

City of Alexandria, Virginia

MEMORANDUM

DATE: FEBRUARY 3, 2016

TO: THE ALEXANDRIA HOUSING AFFORDABILITY ADVISORY COMMITTEE
(AHAAC)

FROM: HELEN S. MCILVAINE, DIRECTOR

SUBJECT: UPDATE ON LOAN TO THE ALEXANDRIA REDEVELOPMENT AND HOUSING
AUTHORITY (ARHA) FOR THE REDEVELOPMENT OF RAMSEY HOMES INTO
A MIXED INCOME COMMUNITY

Yesterday Housing received ARHA's Housing Opportunity Fund loan application for the redevelopment of Ramsey Homes. The project cover letter (Attachment 1), narrative (Attachment 2), sources and uses (Attachment 3), and proforma (Attachment 4) have been included for the Committee's consideration.

Upon reviewing the loan application, staff notes the following change to its January 29, 2016 memo:

ARHA will not be requiring typical first trust financing. The project's funding will be limited to approximately \$12.5 million in tax credit equity, a \$3.8 million seller's note from ARHA for the land and buildings (being sold to the limited partnership entity ARHA forms with its tax credit investment partner to develop the project), \$858,330 in HUD Replacement Housing funding (being used as the subsidy referred to as HUD's Annual Contribution Contract in the Affordable Housing Plan), a \$100,000 VHDA Reach loan that was provided for predevelopment of Ramsey and the requested City loan.

ARHA expects to repay the seller's note, the VHDA loan and the City loan within 30 years. Please note that on the proforma the bottom line which is currently labeled "ARHA Loan Paydown" should say "Cash Flow." ARHA is revising its proforma to reflect this change.

ATTACHMENTS:

- (1) Cover Letter
- (2) Project Narrative
- (3) Project Sources and Uses
- (4) 40-Year Proforma

STAFF:

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Tamara Jovovic, Housing Analyst, Office of Housing