

City of Alexandria, Virginia

ALEXANDRIA HOUSING AFFORDABILITY ADVISORY COMMITTEE DRAFT MINUTES

In-Person | November 6, 2024

	Members Present	Members Absent	Staff
1	Aschalew Asabie		Eric Keeler, Housing Deputy Director
2		Yeshewase Ayele	Mary Horner, Landlord-Tenant Division Chief
3	Felicia Brewster		Tamara Jovovic, Housing Program Manager
4	Annette Bridges (Zoom)		Virginia Patton, Housing Program Manager
5	Michael Butler		Gwen Lassiter, Landlord-Tenant
6		Michael Doyle	Mayra Jordan, Landlord-Tenant
7	Betsy Faga		Kenneth Turscak, Housing Analyst
8	Jon Frederick		Christopher Do, Housing Analyst
9		Michelle Krocker	Julian Swierczek, Planning & Zoning
10		Coss Lumbé	
11	Jan Macidull		
12	Shelley McCabe		
13		Melissa Sathe	
14	Peter Sutherland		
15	Anderson Vereyken		
16	Sean Zielenbach (Zoom)		
	Helen McIlvaine*, Housing		
	Ali Coleman Tokarz*, DCHS		
	Guests	Affiliation	
1	Mary Catherine Gibbs	Wire Gill, LLP	
2	Micheline Castan-Smith	Paradigm	
3	Aysha Sarwar		
4	Nathaly Zelaya	Tenants & Workers	
5	Elijah St. Dennis	Landlord-Tenant Relations Board	
6	Victoria Kelley	Landlord-Tenant Relations Board	
7	Bonnie Naugle	Landlord-Tenant Relations Board	
8	Elliott Waters	Landlord-Tenant Relations Board	
9	Amy Purnell	Landlord-Tenant Relations Board	

*non-voting

1. Introduction and Chair Remarks (Chairs)

Co-Chair Shelley McCabe called the meeting to order at 7:00 pm. Ms. McCabe welcomed all guests in attendance and thanked Landlord-Tenant Relations Board members for joining this joint meeting.

2. Presentation of Current Rental Subsidy Programs (Virginia Patton/Mary Horner)

Virginia Patton presented the Project Based Rental Assistance Program Pilot (PBRAP). The City started the pilot rental subsidy program to meet LIHTC criteria for locally subsidized units in order to maintain the competitiveness of City LIHTC applications. The subsidy pays the difference between 30% of household income and the unit's rent. Households served are drawn from existing DCHS recipients or from current renters at the participating property. Current projects receiving rental subsidies include the Bloom, the Waypoint, Lacy Court, and the Spire.

Virginia Patton also presented the [State Rental Assistance Program \(SRAP\)](#). SRAP provides rental assistance to persons with intellectual and developmental disabilities to live independently, in partnership with the Virginia Department of Behavioral Health and Developmental Services (DBHDS). Residents pay 30% of their income towards rent, and SRAP subsidizes the remaining rental cost. The program currently administers eight participants. Beginning in FY2025, the program can serve up to 12 participants.

Mary Horner presented the Permanent Supportive Housing (PSH) voucher program, which is being developed by the Office of Housing and DCHS. The program will provide rental assistance to 35 individuals with severe mental illnesses. Residents will pay 30% of their income towards rent and the subsidy will cover the balance of the rent up to 50% AMI. Funding will also cover pre-leasing costs, deposits, furniture, and basic housing supplies. The program is expected to house residents beginning in spring 2025.

One member asked if subsidy recipients are expected to work. Ms. Horner responded that many people will have income but need additional support. If income is zero, the subsidy will cover the rent. Another member asked if subsidy recipients are experiencing homelessness. Ms. Horner responded that the Community Service Board (CSB) provides referrals and determines who is ready to live independently. Another member asked if recipients must be in case management. Ms. Horner stated there is no requirement to be in case management to be in the program. Another member asked if there is data showing the demand for the 35 slots. Ms. Horner responded that the shelter waitlist helps to indicate existing demand and there is more need than available slots.

One member asked if this will be similar to the Notabene project. Helen McIlvaine explained that this subsidy is intended to be less restrictive and allows recipients to find housing in the private market. One member asked for clarification on the 50% AMI restriction. Ms. Horner clarified that 50% AMI is the rent limit, not individual income. Eric Keeler noted that this will likely mean the subsidy will be used in projects by affordable housing partners. One audience member asked if tenants get training on living in

permanent supportive housing. Ms. Horner noted that New Hope and other partners do trainings for landlords and the program will likely draw on those resources

Ali Coleman Tokarz presented on the [Senior Rent Relief Program](#) (SRRP). The program provides rent relief to Alexandria renters age 65 or older and persons with disabilities making up to \$25,600 annually after deductions. Money is awarded on a monthly basis in amounts of \$250, \$375, or \$500 based on three income tiers. The program currently serves 137 households.

