

City of Alexandria, Virginia

MEMORANDUM

DATE: SEPTEMBER 22, 2005

TO: THE HONORABLE MAYOR AND MEMBERS OF CITY COUNCIL

FROM: JAMES K. HARTMANN, CITY MANAGER

SUBJECT: ORDINANCE AUTHORIZING AND EMPOWERING THE ISSUANCE, SALE AND DELIVERY OF GENERAL OBLIGATION BONDS TO FINANCE VARIOUS CAPITAL PROJECTS INCLUDING AFFORDABLE HOUSING

ISSUE: Consideration of an ordinance to authorize the issuance of General Obligation Bonds to finance various City and School capital projects including affordable housing.

RECOMMENDATION: That City Council pass the ordinance on first reading and schedule it for public hearing, second reading, and final passage on October 15, 2005, an ordinance (Attachment 1) authorizing and empowering the issuance, sale and delivery of bonds up to \$71 million to finance various public improvements, as well as including up to \$15.0 million for affordable housing.

BACKGROUND: The proposed ordinance authorizes the issuance of up to \$71 million in General Obligation Bonds for FY 2006 and FY 2007 planned capital projects. This issuance for City capital projects would be consistent with the approved Capital Improvement Program (CIP) (Approved Capital Improvement Program FY 2006, pages 34 and 35). In addition, \$15.0 million for potential affordable housing projects and \$0.5 million for open space acquisition is also recommended to be added to the previously planned CIP bond issuance authorization. Both the affordable housing and open space categories are included in this bond sale authorization in the event that a project (or projects) arise which may need financing to warrant the leveraging of the dedicated one-cent in real estate taxes that Council has set aside for affordable housing, as well as for the further leveraging of the dedicated one-cent in real estate taxes for open space.

In regard to affordable housing, with a bond authorization in hand the City can be ready to assist a non-profit to undertake a sizeable housing transaction in the event that there is a large dollar amount of City affordable housing funds needed to close a funding gap between what outside federal and state housing financial sources and privately provided mortgage funds can provide, and the total cost of a project. In particular, the potential purchase and redevelopment of Gunston Hall as an affordable housing project by the non-profit Alexandria Housing Development Corporation (AHDC) would likely require significant City financial participation. While the amount of City affordable housing funds that may be used to finance Gunston Hall over the long term looks to be significantly less than \$15 million, there is the initial hurdle of the \$12.3 million purchase price. In regard to Gunston Hall, it should be noted that a significant amount of project, financial and legal analyses and plans need to be further developed before it is clear that the purchase of Gunston Hall with City financial participation is feasible. Having an affordable

housing bond authorization in hand will also allow the active consideration of other affordable housing projects which may come forward over the next year. However, given the timeframe to have a bond ordinance considered and adopted, and given the mid-November acquisition decision that AHDC and the City faces for the Gunston Hall project, we recommend that Council adopt a bond ordinance with an affordable housing component. Any specific allocation of bond funds for affordable housing for any City financed participation in any affordable housing project will come back to Council for approval.

An open space bond authorization of \$0.5 million is included in this report as a placeholder in the unlikely event that the previously issued \$10 million in open space bonds become fully committed during FY 2006. If that occurs, a reallocation of new bond amounts from other project categories listed in this proposed bond ordinance could occur.

The passage of the proposed ordinance is sought at this time to provide the City with the flexibility to accept bids and enter into contracts for affordable housing, open space and capital projects, if and when opportunities arise. Section 5.15 of the City Charter prohibits the City from entering into any contract, which the issuance of bonds finances, until the ordinance authorizing the issuance of such bonds has taken effect. This ordinance provides the City with the ability to acquire affordable housing units through the issuance of either taxable or tax-exempt bonds depending on the situation. The City, under the provisions of this ordinance, could finance a project by advancing cash from other City housing or capital funds prior to the issuance of the bonds, and then can reimburse itself later with the proceeds from a bond sale. The timing of the bond issuance has not been set, but later in this fiscal year appears likely.

The size of the bonds that this ordinance authorizes is equal to approximately all of the General Obligation Bond requirement for FY 2006 as found in the approved CIP, and half the planned bond requirement for FY 2007. It also includes \$15 million in authorization for affordable housing and \$500,000 in authorization for open space acquisition. This is an estimate of the maximum authority that the City may need. The actual amount of bonds that the City would issue would depend on the City's cash needs, as well as interest rate conditions in the market place.

