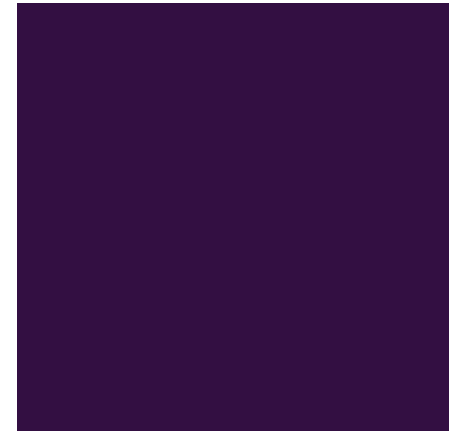


AHC Presentation to Montgomery County Planning

BUILDING AFFORDABLE HOUSING
AND STRONG FUTURES SINCE
1975



+ History of AHC

- 501(C)(3) Non-Profit Organization, since 1975
- Arlington's Oldest & Largest Affordable Housing Group
- Developed 40 properties in the Mid-Atlantic region
- Served 1,000+ Arlington families with low-interest loans and construction management support for both first-time buyers and existing homeowners
- AHC was named 2013 Nonprofit Developer of the Year by the Housing Association of Nonprofit Developers (HAND). This is the fourth time AHC has won this award.
- Winner 2013 Nonprofit Business of the Year—Arlington Chamber of Commerce



+ Activities/Services

- Multifamily Development

- 5,300+ apartments
- 78% at < 60% AMI; 22% at > 60% AMI or unrestricted
- Projects range: 9 to 768 units
- Aggregate real estate market value exceeds \$600 million

- Homeownership

- Home improvement loans, financing for first-time homebuyers, façade improvement program

- Resident Services


- After-school programs, summer camp, ESL, seniors health programs and social activities
- Direct services and partnerships

- Property Management

- 34 properties in Arlington, Fairfax, Montgomery, & Baltimore

Unique Resident Services Programs

4

- Rationale: Promotes learning & connects families to services
- Invest \$1.2 million annually
- Serve 2,000 children and seniors
-  Partner with 30+ community organizations
- Support from 150 volunteers
- Results:
 - 100% of high school participants graduate, 80% attend college
 - 75% of all participants have GPA of 3.0 or higher



+ Multifamily Development

- Property Acquisition—Target Properties
 - Class B & C (value add)
 - Land with excess/bonus density or up-zoning potential
- Development Strategies
 - Acquisition-Rehab (moderate to substantial)
 - Redevelopment/New Construction
 - Buy-Hold (new approach)
- Goals
 - Long-term affordability
 - Attractive, high-quality physical condition
 - Energy efficiency
 - Operating expense control
 - Return from cashflow, developer fee, appreciation



Financing

- Low-Income Housing Tax Credits (4% & 9%, VHDA/MCDA QAP)
- Conventional debt w/9% tax credit (local banks, GSEs, FHA)
- Tax-exempt bonds w/4% tax credit (private-placement typically)
- Local government support (Arlington, Alexandria, Montgomery, Fairfax, Baltimore)
- Conventional debt + equity in buy/hold deals
 - Three equity sources secured
 - Mortgage broker
- Historic Tax Credits
 - Federal
 - State



Recent Projects

- The Jordan (Arlington, new construction)
- The Macedonian (Arlington, new construction)
- Jackson Crossing (East Reed) (Alexandria, new construction)
- Woodbury Park--The Park/The Frederick (Arlington, new construction)
- Arbor Heights & 5225 (Arlington, substantial renovation + new construction)
- The Hamptons (Montgomery, buy-hold; redevelopment)

The Jordan

- 90 apartments, 4.1 Site Plan
- Walking distance to Ballston Metro, Ballston Common Mall, shops and employment centers
- Outdoor courtyard, water-play feature, BBQ area, library, community room
- Partners: JBG & Arlington Co.
- Award winner:
DESIGNArlington Award from
Arlington County, and
Affordable Housing Council
- TDC--\$27 million



+ The Jordan Land Swap



The Macedonian

- Community partnership with Macedonia Baptist Church
- Tear down single-family home to build new mixed-use property
- 36 apartments; new construction
- Business incubator and community development corporation offices on 1st floor
- Partial green roof and VRF heating/cooling, leading to lower utility costs.





