



Legislation Text

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City of Alexandria, Virginia

MEMORANDUM

DATE: JUNE 5, 2019

TO: THE HONORABLE MAYOR AND MEMBERS OF CITY COUNCIL

FROM: MARK B. JINKS, CITY MANAGER /s/

DOCKET TITLE:

Consideration of a Loan of \$145,000 to Friends of Guest Housing to Partially Fund Renovation of 120 S. Payne Street for Expanded Residential Program

ISSUE: A loan of \$145,000 to Friends of Guest House to complete the funding package to renovate 120 S. Payne Street for an expanded residential program (Attachment 1).

RECOMMENDATION: That City Council:

1. Approve a loan of \$145,000 from the Housing Trust Fund to help Friends of Guest House complete its renovation of 120 S. Payne Street for an expanded residential program; and
2. Authorize the City Manager to execute related documents.

BACKGROUND: Friends of Guest House is an established Alexandria nonprofit that provides formerly incarcerated women housing and other support through a six-month program as they begin reintegrating into the community. Last year, Friends of Guest House was able to secure a long-term lease on a property in Old Town that would allow it to expand the number of persons it serves at any time by 20% (from 26 to 31) as well as gain case management efficiencies since this location will allow Guest House to consolidate its some current scattered site apartments it uses. Demand for the program is high: more than 400 women apply to participate each year.

A Special Use Permit (SUP) was approved to allow Friends of Guest House to operate the residential program at 120 S. Payne, and the nonprofit has executed a 10-year lease, with additional renewals possible. With assistance from HomeAid (the NVBIA-sponsored pro bono construction program), Friends of Guest House has planned renovations necessary for its program. The total cost of the renovation work is estimated at approximately \$342,000. So far, in addition to the pro bono construction management and labor, and donated

materials being provided by HomeAid, Friends of Guest House has secured all but \$145,000 from fundraising and other donations. It has requested a City loan to complete the necessary funding package so work can begin (Attachment 2).

DISCUSSION: The City has supported the Friends of Guest House Program since its inception in 1974 and provided funding several decades ago that enabled the nonprofit to acquire its headquarters building in Del Ray, where a portion of the residential program is currently operated. The housing and services program provides a critically needed resource for formerly incarcerated women in Northern Virginia and is the largest program of its type in the state. It fills an important niche in the City's continuum of housing options for a hard to serve population since many participants are looking for jobs or just beginning to work again. With a long-term lease in place, City financial support is needed as soon as possible to maximize the opportunity to make the new facility operational for an expanded residential program.

The common area scope of work includes a kitchen modernization, a lounge area and a computer lab. Two of the bedrooms will be fully accessible (Friends of Guest House currently doesn't have any accessible accommodations), and one of the seven private bathrooms will also be accessible bathroom.

FISCAL IMPACT: \$145,000 from the City's Housing Trust Fund. Because of the nonprofit's mission, it is proposed that the City's loan be zero-interest, with the principal to be repaid from residual receipts, with any remaining balance due by the end of the last lease term.

ATTACHMENTS:

- (1) Friends of Guest Housing Request for Housing Opportunity Funds for 201 S. Payne
- (2) Project Narrative and Budget

STAFF:

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