



ARLINGTON COUNTY, VIRGINIA

County Board Agenda Item
Meeting of October 15, 2011

SUPPLEMENTAL REPORT- REVISED CONDITION

DATE: October 11, 2011

SUBJECT: Commitment of Permanent Supportive Housing units in the Magnolia Commons apartment complex, correction of meeting date for the Tenant Landlord Commission, and correction of number of two-bedroom units listed in Housing Goals & Targets

C. M. RECOMMENDATIONS:

1. Appropriate \$1,776,658 in loan repayments (101.357000.91102) to the FY 2012 Affordable Housing Investment Fund (101.495130.91102).
2. Appropriate \$2,190,449 in Housing Reserve Fund fund balance (799.359910.72402) to the FY 2012 Affordable Housing Investment Fund (101.495130.91102).
3. Appropriate \$4,157,999 from the FY 2011 projected fund balance (101.386000.10301) that remained unspent and unallocated from the prior fiscal year to the FY 2012 Affordable Housing Investment Fund (101.495130.91102).
4. Allocate up to \$13,266,315 in FY 2012 Affordable Housing Investment Fund funds (101.495130.91102) to AHC Inc. (101.456300.91102), or its designated County-approved ownership affiliate (AHC Limited Partnership - 22), in the form of a subordinated, residual receipts loan, subject to the terms and conditions outlined in this report, and as revised in the supplemental report dated October 11, 2011, to assist with the acquisition and renovation of Magnolia Commons apartment complex.
5. Authorize the County Manager to execute the required documents for an Affordable Housing Investment Fund subordinated residual receipts loan of up to \$13,266,315 to AHC Inc., or its designated County-approved ownership affiliate (AHC Limited Partnership – 22), and authorize the trustees for the County’s Deed of Trust to execute the required loan and subordination documents, subject to approval by the County Attorney.

County Manager:

County Attorney:

38. A.

Staff: David Cristeal and Maureen Markham, DCPHD

6. Authorize the County Manager, with the concurrence of the County Attorney, to act as the County Board's representative in approving financing or program revisions that are necessary to remove any ambiguity or inconsistency or which improve the County's financial security or financial position, and which changes do not adversely affect the County financially, prior to or after execution of the County's financing documents.

DISCUSSION: This supplemental report provides additional clauses to reflect AHC's commitment to provide six units to Arlington County's Permanent Supportive Housing (PSH) Program using either federal or local project-based rental assistance funding as available through the County Department of Human Services (DHS). The report clarifies that the meeting of the Tenant Landlord Commission regarding the Magnolia Commons project occurred on September 21, 2011, and that the number of two-bedroom units is 133.

1. Revise the first paragraph of the **Affordable Housing Plan** as follows:

Affordable Housing Plan: One hundred percent (100%) of the units (198 units) will be restricted to households with incomes at or below 60% of the Area Median Income (AMI). Of those units, 40 will have rents set to be affordable to households at 50% AMI. A Tenant Assistance Fund will limit displacement of current residents whose income is too low to allow them to qualify for the newly renovated units. In addition, six units will be committed to the Permanent Supportive Housing (PSH) Program using either federal or local project-based rental assistance funding as available through the County Department of Human Services (DHS).

2. Add a paragraph after **County Funding Request** and before **Accessible Units**:

Housing for Persons with Special Needs: Six units will be used by the County Department of Human Services (DHS) Permanent Supportive Housing (PSH) Program using either federal or local project-based rental assistance funding as available through DHS.

3. Revise the paragraph **Accessible Units** as follows:

Accessible Units: The property currently has no accessible units. The renovations will create four fully accessible Type A units that include necessary adaptations for persons with all types of disabilities including mobility, hearing and vision impairments. These four units may be used by persons in the Supportive Housing Program when appropriate, but the fully accessible units are not reserved for exclusive use by Supportive Housing residents.

4. Add a new bullet to the **Affordable Housing Goals and Targets** section:

The project meets the following Housing Goals and Targets:

- Provides six additional units for permanent supportive housing. (Goal 2/Target 2C)

5. Add a new #7 to the **Loan Terms and Conditions** section:

7. The applicant agrees to commit six of the units for the County Department of Human Services (DHS) Permanent Supportive Housing (PSH) Program using either federal or

local project-based rental assistance funding. The applicant shall enter into a PSH agreement with DHS approximately 90 days prior to initial occupancy of the first renovated building.

6. Adjust numbering in **Loan Terms and Conditions** section:

- Current Loan Term and Condition #7 becomes #8
- Current Loan Term and Condition #8 becomes #9

7. Correct the date given for the meeting of the **Tenant Relocation Plan/Tenant Landlord Commission** on Page 6 of the report:

Tenant Relocation Plan/Tenant Landlord Commission: The Tenant - Landlord Commission reviewed the Magnolia Commons Relocation Plan and recommended approval at their meeting on September ~~20~~21, 2011...

8. Correct the number of two-bedroom units cited in the third bullet of the **Affordable Housing Goals and Targets** section:

Adds ~~134~~133 two-bedroom units (67% of project total) to the stock of Committed Affordable housing (Goal7/Target 7B)