Kim and Steve,
We have some questions coming in from a Board member concerning Wednesday's item. Please be prepared to answer these in the Boardroom. If possible, provide them ahead of time in writing so we can get them out in advance of the meeting. That way, the Board has time to consider all information available prior to taking it up in the Boardroom.

1. How does the Brambleton proffer work in relation to this project? (Note, please provide details of the specific proffer being used for this.)
2. How is the proposed project supposed to work between Brambleton and Windy Hill?
3. What exactly is the Windy Hill financing structure?
4. What $ is coming from VHDA and where does that $ come from?
5. How is the developer supposed to participate?
6. Should Brambleton be paying the non-profit to build the units since they proffered it?

I will forward you any additional questions from Board members that staff are not prepared to answer.
Thanks.
Candy
To: Board of Supervisors  
Date: 3/6/12  

From: Kim Hart, President  
Windy Hill Development Company  

Re: Revisions to Item #6 on March 7 Agenda and Related Board Questions

The purpose of this memo is to revise our proposed Item and to address questions that have been put forward since Item #6 was distributed at the end of last week. At the outset, we would like to state that we feel that staff did an excellent job of preparing the item, especially under the time constraints caused by the pending VHDA application deadline. Thanks to staff for this extra effort.

**Background**

**Answers to Questions Received from the Board on March 3**

I. The “Basic” ADU Deal [Q1, Q5, Q6]

The State of Virginia has long recognized the huge need for more Affordable Dwelling Units (ADUs) in the State and thus provided enabling legislation so that local jurisdictions, like Loudoun County, might pass ordinances (like Article 7) requiring developers to proffer to provide these units as part of any zoning or re-zoning application. These proffers are to provide finished units for sale or rent to households at income levels lower than would typically be required to afford a “market rate” unit.

As part of the initial zoning of Brambleton (ZMAP 88-32; as revised, ZMAP 1993-0005), Brambleton delivered a Proffer Statement, last revised in 1993, to Loudoun County to deliver Affordable Dwelling Units (as specifically defined in Seller’s Proffer) in connection with Brambleton. As correctly pointed out in the “Background” section of Item #6, this proffer was approved prior to the adoption of Article 7 of the Zoning Ordinance currently governing ADUs. [Q1]

Bear in mind that Brambleton is a developer of raw land. They purchase “green fields,” subdivide the land into lots, build road and utility infrastructure, and sell finished lots to builders. In order to ensure that the “initial” proffer for ADUs is fulfilled, Brambleton requires that the builders purchasing these lots bear the cost of providing the ADUs required.

Any builder buying a lot intends to bear the cost of construction. Construction costs and profit are covered by the sale price or rent. But, the buyer of a lot proffered to have an ADU will have to reduce the sale price or rental rate for any such unit. That means less income. But, the builder knows that he will get no discount from his architects or engineers; none from his
building material suppliers, carpenters, or laborers, and no reduced interest rates from his bank for building this ADU. Therefore, the builder, in order to come out of the deal fairly, will require that Brambleton sell this “ADU lot” to him for a discount. The discount must be sufficient so that the builder’s financial proforma works. It may take a discount of as much as 30-50% off of current market rate land costs to make this ADU deal work. But remember, the ADU unit is not being given away for free, so the land does not have to be provided by Brambleton to the builder for free. (For the builder who keeps the final selling price or rents, that would simply be a windfall.)

Brambleton fulfills its obligations under its proffer when it sells an “ADU lot” to a builder at a significant discount and requires that builder to provide the finished ADU at the income limits specified. Under this “basic” ADU arrangement, the County receives the ADU it has been proffered without any obligation to provide further support to the project. As will be discussed below, Windy Hill is seeking County support for its 98 units at Shreveport Ridge because Windy Hill is proposing to go further and to provide the County with more benefits than the County would receive under a “basic” ADU deal.

II. The Contract Between Brambleton and Windy Hill [Q2]

Brambleton and Windy Hill are executing a standard “Purchase and Sale” agreement that has been significantly modified to account for the ADUs as described above. The agreed purchase price is significantly below current market rates. (We would prefer not to disclose the exact amount of this sale price until after our application to VHDA has been made public on March 16, 2012, as this knowledge could be beneficial to our competition.)

