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Title: Consideration of a Request for a Resolution Designating the Samuel Madden Redevelopment Project Site a Revitalization Area. [ROLL-CALL VOTE]

Sponsors:

Indexes:

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Attachments: 1. 23-0732_Resolution, 2. 23-0732_signed resolution, 3. 23-0732_signed resolution

Date	Ver.	Action By	Action	Result
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City of Alexandria, Virginia

MEMORANDUM

DATE: FEBRUARY 7, 2023

TO: THE HONORABLE MAYOR AND MEMBERS OF CITY COUNCIL

THROUGH: JAMES F. PARAION, CITY MANAGER /s/

FROM: HELEN S. MCILVAINE, DIRECTOR, OFFICE OF HOUSING

DOCKET TITLE:

Consideration of a Request for a Resolution Designating the Samuel Madden Redevelopment Project Site a Revitalization Area. [ROLL-CALL VOTE]

ISSUE: Introduction of a Resolution (Attachment 1) designating the Samuel Madden Redevelopment Project Site a "Revitalization Area" pursuant to Virginia Code Section 36-55.30:2.A.

RECOMMENDATION: That City Council:

- (1) Approve the resolution designating the Samuel Madden Redevelopment Project Site a Revitalization Area pursuant to Section 36-55.30:2A of the Virginia Code following approval, if granted, of the related land use matters; and

- (2) Authorize the City Manager to execute such documents as may be necessary to support ARHA's application for Low Income Housing Tax Credits related to this resolution.

BACKGROUND: ARHA and its development partners propose demolishing the existing Samuel Madden Homes development (built in 1945, and obsolescent to today's living standards) which is comprised of 66 public housing units to construct two multifamily buildings at 899 and 999 N. Henry Streets. The redevelopment proposal is scheduled to be considered by Planning Commission and City Council at their February public hearings. The mixed-use redevelopment concept includes 532 rental units, with more than 60% (326 units) being affordable to households at a range of incomes from 30% to 80% AMI. Besides the affordable and workforce housing, another 206 apartments will be market-rate units. The total development cost for the affordable units is anticipated to be approximately \$103 million, for which the planned funding package is expected to include low-income housing tax credit equity, first mortgage debt, a deferred developer fee, various rental subsidy sources for which ARHA has applied to HUD, and \$1 million in City funding support through the Housing Opportunities Fund.

ARHA is preparing a funding application to Virginia Housing for competitive (9%) low-income housing tax credits for the project; the application is due in mid-March 2023. A City Council resolution designating the project site a Revitalization Area will provide key points to ARHA's application and allow ARHA to take advantage of appropriate point criteria available within Virginia Housing's prioritized scoring parameters. The criteria for the Samuel Madden Redevelopment Project site's qualification are different from those relied on for the CHP Witter Place project. In the case of ARHA's project, the existing development is obsolescent and it would not be economically feasible to undertake a renovation to meet current living standards.

DISCUSSION: The Resolution designating the ARHA Samuel Madden site a revitalization area helps make ARHA's application for low-income housing tax credit equity more competitive in terms of aligning the project with funding priorities established by Virginia Housing. Consistent with the City Attorney's past interpretation of the relevant Virginia Code Section, staff believe that the proposed development of affordable housing at this site provides an economic benefit to the City that would not otherwise occur without government assistance, including local financial support and federal tax credits, as well as other planned public and private resources, which criteria comply with requirements of the designation.

FISCAL IMPACT: None related to the Resolution.

ATTACHMENT: Resolution Designating the ARHA Samuel Madden Project Site a Revitalization Area

STAFF:

Emily A. Baker, Deputy City Manager
Christina Zechman Brown, Deputy City Attorney
Eric Keeler, Deputy Director, Office of Housing
Brandi Collins, Housing Program Manager, Office of Housing
Kenneth Turscak, Housing Analyst, Office of Housing