Jackson Crossing-- Route 1, near Potomac Yards

Numerous redevelopment plans tried and failed over the past 20 years.

Land assembly--.8 acres among 7 parcels

Redevelopment of existing properties for new construction of 78 affordable units & programming space

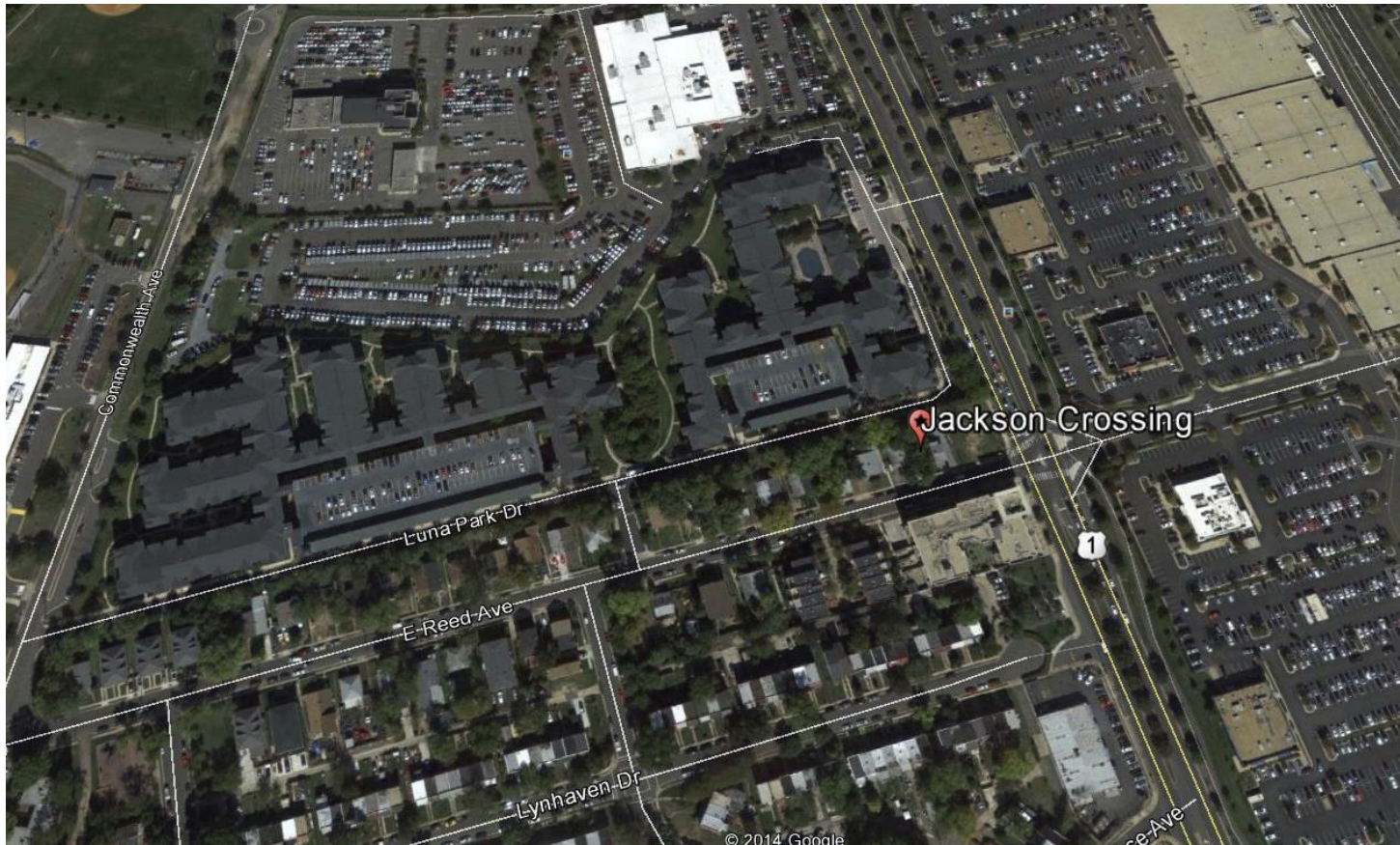
TDC--\$28 million





Jackson Crossing (E. Reed Avenue)