Windy Hill agrees, in this contract, to provide ADUs to the specifications required by the Brambleton proffer. The Windy Hill units will be all rentals and the rental rates charged may not exceed the income limits for renters prescribed in the Brambleton proffer. (In fact, as will be discussed below, the Windy Hill units will be rented at rates below the requirements of this proffer.) Windy Hill will provide these ADU units for the full 20 years required by the Brambleton proffer and will continue to provide these units at reduced rents (under VHDA rules) for an addition 10 years—30 years total.

In addition to selling at a reduced price, Brambleton is further helping Windy Hill meet its financial goals for the project by paying for all required architectural and engineering services, providing all road infrastructure and storm water management infrastructure, grading the lot a finished pad, and is paying for all enhanced landscaping of the project. Further, Brambleton is constructing a Pool and Community Center for all 300 ADUs in which all of the Windy Hill residents may fully participate.

Note: Only the 98 units covered by this agreement are referred to as “Shreveport Ridge.” The other 202 units to be provided under this proffer will carry a different name, currently projected to be “The Woods at Brambleton.”
III. What Windy Hill Adds to the “Basic” ADU Deal [Q2]

To be clear, the Windy Hill Development Company (WHDC) is the project development and construction arm of the Windy Hill Foundation (WHF). They are called here, for simplicity, “Windy Hill.” Under the not-for-profit status of the Windy Hill Foundation, Windy Hill has access to both State and Federal funding that can be used to significantly improve the affordable housing options in Loudoun County. By way of background, Windy Hill brings some unique skills to their efforts in Loudoun County:

- Windy Hill is the ONLY developer of affordable rental housing headquartered in Loudoun County. (Habitat for Humanity provides for-sale units.)
- Windy Hill is the ONLY developer of affordable rental housing certified in Loudoun County to receive Community Development Block Grant (CDBG) funding from HUD for the purpose of building affordable housing.
- Windy Hill is the ONLY rental apartment developer in Loudoun County to date (for-profit or not-for-profit) to have won the prestigious “Signatures of Loudoun” Design Award.
- Windy Hill is the ONLY rental apartment developer in Loudoun County to date (for-profit or not-for-profit) to have built certified “green” apartment buildings. In fact, Windy Hill has built three such projects in Loudoun County in the last 7 years.

Using all of these skills, Windy Hill is seeking County support so that we may apply for assistance from the Virginia Housing Development Authority (VHDA) and, if successful, significantly improve upon the “basic” ADU arrangement discussed above. Following is list of the benefits the County will receive if Windy Hill is allowed to operate its 98 units at Shreveport Ridge under the VHDA Low Income Housing Tax Credit (LIHTC) Program:

1) Renters will qualify at lower household income levels (40% or 50% of the HUD Area Median Income of $107,000 as opposed to 60% of the Loudoun County AMI of $119,000 as specified by the proffer).
2) ADUs will be held in the program longer (30 years under VHDA regulations as opposed to 20 years under the proffer).
3) ADUs will be required to stay in the program (VHDA does not allow developer “buy outs” as would be allowed under the proffer).
4) All 34 units on the ground floor of Shreveport Ridge (98 units) will be to “Universal Design” standards, meaning that there will be no barriers to entry of a unit or within a unit for wheelchair access. (The proffer requires none of these units.)
5) Of the 34 ground floor units, 10 will be further modified to be fully HUD 504 “Accessible” units including all grab bars, roll-in showers, modified counter heights, under counter clearances, modified window openers, and reachable appliance controls necessary to make a unit fully “handicapped” accessible. (The proffer requires none of these units.)
6) All units will be larger, in square footage, than is required by HUD. (VHDA unit size specifications are larger than HUD. The proffer is not specific as to unit size.)
7) All units will be of higher quality than required by HUD. (VHDA cabinet and other interior specifications are higher than HUD’s. The proffer is not specific as to material quality.)
8) All units at Shreveport Ridge will be certified “green” buildings. (There is no requirement for this level of energy conservation in the proffer.)

9) The project will be inspected annually by VHDA inspectors and project financials will be audited annually by independent auditors. (Not required by the proffer.)

10) Windy Hill will give priority in leasing to anyone currently living or working in Loudoun County. (Not required by the proffer.)

