ALEXANDRIA HOUSING AFFORDABILITY ADVISORY COMMITTEE MEETING

DATE: June 5, 2025 TIME: 6:30-9:00 P.M.

LOCATION: City Hall, Room 1900 Zoom (for members of the public):

https://zoom.us/webinar/register/WN dJ3SqHm2S6CA77kdtmIRhQ

*Spanish interpretation will be provided online

AGENDA

1.	Introductions (AHAAC Co-Chairs)	6:30 p.m.			
2.	Olde Towne West III Phase 1 Development Preview (Kenny Turscak)	6:35 p.m.			
3.	Consideration of May 14, 2025 Minutes (Co-Chairs) Action Requested: Review and Vote on May Minutes	6:55 p.m.			
Joint Session Begins with Landlord-Tenant Relations Board at 7:00 p.m.					
4.	Housing 2040 Tenants Rights and Protections Discussion (Mary Horner)	7:00 p.m.			
5.	Housing 2040 Financial Tools and Homeowner Programs Discussion and Q&A (Staff) anticipated to start at approximately	7:45 p.m.			
6.	Housing 2040 Goals and Targets-Approaches and Considerations (Tamara Jovovic)	8:10 p.m.			
7.	Co-Chair Elections (Christopher Do)	8:30 p.m.			
8.	ARHA Updates (Michelle Krocker)	8:35 p.m.			
9.	Housing Alexandria Updates (Jon Frederick)	8:40 p.m.			
10.	Staff Updates (Staff)	8:45 p.m.			
11.	Information Items: Financial Report	8:50 p.m.			
12.	Announcements and Upcoming Meetings	8:55 p.m.			
	Potomac River Generating Station Virtual Community Meeting June 9: 6:30 p.m. Zoom (<u>register online</u>)				
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Duke Street Land Use Plan Kickoff Meeting

June 9: 7 p.m. – 8:30 p.m.

Patrick Henry Recreation Center, 4653 Taney Ave / Hybrid (Zoom option for presentation 7-7:30 p.m.)

City Council Town Hall

June 12, 6-8 p.m.
Charles Houston Rec Center, 901 Wythe Street
Hybrid (in-person registration form and Zoom registration form)

The Heritage at Old Town Groundbreaking June 18: 1 p.m. 505 S. Alfred Street

ARHA Redevelopment Work Group To be scheduled in late June

13. Adjournment (AHAAC Co-Chairs)

9:00 p.m.

City of Alexandria, Virginia

ALEXANDRIA HOUSING AFFORDABILITY ADVISORY COMMITTEE DRAFT MINUTES

Virtual | May 14, 2025

	Members Present	Members Absent	Staff	
1	Aschalew Asabie		Eric Keeler, Housing Deputy Director	
2	Felicia Brewster		Gypsy Roberts, Housing Division Chief	
3	Annette Bridges		Jose Gonzalez, Housing Program Manager	
4	Michael Butler		Tamara Jovovic, Housing Program Manager	
5	Joseph Dammann		Christopher Do, Housing Analyst	
6		Michael Doyle	Kim Cadena, Housing Analyst	
7	Betsy Faga		Mayra Jordan, Landlord-Tenant	
8	Jon Frederick		Maya Contreras, Planning & Zoning	
9	Michelle Krocker		Jared Alves, Planning & Zoning	
_10	Coss Lumbé		Kenny Turscak, Planning & Zoning	
_11	Jan Macidull			
_12	Shelley McCabe			
_13		Melissa Sathe		
_14	Peter Sutherland			
_15	Anderson Vereyken			
_16	Sean Zielenbach			
_17	Helen McIlvaine*, Housing			
	Ali Coleman Tokarz*,			
	DCHS			
	Guests	Affiliation		
1	Cathy Puskar	Walsh, Colucci, Lubeley & Walsh, P.C.		
2	Lauren Riley	Walsh, Colucci, Lubeley & Walsh, P.C.		
3	Andrew Cretal	Goodwin Living		

^{*}non-voting

1. Introduction and Chair Remarks (Chairs)

Chair Sean Zielenbach called the meeting to order at 7:00 p.m. The Chair welcomed guests and Committee members. Chris Do explained the webinar format and invited members of the public to use the Q&A function and access Spanish interpretation.

2. Consideration of April 3, 2025 Minutes (Chris Do)

Betsy Faga motioned to approve the April 3, 2025 Minutes; Jan Macidull seconded the motion. The Committee voted unanimously to approve the April 3, 2025 minutes.

