Arlington County Housing Commission Meeting Notes

The Housing Commission convened its meeting at 7:05pm on November 2, 2023.

PRESENT (IN-PERSON)	Chair Kellen MacBeth Commissioner Anika Montgomery Commissioner Karen Serfis Commissioner Haley Norris Commissioner Katie Wenger Commissioner Sara Rubalcava Commissioner Nikki Blake Commissioner Elizabeth Escovar
PRESENT (VIRTUALLY)	Commissioner Margaret McGilvray Commissioner Paul Browne Commissioner Laura Saul Edwards
ABSENT	Commissioner Michael Hemminger
STAFF	Alex McMillen, Melissa Danowski, Richard Tucker, Joel Franklin, Natasha Alfonso, Anne Venezia, Sarah Pizzo, Marc McCauley

View the Meeting Recording Here

Public Comment on Items Not on the Agenda

There were no public comments on items not on the agenda.

Approval of Notes – Action

Karen Serfis made a motion to approve the notes, Katie Wenger seconded the motion. The motion passed unanimously.

• View the September 14, 2023, Housing Commission notes here.

Plan Langston Boulevard – Action

Planning and Housing staff presented the final draft report.

• <u>View the final draft report here</u>

Kellen MacBeth asked staff to define short-term and mid-term as it relates to county workplans. Staff answered short-term is 1-3 years and mid-term is 3-6 years. Kellen MacBeth confirmed this means starting a project, not when it is projected to be finished.

Alice Hogan provided public comment on behalf of Alliance for Housing Solutions. She was supportive of the plan overall but pushed to be more aspirational in increasing housing supply on the corridor. She noted that market rate units (MARKs) make up most of the affordable units in the corridor and that we need to commit CAFs long-term. She also pushed for units up to 30% Area Median Income (AMI) to help those with very low incomes live in Arlington. She asked for staff to explore new tools in creating affordable housing. She also mentioned the need to re-plan Cherrydale and East Falls Church.

Kellen MacBeth asked staff to go over their housing estimates for the corridor and talk about strategies that were considered to increase the housing supply. Staff answered they have encouraged additional height above what is allowed by-right to gain additional density. For sites that seek additional bonus density, 25% of the increased density will be on-site affordable CAFs up to 60% AMI. The proposal also allows commercial sites to build mixed-use or residential buildings. The plan also calls for 20% of increased density to be on-site CAFs for GLUP designation changes. Staff noted that adding the Cherrydale and East Falls Church areas into the plan would also help increase the housing supply estimates. Staff noted they review the Affordable Housing Master Plan (AHMP) every five years and will continue to do so.

Kellen MacBeth asked if there was a specific incentive for non-profit housing developers to increase their portfolios in the corridor. Staff answered most of the strategies are aimed at land use and density as opposed to calling out or incentivizing specific types of housing providers. Staff did note that the county's typical affordable housing partners have very few sites located on the corridor.

Kellen MacBeth said we need more tools to create affordable housing. He asked how easy it usually is to consolidate lots to help get bigger sites. Staff answered that this plan is a policy document and encourages uses. It may still be a difficult process to consolidate lots but it does identify it as one strategy.

Kellen MacBeth asked staff to speak to the 2,500 affordable unit goal in the 2015 AHMP. Staff answered that that number was an estimate of how many affordable units would likely need to be in the corridor to meet the county wide goal of affordable units by 2040. In this process they have found that that estimate is going to be difficult to achieve. Staff noted that number may need to revisited in an upcoming analysis. Staff does believe that they have hit a limit on what is achievable while balancing community desires. Kellen MacBeth said he felt the neighbors not wanting affordable housing was a bad reason to not meet our agreed upon county goals.

Elizabeth Escovar asked if the 2,500 goal was for existing and new housing. Staff answered that it is and that there is about 1,900 affordable units there now, and that is including Cherrydale and East Falls Church. Elizabeth Escovar asked how many net new units would be needed then. Staff answered that is hard to determine because a lot of the current affordable units are MARKs and those may be replaced or rebuilt.

Haley Norris said that the Commission should encourage expedited review of these plan areas. She also said that Langston Boulevard is highest points on the Notice of Funding Availability (NOFA).

Sara Rubalcava asked how the plan ensures developers don't just make cash contributions but build onsite units. Staff answered that for the base Affordable Housing Ordinance (AHO) the choice is completely up to the developer. The County does not have the ability to change that without state approval. Kellen MacBeth asked if the county could incentivize developers to build base units instead of make cash contributions. Staff answered that is not possible.

Doris Ray asked how the plan will help add Type A CAFs. Staff answered encouraging more density will encourage new Type A units be built.

Katie Wenger said the commission should write a letter noting their disappointment in listening to neighbors instead of staying committed to county priorities. She also wants to make sure the right populations are being engaged. She also said the commission needs to ask for more AHIF to help realize the county's housing goals.

