

NAHMANews™

PROTECTING THE INTERESTS OF AFFORDABLE HOUSING PROPERTY MANAGERS AND OWNERS

NAHMA Honors Vanguard Excellence

Alexandria, Va., May 28, 2015 The National Affordable Housing Management Association (NAHMA) announces the winners of its annual Affordable Housing Vanguard Awards. These awards recognize newly developed or significantly rehabbed affordable multifamily housing communities that showcase high-quality design and resourceful financing.

The excellence exhibited throughout these multifamily developments belies the notion that affordable housing cannot be assets to their communities. Vanguard Award winners deliver powerful proof that affordable housing done well can transform neighborhoods as well as the lives of individual residents. The 2015 winners are:

Vanguard Award for New Construction:

Small Property (less than 100 units):

Valley Brook Village, Basking Ridge, N.J.; Management Company: Peabody Properties, Inc.; Owner: VBV LLC, Braintree, Mass.

Large Property (more than 100 units):

Park 7 Apartments, Washington, D.C.; Management Company: Edgewood Management; Owner: Donatelli Development, Bethesda, Md.

Vanguard Award for Major Rehabilitation of an Existing Rental Housing Community:

Glenark Mills/Glenark Oaks, Woonsocket, R.I.; Management Company: Trinity Management Company; Owner: Trinity Woonsocket LP, Boston, Mass.

Vanguard Award for Major Rehabilitation of a Nonhousing Structure:

Voke Lofts, Worcester, Mass.; Management Company: WinnResidential; Owner: WinnDevelopment, Boston, Mass.

Vanguard Award for Major Rehabilitation of a Historic Structure into Affordable Housing:

The Commons at Imperial Hotel, Atlanta, Ga.; Management Company: National Church Residences; Owner: The Commons at Imperial Housing I Limited Partnership, Atlanta, Ga.

The award:

- Demonstrates that exceptional new affordable housing is available across the country;
- Demonstrates that the affordable multifamily industry is and must be creative and innovative if such exceptional properties are to be built given the financial and other challenges to development;

- Highlights results of the private-public partnerships required to develop today's affordable housing; and
- Shares ideas for unique design and financing mechanisms with industry practitioners to further stimulate creative development in the affordable multifamily industry.

The judges of this year's Vanguard Awards were distinguished NAHMA members from across the country: Ron Burson, SHCM, NAHP-e, president, Gorsuch Management, Lancaster, Ohio; George Caruso, SHCM, NAHP-e, Cooper Companies, Fort Washington, Md.; Nancy Evans, SHCM, NAHP-e, general manager, CSI Support & Development, Warren, Mich.; Melanie Kibble, FHC, SHCM, NAHP-e, vice president, special assets, Mercy Services Corporation, Denver, Colo.; and Jim McGrath, SHCM, NAHP-e, chairman, PRD Management Inc., Pennsauken, N.J.

About the winners:

Valley Brook Village (VBV), located on the Lyons campus of the Department of Veterans Affairs (VA) New Jersey Health Care System in Basking Ridge, N.J., addresses all of the issues that homeless veterans face by providing housing, health care and employment assistance. It is the first permanent supportive housing project in the country to be built on a VA medical campus under the Enhanced Use Lease Program enacted by Congress to utilize federal surplus land to create affordable housing for homeless veterans, and is the area's first housing community reserved entirely for homeless and at-risk veterans. The village-style community, consisting of 62-units and three-buildings, is a result of a collaboration of several private and public sector entities and cost \$15.7 million to develop. Fifty of the units were awarded project-based housing vouchers under the Department of Housing and Urban Development and Veterans Affairs Supportive Housing (HUD-VASH) Program. The remaining units are available to homeless veterans who meet the income eligibility requirements or have their own tenant-based voucher. VBV earned the Gold designation for Building A and Silver designation for Buildings B and C for the Leadership in Energy and Environmental Design (LEED) from the U.S. Green Building Council. Furthermore, VBV created an energy reduction plan with the Office of Clean Energy as part of its Pay for Performance application. The on-site management team consists of a property manager that is a licensed social worker, two VASH case managers, a peer advisor, employment and training specialist, van driver, live-in responder and service manager for facilities and maintenance. Additionally, being built on the medical campus affords the veterans easy access to on-site VA health and mental health services. Both the municipality and surrounding community have embraced VBV with collection and fundraising drives to benefit the low-income veterans residing in the community. In addition, the local YMCA provides pro bono weekly passes to the veterans for exercise and fitness, and the local churches provide transportation to AA meetings, pastoral and one-to-one support to the residents. The local VFW provides the residents with housekeeping supplies and hosts annual holiday dinners for the residents.

