

MINUTES OF THE MEETING OF THE FAIRFAX COUNTY
REDEVELOPMENT AND HOUSING AUTHORITY

March 5, 2020

On March 5, 2020, the Commissioners of the Fairfax County Redevelopment and Housing Authority (FCRHA) met in the FCRHA Board Room, One University Plaza, 4500 University Drive, Fairfax, Virginia.

CALL TO ORDER

FCRHA Chair Robert Schwaninger called the Meeting of the FCRHA to order at 7:00 p.m. Attendance for all, or part of the meeting, was as follows:

PRESENT

Robert Schwaninger, Chairman
C. Melissa McKenna, Vice Chair
Kenneth Feng
Lenore Kelly
Richard Kennedy
Albert J. McAloon
Ezra Rosser
Rod Solomon

ABSENT

Matthew Bell
Christopher Craig
Sharisse Yerby

Also present at the meeting were the following staff of the Department of Housing and Community Development (HCD): Thomas Fleetwood, Director; Amy Ginger, Deputy Director, Operations; Teresa Lepe, Deputy Director, Real Estate, Finance and Development; Vincent Rogers, Director, Policy and Compliance (P&C); Elisa Johnson, Associate Director, P&C; Benjamin Boxer, Marketing and Outreach Manager, P&C; Stephen Knippler, Senior Program Manager, P&C; Tony Esse, Associate Director, Design, Development and Construction (DDC); Mohamed Ghiwane, Project Manager, DDC; Peggy Gregory, Director, Rental Assistance; Jyotsna Sharma, Associate Director, Real Estate Finance and Grants Management (REFGM); Debashish Chakravarty, Senior Real Estate Finance Officer, REFGM; Michael Pearman, Portfolio Manager, REFGM; Seema Ajrawat, Director, Financial Management and Information Systems and Services (FM-ISS); Jason Chia, Information Technology Manager, FM-ISS; Stuart Stallman, Financial Specialist, FM-ISS; Jodi Cienki, Administrative Assistant, FM-ISS; Mike Trent, Network Analyst, FM-ISS; Carol Erhard, Director, Homeownership; Abdi Hamud, Affordable and Workforce Housing Program Administrator, Affordable Housing Development. Also in attendance was FCRHA Counsel: Cynthia A. Bailey, Deputy County Attorney; Alan Weiss, Ryan Wolf and Susan Timoner, Assistant County Attorneys.

PUBLIC HEARING

Draft Fairfax County Redevelopment and Housing Authority Moving to Work Plan for Fiscal Year 2021

The FCRHA Chair opened the Public Hearing at 7:00 p.m. With no one signed up in advance and no one in the audience wishing to speak, the Chair closed the Public Hearing at 7:00 p.m.

PUBLIC HEARING

Tax Equity and Fiscal Responsibility Act (TEFRA) Hearing on Rehabilitation of Murraygate Village Apartments (Lee District)

The FCRHA Chair opened the Public Hearing at 7:00 p.m. With no one signed up in advance and no one in the audience wishing to speak, the Chair closed the Public Hearing at 7:00 p.m.

CITIZEN TIME

The FCRHA Chair opened citizen time at 7:00 p.m. No one signed up in advance and no one in the audience wanted to speak. The Chair closed citizen time at 7:00 p.m.

PRESENTATION

FCRHA/HCD Fiscal Year 2021 Advertised Budget

Seema Ajrawat, Director, FM-ISS, provided an overview to the Commissioners on the FCRHA/HCD Fiscal Year 2021 Advertised Budget.

APPROVAL OF MINUTES

January 30, 2020

Commissioner McKenna moved to approve the Minutes of the January 30, 2020, FCRHA Meeting, which Commissioner McAloon seconded. The motion passed unanimously.

ACTION ITEM

1.

RESOLUTION NUMBER 10-20

Authorization to Execute the Proposed Comprehensive Agreement with APAH Oakwood, LLC for the Development of the Oakwood Senior Affordable Housing Property (Lee District)

BE IT RESOLVED, THAT the Fairfax County Redevelopment and Housing Authority (FCRHA) authorizes the execution of the proposed Comprehensive Agreement between the FCRHA and APAH Oakwood, LLC to effectuate the Development of the Oakwood Senior Affordable Housing Property in the Lee District under the provisions of the Public-Private Education Facilities and Infrastructure Act of 2002, as outlined in the Action Item presented to the FCRHA at its meeting on March 5, 2020, and

BE IT FURTHER RESOLVED THAT the FCRHA authorizes any Assistant Secretary, on behalf of the Authority, to take any other action as may be necessary or appropriate to comply therewith or in furtherance of the purposes thereof.

