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CURRENT
DEVELOPMENTS

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In Housing, Community Development, Finance and Taxation

PROJECT DEVELOPMENT

AHC Uses EarthCraft Standard in Building Northern Virginia Project

Nonprofit developer AHC Inc. has completed construction of the Macedonian in Arlington, Va., which provides 36 affordable rental units in a building that has received the EarthCraft Virginia certification for green construction. The project was built in cooperation with the Macedonia Baptist Church, which provided a 65-year lease for the project. Leasing of units began in May.

"Sustainable development is a top priority for AHC," said Walter D. Webdale, AHC chief executive officer. "We are working hard to create green building with quality affordable living environments that are healthier and more cost-efficient for our residents, as well as beneficial for the community as a whole."

The Macedonian is the first newly constructed multifamily building to get the EarthCraft designation in Arlington.

Energy Efficiency

EarthCraft, a nonprofit green building certification program for residential properties, estimates that the Macedonian will lose 40 percent less energy compared to a similar project built to code. EarthCraft standards promote air sealing and energy efficiency while still allowing for fresh air intake.

"The Macedonian is the most energy-efficient multifamily building we've done in northern Virginia, with some of the best integrated design we've seen in the state," said Philip Agee, green building technical manager for EarthCraft Virginia. "It's exciting that affordable housing is really leading the way in energy-efficient housing."

The building includes a central heating and cooling system that reduces energy costs by redirecting heat from air conditioning for one apartment to the heating system in another.

This is especially effective in the spring and fall and, in practice, results in the transfer of heat from the warm side of the building to the cool side, said John Welsh, director of AHC's multifamily division.

Some of the Macedonian's other green building components include foam insulation to reduce air leakage, a partial green roof to reduce storm water runoff, high reflectivity roofing materials to reduce heat buildup, and high-efficiency hot water heaters.

The development also has Energy Star appliances in all apartments, low-flow plumbing fixtures, individually metered utilities to reduce usage, and high-efficiency lighting and thermostats in common areas and hallways.

Project Financing

Financing for the \$13 million project includes \$3.9 million in tax-exempt bonds issued by the Virginia Housing and Development Authority which were accompanied by \$2.7 million in equity from the sale of 4 percent low-income housing tax credits syndicated through Enterprise.

The Macedonian also received \$2.4 million in tax credit assistance program (TCAP) grant funds, a \$3.4 million subordinate loan from the county to be repaid from cash flow, and a \$40,000 supportive housing grant from the county.

The 36 rental units include 17 two-bedroom and 19 one-bedroom units. Rents for 31 of the apartments are affordable to households with incomes from 50 to 60 percent of area median income. Tax credit rents for these units vary from \$886 for one-bedroom units to \$1,078 for two bedrooms, while market rents in Arlington are \$600 to \$800 higher.

Five rental units are reserved for the Arlington County supportive housing program for persons with disabilities, where rents will be affordable for incomes at 30 percent of AMI.

The ground floor has commercial space for offices of the church-sponsored Bonder and Amanda Johnson Community Development Corporation and a business incubator for start-up businesses to be operated by the CDC. The incubator space has eight work stations for neighborhood residents who have started business ventures at home. A conference room is also available to them.

The builder for the Macedonian was Bozzuto Construction, and AHC Inc. is managing the property. Bonstra Haresign Architects also helped design the project and provided technical assistance in meeting the EarthCraft standards.