MAJOR PROJECT CATEGORIES AND AMOUNTS COVERED BY THIS BOND AUTHORIZATION

General Project Description	Estimated Maximum Cost
<u>Schools</u> Construction, remodeling and repairing of school buildings and acquisition of necessary equipment (includes projects contained in the capital improvement program under "Schools").	\$23,500,000
<u>City Parks and Buildings</u> Construction, renovation and improvement of existing of new City buildings and park facilities and acquisition of necessary land and equipment (includes projects contained in the capital improvement program under "Recreation and Parks" and "Public Buildings").	\$14,200,000
<u>Traffic Improvements</u> Maintenance and upgrade of the City's traffic control (includes projects contained in the capital improvement program under "Traffic Improvements/Rapid Transit").	\$ 6,000,000
<u>Infrastructure</u> Construction, renovation and improvement of City streets, bridges, storm and sanitary sewers and acquisition of necessary equipment (includes projects contained in the capital improvement program under "Community Development," "Streets and Bridges," "Storm Sewers," and "Sanitation Sewers").	\$11,300,000
<u>Information Technology</u> Maintenance and upgrade of the City's information technology infrastructure and hardware, networks, and software (includes projects contained in the capital improvement program under "Information Technology Plan").	\$ 500,000
<u>Open Space</u> Acquisition and improvement of land to be preserved for open space or other passive of active recreational uses.	\$ 500,000
<u>Affordable Housing</u> Acquisition, construction, remodeling and repairing of affordable housing and acquisition of necessary land and equipment.	\$15,000,000
Total	\$71,000,000

FISCAL IMPACT: The proposed ordinance provides authorization for an issuance of general obligation bonds not to exceed \$71 million. The fiscal impact on the City's debt service for a bond issuance of \$38.6 million for FY 2006 CIP projects is included in the FY 2006 Operating Budget approved by City Council. Any debt service arising from the acquisition of open space, or for the provision of affordable housing through its acquisition by a non-profit housing corporation would be paid for from the annual dedicated one-cent real estate tax revenue streams approved by Council for open space or the one-cent dedicated for affordable housing. To put the \$15 million for affordable housing in perspective, the annual debt service on the \$15 million would run between \$1.1 million and \$1.4 million per year. That equates to 30% to 45% of the funds that one cent in real estate taxes produces annually. In the outside event that any of the \$16.9 million in bond authorization for FY 2007 CIP projects is issued, debt service funds within the approved FY 2006 budget will be identified. The actual fiscal impact of the next debt issuance would be determined by the amount of bonds actually issued, the date of issuance and the interest rate and maturity of the bonds issued.

ATTACHMENT: Ordinance Authorizing and Empowering the Issuance, Sale and Delivery of General Obligation Bonds

STAFF:

Mark Jinks, Assistant City Manager for Fiscal and Financial Affairs

D. A. Neckel, Director of Finance

Bruce Johnson, Director, Office of Management and Budget

ORDINANCE NO. _____

AN ORDINANCE AUTHORIZING THE ISSUANCE OF GENERAL OBLIGATION CAPITAL IMPROVEMENT BONDS IN THE ESTIMATED MAXIMUM AMOUNT OF \$71,000,000; AND PROVIDING FOR REIMBURSEMENT TO THE CITY OF ALEXANDRIA FROM BOND PROCEEDS

WHEREAS, the City Council of the City of Alexandria, Virginia ("City") has determined that it is advisable to issue up to \$71,000,000 general obligation bonds of the City to finance the cost, in whole or in part, of various capital improvements as described below (the "Projects").

THE CITY COUNCIL OF ALEXANDRIA HEREBY ORDAINS:

1. **Authorization of Bonds and Use of Proceeds.** The City Council hereby determines that it is advisable to contract a debt and to issue and sell general obligation bonds in the aggregate maximum principal amount of \$71,000,000 (the "Bonds"). The issuance and sale of the Bonds are hereby authorized. The proceeds from the issuance and sale of the Bonds shall be used to pay all or a portion of the costs of the Projects as described below and the Director of Finance is authorized and directed to determine the portion of the cost of each Project to be financed with Bond proceeds.

