

Ramsey Homes Redevelopment

Presentation to the ARHA
Redevelopment Work Group

April 14, 2016



Threshold Issues

- Value of ARHA's Asset
 - A draft appraisal will be requested for completion by early May
- HUD disposition process
 - Parameters of HUD's disposition process provided by an expert
- Consultant costs for study of options
 - City can pay for ARHA's consultants without impact to a future tax credit application so long as there is no expectation of repayment
- Timing of Rezoning and DSUP
 - Addressed at 3/12 public hearing



Purpose of the ARHA/City Staff Charrette

March 29, 2016

Define the design parameters for the “ARHA Proposal” (New 53-unit, 2 building option) and the “Alternate,” formerly the “Hybrid Option”(one saved building and 49 units in a new building)

- Size of housing units
- Mix of unit types (# of bedrooms)
- Total # of units
- % of handicapped accessible units
- Potential uses of saved building
- Ownership options for land associated with saved building



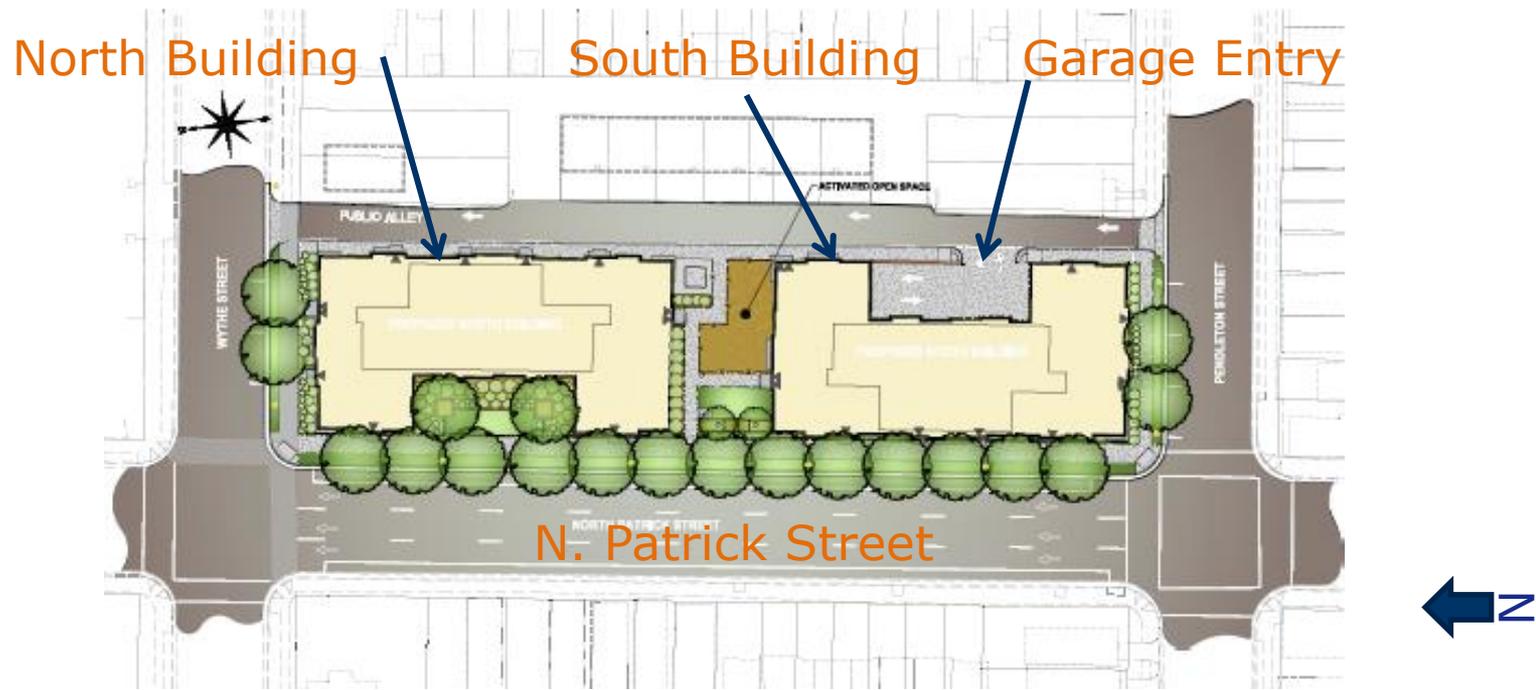
Direction from Charrette

- ARHA and City staff will develop permutations for the 53-unit proposal and the Alternate to improve the projects' design, potential tax credit competitiveness and long term sustainability (financial and operating) as well as to maximize public benefit