Commissioner McAloon moved to adopt Resolution Number 10-20, which Commissioner McKenna seconded. The motion passed unanimously.

2.

RESOLUTION NUMBER 11-20

Adoption of the Fairfax County Redevelopment and Housing Authority (FCRHA) Strategic Plan for Fiscal Year (FY) 2021

WHEREAS, the Fairfax County Redevelopment and Housing Authority (FCRHA) adopted a Five-Year Strategic Plan for the period from July 1, 2010, through June 30, 2015; and

WHEREAS, the FCRHA extended its Five-Year Strategic Plan through Fiscal Year (FY) 2018 (June 30, 2018); and

WHEREAS, the FCRHA annually adopts a Strategic Plan – Action Plan outlining how the FCRHA and the Department of Housing and Community Development will meet the goals of the Five-Year Strategic Plan; and

WHEREAS, for FY 2019, the FCRHA adopted the FCRHA Strategic Plan for FY 2019, which incorporated the elements of the extended FCRHA Five-Year Strategic Plan into one Strategic Plan and Action Plan document; and

WHEREAS, the FCRHA desires to continue implementing an FCRHA Strategic Plan that contains a detailed action plan of projects to be undertaken during the fiscal year;

NOW THEREFORE BE IT RESOLVED that the FCRHA does hereby adopt the FCRHA Strategic Plan for FY 2021, as presented to the FCRHA at its meeting on March 5, 2020.

Commissioner Kennedy moved to adopt Resolution Number 11-20, which Commissioner McKenna seconded. The motion passed unanimously.

3.

RESOLUTION NUMBER 12-20

Authorization, Subject to Approval by the Board of Supervisors to: 1) Issue Tax-Exempt Bonds in an Amount not to Exceed \$4,000,000; and 2) Submit an Application to Virginia Department of Housing and Community Development for Tax-Exempt Bond Allocation for Murraygate Village Apartments (Lee District)

WHEREAS, the Fairfax County Redevelopment and Housing Authority (FCRHA) (the “Authority”) is a political subdivision of the Commonwealth of Virginia, established pursuant to the Virginia Housing Authority Law, Title 36, Chapter 1, *Code of Virginia*, 1950, as amended (the “Act”), and is authorized thereby to issue its notes and bonds from time to time to fulfill its public purposes within the meaning of the Act; and

WHEREAS, pursuant to and in accordance with the Act, the Authority desires to issue and sell its tax-exempt Multifamily Housing Revenue Bonds (Murraygate Village Project) Series 2020 in the aggregate principal amount not to exceed \$4,000,000 (the “Bonds”); and

WHEREAS, the FCRHA issued Series 2018 bonds in the amount of \$20,000,000, but additional construction costs have arisen since then necessitating a supplemental bond issuance of \$4,000,000; and

WHEREAS, Murraygate Village Limited Partnership, a Virginia limited partnership (the “owner”) is currently the owner of a 200-unit multifamily housing project for low-income residents known as Murraygate Village Apartments (the “Project”), located off of the Route 1 corridor of Alexandria in the Lee District, approximately five miles from the Capital Beltway (I-495) and five miles from Fort Belvoir in the south eastern portion of Fairfax County; and

WHEREAS, the Bonds are and will be limited obligations, payable from the revenues pledged thereto pursuant to the Trust Indenture pursuant to which the Bonds will be issued; and as required by the Act, the Bonds shall not be a debt of Fairfax County, Virginia, the Commonwealth of Virginia or any political subdivision thereof (other than the Authority) and neither Fairfax County, Virginia, nor the Commonwealth of Virginia or any political subdivision thereof (other than the Authority) will be liable thereon, nor in any event shall the Bonds be payable out of any funds other than those received by the Authority pledged therefore pursuant to the Indenture, and the Bonds shall not constitute an indebtedness by the Authority within the meaning of any constitutional or statutory debt limitation or restriction; and

WHEREAS, Thomas E. Fleetwood, as Assistant Secretary on behalf of the Authority, executed a Declaration of Intent on February 19, 2020, evidencing its intent to issue and sell the Bonds in an aggregate principal amount not to exceed \$4,000,000.

WHEREAS, for the purposes of compliance with Section 147(f) of the Internal Revenue Code of 1986, as amended, the proposed bond issue must be approved by the Fairfax County Board of Supervisors.