Replacing income lost by offering units to renters at lower income levels and for 10 years longer than required by the proffer AND providing all of the project enhancements listed above requires significant financial support. Rather than seeking this financial support from Loudoun County, Windy Hill is seeking millions of dollars in Low-Income Housing Tax Credits and low-interest loans from VHDA. However, we cannot hope to bring this level of subsidy back to Loudoun County without the letters of support and the other support activities requested in the Board item. The competition for VHDA financial assistance is brutal. It takes every possible point in the scoring process to win.

IV. Windy Hill’s Financial Structure for Shreveport Ridge [Q3,Q4]

Windy Hill is proposing to do a “classic” VHDA Low-Income Housing Tax Credit deal as it has done previously at Levis Hill House and Llewellyn Village Apartments in Middleburg and, most recently, at Piedmont Lane in The Plains. However, because of the larger size of this project, Windy Hill will be adding a taxable bond to the financial proforma (also to be provided under VHDA). Basic structure of the deal is as follows:

- Equity (Institutional tax credit investors): 60%
- Taxable Bond Debt (VHDA issue most likely): 30%
- Low-Interest Debt (VHDA): 10%

The exact numbers in the project proforma will become public on March 16, 2012, when our application is submitted to VHDA. Prior to that time, we are happy to meet with Supervisors individually to go over this financial data but we prefer not to put it into the public domain until after the competition deadline.

The four sections above attempt to address all of the 6 questions provided from the Board as of Saturday, March 3, 2012. Following are several revisions to our request (Item #6) and additional comments related to each.
Revisions and Clarifications for Item #6

   This is a “classic” support letter requested by VHDA to ensure that the County has been informed about the project and supports it. Staff correctly indicates that this project fits well into the County’s housing policies. It confirms that the County is asking VHDA to provide tax credits to this project. The letter does not obligate the Board of Supervisors to any subsequent action. This letter is straightforward but (at 50 points) we can’t win without it.

2. Please Remove the “Revitalization Area Certification” from Item #6
   The title of this letter is unfortunate. It is true, that much of VHDA’s affordable housing support goes to areas that are blighted or need revitalization; however, virtually one third of VHDA’s support also goes to support economic development in Northern Virginia. For example, “Revitalization Area Certification” letters have been submitted for winning projects in Middleburg, The Plains, Arlington, City of Portsmouth, and Charlottesville, none of which were “blighted.”
   However, we agree with Jack Roberts that the VHDA definition of “revitalization” is confusing and does not make it easy for areas, like Loudoun County that are focused on economic development, to execute this letter. To prevent further confusion on this point, and until VHDA can provide clarification as to their intent toward the inclusion of affordable housing in areas of economic development, we are respectfully withdrawing this item from consideration by the Board at this time.
   This letter of support is important in the competition for financing because it is worth 30 points. However, it is not compulsory. Given the other items for which we hope to receive Board support, we believe we can still win without these points.

3. The “Zoning Certification Letter” does not require Board action in Item #6.
   Proper zoning for this project is already in place and the Zoning Administrator has already completed the “Zoning Certification” letter as requested. No Board action is required on this item.

   Windy Hill Foundation had nine Project-Based Vouchers (PBV) for 15 years at our houses on Windy Hill Road in Middleburg, during the late 1980s and 1990s when Loudoun County previously operated this program with HUD. These PBVs ended when the previous HUD program ended.
   We really liked Project-Based Vouchers. First, it means that these scarce vouchers, once provided by HUD to the County, stay within the County. One of the big problems with Tenant-Based Vouchers is that they can leave the County when the voucher-holder leaves the County. Second, we liked these PBVs because we could more easily work with the County in connecting those needing the housing with the units that were available. For example, when we knew a unit was becoming available, we could contact the County and find a suitable resident from the waiting list. This is especially important for “accessible” units.
Our greatest frustration occurs after we have worked with VHDA to construct a fully accessible (HUD 504) unit (at considerable extra cost), we put that unit on the market, a disabled person comes to us virtually begging for that unit, but they don’t have enough income to qualify even for the reduced rents we offer. Here are two examples:

- Assume our 1BR rent at Shreveport Ridge will be $900 per month.
- A disabled Veteran (at 90% disability) receives $1661/mo in disability benefits of which no more than 1/3 can be spent on rent or $554/mo. He or she doesn’t qualify.
- A woman identified for us by Loudoun Independence works as a clerk in Leesburg. She has a disabling medical condition. Her Social Security Disability Income (SSDI) is $1300/mo and she may not earn more than $1000/mo extra without losing her benefits. One third of $2300/mo is $767/mo. She doesn’t qualify.