One Committee member asked if other municipalities have similar programs in Virginia. Ms. Tokarz noted that other programs exist but vary in terms of benefits and target populations. One member asked if the program asks for documentation of immigration status. Ms. Tokarz responded that no citizenship documentation is required, though proof of residence for 12 months is needed. Proof can include letters of attestation, leases, ledgers, and Medicaid. Tamara Jovovic noted the program is still accepting applications.

Ali Coleman Tokarz presented information about the emergency rental assistance program. Households can receive up to three months of direct financial assistance when facing eviction. Households must meet income guidelines, have evidence of a past-due balance, have a loss of income or unexpected costs, and show proof that they did not have sufficient funds for the months requested. Income guidelines generally serve households at 50% AMI and below, but requirements vary depending on the funding source used for the assistance.

One member asked if there are patterns in the rental assistance applications, like certain landlords or parts of the City. Ms. Jovovic suggested looking through the [Eviction Dashboard](#), which provides weekly updates on eviction data. Ms. Tokarz noted that coordinated outreach events are held at properties with high filing rates. Ms. Tokarz also mentioned the City's Equity Index tool as another resource.

3. Local Rental Subsidy Program Study (Tamara Jovovic)

Tamara Jovovic presented the findings from the [local rental subsidy program study](#), which was conducted by HD Advisors and VCHR. The study examined other subsidy programs and developed three scenarios for the City to consider. Ultimately, the consultants recommended a project-based rental subsidy program leveraging the City's existing pilot rental subsidy program to reduce administrative burden and connect through trusted housing partners.

One member pointed out the affordable housing is becoming more restrictive, as affordability shifts from market to publicly funded affordable housing. Income qualification creates an administrative burden. Mr. Keeler added that the City is working with partners and property management to recertify income and find solutions to minimize the administrative burden. A member of Landlord-Tenant Board stressed their committee's interest in being involved in subsidy issues. An AHAAC member asked how people can qualify and access the City's pilot voucher program. Ms. Jovovic

explained that applicants come through DCHS, which coordinates services to address need, and there is no open waitlist for each property.

A representative of African Communities Together (ACT) stressed that the City needs to do more to hold predatory landlords accountable. A representative of Tenants & Workers agreed, noting the community doesn't trust the City because the City has ignored maintenance issues for years. Community members are worried about the threat of displacement now. Mr. Keeler and Ms. McIlvaine stressed the City's Landlord-Tenant division is committed to working to address these issues, but the City has limited legislative authority.

4. Renter Resources and Tenant Protections Housing 2040 Work Program (Mary Horner)

The Committee will discuss this item at its next meeting.

5. Question and Answer: Rental Subsidy Program and Housing 2040

Question and answer were integrated into the presentations.

6. Consideration of October 7, 2024 Minutes

Betsy Faga motioned to approve the October 7, 2024 Minutes; Jon seconded the motion. The Committee voted to unanimously approve the October 7, 2024 Minutes.

7. Consideration of an Affordable Housing Plan for Eisenhower East Block 20 (Kenny Turscak/Mary Catherine Gibbs)

Mary Catherine Gibbs presented the Affordable Housing Plan for Block 20. Paradigm proposes a 110-unit condominium building with above and below grade parking. Two committed affordable homeownership units will be offered, in addition to the contribution of 15 affordable rental units provided in the Meridian at 2250.

One member asked what the market-rate price for units will be. Ms. Gibbs responded that the pricing has not been determined yet. Another member asked if there is a condo fee policy in place. Ms. Gibbs noted that there is no policy from the City. Micheline Castan-Smith added that Paradigm was mindful of condo fees when providing amenities for the building. A member asked if the contribution matches the difference between the commercial and residential contributions. Kenny Turscak noted that the two units provided are worth more than the difference in monetary contribution.

Peter motioned to approve the Affordable Housing Plan, Felicia seconded the motion. The Committee voted unanimously to approve the Affordable Housing Plan for Eisenhower East Block 20, with Mike Butler abstaining.

8. ARHA Updates (Michelle Krockner)

No updates were provided.

9. Housing Alexandria Updates (Jon Frederick)

No updates were provided.

10. Information Items (Eric Keeler/Staff)

Staff did not report on this item.