General Project Description

Estimated Maximum Cost

Schools

Construction, remodeling and repairing of school buildings and acquisition of necessary equipment (this project includes projects contained in the capital improvement program under "Schools").

\$23,500,000

City Parks and Buildings

Construction, renovation and improvement of existing or new City buildings and park facilities and acquisition of necessary land and equipment (this project includes projects contained in the capital improvement program under "Recreation and Parks" and "Public Buildings").

\$14,200,000

Traffic Improvements

Maintenance and upgrade of the City's traffic control facilities (this project includes projects contained in the capital improvement program under "Traffic Improvements/Rapid Transit").

\$6,000,000

Infrastructure

Construction, renovation and improvement of City streets, bridges, storm and sanitary sewers and acquisition of the necessary equipment (this project includes projects contained in the capital improvement program under "Community Development," "Streets and Bridges," "Storm Sewers" and "Sanitation Sewers").

\$11,300,000

Information Technology

Maintenance and upgrade of the City's information technology infrastructure and hardware, networks, and software (this project includes projects contained in the capital improvement program under "Information Technology Plan").

\$500,000

Open Space

Acquisition and improvement of land to be preserved for open space or other passive or active recreational uses.

\$500,000

Affordable Housing

Acquisition, construction, remodeling and repairing of affordable housing and acquisition of necessary land and equipment.

\$15,000,000

Total: \$71,000,000

2. **Pledge of Full Faith and Credit.** The full faith and credit of the City are hereby irrevocably pledged for the payment of the principal of, premium, if any, and interest on the Bonds as the same become due and payable. The City Council shall levy an annual ad valorem tax upon all property in the City, subject to local taxation, sufficient to pay the principal of, premium, if any, and interest on the Bonds as the same shall become due for payment unless other funds are lawfully available and appropriated for the timely payment thereof.

3. **Details and Sale of Bonds.** The Bonds shall be issued upon the terms established pursuant to this Ordinance and upon such other terms as may be determined in the manner set forth in this Ordinance. The Bonds shall be issued in one or more taxable or tax-exempt series, in fully registered form, shall be dated such date or dates as the City Manager and the Director of Finance, or either of them, may approve, shall be in the denominations of \$5,000 each or whole multiples thereof and shall be numbered from R-1 upwards consecutively. The Bonds shall mature on such dates and in such amounts and shall be issued in such principal amount as the City Manager and the Director of Finance, or either of them, may approve, provided that the final maturity of any Bond is not more than approximately 25 years from its date and the aggregate principal amount of the Bonds is not more than \$71,000,000. The City Manager and

the Director of Finance, or either of them, is authorized and directed to accept a bid or bids for the purchase of the Bonds which results in the lowest true interest cost to the City and the Bonds shall bear interest, payable semi-annually, at such rate or rates and shall be sold to the successful bidder or bidders at such price as may be set forth in the bid or bids so accepted; provided that the true interest cost of the Bonds shall not exceed 6.5% per annum. The City Manager and the Director of Finance, or either of them, is authorized and directed to approve such optional redemption provisions for the Bonds as such officer or officers determine to be in the best interest of the City. The City Council may provide for additional or other terms of the Bonds by subsequent resolution.

4. **Form of Bonds.** The Bonds shall be in substantially the form attached to this Ordinance as Exhibit A, with such appropriate variations, omissions and insertions as are permitted or required by this Ordinance. There may be endorsed on the Bonds such legend or text as may be necessary or appropriate to conform to any applicable rules and regulations of any governmental authority or any usage or requirement of law with respect thereto.

5. **Book-Entry-Only-Form.** The Bonds shall be issued in book-entry-only form. The Bonds shall be issued in fully-registered form and registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York ("DTC") as registered owner of the Bonds, and immobilized in the custody of DTC. One fully-registered Bond in typewritten or printed form for the principal amount of each maturity of the Bonds shall be registered to Cede & Co. Beneficial owners of the Bonds shall not receive physical delivery of the Bonds. Principal, premium, if any, and interest payments on the Bonds shall be made to DTC or its nominee as registered owner of the Bonds on the applicable payment date.