The purpose of Project-Based Vouchers is to make up the difference between what a person can afford to pay and our reduced rents.

Loudoun County currently has more than 600 vouchers. HUD will allow up to as many as 20% of these vouchers to be Project-Based, or up to 120 PBVs. There is no cost to the County, other than administrative time, to reassign these vouchers. Staff has suggested in the item that these PBVs should go “to a project that provides fully ADA-compliant, accessible, affordable units to very low-income citizens.” We agree. We will be building 10 such units at Shreveport Ridge. If the Board chooses to instruct staff to restart the PBV program, we will apply for 10 such PBVs once our units are built and ready for occupancy. This is a very small percentage of the total PBVs that HUD would allow the County to assign to this excellent program.

VHDA greatly appreciates those jurisdictions that will assign PBVs. This gives assurance to VHDA that once they have spent extra funds to create a fully accessible, ADA-compliant unit that it will be filled with a suitable disabled person. For this reason, VHDA assigns 30 points for this level of County support. This will greatly enhance our ability to win financing and deliver these badly needed units to Loudoun County.

5. Please Remove the Request “To Waive Land Development and Building Permit fees.”

There is a long tradition of the Loudoun County Boards of Supervisors being willing to support the work of the Windy Hill Foundation by waiving Land Development and Building Permit Fees. However, in the current economic climate and with the Board facing budget cuts in other important areas, we feel it is not appropriate to request a fee waiver at this time. Please remove this request from Item #6.

6. The request for a “real estate tax abatement” Was Previously Removed From Item #6.

As indicated by staff in the item, once we were informed that the County had a moratorium on tax abatements, we withdrew this request.

7. Support for a “bus stop at Shreveport Ridge” Remains for Discussion by the Board.

From our discussions with Virginia Regional Transit (VRT) over the past several weeks, we know that they are already carefully considering a new regular bus route to the west that would include Verizon, the new Kaiser Permanente site on the Greenway, and Brambleton Town Center. VRT has provided us with a letter of support, indicating that they could easily add our bus stop at Shreveport ridge to this new route.
We are particularly eager to have Shreveport Ridge connected to this route because it would provide bus access to all of the employment sites listed above without a transfer. And, with only one transfer (considered by VRT to be acceptable to nearly all bus riders), it would provide bus access to all of the employment sites along Route 28 from Dulles Town Center to the airport. This is good for our residents and good for the economic development of this whole area, including the airport.

According to VRT, very preliminary cost estimates indicate that this new bus route, including Shreveport Ridge, could be provided at a cost to the County of about $40,000 per year, after accounting for typical State and Federal subsidies. This seems like a relatively minor cost compared to the potential benefit of connecting 300 affordable workforce housing units to the entire Route 28 corridor. Even this cost might be reduced somewhat were the County to pursue potential public/private partnerships for support from some of the employment centers along this route.

We have received a letter of support from VRT for our future bus stop. In Item #6, staff has proposed a letter that would show support from the Board for this future bus stop but without committing the Board to further action at this time. Thus, we are leaving this as an item for discussion by the Board. If the Board feels it could give our request even modest support at this time, it would enhance our application to VHDA.
VII. **AFFORDABLE HOUSING.**

A. **Background and Intent.** In the original rezoning of Brambleton (ZMAP 88-32), the Applicant’s predecessor in interest made certain proffers relative to affordable housing within the Brambleton project. Since that time, the Loudoun County Board of Supervisors enacted the 1993 Zoning Ordinance, which requires projects of greater than fifty (50) dwelling units to provide affordable housing on the terms set forth in Article VII of the 1993 Zoning Ordinance. The 1993 Zoning Ordinance provides that proffered rezonings in existence as of the date of enactment of the 1993 Zoning Ordinance are exempt from the requirements of Article VII and further provided that future concept plan amendments which result in an increase in the number of residential units would result in the application of Article VII only to the increased number of units in the project. It is the intent of this proffer to comply with the letter and intent of the 1993 Zoning Ordinance by providing for (i) affordable units on the initial four thousand two hundred forty (4,240) dwelling units developed within the Property in accordance with the proffered commitments made in ZMAP 88-32 as restated and/or revised herein and (ii) affordable units in accordance with the 1993 Zoning Ordinance for all dwelling units on the Property in excess of four thousand two hundred forty (4,240) dwelling units. Consequently, for all development in Land Bays 2 and 3, up to a total of four thousand two hundred and forty (4,240) dwelling units, the Applicant shall provide affordable dwelling units in accordance with the Proffers set forth in Paragraph VII.B. and VII.C. For any development in Land Bay 1 or development in Land Bays 2 and 3 in excess of four thousand two hundred forty (4,240) residential units, the Applicant
shall provide affordable dwelling units in conformity with the requirements of the 1993
Zoning Ordinance.

