

Ballston Station/Central United Methodist Church

Information – March 11, 2021

Address: 4201 Fairfax Dr. Arlington, VA 22203

Developer: Arlington Partnership for Affordable Housing (APAH)



BACKGROUND:

- Ballston Station is a proposed new construction 144-unit committed affordable apartment community to be located at the site of the current Central United Methodist Church (CUMC), directly across from the Ballston Metro Station.
- The County Board approved the Ballston Station project on February 28, 2017, pursuant to an application for rezoning and a new site plan submitted by Ballston Station Housing Corporation. The project was approved as an 8-story building containing 119 residential units, of which 48 units were designated as affordable, together with a daycare facility accommodating up to 100 children, and church space (200 seats) to be used by CUMC.
- At the February 28, 2017 meeting, the County Board allocated \$3.1M in AHIF loan funds to Ballston Station Housing Corporation.
- In March 2017 and March 2018, CUMC's fee developer, Bozzuto Development Company, applied to VHDA for competitive Low Income Housing Tax Credits (LIHTC), but the project applications did not receive scores high enough to be awarded credits.
- In Summer 2018, CUMC began discussing the viability of a 100% affordable mixed-use development with APAH. In June 2019, APAH and CUMC signed a Purchase and Sale Agreement (PSA).
- On July 13, 2019, the County Board approved a site plan amendment to allow an extension of the site plan approval, a reduced parking ratio, and several condition revisions. The revisions to the project included several changes designed to make the project more competitive for LIHTC funding, including an increase in the number of units (with no impact on the overall building size).
- On September 21, 2019, the County Board reallocated the \$3.1M in AHIF funds to APAH, to demonstrate continued local support and funding for affordable housing at the CUMC-owned site.

Housing Commission

- APAH applied to VHDA in summer 2019 for an allocation of competitive LIHTC through a one-time Innovation Pool but was notified in fall 2019 that it was not awarded credits.
- On October 17, 2020, the County Board approved a site plan amendment to allow for an extension of the site plan approval and for changes to the committed affordable unit composition, as well as several condition revisions.

CURRENT PROJECT PROPOSAL:

- APAH has proposed a 4% Low Income Housing Tax Credit (LIHTC) structure for the 144 new construction affordable units.
- The project was awarded \$8.75M in Year 1 and Year 2 Virginia Housing Amazon REACH funding, which will be in the form of a grant.
- APAH has been awarded \$900K in Virginia Housing Trust Fund (VHTF).
- APAH's current request is for approximately \$18M in total County funds (or an allocation of \$15M in net new funds). However, as APAH continues discussions with potential tax credit investors and refines its pricing assumptions, the total amount of AHIF requested may be impacted.
- The current deal structure calls for 15 units at 30% AMI, 60 units at 50% AMI and 69 units at 60% AMI. Out of the 144 units, 36 will be family-sized units.

TIMELINE AND NEXT STEPS:

- A Bricks and Mortar Subcommittee meeting will be scheduled in April/May to discuss the financial details of the County fund request.
- County Board consideration of the AHIF request and Financing Commitment Letter will be in May. APAH will apply for non-competitive 4% tax credits following these actions.
- APAH anticipates closing in September/October 2021, with completion expected for Winter 2023/24.

Ballston Station Site Map
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