Transfer of ownership interest in the Bonds shall be made by DTC and its participants (the "Participants"), acting as nominees of the beneficial owners of the Bonds in accordance with rules specified by DTC and its Participants. The City shall notify DTC of any notice required to be given pursuant to this Ordinance or the Bonds not less than fifteen (15) calendar days prior to the date upon which such notice is required to be given. The City shall also comply with the agreements set forth in the City's Letter of Representations to DTC.

Replacement Bonds (the "Replacement Bonds") may be issued directly to beneficial owners of the Bonds rather than to DTC or its nominee but only in the event that:

- (i) DTC determines not to continue to act as securities depository for the Bonds; or
- (ii) The City has advised DTC of its determination not to use DTC as a securities depository; or
- (iii) The City has determined that it is in the best interest of the beneficial owners of the Bonds or the City not to continue the book-entry system of transfer.

Upon occurrence of the event described in (i) or (ii) above, the City shall attempt to locate another qualified securities depository. If the City fails to locate another qualified securities depository to replace DTC, the City Council shall execute and deliver Replacement Bonds substantially in the form set forth in Exhibit A to the Ordinance to the Participants. In the event the City Council, in its discretion, makes the determination noted in (iii) above and has

made provisions to notify the beneficial owners of the Bonds by mailing an appropriate notice to DTC, the appropriate officers and agents of the City shall execute and deliver Replacement Bonds substantially in the form set forth in Exhibit A to this Ordinance to any Participants requesting such Replacement Bonds. Principal of and interest on the Replacement Bonds shall be payable as provided in this Ordinance and in the Bonds and Replacement Bonds will be transferable in accordance with the provisions of paragraphs 9 and 10 of this Ordinance and the Bonds.

6. **Appointment of Bond Registrar and Paying Agent.** The City Manager and the Director of Finance, or either of them, are authorized and directed to appoint a Bond Registrar and Paying Agent for the Bonds and as long as the Bonds are in book-entry form, either of such officers may serve as Paying Agent.

The City Manager and the Director of Finance, or either of them, may appoint a subsequent registrar and/or one or more paying agents for the Bonds upon giving written notice to the owners of the Bonds specifying the name and location of the principal office of any such registrar or paying agent.

7. **Execution of Bonds.** The Mayor and the Clerk of the City are authorized and directed to execute appropriate negotiable Bonds and to affix the seal of the City thereto and to deliver the Bonds to the purchaser thereof upon payment of the purchase price. The manner of execution and affixation of the seal may be by facsimile, provided, however, that if the signatures of the Mayor and the Clerk are both by facsimile, the Bonds shall not be valid until signed at the foot thereof by the manual signature of the Bond Registrar.

8. **CUSIP Numbers.** The Bonds shall have CUSIP identification numbers printed thereon. No such number shall constitute a part of the contract evidenced by the Bond on which it is imprinted and no liability shall attach to the City, or any of its officers or agents by reason of such numbers or any use made of such numbers, including any use by the City and any officer or agent of the City, by reason of any inaccuracy, error or omission with respect to such numbers.

9. **Registration, Transfer and Exchange.** Upon surrender for transfer or exchange of any Bond at the principal office of the Bond Registrar, the City shall execute and deliver and the Bond Registrar shall authenticate in the name of the transferee or transferees a new Bond or Bonds of any authorized denomination in an aggregate principal amount equal to the Bond surrendered and of the same form and maturity and bearing interest at the same rate as the Bond surrendered, subject in each case to such reasonable regulations as the City and the Bond Registrar may prescribe. All Bonds presented for transfer or exchange shall be accompanied by a written instrument or instruments of transfer or authorization for exchange, in form and substance reasonably satisfactory to the City and the Bond Registrar, duly executed by the registered owner or by his or her duly authorized attorney-in-fact or legal representative. No Bond may be registered to bearer.

New Bonds delivered upon any transfer or exchange shall be valid obligations of the City, evidencing the same debt as the Bonds surrendered, shall be secured by this Ordinance and entitled to all of the security and benefits hereof to the same extent as the Bonds surrendered.