B. Affordable Multi-Family Rental Units. Two hundred (200) units shall be
constructed as affordable housing units in accordance with the following requirements:

The Applicant shall ensure that two hundred (200) multi-family rental residential
units as specified by the Applicant will be constructed at Brambleton and offered at a base
of no more than Six Hundred Fifty Dollars ($650) per month in 1995 dollars, exclusive of all
utility charges, which base amount will escalate yearly at the same percentage of increase
as the Consumer Price Index, with a base year of 1995. A minimum of fifty percent (50%) of
such units shall be provided as two-bedroom units. For a period of twenty (20) years from
the date of issuance of the zoning permit for each building, each of such affordable units
located therein shall be offered (a) on an as available basis with priority to prospective
tenants (if any) either referred by the County or to other persons whose household income
is less than sixty percent (60%) of the median household income for Loudoun County as
derived from the most recently published report of the Tayloe-Murphy Institute or from
similar institutional data acceptable to the County; and (b) thereafter to any other
persons. The owner shall submit a written report to the County on an annual basis for said
20-year period showing the status of compliance with this proffer. This proffer shall not be
interpreted so as to cause the owner to discriminate against any prospective tenants on an
unlawful basis. At least five (5) of these affordable rental residential units will be designed
and constructed to be accessible to the handicapped.
C. **Additional Multi-family Units.** In addition to these two hundred (200) affordable housing units, the Applicant proffers that one hundred (100) of the multi-family dwelling units developed in Land Bay 2 or Land Bay 3 shall be offered initially either for rent at a rate of not more than Six Hundred Fifty Dollars ($650) per month in 1995 dollars, exclusive of all utility charges, or for sale at a sales price of not more than One Hundred Thousand Dollars ($100,000) in 1995 dollars, with the proportional mix of rental and sale units among these one hundred (100) units to be determined by the Applicant, and with design as studio, efficiency, one-bedroom or two-bedroom units as determined by the Applicant.
WINDY HILL DEVELOPMENT COMPANY, LLC

To: Sarah Etro
   Kelly Marrocco

From: Kim Hart

Re: Shreveport Ridge

Date: February 16, 2012

As requested by Kelly, please find attached some basic information about our proposed project at Bramleton, called Shreveport Ridge, including:

- Bramleton ADU Concept Layout;
- Our VHDA Calculations for unit mix and unit sizes;
- Proposed Rent Schedule;
- Proposed building layout for East Landbay; and
- Initial floor plans for buildings V, VI, VII, and VIII.

Because our VHDA application will be part of a highly competitive process, we would ask that this information not be widely distributed until after March 16, 2012.

As you can see from the attached, we are proposing to build 98 affordable dwelling units along the new Shreveport Drive which comes off of Belmont Ridge Road. These 98 units will be in the East Landbay. The Van Metre Company will be constructing 202 units in the West Landbay of this area. All of these units will be under the Bramleton ADU proffers as last revised in 1993.

This project has a number of significant benefits for Loudoun County:

- A nice mix of 1, 2, 3, and 4-bedroom units. Over 16% of our units will be 4-bedroom units which are not so commonly available.
- All 98 units will be at 40% or 50% of Area Median Income (AMI).
- 10% of the units (10 units) will be fully handicapped accessible.
- All the units will be in certified “green” buildings.
- All the benefits of a VHDA program will apply including income restricted units being in the program for 30 years.

In support of our application to VHDA for Low-Income Housing Tax Credits, we are asking Loudoun County to provide several very important documents:

- **Locality CEO Support Letter** (Previously provided to Tim Hemstreet and Jack Roberts);
- **Revitalization Area Certification** (Previously provided)
- **Zoning Certification** (Submitted with this memo. Please forward to Zoning.)

