Legislation Text

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City of Alexandria, Virginia

MEMORANDUM

DATE: JUNE 5, 2019

TO: THE HONORABLE MAYOR AND MEMBERS OF CITY COUNCIL

FROM: MARK B. JINKS, CITY MANAGER /s/

DOCKET TITLE:

Consideration of a Grant Application to the Virginia Housing Development Authority to Fund Consultant, Study and Outreach Costs Related to Development of Housing Affordability and Business Revitalization Strategies Pursuant to the FY 2020 Mount Vernon Avenue Plan Update

ISSUE: Submission of a City grant application in the amount of \$175,000 to the Virginia Housing Development Authority (VHDA) for consultant, study and outreach costs related to development of housing affordability and business revitalization strategies in the FY 2020 Mount Vernon Avenue Plan Update.

<u>RECOMMENDATION</u>: That City Council:

- 1. Approve submission of a \$175,000 grant application to VHDA for certain costs related to the upcoming Mount Vernon Avenue Plan Update; and
- 2. Authorize the City Manager to sign a letter in support of the application and execute all documents necessary to apply for and receive the grant.

BACKGROUND: In collaboration with the Department of Planning and Zoning, the Office of Housing requests that City Council approve an application for grant funding to VHDA's Community Impact Grant (CIG) program to cover certain costs related to developing strategies for preserving, maintaining, increasing and/or expanding housing affordability in the Del Ray and Arlandria neighborhoods adjacent to Mount Vernon Avenue, as well as to develop strategies to incubate, revitalize and grow local, small businesses in the Mount Vernon Corridor area, including those owned and operated by women and minorities.

Staff believe that dialogue and sustained engagement with the diverse communities along Mount Vernon Avenue, including residential properties, existing businesses, local organizations and a wide range of residents is key to an inclusive and productive planning effort. Substantial resources to launch and maintain culturally

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competent outreach and communication are required to ensure that those who may be impacted by future development in the area, including development resulting from the location of HQ2 and the Virginia Tech Innovation Campus in National Landing, have a chance to participate in, and potentially benefit from, recommendations and principles developed through a collaborative planning process.

DISCUSSION: Several important committed affordable and market-affordable rental and ownership properties are located in the neighborhoods surrounding Mount Vernon Avenue. Some of the grant funds would be used for staff to work with consultants to study the properties and develop strategies and tools, including incentives, that might be implemented, in collaboration with owners and residents, to strengthen communities, undertake improvements to maintain affordability, and/or to redevelop the properties to preserve and potentially enhance existing affordability while increasing workforce and market affordable housing options. There are also potential development sites that would benefit from analyses of their potential to yield significant components of affordable housing within a mixed-use context.

Specialists with experience in developing strategies to revitalize and foster locally owned and operated small businesses and to help successfully maintain those that contribute to the area's diverse, ethnically-rich character will also be developed in consultation with aspiring entrepreneurs and the existing business communities.

The City has previously been awarded VHDA Community Impact Grant competitive funds. The monies have been used for projects to inform and guide Alexandria housing policy and investment, as well as for development of planning and regulatory tools to preserve and expand housing affordability. Prior grant funds were used for the 2011-12 Beauregard Tenant Survey and for the recently completed South Patrick Street Housing Affordability Strategy. These grant monies supplement City resources and, in addition to paying for consultant studies, proved critical in facilitating the extraordinary level of participation among neighbors, residents, owners and other stakeholders in the South Patrick Street multi-day charrette process. In particular, they helped foster resident participation by covering costs associated with interpretation, childcare, refreshments/meals at meetings, pop up events and a housing needs assessment, as well as development of renderings to aid participants in visualizing the changes proposed.

FISCAL IMPACT: Grant applications, in the current round, are due to VHDA by June 15, 2019, and if successful, would provide funding in early FY 2020. A letter of interest submitted last month regarding the proposed grant project was well received by VHDA, and CIG program staff will tour the Mount Vernon Avenue area on May 31 to discuss plan objectives with City staff. A draft budget (currently estimated to total around \$175,000 based on prior planning and consultation costs) is being developed and will be finalized following the VHDA staff visit. If a grant is awarded, no new City resources will be required as the VHDA match is already met through the City's allocation of \$200,000 in FY 2020 budget and staffing resources to the Plan Update.

ATTACHMENTS: None.

STAFF:

Emily A. Baker, Deputy City Manager
Helen S. McIlvaine, Director, Office of Housing
Karl Moritz, Director, Department of Planning and Zoning
Jeff Farner, Deputy Director, Department of Planning and Zoning
Eric Keeler, Deputy Director, Office of Housing
Carrie Beach, Division Chief, Neighborhood Planning, Department of Planning and Zoning
Tamara Jovovic, Housing Program Manager, Office of Housing
M. Caridad Palerm, Housing Program Manager, Office of Housing