10. **Charges for Exchange or Transfer.** No charge shall be made for any exchange or transfer of Bonds, but the City may require payment by the registered owner of any Bond of a sum sufficient to cover any tax or other governmental charge which may be imposed with respect to the transfer or exchange of such Bond.

11. **Non-Arbitrage Certificate and Tax Covenants.** The City Manager and the Director of Finance, or either of them, and such officers and agents of the City as either of them may designate are authorized and directed to execute a Non-Arbitrage Certificate and Tax Covenants setting forth the expected use and investment of the proceeds of the Bonds and containing such covenants as may be necessary in order to comply with the provisions of the Internal Revenue Code of 1986, as amended ("Code"), including the provisions of Section 148 of the Code and applicable regulations relating to "arbitrage bonds." The City Council covenants on behalf of the City that the proceeds from the issuance and sale of the Bonds will be invested and expended as set forth in the City's Non-Arbitrage Certificate and Tax Covenants, to be delivered simultaneously with the issuance and delivery of the Bonds and that the City shall comply with the other covenants and representations contained therein.

12. **Disclosure Documents.** The City Manager and the Director of Finance, or either of them, and such officers and agents of the City as either of them may designate are hereby authorized and directed to prepare, execute, if required, and deliver an appropriate notice of sale, preliminary official statement, official statement, continuing disclosure agreement or such other offering or disclosure documents as may be necessary to expedite the sale of the Bonds. The notice of sale, preliminary official statement, official statement, continuing disclosure agreement or other documents shall be published in such publications and distributed in such manner, including electronically, and at such times as the Director of Finance shall determine. The Director of Finance is authorized and directed to deem the preliminary official statement "final" for purposes of Securities and Exchange Commission Rule 15c2-12.

13. **Further Actions.** The City Manager and the Director of Finance and such officers and agents of the City as either of them may designate are authorized and directed to take such further action as they deem necessary regarding the issuance and sale of the Bonds and all actions taken by such officers and agents in connection with the issuance and sale of the Bonds are ratified and confirmed.

14. **Reimbursement.** The City Council adopts this declaration of official intent under Treasury Regulations Section 1.150-2. The City Council reasonably expects to reimburse advances made or to be made by the City to pay the costs of the Projects from the proceeds of its debt. The maximum amount of debt expected to be issued for the Projects is set forth in paragraph 1 above. The City hereby authorizes the Director of Finance, on behalf of the City, to specifically declare the City's official intent to reimburse portions of the cost of the Projects with Bond proceeds.

15. **Effective Date; Applicable Law.** In accordance with Section 15.2-2601 of the Code of Virginia of 1950, as amended, the City Council elects to issue the Bonds pursuant to the provisions of the Public Finance Act of 1991. This Ordinance shall take effect at the time of its enactment.

WILLIAM D. EUILLE
Mayor

Introduction: 9/27/05
First Reading: 9/27/05
Publication:
Public Hearing:
Second Reading:
Final Passage:

Virginia of 1950, as amended and an ordinance adopted by the City Council on _____, 2005 (the "Ordinance").

Bonds maturing on or before _____, ____ are not subject to redemption before maturity. Bonds at the time outstanding which are stated to mature on or after _____, ____ may be redeemed before their maturities on or after _____, _____, at the option of the City in whole or in part (in installments of \$5,000) at any time or from time to time during the following redemption periods upon payment of the following redemption prices (expressed as a percentage of the principal amount to be redeemed) together with the interest accrued thereon to the date fixed for redemption:

<u>Redemption Period</u> <u>(both dates inclusive)</u>	<u>Redemption Price</u>
_____, ____ through _____, ____	____%
_____, ____ through _____, ____	____%
_____, ____ and thereafter	____%

If less than all of the Bonds are called for redemption, the maturities of the Bonds to be redeemed shall be selected by the Director of Finance of the City in such officer's discretion. If less than all of the Bonds of any maturity are called for redemption, the Bonds or portions thereof to be redeemed within a maturity shall be selected by lot by the Bond Registrar, each portion of \$5,000 principal amount being counted as one Bond for such purpose.