12



+ Jackson Crossing





Woodbury Park— The Park & The Frederick





The Park & The Frederick

- Redevelopment of visitor parking lot
- Walking distance to Courthouse Metro, shopping, park
- 99 market-rate condos / 108 affordable rental units, community center and AHC corporate offices
- Condos developed in JV with Bush Construction



The Park & The Frederick





Arbor Heights

- 198 units affordable, substantial renovation
- Substantial renovation
- TDC--\$55 million
- Significant support from Arlington County
- Redevelopment opportunity with Form-Based Code (FBC) on Columbia Pike





Arbor Heights





Arbor Heights II (aka “5225”)



5225 Columbia Pike
Arlington, Virginia
AHC, Inc.



The Hamptons



- 37 acres in Germantown, in the Science City corridor
- 70% market-rate; 30% affordable
- Assume \$65 million REMIC
- Preferred equity investment
- Strong County financial support
- TDC--\$95 million



Questions

Contact

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703-486-0626 x113





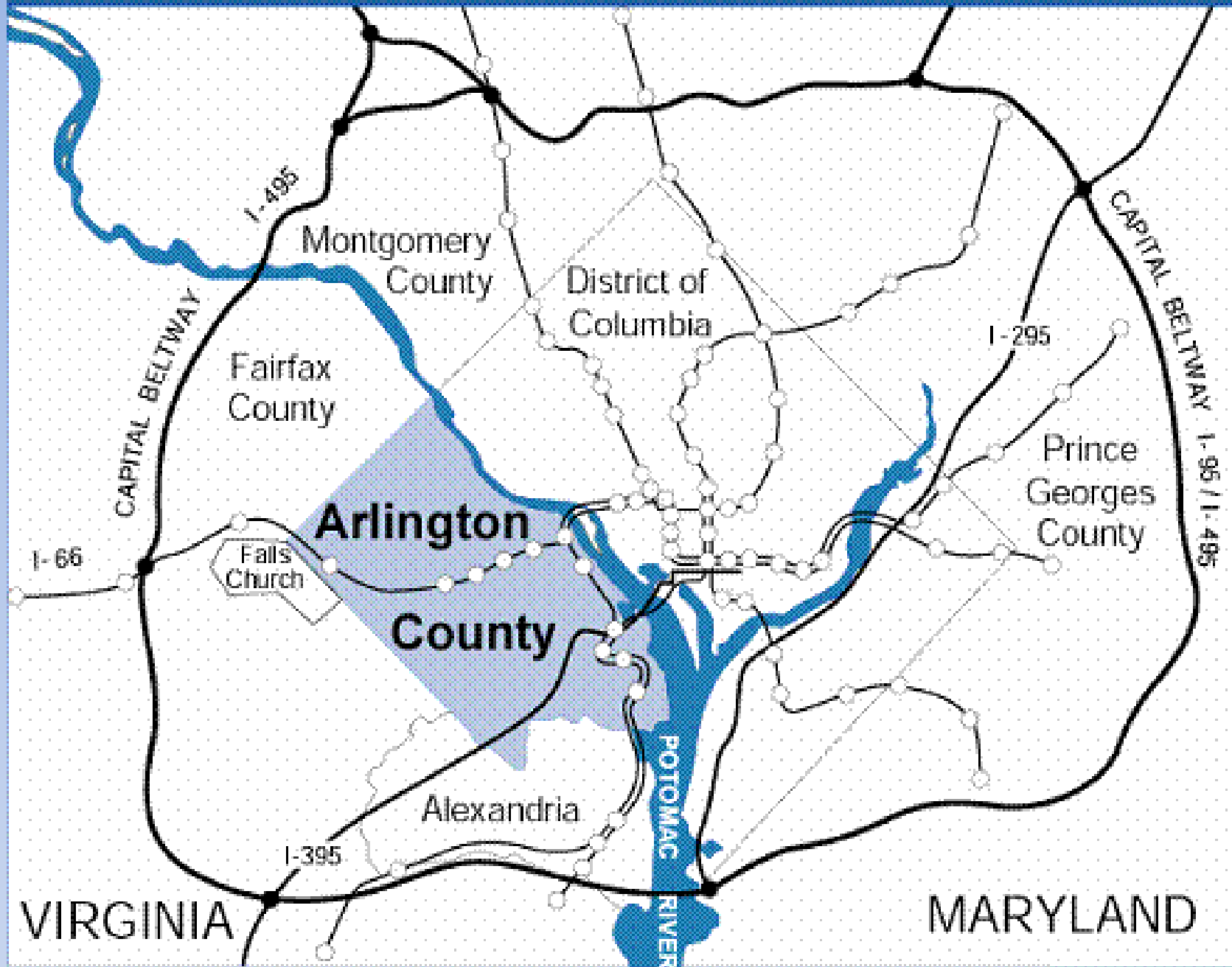
Montgomery County Planning Department
Speaker Series

