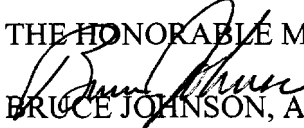


City of Alexandria, Virginia

MEMORANDUM

DATE: JUNE 20, 2011

TO: THE HONORABLE MAYOR AND MEMBERS OF CITY COUNCIL

FROM:  BRUCE JOHNSON, ACTING CITY MANAGER

SUBJECT: CONSIDERATION OF SUBMISSION OF AN APPLICATION FOR A VHDA PLANNING GRANT TO SUPPORT THE DEVELOPMENT OF A HOUSING IMPLEMENTATION STRATEGY FOR THE BEAUREGARD SMALL AREA PLAN

ISSUE: Application for a planning grant to support the development of a housing implementation strategy for the future Beauregard Small Area Plan.

RECOMMENDATION: That City Council endorse an application for a Housing Implementation Strategy planning grant for the future Beauregard Small Area Plan that will be submitted to the Virginia Housing Development Authority (VHDA).

BACKGROUND: VHDA has solicited an application from the City for grant funds to support current housing and/or planning efforts. Specifically, the VHDA Planning Grant is intended “to support the planning process by local governments and redevelopment and housing authorities, which have identified an area for revitalization, identified potential local resources to support revitalization and envision mixed-use/mixed income as a component of the revitalization efforts.” The potential range for VHDA grants is typically \$10,000 to \$15,000, although more may be made available at VHDA’s discretion. Additional funding would allow a more in-depth planning study to occur.

After considering a number of issues of interest to both departments, the Office of Housing and the Department of Planning and Zoning propose that, if the City’s submission is successful, VHDA grant funds be used to assist staff in developing an implementation strategy to preserve and/or produce the greatest possible number of committed affordable housing units in the Beauregard Small Area Plan as it redevelops and expands its mix of uses over the next 20-30 years.

As in other recent small area plan processes, in the Beauregard area it is anticipated that funds will be available for affordable housing purposes through voluntary contributions pledged, or otherwise funded as part of the land use approval process.

Because the Beauregard area currently includes a substantial number (approximately 5,000 units) of the City's existing market affordable rental housing stock, there is significant interest in exploring opportunities to leverage all available funds and resources to achieve a maximum number of committed affordable units as the area redevelops. Work to be completed with VHDA planning grant support is expected to build on principles and recommendations currently being developed pursuant to the Housing Master Plan, the Housing Contribution Work Group, and the Beauregard Small Area planning processes.

To this end, VHDA grant funds will be used to secure consulting resources to help staff develop economically sustainable strategies and options to preserve and/or produce affordable housing units in the Beauregard Small Area Plan boundaries, based on resources and tools anticipated to be available over the redevelopment timeline.

FISCAL IMPACT: No impact for the City; there is no match requirement. VHDA's funding is not part of a regular grant-making process with a formal grant due date. Rather, VHDA initiated this grant idea, and wishes to approve the grant prior to June 30 thereby triggering the City grant submission prior to the June 28 City Council meeting.

STAFF:

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