If any of the Bonds or portions thereof are called for redemption, the Bond Registrar shall send notice of the call for redemption identifying the Bonds by serial or CUSIP numbers, and in the case of partial redemption, identifying the principal amount to be redeemed, and identifying the redemption date and price and the place where Bonds are to be surrendered for payment, by first class mail not less than 30 nor more than 60 days before the redemption date to the registered owner of each Bond to be redeemed at such owner's address as it appears on the registration books maintained by the Bond Registrar, but failure to mail such notice shall not affect the validity of the proceedings for redemption. Provided funds for their redemption are on deposit at the place of payment on the redemption date, all Bonds or portions thereof so called for redemption shall cease to bear interest on such date, shall no longer be secured by the Ordinance and shall not be deemed to be outstanding. If a portion of this Bond shall be called for redemption, a new Bond in principal amount equal to the unredeemed portion hereof will be issued to the registered owner upon the surrender of this Bond.

The Bonds are issuable as fully registered bonds in denominations of \$5,000 and integral multiples thereof. Any Bond may be exchanged for a like aggregate principal amount of Bonds of the same maturity of other authorized denominations at the principal office of the Bond Registrar.

This Bond may be transferred only by an assignment duly executed by the registered owner hereof or such owner's attorney or legal representative in a form satisfactory to the Bond Registrar. Such transfer shall be made in the registration books kept by the Bond Registrar upon presentation and surrender hereof and the City shall execute, and the Bond Registrar shall

authenticate and deliver in exchange, a new Bond or Bonds having an equal aggregate principal amount, in authorized denominations, of the same form and maturity, bearing interest at the same rate, and registered in names as requested by the then registered owner hereof or such owner's attorney or legal representative. Any such exchange shall be at the expense of the City, except that the Bond Registrar may charge the person requesting such exchange the amount of any tax or other governmental charge required to be paid with respect thereto.

The City may designate a successor Bond Registrar and/or Paying Agent, provided that written notice specifying the name and location of the principal office of any such successor shall be given to the registered owner of the Bonds. Upon registration of transfer of this Bond, the Bond Registrar shall furnish written notice to the transferee of the name and location of the principal office of the Bond Registrar and/or the Paying Agent.

The Bond Registrar shall treat the registered owner as the person exclusively entitled to payment of principal and interest and the exercise of all other rights and powers of the owner, except that interest payments shall be made to the person shown as the owner on the registration books on the 15th day of the month preceding each interest payment date.

This Bond shall not be valid or obligatory for any purpose unless and until authenticated at the foot hereof by the Bond Registrar.

It is hereby certified and recited that all acts, conditions and things required by the Constitution and statutes of the Commonwealth of Virginia to happen, exist or be performed precedent to the issuance of this Bond have happened, exist or been performed in due time, form and manner as so required and that the indebtedness evidenced by this Bond is within every debt and other limit prescribed by the Constitution and statutes of the Commonwealth of Virginia.

IN WITNESS WHEREOF, the City Council of the City of Alexandria, Virginia, has caused this Bond to be signed by the facsimile signature of its Mayor, a facsimile of its seal to be affixed and attested by the facsimile signature of its Clerk and this Bond to be dated _____, _____.

CITY OF ALEXANDRIA, VIRGINIA

By _____
Mayor, City of Alexandria, Virginia

[SEAL]

ATTEST:

Clerk, City Council,
City of Alexandria, Virginia

ASSIGNMENT

FOR VALUE RECEIVED, the undersigned sells, assigns and transfers unto

(PLEASE PRINT OR TYPEWRITE NAME AND ADDRESS, INCLUDING ZIP CODE OF ASSIGNEE)

PLEASE INSERT SOCIAL SECURITY OR OTHER IDENTIFYING NUMBER OF ASSIGNEE: _____

the within Bond and does hereby irrevocably constitute and appoint

_____, attorney, to transfer said Bond on the books kept for registration of said Bond, with full power of substitution in the premises.

Dated _____

Signature Guaranteed:

(NOTICE: Signature(s) must be guaranteed.)

Registered Owner
(NOTICE: The signature above must correspond with the name of the Registered Owner as it appears on the books kept for registration of this Bond in every particular, without alteration or change.)

CERTIFICATE OF AUTHENTICATION

The undersigned Bond Registrar hereby certifies that this is one of a series of Bonds of the City of Alexandria, Virginia described in the within-mentioned Ordinance.