NOW, THEREFORE, BE IT RESOLVED, that Authority authorizes all necessary actions be taken in order for the Authority to (i) request the Fairfax County Board of Supervisors to approve the proposed bond issue as described in the item presented to the Authority at its meeting on March 5, 2020, and (ii) submit an application to VADHCD for the tax-exempt bond allocation for the Project.

RESOLUTION NUMBER 13-20

Authorization to Loan \$500,000 as a Housing Blueprint Loan From Fund 300-C30300, Affordable Housing Development and Investment Fund, as Part of the Overall Financing Plan for Murraygate Village Apartments (Lee District)

WHEREAS, the Fairfax County Redevelopment and Housing Authority (FCRHA) proposes to finance the development of Murraygate Village Apartments, a 200-unit independent affordable rental facility according to the financing plan presented to the FCRHA at its meeting on March 5, 2020; and

WHEREAS, one source of funds for the development of Murraygate

Village Apartments is proposed to be \$500,000 from Fund 300-C30300, Affordable Housing Development and Investment Fund (AHD), and that \$500,000 is coming from \$7,535,706 that has already been allocated to Murraygate Village Apartments; and

NOW, THEREFORE, BE IT RESOLVED that the Fairfax County Redevelopment and Housing Authority (FCRHA), subject to the approval of the Fairfax County Board of Supervisors (the Board), authorizes the allocation of \$500,000 in Fund 300-C30300, AHD Funds, to Murraygate Village Apartments as described in the item presented to the FCRHA at its meeting on March 5, 2020.

RESOLUTION NUMBER 14-20

Authorization to Loan \$1,550,000 as a Housing Trust Fund Loan from Fund 400-C40300, Housing Trust Fund, as Part of the Overall Financing Plan for Murraygate Village Apartments (Lee District)

WHEREAS, the Fairfax County Redevelopment and Housing Authority (FCRHA) proposes to finance the development of Murraygate Village Apartments, a 200-unit independent affordable rental facility according to the financing plan presented to the FCRHA at its meeting on March 5, 2020; and

WHEREAS, one source of funds for the development of Murraygate Village Apartments is proposed to be \$1,550,000 from Fund 400-C40300, Housing Trust Fund, and that \$1,550,000 is coming from \$1,550,000 that has already been allocated to Murraygate Village Apartments;

NOW, THEREFORE, BE IT RESOLVED that the Fairfax County Redevelopment and Housing Authority (FCRHA), subject to the approval of the Fairfax County Board of Supervisors (the Board), authorizes the allocation of \$1,550,000 in Fund 400-C40300, Housing Trust Fund, to Murraygate Village Apartments as described in the item presented to the FCRHA at its meeting on March 5, 2020.

RESOLUTION NUMBER 15-20

Authorization to Loan \$1,500,000 as a FCRHA Operating Fund Loan From Fund 810-C81000, FCRHA General Operating Fund, as Part of the Overall Financing Plan for Murraygate Village Apartments (Lee District)

WHEREAS, the Fairfax County Redevelopment and Housing Authority (FCRHA) proposes to finance the development of Murraygate Village Apartments, a

200-unit independent affordable rental facility, according to the financing plan presented to the FCRHA at its meeting on March 5, 2020; and

WHEREAS, one source of funds for the development of Murraygate Village Apartments is proposed to be \$1,500,000 as a FCRHA Operating Fund Loan from Fund 810-C81000, FCRHA General Operating Fund;

NOW, THEREFORE, BE IT RESOLVED that the FCRHA, subject to the approval of the Fairfax County Board of Supervisors, authorizes the allocation of \$1,500,000 in Fund 810-C81000, FCRHA General Operating Fund, as a FCRHA Operating Fund Loan to Murraygate Village Apartments as described in the Item presented to the FCRHA at its meeting on March 5, 2020.

RESOLUTION NUMBER 16-20

Authorization to Secure a Bridge Loan of \$1,500,000 from the FCRHA Private Financing Fund to be used During the Rehabilitation of Murraygate Village Apartments (Lee District)

WHEREAS, the Fairfax County Redevelopment and Housing Authority (FCRHA) proposes to finance the redevelopment of Murraygate Village Apartments, a 200-unit independent affordable rental facility according to the financing plan presented to the FCRHA at its meeting on March 5, 2020; and

WHEREAS, one source of funds for the development of Murraygate Village Apartments is proposed to be \$1,500,000 in the form of a bridge loan from the FCRHA Private Financing Fund and

WHEREAS, the bridge loan will be paid back from other sources in the budget, such as the First Mortgage and Tax Credit Equity;

NOW THEREFORE BE IT RESOLVED that the FCRHA, subject to the approval of the Fairfax County Board of Supervisors, authorizes the securing of \$1,500,000 in the form of a bridge loan from the FCRHA Private Financing Fund, as described in the item presented to the FCRHA at its meeting on March 5, 2020.