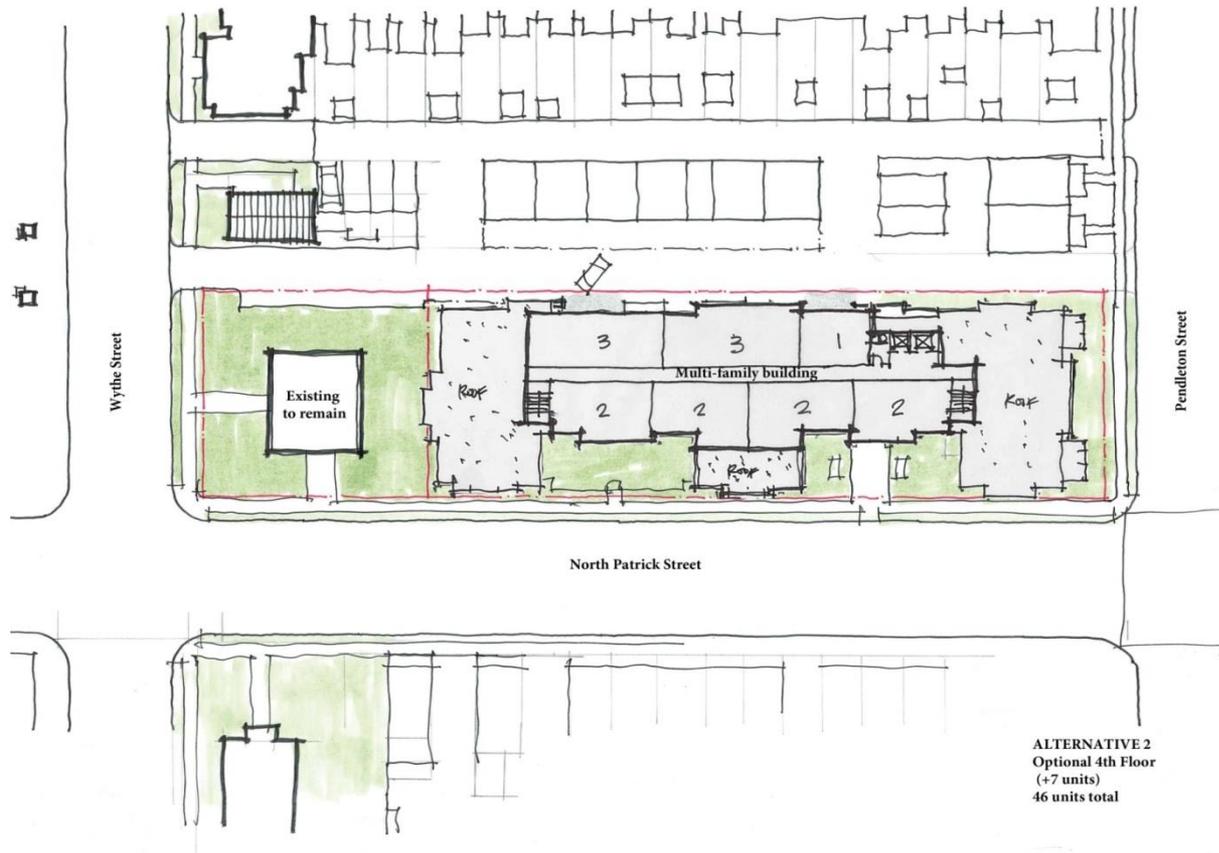


ARHA Proposal

- 53 affordable housing units
- 52,774 net square feet
- Three stories, approximately 39'
- Ground-level open space (15%) and rooftop amenity space (25%)
- Underground parking – 29 spaces



Alternate



Retain one building, with 49 units in new building

Design Parameters

- Unit Sizes
 - HUD and VHDA do not have min/max unit size requirements
 - Unit size does not directly impact tax credit competitiveness, except as it relates to cost/sf
 - ARHA's Architect's recommended design standards:
 - 11' x 11' optimal dimension for bedrooms
 - 12' minimum width for living room / dining room modular
 - Team is reviewing unit sizes in recent tax credit projects
- Unit Types / Mix
 - One-Bedroom – max. 20% of mix
 - Two-Bedroom – 15 replacements units to be provided on-site
 - Three-Bedroom – more would increase points
 - Operating costs, rent, debt service, etc. also affect optimal mix
- Minimum density
 - Preferred threshold of 50+ units for tax credit competitiveness
 - Below 50 units loses some efficiency points



Design Parameters

- Handicapped Accessible Units
 - Where the greater of 5 units or 10% of units are handicapped accessible the tax credit competitiveness is significantly improved
- Existing Building to Remain
 - Preserving a building may assist in Section 106 process (“meaningful mitigation”)
 - Continue to evaluate housing, civic, or ARHA non-residential uses
 - Ownership/operation of a saved building may be for use by a non-profit entity
 - Saved building could be four 721 sf two-bedroom units or two 1442 sf units (3-4 bedrooms).
 - Affordability level(s) to be determined; market rate to be considered.
 - Legal construct to allow for property retention by ARHA with condo sale or ground lease
 - Evaluate potential for home ownership
 - Gain in ground-level open space
- Open Space
 - Maximize ground level open space, by employing strategies such as shrinking footprint of buildings



Additional Issues for Resolution

- Garage access and alley reconfiguration
- Stormwater vault location
- Sewer connection
- Porches or additional design amenities
- Opportunities for increased ground-level open space



Next Steps

- ARHA consultants
 - Analyze unit size & efficiency of both options
- City staff & third party consultants
 - Analyze Alternate for fit per design parameters
 - Analyze use of saved building
- Plan a joint Community Engagement Process
 - Including ability to solicit comments on Housing and ARHA web pages
- Tax Credit Analysis
 - Draft appraisal to inform property value
 - Review categories for additional points ARHA may utilize in next application
- Vet potential preserved building uses with HUD

