



Legislation Text

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City of Alexandria, Virginia

MEMORANDUM

DATE: MARCH 1, 2022

TO: THE HONORABLE MAYOR AND MEMBERS OF CITY COUNCIL

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

DOCKET TITLE:

Request to Submit a Grant Application to the Metropolitan Washington Council of Governments Housing Affordability Planning Program Grant.

ISSUE: Application for \$60,000 grant from the Metropolitan Washington Council of Governments (“COG”) Housing Affordability Planning Program (HAPP) Grant funds to support staff assessments regarding the potential feasibility of affordable housing development near City transit hubs.

RECOMMENDATION: That City Council authorize the submission of an application to COG for a \$60,000 grant of HAPP funds to cover third party costs associated with staff’s evaluation of the feasibility of affordable housing development in specific transit-adjacent locations, including recommendations regarding potential future public planning processes.

BACKGROUND: COG is sponsoring a Housing Affordability Planning Program (HAPP) Grant, with funds provided by Amazon, to help local jurisdictions conduct planning efforts focused on developing affordable housing proximate to transit facilities and transit hubs. The program potentially supports an initiative between Amazon and WMATA to incorporate affordable housing development as part of joint development agreements at area metro station sites, and also help fulfill a goal of the COG Regional Housing Initiative to locate 75% of new affordable and workforce housing units near transit. COG’s HAPP offers up to \$75,000 in grant funds to local jurisdictions to support planning efforts that may contribute to an increase in affordable housing proximate to transit facilities and transit hubs. The Office of Housing submitted a letter expressing its preliminary intent to seek grant funds in early February (Attachment 1).

DISCUSSION: If successful in its application (due to COG on March 23), the City proposes to use the HAPP grant funds to cover costs associated with third party economic feasibility analyses and/or to undertake third party design and/or engineering studies related to development of new affordable housing near the Van Dorn Metro Station and the Eisenhower Metro Station. It is noted that staff no longer proposes to study the future transit center site at

Southern Towers through this grant program, and has decreased the amount of its HAPP grant request, in response to recent feedback from COG regarding anticipated funding constraints due to the number of proposals received during the LOI process. Staff will consider other opportunities to fund a study of the Southern Towers Transit Center after these two studies have been completed.

The City's COG funding request has been informed by a similar internal study: in Fall 2021, the Office of Housing convened an interdepartmental working group (consisting of staff from PZ, TES, RPCA, AEDP, DPI, the City Architect, the Race and Social Equity Officer, the Assistant City Manager for P3s, and the CEO of AHDC, to conduct a study regarding the Braddock Metro station. During the course of its ten-week study, the Braddock working group consulted with WMATA and DASH regarding their needs, identified existing site conditions and infrastructure upgrade requirements, environmental and land use constraints, zoning requirements, explored public and civic goals (such as promoting the City's *All Alexandria Racial and Social Equity* policy, especially in the context of the site's history) and determined various development scenarios, including the costs associated with each. With the help of a third-party economic consultant, the amount of funding, including gap funding potentially needed to achieve the scenarios, given likely financing and non-City resources available, was developed. Each of the scenarios included a significant portion of housing affordable to households earning 40% AMI - 80% AMI. For the purpose of the HAPP grant, if awarded, staff would replicate this process at the two other Alexandria metro station sites, with the resulting internal work used to inform staff's potential recommendations regarding whether affordable housing development is sufficiently feasible to warrant consideration of a larger public planning process at the other sites.

FISCAL IMPACT: No actual City dollars are requested; however, the fiscal impact associated with the grant would be staff time needed from various departments to support the three studies over a twelve-month period (Fall 2022 through Fall 2023). Housing proposes to provide project management for the project.

ATTACHMENT: Letter of Intent to apply for COG Housing Affordability Planning Program (HAPP) Grant

STAFF:

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Eric Keeler, Deputy Director, Office of Housing
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