3. Consideration of an Affordable Housing Plan for the View (Cathy Puskar)

Cathy Puskar, land use counsel for the Applicant, presented the Affordable Housing Plan for the View. The Applicant, Goodwin Living, proposes adding 217 independent living units, 16 assisted living units, and 24 memory care units to the project. The project utilizes a life plan model, which offers senior housing and care based on a buy-in fee and monthly service fee that covers a meal plan, light housekeeping, community programming, and amenities. The buy-in fee guarantees residents the ability to progress to assisted living and memory care as their needs progress. The existing 126 independent living units on the site will be retained.

The project seeks Section 7-700 bonus density, which yields seven one-bedroom units in the senior housing + care model. Staff and the Applicant conducted an equivalency analysis to take the value of the affordable units yielded through Section 7-700 and determine seven units with a discounted buy-in and monthly service fee. For these seven affordable units, the buy-in fee is \$175,000 and monthly service fees will be equivalent to 60% AMI gross rent. These units will remain affordable for 40 years or five turnovers per unit, whichever comes first.

In the revised Affordable Housing Plan presented to the Committee on May 14, the Applicant removed the \$932,862 voluntary monetary contribution citing the cost and requirement to underground utilities along Fillmore Avenue.

One Committee member asked if the undergrounding of utilities is a standard request for development projects. Jared Alves noted that underground utilities provide greater energy reliability and improved streetscapes along sidewalks. Ms. Puskar contended that the requirement is standard for projects seeking Development Special Use Permits (DSUP), but the View project is by-right. Ms. Puskar noted that the undergrounding of utilities would cost over \$1 million in unanticipated costs for the project. The Committee member noted that the Committee does not want to set a precedent that applicants can undermine the affordable housing contribution despite it being voluntary. Another Committee member expressed that the request to underground utilities should have been expected by the Applicant.

One Committee member asked if there will be annual increases to the monthly fee for the committed affordable units. Ms. Puskar responded that the increases to the entry fee and monthly fee will follow annual AMI increases. Another Committee member asked if there were enough residents who qualify at 60% AMI. Tamara Jovovic noted that the 60% AMI level is aimed at meeting the needs of middle-income senior residents with some assets, savings, and retirement who do not qualify for auxiliary grant funds but cannot afford market-rate options.

Another Committee member asked if there are similar projects that can provide precedent. Mr. Turscak and Ms. Jovovic explained that the project is unique in terms of the buy-in and life plan model of care. Ms. Puskar explained that Sunrise and Silverado offer senior care, but they do not have a buy-in model like Goodwin Living. The member noted that if five residents turn over every two years, the units will only be affordable for 10 years and expressed concern that there is no minimum affordability period. Ms. Puskar explained that the five turnovers is based on an eight-year average turnover rate, and the Applicant is concerned about extended discounts on buy-ins. The Applicant is also assuming risk because Goodwin Living will keep residents for the duration of their tenure in the affordable units, even if that is beyond the 40-year affordability commitment.

Another Committee member questioned the methodology of the bonus density equivalency analysis citing the magnitude of the value generated for the Applicant through the buy-in model at the time of each turnover. Staff explained that the approach used extended ("stretched") what is typically a subsidy limited to a unit's rent/purchase price to the inclusive cost of housing + care (including utilities, health care services, and amenities) to enable residents with moderate incomes to remain at the community as their healthcare needs progressed.

Mr. Turscak noted that the project is going before City Council in June, and the Committee has the option to separate votes on different aspects of the affordable housing plan. One member reminded the Committee that AHAAC is an advisory body and City Council has decision-making authority. Ms. Puskar noted that the Applicant had wanted the issue of underground utilities resolved before it came before the Committee, but that it was an ongoing discussion with Planning & Zoning.

One member noted that there is a critical need for senior housing in the City, noting the Commission on Aging's endorsement of the project. The member also noted that City Council has asked the Committee to be more aggressive and robust in its recommendations. The Committee member expressed their support for both the voluntary monetary contribution and the provision of underground utilities. Another member emphasized the need to revisit the issue of senior housing and care under Housing 2040 to solidify policies that address projects like this.

Peter Sutherland motioned to recommend the Affordable Housing Plan's provision of seven committed affordable units through Section 7-700; Michelle Krocker seconded the motion. The Committee voted with nine members in favor, two opposed, and two abstentions.

