

Draft FY 2021 Action Plan for Housing and Community Development

Revised April / 2020

Citizen Summary

The City FY 2021 Action Plan Citizen Summary provides a brief overview of the objectives and expected outcomes of affordable housing and community development programs and activities that will be funded with federal Community Development Block Grant (CDBG) and HOME Investment Partnerships (HOME) entitlement funds along with state, local, private or other federal funds during July 1, 2020 through June 30, 2021.

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What is the Action Plan?

In 2015, the City submitted its City Fiscal Year (CFY) 2016-2020 Five-Year Consolidated Plan that identifies the housing and community development needs of Alexandria's extremely low-to-moderate income, homeless, and special needs populations, as well as certain target areas identified by the City. The Plan is mandated by the U.S. Department of Housing and Urban Development (HUD) since Alexandria receives a direct allocation of federal entitlement CDBG and HOME grant funds. The Plan outlines the City's strategies to address the needs of these groups and the designated areas over the mid-term, using entitlement funds as well as other federal funds and local, state and private resources leveraged by the City.

The specific activities to be undertaken in each year of the Consolidated Plan period are spelled out in the action plans and are submitted to HUD online prior to the beginning of each FY. The CFY 2021 One-Year Action Plan is the sixth Action Plan to be submitted to HUD under the current Consolidated Plan period. It details activities to be undertaken during the City's fiscal year and will serve as the City's application for Federal Fiscal Year (FFY) 2020 allocations of CDBG and HOME funds.

The CFY 2021 Action Plan continues the work of the CFY 2020 Action Plan and adds a new program in response to the COVID-19 crisis based on funding from the CARES Act. In June 2018, HUD approved a one year extension of the CFY 2016-2020 Five-Year Consolidated Plan to allow for the Metropolitan Washington Council of Governments to develop a Regional Analysis of Impediments (AI) to Fair Housing which will inform the goals of the 2022-2026 Five-Year Consolidated Plan.

Meeting the Needs of the Most Vulnerable Residents

In the current Consolidated Plan, the City provided a needs assessment, based on HUD's guidance, a housing market analysis, an inventory of facilities and services, and strategic planning information, in five general categories: 1) Renters, Homebuyers, and Homeowners; 2) Homeless Persons and Persons who are at Risk of Homelessness; 3) Persons with Special Needs; 4) Non Housing Community Development; and 5) Other Issues of Concern to HUD. The Citizen Summary outlines the City's program goals, objectives, and expected outcomes in meeting the needs under these categories during FY 2021.



MEETING THE NEEDS OF RENTERS BY PRESERVING AND/OR CREATING AFFORDABLE HOUSING

Alexandria Redevelopment and Housing Authority (ARHA)

Resolution 2876 and Redevelopment

Resolution 2876, adopted in CFY 2020, includes a City and ARHA pledge to maintain a minimum of 1,150 of Public Housing and Affordable Rental Housing units if they are demolished or redeveloped and to protect existing tenants from displacement. Resolution 2876 describes the approach to formulating the income mix at any new development and offers a mechanism for the City to support deeper affordability through financial resources. In response to decreasing federal funding for public housing, which creates challenges for ARHA to fulfill its mission, ARHA has chosen to submit disposition applications to HUD for many of its properties. If these applications are successful, it would pave the way for ARHA to receive more federal funding for those properties and give ARHA greater flexibility to redevelop them as mixed-income developments. If the applications are denied, ARHA intends to explore other options for redevelopment, such as HUD's RAD program.

ARHA issued a Request for Qualifications in February 2020 seeking development partners for five sites it intends to redevelop in the near future. The ARHA Board will select its chosen development partners in June 2020 and begin preliminary work with them in FY 2021. The City will be kept apprised of ARHA's plans and actions through the ARHA Redevelopment Workgroup, which is a joint effort between the ARHA Board, the City Planning Commission, and the City Council.

