



Housing Alexandria
FOUNDATION FOR STRONGER COMMUNITY

209 Madison Street
Suite 500
Alexandria, VA, 22314

May 22, 2024

Ms. Helen McIlvaine, Director
Director, Office of Housing
City of Alexandria
421 King Street Suite 200
Alexandria, Virginia 22314

By Hand & Email

Re: HOF Loan Application for Sansé Phase II

On behalf of the Housing Alexandria Board of Directors, I am pleased to present this application for a City of Alexandria Housing Opportunities Fund (HOF) loan in the amount of \$14 MM to assist in the development of Phase II (216 units) of the Glebe & Mt. Vernon Project (GMV). This city support has been anticipated in the project pro forma for several years and, with its approval, Housing Alexandria will be able to complete the entirety of Building 1 (416 rental units) known as Sansé Apartments.

Over the past two years, Housing Alexandria has submitted two HOF applications requesting \$64 MM for this project. Attached to this letter is the previous application narrative submitted which remains unchanged. Housing Alexandria has used the funds already awarded to close on all land acquisitions, complete lot consolidations, demolish existing buildings, replace existing infrastructure, and complete excavation. As of the beginning of this month, tower cranes have been installed, concrete pours have started, and all vertical construction Guaranteed Maximum Price (GMP) contract work items have been completed. This means the project is on schedule to begin vertical construction in October. The key construction milestones are provided below for reference.

Construction Schedule / Key Milestones

August 29, 2023 - Closed on all land parcels.

August 31, 2023 - Construction begins on Phase 0 (issued Notice to Proceed to Whiting Turner).

May 2024 – Excavation of underground parking garage completed, with concrete pouring beginning.

October 2024 – Vertical construction of Phase I scheduled to begin.

March 2025 – Vertical construction of Phase II scheduled to begin.

Since the last submission, Housing Alexandria has been very successful in obtaining additional financial resources for the project. The table below provides updates on financing sources awarded or anticipated for award/funding over the coming months.

Financing Schedule / Key Milestones

February 29, 2024	Virginia Housing approves \$3.1 million reservation of 4% LIHTC funding for Phase I; will generate approx. \$28 million in LIHTC equity
March 6, 2024	Project is awarded \$8.1 million in VHTF / HIEE funds (\$5.4 million for Phase I & \$2.7 million for Phase II)
May 2, 2024	Application submitted to Virginia Housing for construction loan and permanent loan financing for Phase I
July 18, 2024	Application deadline for 4% LIHTC funding for Phase II; applying for \$4.7 million reservation which would generate approx. \$42 million in LIHTC equity
July 29, 2024	Application deadline for FHLB Atlanta funding; applying for approx. \$2.0 million for Phases I & II combined
October 1, 2024	Financial closing to begin vertical construction on Phase I
March 1, 2025	Financial closing to begin vertical construction on Phase II

Housing Alexandria is excited to continue this journey with the City of Alexandria and create lasting and equitable change in the Arlandria Chiralagua neighborhood. We remain on track to deliver this project on schedule and on budget. We appreciate our continuing partnership with the City of Alexandria and we look forward to continued collaboration as we move to the vertical phase of construction. If you have any questions regarding this application, please do not hesitate to contact me at 703-739-7775 or at jfrederick@housingalexandria.org.

Sincerely,



Jonathan Frederick
President/CEO