Nikki Blake asked if the projections assume the base AHO will be made through units or cash. Staff answered they assumed all base contributions would be made in cash.

Kellen MacBeth asked now that we are aware we can't meet the 2,500 goal by 2040 what does staff do with that information. Staff answered the 2,500 number was a forecast. Each year staff does an annual report to track how they are doing. There are also reviews to the master plan at least every five years and that is a number that staff could adjust.

Doris Ray asked if the number of accessible units in the corridor can be tracked. She also asked if family sized units can be tracked by corridor. She also asked if the county could encourage the use of 9% Low Income Housing Tax Credits (LIHTC) to help create more Type A accessible units. Margaret McGilvray added it would be useful for the commission to weigh in on the Qualified Allocation Plan (QAP) that Virginia Housing edits biannually.

Nikki Blake said she was a bit frustrated about the engagement process. She said most of the outreach was done to white and wealthy residents. Kellen MacBeth agreed and said that engagement with the correct populations was a broader issue he has seen on other projects. Karen Serfis said engagement has been a very hard obstacle for many years.

Sara Rubalcava made a motion to send a letter to the County Board with a handful of recommendations that were discussed by the commission, Haley Norris seconded the motion. The motion passed unanimously 8-0.

Barcroft – Information

Staff and Jair Lynch Real Estate Partners presented the item.

• <u>View the presentation here</u>

Alice Hogan provided public comment on behalf of Alliance for Housing Solutions. She said she was extremely excited about the commitment the county has made at Barcroft. She asked for clarification on what 10% site wide at 30% AMI meant in actual amounts of units. She said the goal of the community was to have 255 units at up to 30% AMI. She said investing in the units now is cheaper than having those families eventually get subsidized from the housing grants program. She said we need more AHIF funding to continue to invest in the county's housing.

Anne Vor de Bruegge provided public comment on behalf of the Arlington Community Foundation. She also asked for clarification on the 10% site wide at 30% AMI meant in actual amounts of units. She also asked if these units up to 30% AMI include those on Housing Choice Vouchers (HCV) as well. She was happy to hear that all stones are being turned over in finding sources for this project.

Kellen MacBeth asked for an answer on what the 10% site wide at 30% AMI meant in actual amounts of units. David Hilde answered that it is a minimum of 134 units, and they will look to add more as possible throughout the many phases of the development in the years ahead.

Kellen MacBeth asked how many current Barcroft residents receive housing grants and how many receive an HCV. Staff answered there are 45 households on housing grants and one with an HCV.

Kellen MacBeth asked if all units would be renovated or replaced with new construction. Staff confirmed this is correct. He also asked if the 3% rent increase applies to all residents or current residents. David Hilde answered it is just current residents.

Katie Wenger asked if all tools had been explored to help get to the 255 units up to 30% AMI. Staff answered that they are working with Jair Lynch to explore and use as many possible financing sources as are available.

Kellen MacBeth asked what AHIF is needed going forward. Staff answered that the county has already loaned \$150M in acquisition funds. As each phase goes forward a portion of that \$150M will be converted to AHIF funds to fill the gaps. No new AHIF will be needed.

Kellen MacBeth asked what analysis has been done on paying with AHIF to hardwire units as affordable as opposed to funding families through housing grants. Staff answered it will take all tools available to meet the affordability goals. It will take both units and housing grants, as every project does eventually have to pencil financially.

Elizabeth Escovar asked if there will be at least 134 units up to 30% AMI for all 99 years. David Hilde answered that there will always be 134 units up to 30% AMI at a minimum.

Kellen MacBeth echoed Alice Hogan and Anne Vor de Bruegge that the county needs as many units up to 30% AMI as possible.

Kellen MacBeth asked if historic tax credits would be used. David Hilde answered that they are looking into state historic tax credits for future renovation phases.

Kellen MacBeth asked the team to include awnings on the buildings.

Elizabeth Escovar asked if the residents will need to pay anything for the temporary moves. David Hilde answered there would be no cost to the residents and all services would be provided for them.

Kellen MacBeth asked how the first resident council meeting at Barcroft went. Staff said it was primarily a logistical meeting on how the council would run but that meetings would be more content focused going forward.

Paul Browne asked if there would be any 30% AMI units in the first renovation phase. David Hilde answered that in the first phase that are focused on family-sized units. They are utilizing bump outs to create extra three- and four-bedroom units in this phase. Only so many county goals can be achieved in each phase.

County Board Liaison Remarks – Information

County Board member Matt de Ferranti joined the commission to share some brief remarks. He also spoke to each commissioner about their personal housing priorities going forward.

Development Updates – Information

There were no development updates by staff.

• <u>View the Development Updates here</u>

Meeting adjourned at 10:30pm.