Housing Choice Voucher Program

In FY 2021, ARHA will continue administering the Housing Choice Voucher program, which currently has an allocation of 1,971 vouchers to serve low to moderate income households. Because the vouchers subsidize the difference between rents in the City's private market and what the voucher household can afford to pay based on its income, funds available through the allocation currently cover 1,460 vouchers.



Future Developments

Construction will be complete at ARHA's Ramsey Homes site in summer 2020. The new building will include 15 public housing replacement units and 37 units of affordable housing. The project site will contain plaques, signs, and other sources of information about the history of the site and the role it played in Alexandria's history. The project was funded with low-income housing tax credits (LIHTC).



NEW COVID-19 Rental Assistance Program

The Office of Housing will offer rental assistance to households who experienced short-term income loss due to COVID-19. Up to 3 months of payments (\$500/month) per household will be provided to landlords of city assisted affordable housing units to pay a portion of an assisted household's rent. The Office of Housing anticipates serving an estimated 400 households with the new program.



Construction of the **Waypoint at Fairlington** will begin in CFY 2021 with completion scheduled for CFY 2022. The project is in partnership with Fairlington Presbyterian Church, which is providing land behind their building. It will have 81 housing units affordable to households at 60% AMI or below (with 10 units with local rental subsidy).

Preserving and/or Creating Affordable Rental Housing with Nonprofits

The City uses federal HOME and CDBG funds to help nonprofits develop or preserve affordable housing. The projects currently underway include Carpenter's Shelter (now "The Bloom" — 97 units), the Church of the Resurrection (now, "The Spire"—113 units), and the Waypoint at Fairlington (81 units).

The Bloom Project (formerly Carpenter's Shelter) is scheduled to deliver a modern shelter facility with 97 affordable rental housing units above it in summer 2020. Ten of the units will serve as permanent supportive housing with deeply affordable rents, with local rent subsidies and case management services to help qualified shelter residents transition into permanent housing.



The Spire (formerly the Church of the Resurrection Redevelopment Project) has begun construction and anticipates completion in summer 2021. The project will consist of 113 housing units affordable to households at 40% to 60% of AMI (with 12 units with local rental subsidy). The project will include a new church on the site to replace the previous one.

Privately-owned Committed Affordable Rental Units

There are currently 3,300 privately-owned, committed-affordable rental units for low-to moderate-income households in the city (this includes supportive housing units). Alexandria's five-year objective for these units is to preserve, maintain or even achieve a net increase in the number of units through investment of local funds and/or through non-monetary tools and strategies. However, affordability could be lost in some units as the owners can opt out of the rental subsidy contracts when expire. The contract for Bellefonte Apartments has been renewed and the 12 units are being renovated by local affordable housing developer. The City is working with HUD and The Heritage at Old Town to preserve the 140 affordable units and provide tenant assistance to mitigate the impacts of any redevelopment. The owner of Olde Towne West III is exploring opportunities to preserve the affordability of their 75 affordable units through redevelopment.

The City is being proactive in developing tools and strategies to preserve the housing affordability of expiring contracts. It created the Residential Multifamily Zone to encourage the development of even more of affordable units than those allowed by existing bonus density regulations. It is providing financial support such as loans to non-profits to acquire and preserve affordable housing units. The recent purchase of the Parkstone development by AHDC, which will add 244 committed affordable rental units to the city's supply, was partially funded with an \$8 million City loan. The City will continue to work with other private owners to preserve affordable housing units, when possible, and will continue to identify possible resources to assist in preserving and expanding the supply of affordable housing for lower-income households.

MEETING THE NEEDS OF HOMEBUYERS

By Providing Education, Counseling and Affordable Ownership Housing Opportunities



The City's homeownership programs are tools through which the City can retain low- and moderate- income households who currently live or work in Alexandria but have limited opportunities for home purchase. During FY 2021 the City will continue to provide assistance to Alexandria homebuyers with incomes at or below HUD's moderate-income limits through these programs.