After a discussion, Commissioner McAloon moved to adopt Resolution Numbers 12-20 through 16-20, which Commissioner Kennedy seconded. The motion passed unanimously.

4.

RESOLUTION NUMBER 17-20

Authorization, Subject to the Approval of the Fairfax County Board of Supervisors, to Make a Housing Blueprint Loan to New Lake Anne House LP, in an Amount Not to Exceed \$3,000,000, to Finance the Development of New Lake Anne House, Reston, Virginia (Hunter Mill District)

WHEREAS, New Lake Anne House LP, a Virginia limited liability partnership, submitted a request for financing for the development of the 240-unit Lake Anne House Apartments; and

WHEREAS, the Fairfax County Redevelopment and Housing Authority (FCRHA) wishes to assist New Lake Anne House LP to develop the 240-unit Lake Anne House Apartments project in order to preserve affordable senior rental housing in Fairfax County by providing a loan to New Lake Anne House L.P, in the amount of \$3,000,000;

NOW, THEREFORE, BE IT RESOLVED that the FCRHA, subject to approval by the Board of Supervisors, hereby authorizes:

1) Making a loan to New Lake Anne House LP, for the Lake Anne House Apartments project in the amount of \$3,000,000, as described in the Action Item presented to the FCRHA on March 5, 2020; and

2) The allocation of Blueprint funds in the amount of \$3,000,000 for the purpose of the development of New Lake Anne House Apartments.

BE IT FURTHER RESOLVED that the FCRHA authorizes Thomas E. Fleetwood, Assistant Secretary, or any other Assistant Secretary to negotiate all loan terms on behalf of the FCRHA and authorizes its Chairman, Vice Chairman or any Assistant Secretary to execute all documents, agreements, and instruments necessary or appropriate in connection with the making of the loan for the development of the 240-unit Lake Anne House Apartments.

After a presentation, Commissioner Kennedy moved to adopt Resolution Number 17-20, which Commissioner Feng seconded. The motion passed unanimously.

4.

RESOLUTION NUMBER 18-20

Authorization to Enter a Memorandum of Understanding with the City of Fairfax
Regarding the Administration of its Affordable Dwelling Unit Program

BE IT RESOLVED that the Fairfax County Redevelopment and Housing Authority (FCRHA) hereby authorizes entering into a Memorandum of Understanding with the City of Fairfax to serve as its agent administering its Affordable Dwelling Unit Program as described in the Action Item presented to the FCRHA at its meeting on March 5, 2020.

Commissioner McKenna moved to adopt Resolution Number 18-20, which Commissioner Solomon seconded. The motion passed unanimously.

ADMINISTRATIVE ITEM

1.

RESOLUTION NUMBER 19-20

Approval of Revisions to the Housing Choice Voucher Program Administrative Plan –
Chapter 12: Termination of Assistance and Tenancy

BE IT RESOLVED that the Fairfax County Redevelopment and Housing Authority (FCRHA) approves the revision of Chapter 12, Termination of Assistance and Tenancy, of its Housing Choice Voucher Program Administrative Plan, as presented to the FCRHA at its meeting on March 5, 2020.

After a brief discussion, Commissioner McKenna moved to adopt Resolution Number 19-20, which Commissioner Kennedy seconded. The motion passed unanimously.

INFORMATION ITEMS

1. FY 2019 Audited Financial Statements for the Fairfax County Redevelopment and Housing Authority and the Single Audit Report
2. Fairfax County Redevelopment and Housing Authority Housing Choice Voucher and Other Rental Subsidies Calendar Year 2019 Report

CLOSED SESSION

Commissioner McKenna moved that the Fairfax County Redevelopment and Housing Authority ("FCRHA") go into Closed Session, for the following:

Pursuant to Virginia Code Section 2.2-3711(A)(3), for discussion and consideration of the acquisition or disposition of real property, and where discussion in an open meeting would adversely affect the bargaining position or negotiating strategy of the FCRHA:

- 2435 Monroe Chase Court
- North Hill (Mount Vernon District)
- One University

Commissioner McAloon seconded the motion. The FCRHA went into Closed Session at 8:08 p.m.