All of these documents must be prepared on Loudoun County letterhead. The first two documents need to be signed by Tim Hemstreet. The third document needs to be signed by the County Zoning Administrator. It is best if all of these documents can be included in our application package which is due to VHDA on March 16, 2012 but must be prepared by us for legal review no later than the first week of March. Your help in meeting our deadlines is greatly appreciated!
In addition to the basic documentation discussed above, we have also asked our Supervisor, Janet Clarke, to help us with other forms of support from Loudoun County which could be extremely helpful in scoring points in the VHDA funding competition:

- Request to Waive Building Permit Fees (2 Points)
- Request to Abate Real Estate Taxes for 8 Years (10 Points)
- Request Supervisor Assistance for a Bus Stop at Shreveport Road (20 Points)
- Request Supervisor Assistance in Obtaining Project Based Vouchers (20 Points).

A brief write-up about each of these requests for support follows.

It is currently under discussion which of these four items will require some form of action by the Board of Supervisors and which will not. If action is required, it is still under discussion as to whether or not the Board will be interested or willing in taking up such action.

Time is of the essence. Only one more Board of Supervisors meeting will occur between today and our application deadline to VHDA. We are fully available to County staff as required to move forward with any or all of these requests for assistance. The VHDA funding competition is always very close. It is highly likely that at least some level of this County support will make the difference between winning or losing this funding effort.
Windmill Hill Development Company

Request to Waive Building Permit Fees (2 Points)

This item requires Board of Supervisors Action

Background:
In the competition to receive low-income housing tax credits, the Virginia Housing Development Authority (VHDA) will assign points if the applicant can receive “a commitment of fee waivers from the local jurisdiction.” The number of points to be awarded will be based on the magnitude of the fees waived. We calculate that this action will provide 2 points in favor of Windy Hill’s application to VHDA.

Cost to Loudoun County:
The cost to Loudoun County will be time spent by the County Building Department to review plans and issue building permits which would not be reimbursed with collected fees. We have not yet submitted plans to the County in order to estimate these fees. For a large, multi-building project of this type, we estimate the building permit fees will be about $135,000.

Discussion:
There is a rather long tradition of the Loudoun County Board of Supervisors being willing to support the work of the Windy Hill Foundation by waiving Building Permit Fees. This tradition has carried over several previous Boards. Major projects where Building Permit Fees have been waived:

- 1994—Llewellyn Village Apartments
- 2002—Virginia Lane
- 2006—Willisville Water and Sewer
- 2007—Levis Hill House

To be fair in making this request, we should point out that all of these projects are considerably smaller (10-20 units) than the 98-unit project proposed at Brambleton.

Request:
Windy Hill Foundation requests that the Board of Supervisors waive the Building Permit fees for our proposed Shreveport Ridge development at Brambleton.
Windy Hill Development Company

Request to Abate Real Estate Taxes for 8 Years (10 Points)

This item requires Board of Supervisors Action

Background:
In the competition for tax credits, VHDA will award points for “any development receiving a real estate tax abatement on the increase in the value of the development.” This abatement must be for a period of at least 8 years. This abatement is worth 10 points in the competition.

Cost to Loudoun County:
Thanks to a bill sponsored by Joe May in the 1990’s recognizing Windy Hill’s tax exempt charitable status, all Windy Hill properties are exempt from Loudoun County real estate taxes. This savings is passed on directly to residents by reducing rental rates.

However, when Windy Hill uses low-income housing tax credits from VHDA, during the 15-year compliance period, when tax credit investors are participating in the project, the project does become subject to county real estate taxes. These taxes are lower than full-rate, because state law requires that the taxable value of the property be based only on the low, restricted rents required by VHDA.

Based on our experience in doing these calculations with Todd Kaufmann, the County Assessor, we anticipate that the annual real estate tax bill for this project (Shreveport Ridge) would be approximately $50,000 per year. Providing a tax abatement for 8 years would be a total cost to the County of $400,000.

Discussion:
For our previous, smaller projects in Middleburg, the Windy Hill Foundation was able to use donated funds, instead of County funds, to get the number of points necessary to win VDHA tax credits. As the Foundation attempts to develop larger projects to benefit the County outside of Middleburg, we must identify funding sources or other County assistance that will replace limited donated funds. We believe that a tax abatement might be an attractive strategy whereby the County could help us. Although the County would forego a potential for increased taxes, this would not be using existing tax revenues nor taking those revenues away from any other County need.