Flexible Homeownership Assistance Program (FHAP)

FHAP will provide deferred-payment, second trust loans of up to \$50,000 for down payment and closing cost assistance to income-qualified, first-time homebuyer households with incomes up to 80% of AMI, specifically for resale of previously assisted resale restricted units and special projects. During CFY 2021, the City expects to provide an estimated 10 (4 from ANSP) first-time homebuyers with financial assistance to purchase a home in the City.

Alexandria Neighborhood Stabilization Program (ANSP)

ANSP provides funding to Rebuilding Together Alexandria for the acquisition and rehabilitation of housing units. The units are sold to eligible first-time homebuyers with incomes at or below 80% of the AMI limits. Down payment and closing cost loans are also provided to assist first-time homebuyers with the purchase of these units. During CFY 2021, it is anticipated that 3-4 properties will be acquired, rehabilitated and sold to eligible first-time homebuyers. Generally the units that are acquired, rehabilitated and sold affordably are foreclosures and short sales.

Fair Housing Testing Program

During the Action Plan year, CDBG funds will be utilized for the Fair Housing Testing Program. The Program tests for discrimination on one or more of the following bases prohibited by federal or state fair housing laws or by the City's Human Rights Ordinance: race, age, marital status, color, national origin, familial status, disability, sex, religion, ancestry, and sexual orientation.

Office of Housing staff also coordinates and presents public education programs to improve public awareness and promote compliance with fair housing laws. In addition to a regularly scheduled annual seminar, staff will conduct an on-site fair housing training for real estate and property management professionals. This training is provided as a free service to businesses operating in the City. Fair housing training is also incorporated in the annual Regional Housing Expo.

Analysis to Impediments to Fair Housing (AI)

The City along with other DC area jurisdictions are working with Council of Government on the development of Regional AI. This work will continue throughout the next year along with the development of our local AI.



MEETING THE NEEDS OF EXISTING HOMEOWNERS AND DISABLED RENTERS

By Improving Living Conditions, Maintaining Affordability and Providing Accessibility Modifications

Rental Accessibility Modification Program (RAMP)

RAMP provides grant funds of up to \$50,000 for a rental unit that is the primary principal residence of an individual with a disability. Modifications funded by the program can include installation of ramps, rehabilitation of a bathroom, widening of doorways, and exterior improvements, as well as other work.

RAMP can only be used by renter households where at least one member of the household is physically disabled and the property owner must agree to the proposed improvements.

During CFY 2021, the City expects to assist 3 households to make rental accessibility modifications.

Home Rehabilitation Loan Program (HRLP)

The chief purpose of HRLP is to provide existing city homeowners whose incomes are at or below 80% of the AMI with the financial and technical assistance to make repairs and/or accessibility improvements to their owner-occupied residences. The purpose of the repairs is to bring properties up to code, extend their usable life, and increase accessibility for homeowners to allow them to age in place. During CFY 2021 an estimated 10-12 households are expected to received HRLP assistance.



MEETING THE NEEDS OF PERSONS WHO ARE HOMELESS OR AT RISK OF HOMELESSNESS

By Providing Shelter Facility for Homeless Households

Winter Shelter Program

During FY 2021 the City will provide CDBG funding to Carpenter's Shelter for its Winter Shelter Program. The program will provide seasonal shelter, as well as workshops and linkages to community services, from November 1 to April 15 to protect persons experiencing homelessness from exposure-related conditions such as hypothermia and frostbite during cold weather months. Carpenter's Shelter anticipates 260 homeless persons will benefit from the program. Beginning in summer 2020 Carpenter's Shelter will be operating in their new facility on the ground floor of The Bloom development.

Providing Homeless Intervention and Prevention Services

Transitional Assistance Program

DCHS's Office of Community Services (OCS) provides financial assistance to eligible Alexandria households at risk of becoming homeless or experiencing homelessness to obtain permanent and affordable rental housing and, as needed, case management services to ensure future stability. The Transitional Assistance Program (TAP) provides assistance with security deposits and first month's rent to qualifying households. OCS anticipates serving 40 households, consisting of 89 individuals, under TAP during FY 2021.

