

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

July 8, 2005

On July 8, 2005, the Commissioners of the Fairfax County Redevelopment and Housing Authority (FCRHA) convened a special meeting in the training room, Department of Housing and Community Development, 3700 Pender Drive, Fairfax, at 3:00 p.m.

CALL TO ORDER

The FCRHA Chair called the meeting to order at 3:10 p.m. FCRHA Commissioners present or absent:

PRESENT

Conrad Egan
Ronald Christian
Willard Jasper
H. Charlen Kyle
John Litzenberger
John Kershenstein

ABSENT

Martin Dunn
Elisabeth Lardner
Lee A. Rau
Albert McAloon
Joan Sellers

Also present at the meeting were the following staff of the Department of Housing and Community Development (HCD): Paula C. Sampson, Director; Mary A. Stevens, Deputy Director; Harry Swanson, Deputy Director, Revitalization and Real Estate; Aseem Nigam, Director, Real Estate Finance and Grants Management (REFGM) Division; John Payne, Director, Design, Development and Construction Division; Steven A. Solomon, Director, Financial Management Division; and Winifred A. Clement, FCRHA Assistant. Other Fairfax County staff in attendance: Alan Weiss and David Stroh, Assistant County Attorneys and FCRHA Counsel.

The following two action items and Resolution Numbers 45-05A and 46-05 were considered and adopted jointly.

ACTION ITEMS

1. RESOLUTION NO. 45-05A (as amended)

AUTHORIZATION, SUBJECT TO AN AWARD BY THE BOARD OF SUPERVISORS OF \$2,500,000 FROM FUND 319, HOUSING FLEXIBILITY FUND, TO PURCHASE EIGHT TO TEN CONDOMINIUM UNITS IN MADISON RIDGE APARTMENTS, TO AUTHORIZE THE USE OF THE LINE OF CREDIT FOR SUCH PURPOSE IF NEEDED, AND TO AMEND THE RIGHT OF FIRST REFUSAL (SULLY DISTRICT)

BE IT RESOLVED that the Fairfax County Redevelopment and Housing Authority (FCRHA) hereby authorizes the purchase of 8 to 10 condominium units at Madison Ridge Apartments (consisting of a mix of one-bedroom and two-bedroom units) by the FCRHA with funds for such purchase to be advanced at the closing of the acquisition of the Madison Ridge

Apartments by a subsidiary of Wesley Housing Development Corporation of Northern Virginia prior to the conversion to condominium and conveyance of the units to the FCRHA, all as more particularly described in the item presented to the FCRHA at its meeting on July 8, 2005, subject to an award of funds by the Board of Supervisors, \$2,500,000 from Fund 319, Housing Flexibility Fund, for such purpose, or using funding from the FCRHA's line of credit, in the event that the Board of Supervisors has not awarded such funding in time to advance the funds as needed to allow the timely closing of such acquisition of the Madison Ridge Apartments project; and

BE IT FURTHER RESOLVED that such advance of funds shall be evidenced by a promissory note and secured by a deed of trust encumbering the entire Madison Ridge Apartments project until the conveyance of the 8 to 10 condominium units to the FCRHA is completed; and

BE IT FURTHER RESOLVED that the FCRHA hereby authorizes an amendment to its existing right of first refusal to purchase 33 units at Madison Ridge Apartments to provide that such right is not applicable to the 118 units now planned for conversion to condominium but that such right to purchase 33 units shall be retained with respect to the remaining 98 rental units should they be converted to condominiums in the future; and

BE IT FURTHER RESOLVED that the FCRHA hereby authorizes Paula C. Sampson to negotiate all documents and agreements necessary or appropriate on its behalf in connection with such advance of funds and security, such purchase of condominium units, and such amendment of the FCRHA's right of first refusal; and

BE IT FURTHER RESOLVED that the FCRHA hereby authorizes its Chairman, Vice Chairman or any Assistant Secretary to execute all documents and agreements necessary or appropriate in connection with such advance of funds and security, such purchase of condominium units, and such amendment of the FCRHA's right of first refusal; and

BE IT FURTHER RESOLVED that the FCRHA hereby authorizes and directs the 8 to 10 condominium units at Madison Ridge Apartments to be purchased by the FCRHA to be rented to low and moderate income households.

2.

RESOLUTION NO. 46-05

AUTHORIZATION TO ENTER INTO A PARTICIPATION AGREEMENT WITH THE HOUSING PARTNERSHIP FUND AND THE NATIONAL HOUSING TRUST COMMUNITY DEVELOPMENT FUND FOR LOANS FROM THE PRESERVATION LOAN FUND

WHEREAS, the Fairfax County Redevelopment and Housing Authority (FCRHA) authorized the execution of a lending agreement with the Housing Partnership Network, through its affiliated Housing Partnership Fund (HPF), and the National Housing Trust, through its affiliated National Housing Trust Community Development Fund (NHTCDF), for loans from the Preservation Loan Fund in accordance with the form presented at its meeting on July 31, 2003; and

WHEREAS, the lending agreement executed by the FCRHA, the HPF, and the NHTCDF does not meet the requirements of the investors of the HPF; and

WHEREAS, a Participation Agreement would meet the requirements of the investors and does not change the terms and conditions agreed to in the lending agreement;

NOW, THEREFORE, BE IT RESOLVED that the FCRHA authorizes the amendment of the Revolving Line of Credit Agreement and the execution of a Participation Agreement with the Housing Partnership Fund for loans from the Preservation Loan Fund in accordance with the form presented at its meeting on July 8, 2005; and

BE IT FURTHER RESOLVED that the FCRHA authorizes the execution of a Participation Agreement with the National Housing Trust Community Development Fund for loans from the Preservation Loan Fund under similar terms and conditions as presented at its meeting on July 8, 2005, should it be called upon in the future.

At the invitation of the Chair, Alvin Smuzynski, Executive Director of Wesley Housing Development Corporation, gave a brief overview of Resolution Number 45-05A and Resolution Number 46-05, respectively. After the overview, Mr. Smuynski responded to questions from the Commissioners.

Aseem Nigam, Director of Real Estate Finance and Grants Management, Department of Housing and Community Development (DHCD), gave a presentation in which he expanded on the Resolution Number 45-05A and made corrections to some of the figures listed in the item. After the presentation, Mr. Nigam responded to questions from the Commissioners.

Mr. Smuynski and Ms. Rosana Montequin, also of Wesley Housing Development Corporation, responded to the Commissioners regarding accessibility of the units.

After further discussion, a motion was made by Commissioner Litzenberger, seconded by Commissioner Kershenstein, to adopt Resolutions Number 45-05A, as amended, and 45-06, respectively. A vote was taken, and the motion to adopt both resolutions carried unanimously.

Commissioner Christian praised and congratulated Wesley for their continued contributions toward affordable housing in the County. He mentioned that it is his hope that other non-profit organizations would emulate this example of overcoming obstacles to develop affordable housing.

HCD Director Paula Sampson thanked HCD staff, particularly Aseem Nigam and Louise Milder, for working tirelessly to prepare the item.

ADJOURNMENT

A motion was made by Commissioner Kershenstein, seconded by Commissioner Jasper, to adjourn the meeting at 4:01 p.m. A vote was taken, and the motion carried unanimously.

(Seal)

Conrad Egan, Chair

Paula C. Sampson, Assistant Secretary