Affordable Housing

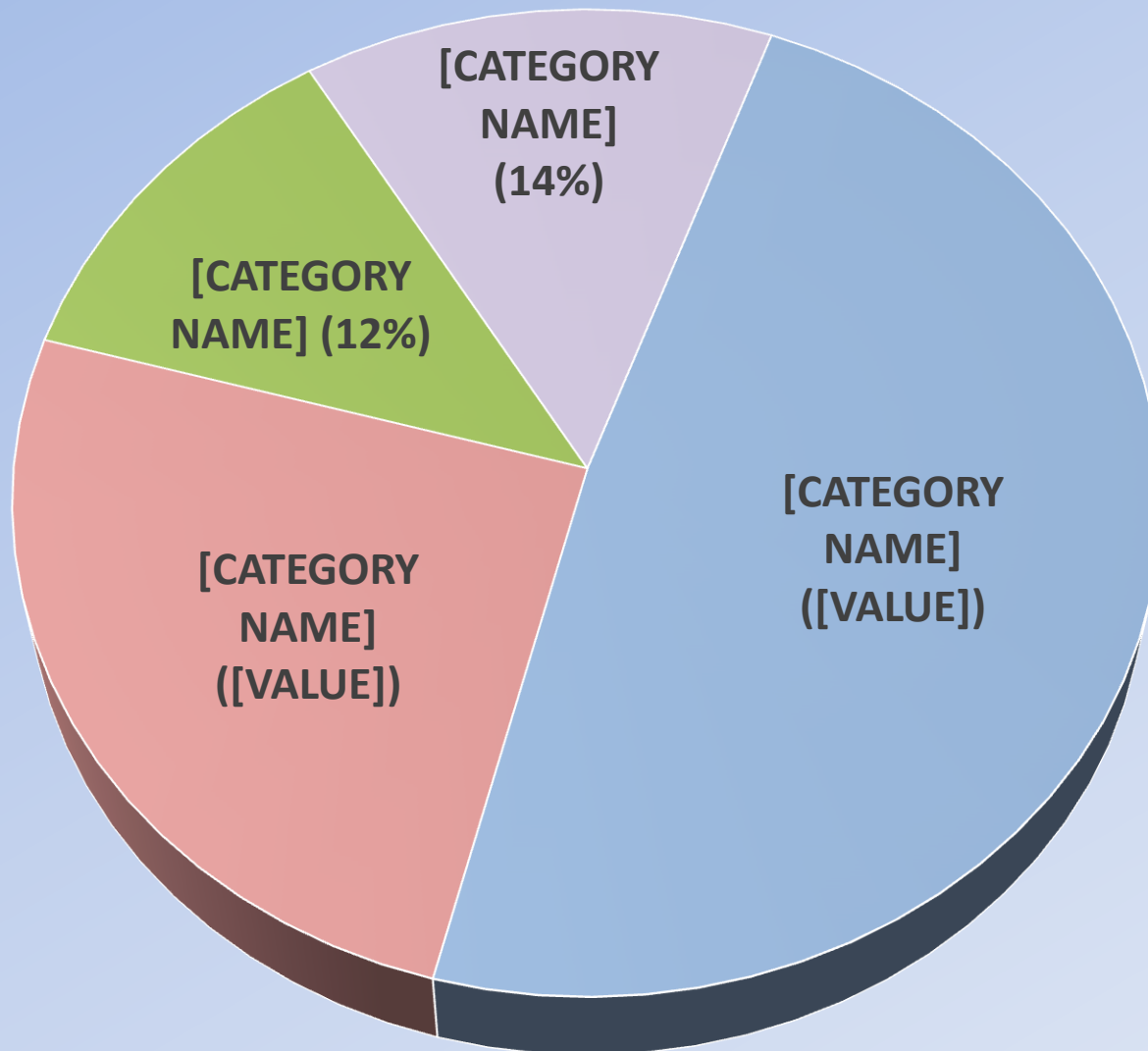
New Tips and Tools of the Trade

April 10, 2014

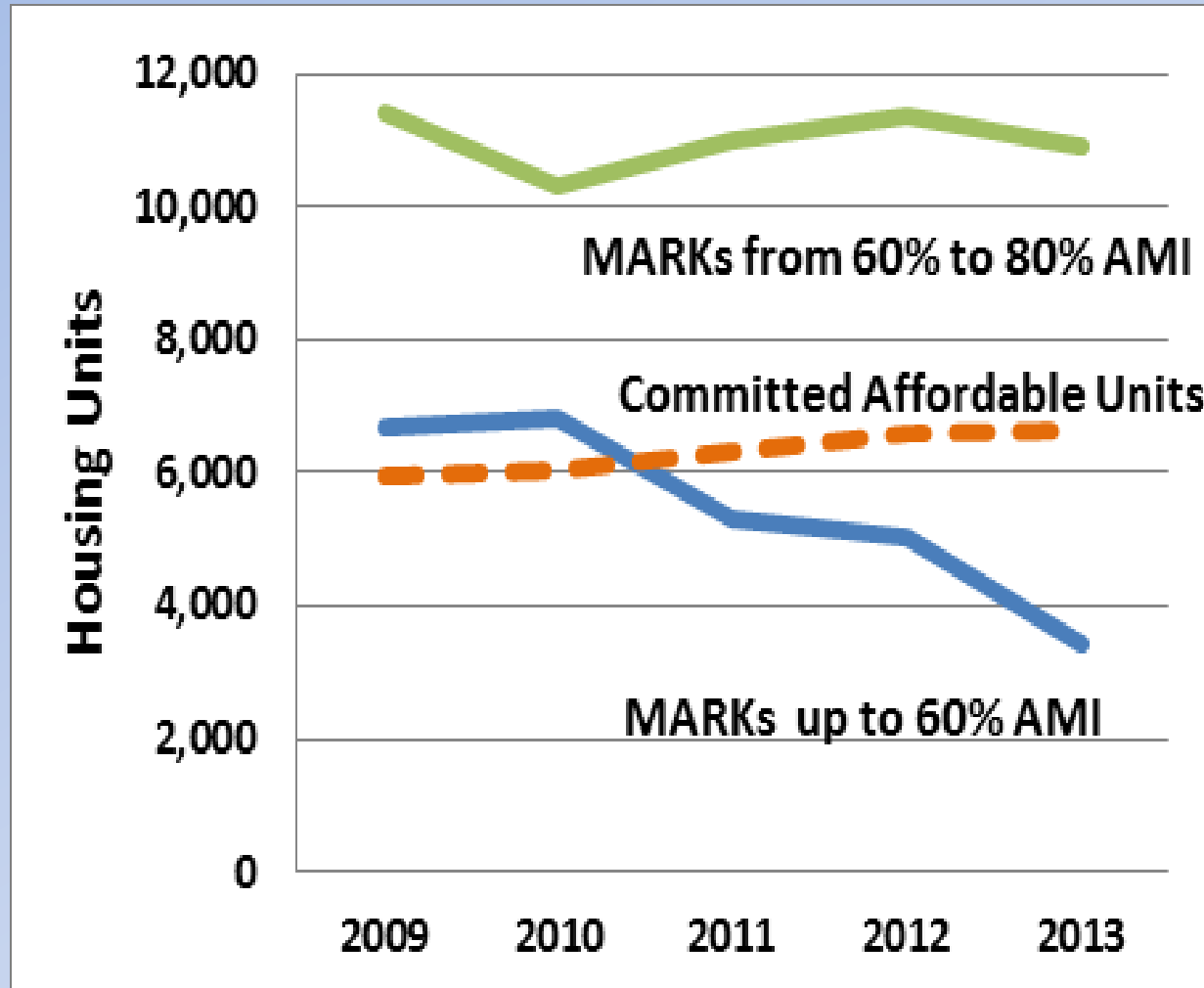
WASHINGTON METRO AREA MAP



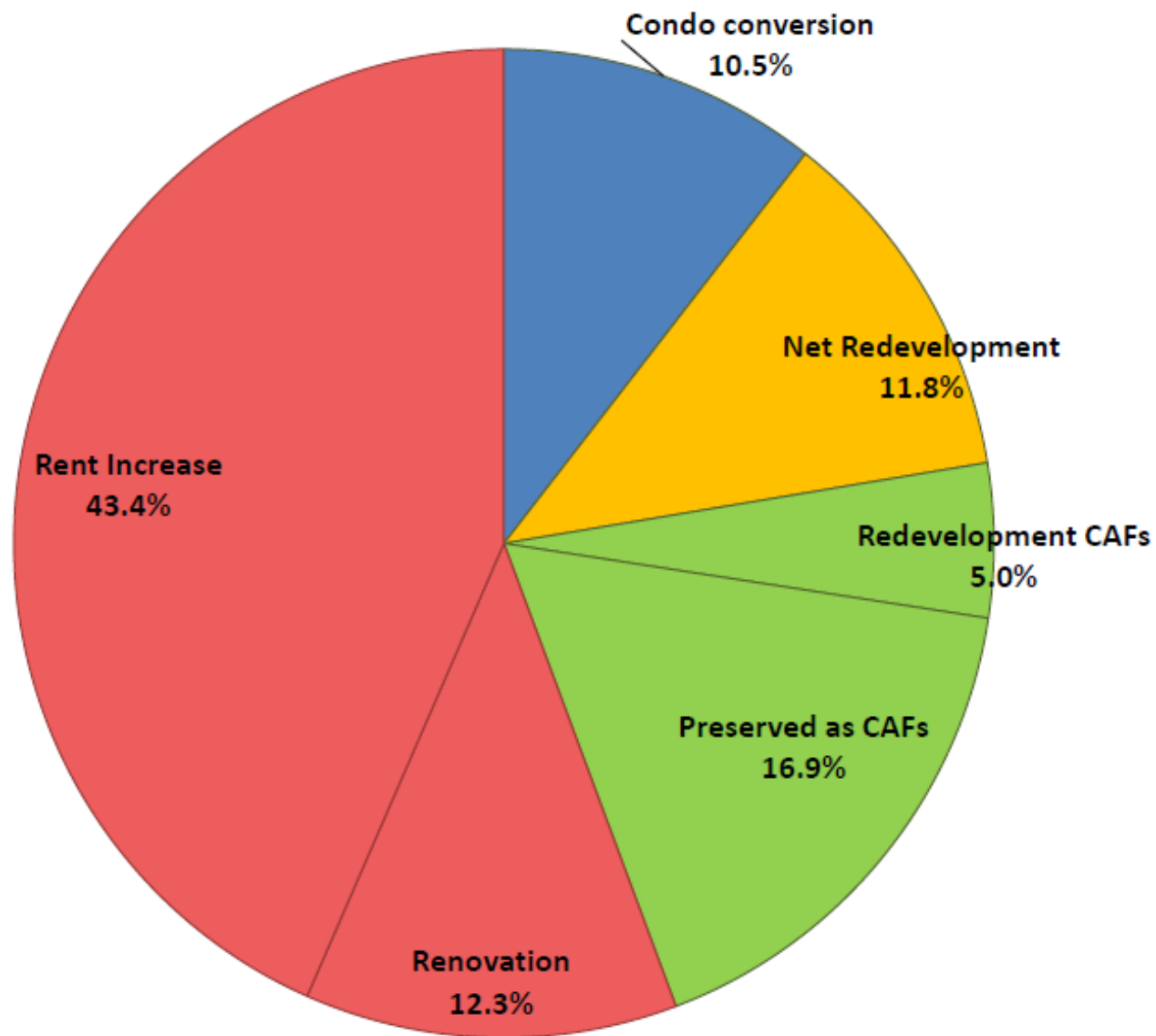
2012 Breakdown of Rental Housing



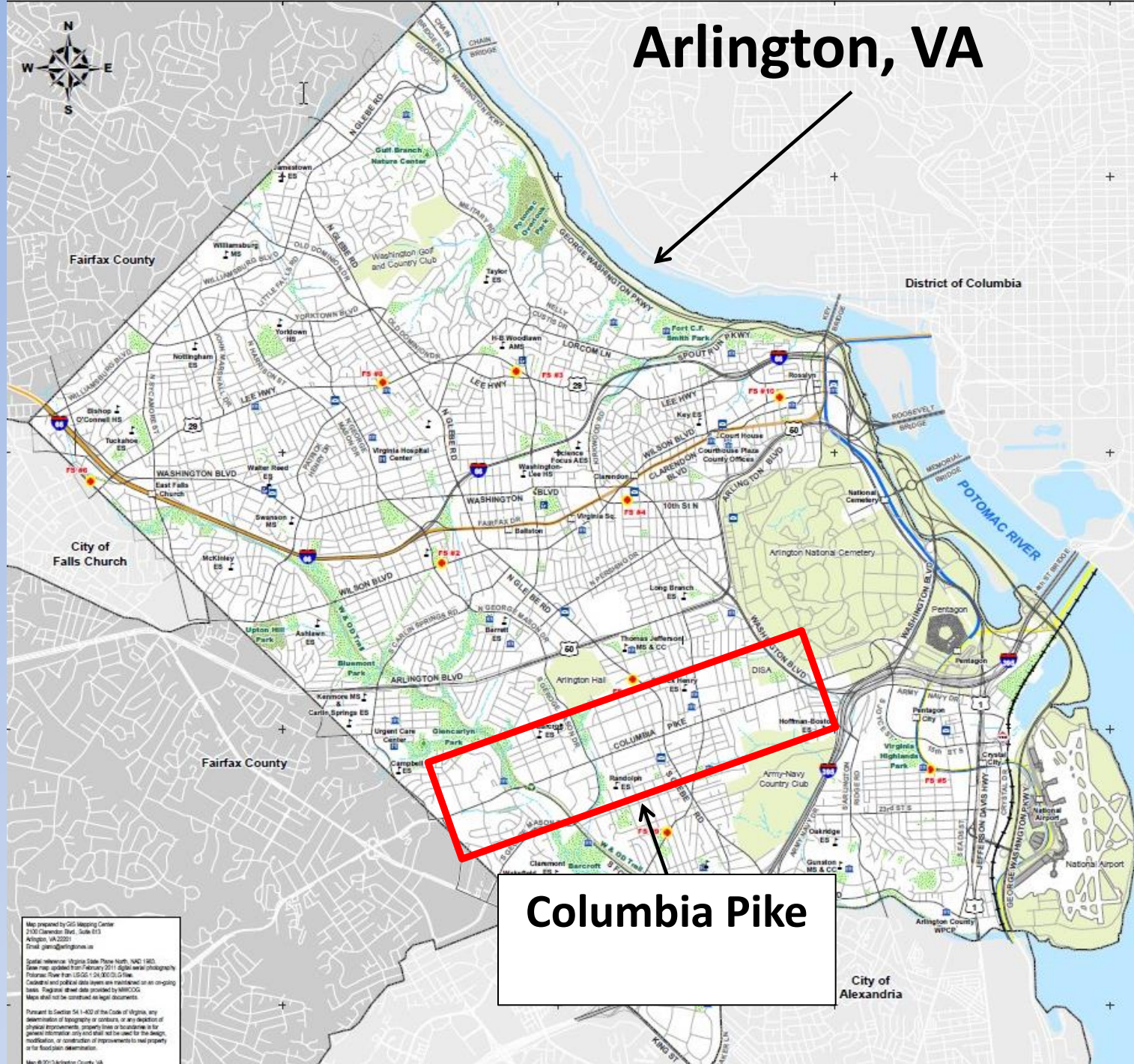
Inventory of MARKS and CAFS 2009-2013



Affordable Rental Trends



Arlington, VA



Arlington's Columbia Pike

- ~37,400 residents (July 2013)
- Population expected to almost double in 30 years
- Diverse area of County
 - 67% of residents non-white
 - 40% of residents foreign born
