbors, and stakeholders throughout the City of Alexandria Planning and Zoning DSUP process. Before meetings with staff and in preparation for Planning Commission and City Council hearings, resident gatherings were carefully organized ahead of neighborhood and stakeholder consultations. All proceedings were then thoroughly documented and shared on CLI's website for transparency and accessibility.

### **C. Project Target Population**

**Describe the anticipated market for the development as proposed. If a rental project, describe the number of market-rate units, the number of affordable units, the proposed rents for each and the target population to be served.**

The current population consists of very low- and low-income households. The target population is extremely low-, very low- and low-income households.

AMI Level	Current #	Proposed #
30% AMI	0	9
40% AMI	0	15
50% AMI	6	22
60% AMI	22	45
Total	28	91

## Rents

See the attached Development Program for the currently proposed rents

### **If the project is an existing development, describe the current resident demographics, including the number of current housing choice voucher holders.**

As noted above, the current population includes very low- and low-income households. Only one of the current households is a housing choice voucher holder.

### **How will the project impact existing tenants? Is relocation anticipated and, if so, what plans have been developed to support tenants?**

Construction will entail demolishing the three buildings at 3908, 3912, and 3916 Elbert Avenue. Construction will take approximately 21 months to complete, and current residents of Elbert Avenue Apartments will be relocated during this time.

CLI has retained Housing to Home (HTH), a specialized consulting firm with extensive experience executing temporary, resident-in-place, and permanent relocation. HTH is highly knowledgeable about and up to date with all federal, state, and local relocation rules and regulation.

All households residing in Elbert Avenue Apartments will be considered displaced or permanently relocated. However, we are committed to inviting and encouraging all residents whose incomes do not exceed LIHTC limits to return to the new development. Permanently relocated is defined as an off-site move for over 12 months, but once the new development is completed, the displaced income-eligible resident will have the right to return. All residents will receive a permanent relocation notice and benefits in accordance with the City of Alexandria's Tenant Assistance and Relocation Policy for the Residential Multifamily Zone (RMF), the Uniform Relocation Assistance and Real Property Act of 1970 (URA), implementing regulations at 49CFR Part 24, the guidelines outlined in HUD Handbook 1378 on Tenant Assistance Relocation and Real Property Acquisition and Section 104(d) of the Housing and Community Development Act of 1974, as amended.

HTH will assist each household in identifying comparable replacement dwelling units. Replacement housing will be provided non-discriminately in compliance with fair housing and other civil rights laws. One unique, comparable replacement unit and two other units will be listed on the 120-day notice to vacate. A relocation plan has been submitted and approved by the city.

**What accessibility accommodations and/or universal design elements are planned?**

The project will include 10 fully UFAS accessible units (which will also meet the VH Universal Design standards). 100% of the units will be visitable.

**D. Project Budget:**

**Provide a description of the proposed financing plan for the project. Attach a Sources and Uses table listing all of the planned sources and uses to meet the project development budget, including amount, source (federal, other public, private), status of commitment, timing and intended use. Evidence of non-city financing commitments should be provided, if available. The project budget should detail, to the greatest extent possible, known acquisition costs, rehabilitation/or construction costs, contingencies and all anticipated financing and soft costs (professional/legal/appraisal fees, architectural and engineering fees, construction loan interest, developer fees, marketing costs, real estate taxes, insurance costs, any loan or financing fees, building permits costs, anticipated relocation expense, and consultant fees). Identify the total amount of funds being requested from the City to fund gaps in the planned financing and how such funds will be used. Based on the total development cost, provide the anticipated per unit cost.**

**Applicants will be asked to update the budget through the time of loan closing. Two general contractor bids or equivalent analyses may be required to document costs at staff's request.**

See the attached Development Budget and Sources and Uses statement.

None of the construction or permanent financing has been applied for or committed. The developer proposes to apply for 4% LIHTC and Virginia Housing Opportunities Tax Credits in the July 2024 competitive round, and to apply for Affordable Special Needs Housing funds from Virginia DHCD in the fall 2024 competitive round.

**E. Project Proforma:**

**Provide a multi-year proforma (project income and expenditure statement) that includes anticipated rental revenues and ancillary income, as well as expenses such as market vacancy, operating and management costs, real estate taxes, and debt service. Reserves for operating deficits, lease up and future capital expenses should be shown, as required. The proforma should represent the term required to fully**

**repay the City's loan and/or the term of the City's required affordability period (usually 40 years).**

**If tax credits are anticipated as a funding source, a completed copy of the most recent year's VHDA application for reservation must be submitted with the loan request. The application can be found on VHDA's website.**

See the attached Proforma Cash Flow statement. The VH LIHTC application is being developed currently, and will be provided as soon as it is available.

**F. Project Schedule:**

**Indicate the proposed project schedule, including predevelopment, site control, zoning approval, and financing and construction milestones through completion/lease up.**

See the attached project milestone schedule.