

BACKGROUND: As the refinancing and rehabilitation of Bellefonte Apartments progresses toward completion, AHDC is working again with Sheltered Homes of Alexandria (SHA) to assemble three parcels located at 4547, 4555 and 4575 Seminary Road to develop a project that would include a small affordable rental building (approximately 40 units) proposed to be partially funded with equity from competitive tax credits through the Virginia Housing (aka “VHDA”) nonprofit pool, and a small townhome/condominium development (approximately 15 units) that would offer affordable homeownership options as well as incorporate four units that provide permanent supportive housing for up to 16 current SHA residents.

The parcels currently include a single-family home owned by SHA and operated as a group home for intellectually and/or developmentally disabled clients, a single family home that is privately owned on which AHDC has a purchase option agreement in place, and a vacant/unimproved parcel owned by City of Alexandria that provides access to City-preserved open space. AHDC is in discussion with the City to include this parcel with the understanding there would be no net loss in open space, and access to the existing open space would be improved for visitors.

DISCUSSION: The proposed project offers a neighborhood sensitive plan that delivers both affordable rental housing and affordable homeownership options for households with workforce level incomes, a largely unmet local housing need. It also allows SHA to replace its existing group home and expand housing options to serve other residents with four housing units which incorporate current housing best practices that seek to enable persons with developmental and/or intellectual disabilities to live as independently as possible within the community.

The homeownership component of the project may be able to utilize resources enabled through the City’s flexible homeownership affordability program. VHDA has also prioritized homeownership among its current strategic initiatives, so Amazon REACH grant funds may also be available to close the projected gap.

This proposed project would be subject to usual and customary City land use considerations and public hearings and City Council approval as it would require a possible Master Plan Amendment, a rezoning, a Development Special Use Permit (DSUP), as well as a public hearing on any transfer of City land to AHDC. Approval of this predevelopment loan does not bind City Council to approve this project at a later date when Council considers the DSUP, any Master Plan Amendment and the rezoning or any land transfer.

The rental portion of the project is anticipated to be ready to apply for low income housing tax credits in FY 2022, however, the City may explore with AHDC how and when this project fits most strategically in its short to mid-term pipeline.

FISCAL IMPACT: Because of the smaller number of housing units to be produced, AHDC is requesting \$250,000 as a predevelopment loan. The loan is forgivable if the project does not move forward.

ATTACHMENTS:

AHDC Predevelopment Loan for Seminary Road Project

STAFF:

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