Authentication Date: _____

By: _____
[Director of Finance]

CERTIFICATION

I, Jacqueline M. Henderson, CMC, City Clerk and Clerk of Council, do hereby certify that the attached is a true copy of a portion of the Meeting Minutes of October 15, 2005, showing the vote of the City Council, and a true copy of the ordinance which was finally passed upon its Second Reading and Final Passage by the Alexandria City Council at its Regular Meeting held on October 15, 2005.

Dated this ____ day of _____, 2005

Jacqueline M. Henderson, CMC, City Clerk
City of Alexandria, Virginia

13
9-27-05

Nancy Coats/Alex
09/27/2005 11:24 AM

To Jackie Henderson/Alex@Alex, Michele Evans/Alex@Alex
cc
bcc
Subject Fw: Tonight's Council Mtg 9-27 -- Please support the proposed bond ordinance

fyi

----- Forwarded by Nancy Coats/Alex on 09/27/2005 11:24 AM -----



"Jim Hoben"
<JHoben@wpc-alex.org>

09/27/2005 11:05 AM

Please respond to
<JHoben@wpc-alex.org>

"Andrew MacDonald (E-mail)" <macdonaldcouncil@msn.com>, "Joyce Woodson (E-mail)" <council@joycewoodson.net>, "Ludwig P. Gaines (E-mail)" <councilmangaines@aol.com>, "Paul C. Smedberg (E-mail)" <PaulCSmedberg@aol.com>, "Redella S. Pepper (E-mail)" <delperpe@aol.com>, "Rod Krupicka (E-mail 2)" <council@krupicka.com>, "William Euille (E-mail)" <alexvamayor@aol.com>
"Jim Hartmann (E-mail)" <Jim.Hartmann@alexandriava.gov>, "Mark Jinks (E-mail)" <Mark.Jinks@alexandriava.gov>, "Mildrilyn Davis (E-mail)" <mildrilyn.davis@ci.alexandria.va.us>, "Danny Abramson (E-mail)" <DABramprop@aol.com>, "Bert Ransom (E-mail)" <Elran36@aol.com>, "Carey Sullivan (E-mail)" <careycbuck@aol.com>, "David Jeffers (E-mail)" <david_r_jeffers@fanniema.com>, "Flacks, Jeremy (E-mail)" <Jere718@aol.com>, "Fran Becker (E-mail)" <FranBecker@carpentersshelter.org>, "Helen Lewis (E-mail)" <helenlewis@verizon.net>, "James Hoben (E-mail)" <JHoben@wpc-alex.org>, "Katharine Medina (E-mail)" <km@rebuildingtogetheralex.org>, "Mary Riley (E-mail)" <maryriley@comcast.net>, "Nancy Carson (E-mail)" <CarsonNCA@aol.com>, "Patrick Beckley (E-mail)" <Patrick.Beckley@alexandriava.gov>, "Robert Eiffert (Bob) (E-mail)" <Robert.eiffert@fairfaxcounty.gov>, "Scott Barstow (E-mail)" <SBARSTOW@counseling.org>
Subject Tonight's Council Mtg 9-27 -- Please support the proposed bond ordinance

Housing Action strongly supports the proposed ordinance authorizing an Alexandria obligation bond in the amount of \$71 million. We are delighted that the bond issuance includes \$15 million for affordable housing. This multiplication of the dedicated one cent for affordable housing is what we, the AHDC, and other non-profit affordable housing developers have hoped the City would do.

While considering the bond ordinance we ask that the Council discuss the option of increasing \$15 million for affordable housing to \$25 million. This would add to the total bond amount. We are pleased to know of the considerations to save Guston Hall which serves as a partial basis for the initial affordable housing request. In addition, we believe that the AHDC, or other nonprofits, should be able to draw upon funds to possibly secure one or more of the Winkler properties or other potential affordable rentals for our workforce housing. As now proposed, only 30 to 45 percent of

proceeds from the one cent would be obligated to service the \$15 million. A \$25 million affordable housing commitment would require just over over 60 percent of the currently committed funds. Please consider raising the affordable housing bond amount to \$25 million. We are certain that the monies will wisely used for the citizens of Alexandria.

Thank you for your continued committment to affordable housing.

James Hoben and Nancy Carson, Co-chairs for Housing Action