OPEN SESSION

Commissioner McKenna moved that the members of the Fairfax County Redevelopment and Housing Authority certify that to the best of their knowledge only public business matters lawfully exempted from the open meeting requirements prescribed by the Virginia Freedom of Information Act and only matters identified in the motion to convene Closed Session were heard, discussed or considered by the FCRHA during Closed Session. Commissioner McAloon seconded the motion.

The FCRHA took the following roll call vote:

AYE

Robert Schwaninger, Chairman
C. Melissa McKenna, Vice Chair
Kenneth Feng
Lenore Kelly
Richard Kennedy
Albert J. McAloon
Ezra Rosser
Rod Solomon

NAY

ABSTAIN

The motion carried and the Open Meeting resumed at 8:36 p.m.

RESOLUTION

1.

RESOLUTION NUMBER 20-20

Request for Fairfax County Redevelopment and Housing Authority (FCRHA) Approval to Purchase Affordable Dwelling Unit (ADU) Property at 2435 Monroe Chase Court, Herndon, VA 20171 (Hunter Mill District) for Resale in the First-Time Homebuyers Program

BE IT HEREBY RESOLVED that the Fairfax County Redevelopment and Housing Authority (FCRHA) authorizes the purchase of the Affordable Dwelling Unit (ADU) at 2435 Monroe Chase Court, Herndon, VA 20171 (Hunter Mill District) for resale in the First-Time Homebuyers Program as described in the Closed Session Item on March 5, 2020, and

BE IT FURTHER RESOLVED that staff and any Assistant Secretary are hereby authorized to take such actions and to execute and deliver such documents as may be reasonably necessary to effectuate such purchase.

Commissioner Kennedy moved to adopt Resolution Number 20-20, which Commissioner McKenna seconded. The motion passed with Commissioner Feng opposing.

BOARD MATTERS – See Attachment

FCRHA Chairman Schwaninger handed the gavel to Vice Chair McKenna.

MOTION

During Board Matters Chairman Schwaninger made a motion that the Fairfax County Redevelopment and Housing Authority (FCRHA) move the date of the July 2020 FCRHA Annual Meeting from July 16, 2020 to July 30, 2020, with the associated committee meetings currently scheduled for July 8, 2020 to take place on July 22, 2020.

Commissioner Rosser seconded the motion. The motion passed unanimously.

ADJOURNMENT

The Chairman adjourned the meeting, at 8:57 p.m.

(Seal)

Robert Schwaninger, Chairman

Thomas Fleetwood, Assistant Secretary

Board Matters

March 5, 2020

Happy St. Patrick's Day Wishes and Compliments to Staff

Commissioner Kennedy wished Happy St. Patrick's Day to the Commissioners and complimented Tom Fleetwood, Department of Housing and Community Development (HCD) Director; HCD's Deputy Directors; and the entire staff for all the matters that they were handling so well.

Vice Chair Announcement

Vice Chair McKenna (formerly Jonas) announced her recent marriage and that her last name is now McKenna. Commissioner Feng and Commissioner Rosser congratulated her.

Redevelopment and Housing Assistance Corporation Meeting

Commissioner McAloon reminded Chairman Schwaninger and Commissioner Kennedy that there would be an FCRHA Redevelopment and Housing Assistance Corporation Meeting immediately following the adjournment of the FCRHA Meeting

Date of July Annual Meeting Moved

The FCRHA took action moving the date of the July 2020 FCRHA Annual Meeting from July 16, 2020 to July 30, 2020, with the associated committee meetings previously scheduled for July 8, 2020 to take place on July 22, 2020.

Potential Raise in Compensation for Commissioners

Chairman Schwaninger informed the Commissioners that Virginia House Bill 396, which would allow for raises in compensation up to \$500 for the Commissioners, had cleared the House and the Senate and had moved on to the Governor for signature. FCRHA Commissioners discussed the proposed increase. It was agreed that HCD staff would come back to the FCRHA with an Item on this after conducting research on the issue, which would include staff checking on other Boards and Commissions as to who is compensated and at what amount.

Upcoming Housing Hackathon

Vice Chair McKenna announced that the next Housing Hackathon on housing policy would be held on March 11, 2020, in partnership with George Mason University. Vincent Rogers, Director, Policy and Compliance for HCD, stated that the focus of this second hackathon was on policy challenges and that he would provide more information via email to the Commissioners. Vice Chair McKenna was to be one of the judges and Board of Supervisors Chairman Jeffrey McKay was to be a dignitary in attendance, providing remarks.