

# Ramsey Homes Redevelopment

Progress Report on City – ARHA  
Joint Work Plan

Redevelopment Work Group  
June 9, 2016



# Feedback from the Community

- Most liked the Alternate Concept and the idea of preserving a building
- Most liked using the preserved building for housing
- Most liked closing the alley ends
  - Retain access for emergency vehicles and trash trucks
- Most who did not like the Alternate were concerned about the projected costs to preserve
  - Would prefer funds be used for other affordable housing, on or off site
  - Some Ramsey residents perceive that a preserved building is not equivalent
- Some prefer that southernmost building be preserved (instead of northernmost)

## *Ramsey Homes*



# Alternate Concept : Site Plan



## Ramsey Homes

Redevelopment Work Group

June 9, 2016

# Design updates

- Alley End Conversion
  - City Staff in discussion with neighbors, formal discussion scheduled for week of June 13<sup>th</sup>
  - Plan altered to reflect sidewalk access & green buffer (Pendleton Street side)
- Garage and Turning Radius
  - City Staff / Consultants continue to analyze
- Infrastructure
  - Based on preservation of building, Wythe Street high voltage lines remain as existing
  - Consultants to analyze cost savings



## *Ramsey Homes*



# Alternate Preserved Building – Potential Use as a Daycare/Early Childhood Center (ECC)

Demonstration of benefit to residents regarding this proposed use must be solid

- HUD scrutiny high, if not housing – ARHA families should be served
- Commercial use may trigger requirement to offer building for sale to residents

If HUD approves disposition, ARHA would lease building to third party provider of **subsidized** day care/ECC to benefit children of residents and, potentially, others:

- ARHA would not invest in rehab and fit-out, so provider will bear those costs (accessibility not required), including building systems upgrades, renovated interior program space, kitchen facility and bathrooms (3+)
- Estimated capacity for approximately 40 children, 3-5 years old
- Annual cost to operate is ~ \$20K+/child, depending on number of hours; local model would require that ARHA families have federal and city subsidies
- Ongoing liabilities for ARHA, with minimal lease revenue potential
- Use may complicate benefit of additional open space for residential building
- Consideration of impacts to neighborhood, traffic and parking/drop off: at community meeting, residential use preferred

*Ramsey Homes*

*Redevelopment Work Group*

*June 9, 2016*



# Update on Section 106 Process

- Triggered by HUD investment in Ramsey Homes – property listed as contributory on the National Register of Historic Places
- Section 106 is a Federal review process to recognize historic/cultural significance of a site and mitigate impacts
- Range of potential mitigation options
  - Recommendation/mitigation options must reflect public input
- HUD delegated oversight of the review to the Office of Housing
- Consultant(Thunderbird) providing expertise /conducting the process
- Coordinated with Virginia Department of Historic Resources
- More than 100 stakeholders invited to participate
- First meeting with consulting parties held June 6, 2016

## *Ramsey Homes*



# Analysis of Tax Credit Competitiveness & Financial Feasibility (City staff)

- Land Valuation
  - Appraisal aligns with City 2016 Real Estate Assessment (\$3.5-4.4 M)
- Operating Costs
  - Current Proposed concept more efficient than February version
  - Alternate concept more efficient with savings due to no rooftop amenity being required
- Tax Credit Competitiveness
  - Alternate is more competitive than Proposed concept; as modeled currently, either option would have received credits in 2016
- Sustainability
  - Both options and the preserved building, if used as rental housing with vouchers, show strong cash flow

## *Ramsey Homes*



# Issues needing additional study / resolution and next steps

- Allocation of costs among project components
  - Treatment of costs to be reviewed by tax credit attorney and accountant
- Third Party analysis of LIHTC competitiveness
  - Consultation useful to confirm staff analysis and provide guidance regarding QAP and other point opportunities
- City financial support, including:
  - Amount – what's included
  - Type – grant vs. loan
  - Source
  - *Note: City loan estimate for Proposed concept is \$1 M; estimate for Alternate is ~ \$2.5 M; cash flow supports potential repayment*

*Ramsey Homes*

*Redevelopment Work Group*

*June 9, 2016*





# Staff Recommendation

- Alternate creates a better urban design
- Alternate more consistent with intent of Braddock Metro Neighborhood Plan and zoning
- ARHA Board will support Alternate Concept if recommended by the Work Group and preferred by City Council

*Ramsey Homes*

*Redevelopment Work Group*

*June 9, 2016*



# Work Group Discussion

- Recommendation?

*Ramsey Homes*

*Redevelopment Work Group*

*June 9, 2016*



# Next Steps

- City Council - ARHA Board Update – June 28<sup>th</sup>
  - Presentation of community feedback, revised Proposed and Alternate Concepts, and Work Group & staff recommendations regarding preferred concept and permutations

*Ramsey Homes*

*Redevelopment Work Group*

*June 9, 2016*



# ARHA Updates

- Status of ARHA Board's position re executive session reciprocity
- Status of RFP sites and process, developer discussions, timing for development applications, and proposed public outreach strategies

*Ramsey Homes*

*Redevelopment Work Group*

*June 9, 2016*

12