Prevention Services

Other DCHS prevention services include case management, rent, and utilities assistance to households facing immediate eviction into homelessness. In FY 2021 it is anticipated that 19 households, consisting of 65 persons, will receive prevention assistance. DCHS also administers the Community and Emergency Services program, which provides short-term rental and/or utility assistance as homeless prevention to low-income households. It is anticipated that 770 households, consisting of 2,096 persons, will receive assistance.



The Partnership to Prevent and End Homelessness in the City of Alexandria (The Partnership)

The City's public and private homeless service providers offer a comprehensive array of services and operate facilities to house those experiencing homelessness through a continuum of care (CoC) system. The CoC in Alexandria, The Partnership, is designed to address the diverse needs of persons in the City who are homeless or threatened with homelessness. Through case management, education and training, and a range of other supportive services, the goal of The Partnership is to promote housing without recurring episodes of homelessness.

Each year, City and nonprofit service agencies that comprise The Partnership participate in a HUD-sponsored CoC competition to obtain federal grant funding for projects that provide housing and services to individuals and families experiencing or at-risk of homelessness. The grant program requires CoC groups to submit collaborative applications for the funding of programs that fit within specific HUD-mandated eligibility guidelines. The Commonwealth of Virginia has also adopted this collaborative process for all homeless services funding. Through this model, Alexandria has created a system that avoids duplication of services and allows resources to be allocated efficiently among providers to maximize opportunities for leverage and impact.

City of Alexandria

Draft CFY 2021 Action Plan Goal Outcomes

Using other federal, state, local, or private funds
(All Subject to Available Resources)

Renters

1. Preserve and maintain the existing supply of 1,150 public housing and replacement units;
2. Preserve and maintain the current supply of approximately 3,300 privately-owned rental units with federal, state and/or local funds available to households at or below HUD's moderate-income limits
3. Provide at least 1,460 Tenant-based Rental Housing Choice Vouchers to households that are at or below HUD's moderate-income limits
4. Develop 272 affordable housing rental units (Ramsey Homes, The Bloom, and the Spire) for households at or below 60% AMI
5. Provide assistance with rent to an estimated 400 households who have lost income based on business closures related to COVID-19 through the COVID-19 Rental Assistance Program

Homeowners

1. Complete 9 rehabilitation projects and provide no-interest, 99-year deferred loans to 9 households with incomes at or below HUD's moderate-income limits under the Home Rehabilitation Loan Program
2. In collaboration with private agencies, provide modest, free repairs or renovations to 4 owner-occupied housing units for households at or below HUD's moderate-income limits under the Alexandria Neighborhood Stabilization Program (ANSP)
3. Assist 7 first-time, low-to moderate-income homebuyers with the purchase of a home rehabilitated under ANSP or a previously assisted resale-restricted unit

Non-Homeless Persons with Special Needs

1. Relieve the housing cost burden for 1,350 income-eligible and/or disabled homeowners, and 99 disabled veteran homeowners under the Real Property Tax Relief Program
2. Relieve the housing cost burden for 30 elderly, 46 disabled and 13 elderly-disabled persons under the Rent Relief program
3. Provide modifications to 3 privately-owned rental housing units occupied by disabled renters with incomes at or below HUD's moderate-income limits through the Rental Accessibility Modification Program

Persons with Mental Illness, Intellectual Disabilities and Substance Use Disorders

1. Provide 34 beds in 19 units in facility-based, permanent supportive housing, including 8 beds in 3 units for families, provided through DCHS for persons who are homeless and have mental illness
2. Provide 50 permanent supportive housing beds to persons with mental illness, intellectual disabilities and/or substance abuse disorders in 29 housing units provided through DCHS