Park 7 Apartments is an anchor for Washington, D.C.'s Minnesota Avenue Great Streets Program and a catalyst in transforming the Ward 7 neighborhood. Of the 376 units in Park 7, 346 apartments have been designated affordable at 60 percent area median income (AMI) and 320 were occupied in less than a year of leasing. A true transit-oriented development, Park 7 is

located adjacent to the Minnesota Avenue Metrorail station and the planned H Street-Benning Streetcar line while car- and bike-sharing services were introduced on-site and in the surrounding neighborhood. The property's first-floor retailers have begun to open and other long-depressed urban parcels are now in development nearby. The development is a public-private partnership, with the district contributing the land in exchange for high-quality construction standards, minority construction and ownership of an affordable, high-end, mixed-use apartment community to an under-served corridor. It was financed with a unique structure that included tax credits and both taxable and tax-exempt debt to capitalize on the best interest rate environment available at the time it closed. The project required parceling together a series of vacant and/or abandoned lots adjacent to a Metrorail station and an in-use freight train track. Specific design plans and construction materials were required to dampen the noise reaching into the apartment homes, including noise-cancelling windows. The building features 376 apartment units, 276 surface-level parking spaces, 22,000 square feet of ground-floor retail and two 20,000 square-foot courtyards with grills and play areas in the building's interior. Units range from studios to up to three-bedrooms and include natural granite counters, brushed steel appliances, full-sized washer/dryers, walk-in closets, Berber carpeting, 6-foot windows, high-speed fiber optic services and private balconies. Additional amenities include an attended front desk with controlled building access, modern entry lobbies, a fully equipped fitness center, community room with LED televisions and a business center with touch-screen monitors and Wi-Fi. Park 7 was named a National Association of Home Builders Best Affordable Financing finalist and received the Washington Business Journal Best Real Estate Deals of 2015 award.

Glenark Mills/Glenark Oaks began its life as a cotton mill called Glenark Mills in 1865 and was added to the National Registry of Historic Places in 1989. A year later, it was converted to a 67-unit multifamily rental property. Glenark Oaks, added in 1989, consists of 22 affordable apartments in two buildings. When renovations on the properties began in 2012, they were in serious disrepair and had been so plagued with crime that the city had a special police detail on-site. Interior improvements included kitchens and bathrooms upgrades, painting apartments and replacing carpets. Since Glenark Mills is on the National Register, the exterior renovation was achieved with repointed brick and new windows, doors, roof, etc., that fit the period. Energy improvements consisted of a new insulated roof; energy-efficient vinyl-glazed windows; new 95-percent efficient boilers; Energy Star-rated appliances; lighting upgrades; and an energy-efficient configuration of all controls and sequences pertaining to HVAC. Now, Glenark Mills/Glenark Oaks is one of 17 multifamily properties chosen as a Showcase Property in the U.S. Department of Energy's Better Buildings Challenge to reduce energy consumption by 20 percent. All 89 apartments, which include a mix of one-, two- and three-bedrooms, are affordable for people earning up to 60 percent AMI with the affordability restriction in place for 40 years. The redevelopment was financed with a mix of low-income housing tax credits, historic tax credits, a first mortgage and a seller-financed purchase money mortgage. The project also used city and state funding, including Home Investment Partnerships (HOME) funds and Affordable Housing Trust Funds. One of the major challenges to overcome was the overall negative perception of the property in the community. This was achieved through strong marketing efforts, which included inviting city leaders and the community at large to tour the renovated buildings and led to an overabundance of applicants. The property offers a Youth Rap program, which provides educational programs, life-skills training, field trips and community events for the children during after-school hours, school vacations and summer. The property also has a gym with an

indoor basketball court, community room, a community kitchen and a separate recreation room. Events are held for all residents, including a summer barbeque, Thanksgiving dinner and other holiday celebrations.