11. Staff Updates (Staff)

Staff had nothing to report.

12. Announcements and Upcoming Meetings

Staff has nothing to report.

13. Housing 2040 Principles and Goals (Committee Members)

Tamara Jovovic asked the Committee to provide feedback on the existing Housing Master Plan principles and goals, which are being updated for Housing 2040. One committee member noted that Principle #1 could include households of all sizes. Another member noted that housing should include all incomes and housing typologies to address the concentration of studios and one-bedroom units.

On Principle #2, one member suggested that the goals for this principle should include assisted living. The Committee discussed the distinction between principles and goals.

On Principle #3, one member questioned the use of "advocate." Another member suggested removing the second sentence entirely because that appeared to be more of a goal. Another member suggested this principle was less of a key value and more of a description of the City's process.

On Principle #4, committee members noted that transportation and access to food and groceries could be listed as goals. Another member agreed that being strategic about the distribution of affordable housing is important.

On Principle #5, one member noted that everyone should be able to live in all areas of the City. One member suggested re-writing the principle to "Alexandria's housing stock should promote Alexandria's racial, economic, and cultural diversity" to reflect that housing and resources should be geographically distributed evenly.

On Principle #6, one member noted it could be more consistent but was good to have as a principle.

Regarding other principles, one member stressed the importance of principles that match community needs. One member suggested adding long-term viability of

housing as a principle. One member noted that racial equity should be incorporated as a principle.

14. Adjournment (Chair)

The Chair adjourned the meeting at 8:57 pm.

ALEXANDRIA HOUSING AFFORDABILITY ADVISORY COMMITTEE DRAFT MINUTES

Virtual | November 18, 2024

	Members Present	Members Absent	Staff
1		Aschalew Asabie	Eric Keeler, Housing Deputy Director
2	Yeshewase Ayele		Tamara Jovovic, Housing Program Manager
3		Felicia Brewster	Kenneth Turscak, Housing Analyst
4	Annette Bridges		Christopher Do, Housing Analyst
5	Michael Butler		Jared Alves, Planning & Zoning
6	Michael Doyle		Bonnie Brown, City Attorney's Office
7	Betsy Faga		Maya Contreras, Planning & Zoning
8	Jon Frederick		
9	Michelle Krocker		
10	Coss Lumbé		
11	Jan Macidull		
12	Shelley McCabe		
13		Melissa Sathe	
14	Peter Sutherland		
15	Sean Zielenbach		
16	Anderson Vereyken		
	Helen McIlvaine*, Housing		
		Ali Coleman Tokarz*, DCHS	
	Guests	Affiliation	
1	Megan Rappolt	Wire Gill, LLP	
2	Ken Wire	Wire Gill, LLP	
3	David Cerniglia	Stonebridge	
4	Doug Firstenberg	Stonebridge	
5	Dylan Jones	Stonebridge	
6	Hanna Metuda	NVAHA	
7	Kelvin Cook		

*non-voting

1. Introduction and Chair Remarks (Chairs)

Co-Chair Shelley McCabe called the meeting to order at 6:32 pm. Chris Do noted the

procedures for virtual participation for audience members.

2. Consideration of an Affordable Housing Plan for 5001 Eisenhower Avenue (Ken Wire/Dylan Jones)

Shelley McCabe introduced Ken Wire, the attorney for the project. Ken Wire introduced Doug Firstenberg, David Cerniglia, and Dylan Jones to represent the Stonebridge team. The site is home to the Victory Center, a 605,000 square foot office building which has been vacant for about 20 years despite numerous efforts to solicit tenants. The property is over 17 acres in total, with construction underway for townhomes on the right side of the property. The remaining parcel will be developed in the future.

The project seeks a conversion from commercial (OCM 100) to residential under a Coordinated Development District. The project proposes constructing 377 rental units, including 82 committed affordable units (CAUs), 189 workforce units at 80% AMI, and 106 units at 100% AMI. 41 units will be affordable up to 50% AMI and 41 units will be affordable up to 60% AMI. The unit mix for both 50% and 60% AMI units would be 20 junior one-bedroom units, 20 two-bedroom units, and one two-bedroom unit with a den. The project will provide 2,000 square feet of flex space to the City. The units will follow the City's Voluntary Rent Increase Guidelines and be subject to the City's standard set-aside unit conditions. Affordability will be maintained for a 40-year period. Delivery of the project is anticipated in the second half of 2026.

As part of the financing, the project has requested a tax abatement from the City for 25 years for any marginal increase in value beyond the existing tax valuation.