City of Alexandria

Draft CFY 2021 Action Plan Goal Outcomes

Using other federal, state, local, or private funds
(All Subject to Available Resources)

Homeless Persons and Persons at Risk of Homelessness

1. Provide 124 beds to homeless persons for emergency shelter (Carpenter's Shelter—60 beds. Beds were temporally relocated due to new construction at its facility); Alexandria Community Shelter (operated by Volunteers of America-Chesapeake—64 beds)
2. Provide 50 beds to homeless persons during the winter months under the Winter Shelter program
3. Relieve the housing cost burden for 83 households under the Rent Relief program
4. Provide 19 units in facility-based permanent housing along with 3 units for families
5. Provide 12 Safe Haven beds for single men and women
6. Provide security deposits and first month's rent to 40 households at risk of homelessness through the Transitional Assistance Program
7. Provide 100 households with Rapid Re-housing assistance through non-profit partnerships
8. Provide 36 Mainstream Vouchers to assist disabled non-elderly households who are homeless, at risk of homelessness, or leaving transitional housing or institutions

Persons with HIV/AIDS

1. Provide long-term, Tenant-Based Rental Assistance to 12 Alexandrians living with HIV/ AIDS under the HOPWA voucher program administered by Northern Virginia Family Services (Northern Virginia Regional Commission manages and distributes these funds)
2. Provide short-term security deposit assistance to 3 Alexandria households

City CDBG and HOME funded programs

Program	Proposed FY 2021 Federal Funding	Estimated FY 2021 Performance Measure
Housing Opportunities Fund (HOF)	\$695,467 (New HOME—\$556,374 HTF Match—\$139,093)	14 Housing Units
Home Rehabilitation Loan Program	\$1.5M (New CDBG - \$805,962; Program Income - \$325,000; Carryover—\$360,000)	9 Households
Flexible Homeownership Assistance Program	\$300,000 (HOME Program Income - \$250,000 CDBG Program Income - \$50,000)	7 Households
Alexandria Neighborhood Stabilization Program	<i>HOME funding revolves within the program.</i>	4 Households
Rental Accessibility Modification Program	\$57,500 (New CDBG)	3 Households
Transitional Assistance Program	\$50,000 (New CDBG)	89 People
COVID-19 Rental Assistance Program	\$671,570 (Cares Act CDBG)	400 Households
Winter Shelter	\$20,000 (New CDBG)	260 People
Fair Housing Testing	\$23,054 (New CDBG)	One Round of Testing
Program Administration	\$213,845 (New CDBG - \$185,092; New HOME - \$28,753)	n/a

Other Major Federally-Funded Housing Programs

Program	Projected FY 2021 Federal Funding	Estimated FY 2021 Performance Measure
Public and Replacement Housing	\$5.1M	1,150 Units
Housing Choice Voucher Program	\$25.1M	1,460 from voucher allocation of 1,970
Privately-Owned Subsidized Rental Units	LIHTC, Tax-Exempt Bonds, Section 8 Project Based	3,300 Units
Rapid Re-Housing	\$820,000	29 Households
Continuum of Care (COC)	\$850,002	59 Households
HOPWA (Long-term Tenant Based)	\$182,000	9 Vouchers
Ryan White Comprehensive AIDS Response Emergency (CARE)	\$532,866 (Alexandria)	209 Persons

The Draft CFY 2021 Action Plan will be made available for public comment from Thursday, March 19 through Monday, April 20. A public hearing on the Draft Plan is scheduled to be held before City Council on Saturday, April 18, beginning at 9:30 am. During the 30-day comment period copies of the Draft Action Plan will be made available on the City's website at alexandriava.gov/Housing or via request by email to kimberly.cadena@alexandriava.gov or postal mail to Kim Cadena, 421 King St, Ste 215, Alexandria, VA 22314.

Comments on the Plan can be submitted in writing via the methods above or made during the public hearing.

The Action Plan is available in a format accessible to persons with disabilities upon request.