Voke Lofts is comprised of 84 mixed-income apartments, half of which are restricted to households with incomes in the 30 and 60 percent AMI and half of which are market rate. The 116,306-square-foot building is comprised of one- to three-bedroom units, some of which include dens. Built in the 1920s, it was the Worcester Vocational Technical High School or "Voke" building originally known as the Worcester Boys' Trade School and was one of the earliest successful trade schools in the country. Voke Lofts transformed the historic, vacant former school, listed on the National Register of Historic Places, into affordable housing while preserving the historical integrity of the property. There are more than 4,000 square feet of common areas for resident use and enjoyment such as a fitness center, computer learning center (Think Tank), art gallery and lounge with fully equipped kitchen, large-screen television and comfortable seating with Wi-Fi access, and secured bicycle storage. There is an outside tot lot and an outdoor patio with tables for the use and enjoyment of residents. There is a room set aside to be used for craft and art classes for children and adult residents. Voke Lofts is a smoke-free community. No two apartments are identical at Voke Lofts, which adds to the historic charm of the building. There are multiple layouts and floor plans, but every apartment has its own unique features. All apartments are open space design with high ceiling and oversized large windows, with exposed original brick walls in all apartments. The building was designed to be extremely energy efficient and meets LEED certificate requirements. Some of the improvements included using green-labeled carpets, hardwood floors, Energy Star lights and appliances, low volatile organic compounds paint and water-saving plumbing devices. The project benefitted from both federal and state Low-Income Housing Tax Credits (LIHTC) and federal and state historic tax credits. Additionally, the project utilized multiple sources of financing including various government funds, housing grants and loans.

The Commons at Imperial Hotel as the Imperial Hotel had been a landmark building in downtown Atlanta since 1911, and had been a site dedicated to providing permanent supportive housing to the city's formerly homeless population since 1996. But when the building was placed in foreclosure in 2009, Atlanta sought out housing providers to help save the historic building. The Georgia Department of Community Affairs (DCA) and the city selected National Church Residences, along with Columbia Residential, for the project. Besides assistance from the DCA and city, the Atlanta Housing Authority provided rental support through the Homeless Demonstration program. Applications were submitted for federal and state LIHTCs, federal historic tax credits, loans, grants and other resources. The major challenge was maintaining the historical standards of a building that is on the National Register of Historic Places while trying to convert it into a modernized permanent supportive housing facility. Another major challenge was evacuating the entire building for the duration of the 12-month renovation, requiring all residents to be permanently displaced. The building was equipped with housing-based subsidy meaning the displaced residents who, after receiving the benefits owed to them as part of their relocation package, may not have been able to afford housing costs. Through a complicated process with HUD, the local housing authority and the management team, The Commons was able to abate the subsidy at the building, provide vouchers for existing residents to use for their relocated housing and add new housing-based subsidy once the building reopened. The

renovation created 90 efficiency apartments, a suite of supportive services and resident amenities on-site. Redevelopment utilized sustainable construction and redevelopment principles, including LEED Gold Certification Standards. Other upgrades included security features for complete controlled access system with electronic keys, video-security system and 24-hour concierge entry. Amenities include wellness/medical offices, community room, training rooms, computer/business center, fitness center, laundry facility, indoor bike racks and trash chutes. All units are rented to persons at or below 60 percent of AMI/50 percent AMI for HOME units and are targeted to residents with special needs, disabilities and those coming out of homelessness. Prior Imperial residents were given the first opportunity to return to The Commons at Imperial Hotel.

For additional details on the NAHMA Vanguard Award program, see <http://www.nahma.org/awards-contests/vanguard-award/>.

NAHMA is the leading voice for affordable housing management, advocating on behalf of multifamily property managers and owners whose mission is to provide quality affordable housing. NAHMA supports legislative and regulatory policy that promotes the development and preservation of decent and safe affordable housing, is a vital resource for technical education and information and fosters strategic relations between government and industry. Founded in 1990, NAHMA's membership today includes the industry's most distinguished multifamily owners and management companies. Visit www.nahma.org for more information.

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