One member commented that the affordability at 30% and 40% AMI is lacking. Ken Wire explained that the City negotiated the affordability mix based on the value of the discount provided from the market rate. Another member expressed excitement to have a project in this area and noted that the conversion and site work will be complicated. The member asked if there was any commitment from the City about the use of community center. Ms. McIlvaine responded that the City will solicit later but has considered a rec center, teen center, polling place, and mini library. Ken Wire noted the project will have a contract and performance agreement that will be figured out later. Another member expressed excitement at providing housing from an empty office building and asked what the tradeoff would be to get units at 40% AMI. The tradeoff is significant to obtain units with deeper affordability.

One member asked about accessible units in the project. Mr. Wire responded that the project will provide the mandated percentage of accessible units in compliance with state code. The member asked what interior bedrooms mean. Mr. Wire explained that those bedrooms have no windows to the exterior, though every unit will have access to a window in at least one room.

One member asked for the breakdown of the building by affordability. Mr. Wire noted that 22% of the project is at 50% or 60% AMI, 50% of the project is at 80% AMI, and 28% of the project is at 100% AMI.

Another member asked about the history of tax abatement in the City. The Applicant noted that tax abatement was offered while the property was vacant as an incentive to potential federal tenants. Ms. McIlvaine noted that the City will explore tax abatement under the Housing 2040 umbrella. Bonnie Brown explained that localities allow partial tax exemption for improvements to real estate, which will only impact future tax revenue if improvements are made. An ordinance needs to be adopted to reflect the conversion. Ms. McIlvaine echoed that the tax abatement is on future revenue and not an immediate investment.

One member applauded the conversion and supported the tax abatement mechanism. The member asked for clarification on what rent control meant in this scenario. Mr. Wire explained that the project will follow rent guidelines at each AMI level calculated by HUD and will comply with the City's rent increase guidelines. The member also asked about the compliance process and expressed concern that residents will not be interested in apartments requiring income qualification at 100% AMI. The Committee member expressed concern that the 50 and 60% AMI units are the smallest units and do not reflect the proportional unit mix for the overall project.

Another Committee member asked for the exclusivity period for lease-ups. The Stonebridge team clarified that it is 90 days for initial lease-up and 75 days for rollovers before units are opened up to applicants outside of that AMI level. The member applauded the project for taking a vacant site that the City has been trying to find use for. The member also noted the project helps to show tax abatement is a viable tool. Ms. McIlvaine emphasized that this project is not a precedent for tax abatement policy in the City. The member emphasized that the City needs to determine its policy and figure out what it will want out of future tax abatement.

A member of the public asked about lost revenue for the City. Mr. Wire noted that the City is losing money currently because the parcel is vacant and the project will add marginal tax revenue through the parking lot rezoning. A member of the public also asked if operating costs could be reduced to add affordable units. The Applicant noted that reserves are appropriate to ensure longevity and continued operation of the project, including maintenance.

Shelley McCabe asked if the parking lot redevelopment will adhere to the voluntary housing contribution policy. The Applicant confirmed it will. Mr. Zielenbach also asked for other projects that used tax abatement in the City. Ms. McIlvaine responded that Goodwin House and ARHA properties with majority ownership by ARHA have used tax abatement. Mr. Zielenbach asked what the typical City investment for affordable housing projects was. Ms. Jovovic noted it is typically around \$90,000 per unit for 50% or 60% AMI units that leverage other funding sources, like LIHTC. The investment for 30% and 40% AMI units is usually greater.

Ms. McCabe highlighted that the committee will need to think about tax abatement policy for Housing 2040. It would cost approximately \$7.4 million in City funding at \$90,000 per unit to provide 82 CAUs in tax credit affordable housing projects, compared to \$13.6 to \$16.4 million in tax abatement value. Ms. McCabe noted that the Committee cannot comment on whether it is right or wrong without a City policy, but

added that the Committee had concerns about deep affordability for units and the proportionality of the affordable unit mix.

Coss motioned to approve the Affordable Housing Plan; Peter Sutherland seconded the motion. The Committee voted unanimously in favor of approving the Affordable Housing Plan. Yeshewase Ayele and Annette Bridges abstained.

The Co-Chairs also sought permission to provide comments to City Council on behalf of the Committee, particularly around the issues of unit proportionality, deeper affordability, and the value of the tax abatement compared to an affordable housing contribution.

3. Housing 2040 Update

No update was provided.

4. Announcements and Upcoming Meetings

No update was provided.

5. Adjournment

The Co-Chairs adjourned the meeting at 7:45 p.m.