All of our costs are passed on directly to residents. Approving this tax abatement will mean roughly $43 less per month in rent to each resident.

Request:
Windy Hill Foundation requests that the Board of Supervisors approve an abatement of real estate taxes for the Shreveport Ridge project for a period of 8 years from the start of occupancy.
Windy Hill Development Company

Request Supervisor Assistance in Obtaining a Bus Stop at Shreveport Road (20 Points)

This item requires Board of Supervisors Action.

Background:
In the competition for tax credits, VHDA will award points to “any development located within ½ mile of an existing commuter rail, light rail, or subway station or ¼ mile of one or more public bus stops.” Given our suburban situation at Brambleton, we have no hope for the “rail” points. However, we might have a chance at the “bus stop” points. The bus stop must be “existing” by December 31, 2015 and Loudoun Commuter does count as a “public bus.”

Cost to Loudoun County:
There should be virtually no cost to Loudoun County for helping us work out a deal between Brambleton and Virginia Regional Transit to provide a bus stop near the corner of Belmont Ridge Road and the new Shreveport Road.

Discussion:
The existing commuter lot on Creighton Road east of Belmont Ridge Road, which may become a new stop for the Loudoun Commuter Bus Line, is too far away from our project to qualify us to receive these points.

Recent discussions with Virginia Regional Transit (VRT) have been more fruitful. Next summer, Kaiser Permanente will move to Yukon Road north of Brambleton and they are interested in having VRT bus service. the commercial center at Brambleton is an attractive opportunity for a VRT bus stop as are the 300 units of affordable workforce housing in the two complexes discussed here. VRT is open to the concept of a new VRT bus route through the Brambleton area that would include our requested bus stop. However, in order to receive state and federal funding, such a proposed new route needs to be included in the Loudoun County Transportation Development Plan. To have the bus service necessary for our site in 2015, we need to be in the Transportation Development Plan in 2014. To do this the Board of Supervisors would need to add this proposed route in the next update of the Transportation Development Plan.

Request:
Windy Hill Foundation requests that the Board of Supervisors pass a resolution to add the Brambleton area to the Loudoun County Transportation Development Plan at the next update of this plan.
Windy Hill Development Company

Request Supervisor Assistance in Obtaining Project Based Vouchers (20 Points)

This item may or may not require Board of Supervisors Action.

Background:
Windy Hill Foundation will be building 10 fully ADA Accessible (HUD504) units at Shreveport Ridge. VHDA will give 20 extra points if Loudoun County will assign “Project-Based Vouchers” to each of these units. This does not require action by the Board of Supervisors but does require a high level of commitment from County Housing staff to make this happen.

Cost to Loudoun County:
Under HUD rules, any jurisdiction may assign up to 20% of their pool of Section 8 vouchers to specific housing projects. To the best of our knowledge, Loudoun County does not currently have any project-based vouchers. Out of a current pool of 600+ vouchers there could be up to 120 assigned as project-based. This does not appear to be a burden on the Loudoun County program. There would be no cost to Loudoun County other than the administrative time necessary to implement this assignment of vouchers.

Discussion:
There is a huge shortage of housing for the disabled in Loudoun County. I don’t have the exact figures but call Loudoun Cares, Loudoun Independence, Friends of Loudoun Mental Health, or Wounded Warriors and any of them will tell you it is one of the biggest problems on their agenda. There simply aren’t enough units that are truly “accessible” (to HUD 504 standards).

Clearly, it costs more to build a 504 accessible unit. So, as an incentive to build these units, VHDA will give 30 points if 10% of the project’s units are built to this standard. It is very tough to win without these points so we, and virtually everyone we compete with, does this. So, we will have 10 of these units at Shreveport Ridge.

But, the problem is that most of the disabled folks who need these units can’t afford them, even at our reduced rents. Here are a couple of examples for a single handicapped person trying to live alone. He or she is applying for a 1BR unit.

- Assume our 1BR rent at Shreveport Ridge will be $900 per month.
- A disabled Veteran (at 90% disability) receives $1661/mo in disability benefits of which no more than 1/3 can be spent on rent or $554/mo. He or she doesn’t qualify.
- A woman identified for us by Loudoun Independence works as a clerk in Leesburg. She has fibromyalgia. Her Social Security Disability Income (SSDI) is $1300/mo and she may not earn more than $1000/mo extra without losing her benefits. One third of $2300/mo is $767/mo. She doesn’t qualify.