- Home to large number of Market Rate Affordable Units (MARKS)
 - ~9,100 multifamily units
 - 68% are MARKS



Columbia Pike Neighborhoods Area Plan

In July 2012, County Board adopted Plan to achieve following goals:

1. Preserve all affordable units with rents up to 80% of the Area Median Income (AMI) (~6,200 units)
2. Encourage High-Quality, Mixed-use Development
3. Preserve Historic Buildings
4. Create Diverse Housing Options



Planning Tools – Form Based Code (FBC)

New FBC has Affordable Housing Requirement

- FBC provides for more streamlined and predictable process
- 20% to 35% percent of net new units affordable to households earning between 40 % to 80% (AMI).
- Projections indicate approximately 1,800 units could be created through FBC



**COLUMBIA PIKE NEIGHBORHOODS
SPECIAL REVITALIZATION DISTRICT
FORM BASED CODE**
ARLINGTON COUNTY, VIRGINIA

ADOPTED NOVEMBER 16, 2013
WITH AMENDMENTS THROUGH DECEMBER 14, 2013
ARLINGTON COUNTY ZONING ORDINANCE | APPENDIX B

Planning Tools - Transfer of Development Rights (TDR)

Purpose: Transfer density from Conservation Area sending sites (1,540 units at Barcroft and Fillmore) to receiving sites to preserve affordable housing or create neighborhood parks

SENDING SITES



Fillmore Gardens



Barcroft Apartments

Planning Tools - Reduced Parking Ratio

- FBC projects with more than required affordable housing units receive reduced ratio on affordable units
 - Standard Parking Ratio = 1.125 spaces/unit
 - If provide additional affordable units parking ratio = 0.825 applied only to affordable units

Financial Tools - TOAH Fund

TOAH Fund – Primary purpose to help pay for infrastructure & County fees for Low Income Housing Tax Credit (LIHTC) applicants with projects on Columbia Pike.

- Infrastructure/unit (underground utilities, tree preservation, curb cuts, etc.) = \$20,000
- County Fees/unit (tap fees, certificate of occupancy, building permits) = \$5,000

Financial Tools - TIF

- 25% of new incremental property tax revenue on Columbia Pike dedicated to affordable housing
- Envisioned to be primary funding source for TOAH

Financial Tools - Affordable Housing Investment Fund

- Revolving loan fund
- 3,046 CAFS created/preserved through AHIF since 2000

Projected FY 2015 AHIF Components
Subject to Board Approval
Total = \$21.6 million