Peter Sutherland motioned to reject the Applicant's \$0 voluntary monetary contribution and request that the Applicant re-instate the \$932,862 voluntary monetary contribution; Michelle Krocker seconded the motion. The Committee voted to unanimously support the motion, with 13 in favor. Felicia Brewster abstained because she arrived late to the meeting and missed the discussion.

Michelle Krocker motioned to allow the Chairs and Peter Sutherland to draft a letter on behalf of the Committee expressing their concerns and recommendations to Planning Commission and City Council; Betsy Faga seconded the motion. The Committee voted unanimously in favor of the motion.

4. Housing 2040 Homeowner Programs (Gypsy Roberts)

Gypsy Roberts gave a <u>presentation on the Housing 2040 Homeowner Programs and</u> Resources project.

One Committee member commented that the homeowner programs are heavily focused on homebuyer assistance but asked if there are opportunities to increase supply of affordable homeownership options. Namely, if there were changes to zoning, development, and code that would lower the cost of housing.

Another Committee member asked how many programs that fund homebuyer assistance are at risk of federal cuts. Eric Keeler responded that flexibility and adjustments are being made to smaller programs in case of reductions to funding. Some cuts could be made to architects and services for home rehabilitation, but homebuyer assistance comes from the repayment of existing loans and developer contributions. One-time assistance from HOME and CDBG funding for multifamily developments could be at risk.

5. Housing 2040 Financial Tools (Jose Gonzalez)

Jose Gonzalez provided a <u>presentation on the Housing 2040 Financial Tools for</u> Affordable Housing project.

One member of the public applauded the City for pursuing fee waivers and tax abatement, which will strengthen 9% LIHTC applications. One member of the public asked if the presentation will be posted. Christopher Do responded that all presentations will be posted online on the AHAAC webpage.

6. Housing 2040 Project Preview: Strengthening Condo Communities (Kim Cadena)

Kim Cadena provided an introduction to the Housing 2040 Strengthening Condo Communities project.

One Committee member emphasized the importance of understanding reserves and annual capital fund budgets for condo board members, including special assessments. Another member commented that the <u>Mercer Trigiani Condo Trainings</u> are great for condo associations. One member asked if property owners or property management companies are invited to the trainings. Mx. Cadena noted that the trainings are advertised via eNews and also sent out to a list of previous attendees, which has about 400 emails on it. Mr. Keeler noted that expanded outreach to condo communities will be conducted as part of the project.

7. Housing 2040 Updates (Staff)

Tamara Jovovic noted that the work program for Phase II of the Housing 2040 Master Plan will address senior housing and care. One Committee member commented that affordable assisted living facilities should be included as part of that effort.

8. ARHA Updates (Michelle Krocker)

Michelle Krocker did not have any updates to report.

9. Housing Alexandria Updates (Jon Frederick)

Jon Frederick reported that Housing Alexandria's construction work continues on the Seminary Road and Sansé projects.

10. Budget Updates (Staff)

Eric Keeler reported that an additional \$100,000 was added to the FY2026 budget to extend the pilot rental assistance program to 10 units. Mr. Keeler noted that the housing pipeline was presented during the budget and City Council inquired about developer fee relief.

11. Information Items (Staff)

Co-chair Zielenbach noted that he and Shelley McCabe are meeting with City Council members through June to talk about tools for affordable housing outside of the budget, including tax abatement, fee relief, and a loan consortium. Mr. Zielenbach also asked if anyone from AHAAC was interested in joining the Human Rights Commission as a liaison.

12. Announcements and Upcoming Meetings

June AHAAC Meeting

June 5: 6:30 p.m. – 9:00 p.m. City Hall, Room 1900, 301 King Street

Potomac River Generating Station Virtual Community Meeting June 9: 6:30 p.m.
Zoom (register online)

Duke Street Land Use Plan Kickoff Meeting

June 9: 7:00 p.m. – 8:30 p.m.
Patrick Henry Recreation Center, 4653 Taney Ave
Hybrid (Zoom option for presentation from 7:00 to 7:30)

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The Heritage at Old Town Groundbreaking June 18: 1:00 p.m. 505 S. Alfred Street

13. Adjournment (Chair)

Jon motioned to adjourn the meeting, Michelle Krocker seconded the motion. The Co-Chairs adjourned the meeting at 9:20 p.m.