The purpose of HUD Section 8 vouchers is to make up the difference between what a person can afford to pay and our reduced rents.

The other really big problem is that we build a 504 Accessible unit and then we can’t get a disabled person to fill it. Even worse, we can find that person but he or she can’t get the necessary voucher to be able to afford to move in.

- We could hold the unit open until we find a disabled person who can afford it.
- But, the tax credit investors won’t stand for the loss of rents and the impact on the proforma.
- So, VHDA requires us to hold open the unit for only 2 months and then we can rent to anyone that income qualifies.
- Given that most of the disabled folks who need the unit can’t get a voucher, the great majority of these accessible units go to folks without disabilities.
Windy Hill Development Company

- Loudoun County does not give priority to the disabled for vouchers.
- The waiting list for vouchers has been opened up only once in the last 5 years. There are currently more than 1200 on the waiting list.
- HUD has provided virtually no new voucher to Loudoun County in the last 6 years. In fact, budget cuts at HUD mean that Loudoun County often retires vouchers that come back to the County.

VHDA understands this problem, so they give additional points (+20 points) if the local jurisdiction will assign vouchers to the accessible units. These are called “project-based vouchers.” These are the “extra” 20 points we are after. We need Family Services to assign 10 vouchers to our units. Then, any certified “disabled” person who shows up gets a unit—first come, first served.

We had project-based vouchers at Windy Hill 30 years ago when we started out. We still have them at Llewellyn Village Apartments. We like them:
- The unit gets used for the purpose intended.
- We get to help people that are really in need and have been on the County waiting list for a long time.
- And, we have stability. Turnover in these units is low and they are filled immediately, with the right folks, the instant they become vacant.

Request:

Windy Hill Foundation requests assistance from Supervisor Clarke in working with the Department of Family Services to begin the process of assigning 10 project-based vouchers to the Shreveport Ridge project. The assignment of vouchers does not have to be completed until the building is occupied, sometime in 2014. However, an unqualified letter from Family Services, committing to supply these project-based vouchers at occupancy, must be provided to the supervisor no later than February 28, 2012.
## Rent Schedule

<table>
<thead>
<tr>
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<tr>
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<th>3 Bdrm</th>
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| Subsidy  | None       |

### Bedrooms: 170.00

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<th>Current Rents</th>
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<th>40% w/o UA</th>
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<td>$ 993</td>
<td>$ 1,272</td>
<td>$ 1,552</td>
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</table>

### Total

- **Monthly Income**: $93,004
- **Annual Income**: $1,116,048

---

### General Information

- **Wtg Avg #DIV/0!**: 0
- **Weighted Average**: 0.081633
- **3BR**: 45% of 60.612245
- **4BR**: 39% of 0.142857
- **Wtg Avg**: 38% of 1.048165

---

### Project Details

- **AMI**: 30% of 0
- **Quantity**: 0
- **Project Percentage**: 30% of 0
- **Eff**: 40% of 0
- **TC units**: 60% of 0
- **1BR**: 50% of 6
- **85%**: 60% of 0
- **2BR**: 85% of 0
- **54%**: 60% of 0
- **3BR**: 85% of 0
- **11%**: 60% of 0
- **4BR**: 85% of 0
- **4%**: 60% of 0
# VHDA Calculations

**Shreveport Ridge**

February 9, 2012  
Shreveport Ridge LP.  
Proj No. - 21201.00  

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<tr>
<th># of Bldgs</th>
<th># of Units</th>
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<th>ClubHouse</th>
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<td></td>
<td></td>
<td>Unit A1 1B/1BA</td>
<td>Unit B4 2B/2B</td>
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<tr>
<td>Bldg Type V - 3 Story</td>
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<td><strong>12.2%</strong></td>
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<table>
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<th><strong>Gross Sq. Ft. per Unit Type</strong></th>
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*Per VHDA requirements, AVG Sq. Ft. includes all heated square footage as well as the Clubhouse, and excludes unconditioned breezeways.
SHREVEPORT RIDGE
BUILDING VI PLANS
5 FEBRUARY 2012