



Faith Based Partnerships and Affordable Housing

Case Studies from Arlington VA

About True Ground

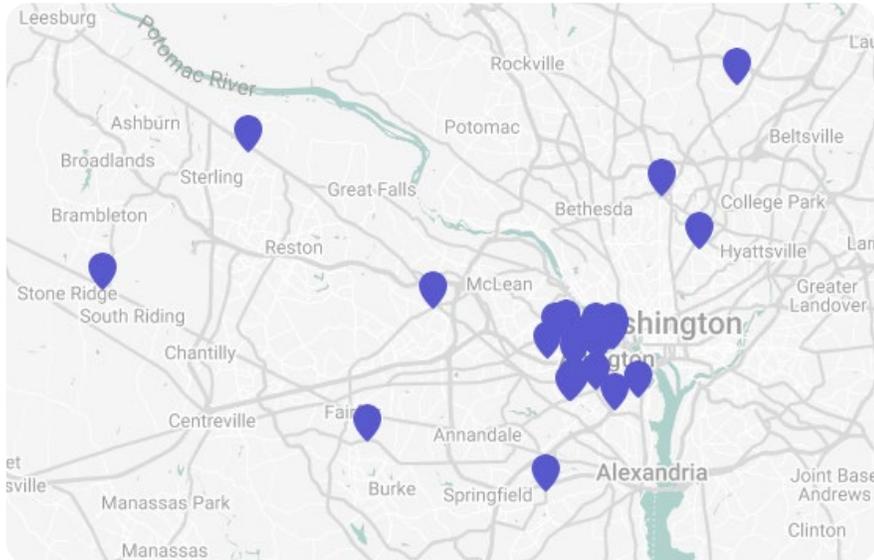
A very brief introduction

About True Ground

- **Mission-driven**, award-winning, nonprofit affordable housing developer
- **Combines** real estate development with a CORES-certified resident services program
- **Owns** 3,100+ apartments with 2,000+ units in pipeline
- **\$1+ billion** portfolio valuation
- **Focused** on 30% to 60% Area Median Income, including 10% Permanent Supportive Housing (PSH)
- **Operates** throughout the DC region with projects in 5 jurisdictions



True Ground's Portfolio



- **25 operating properties:**
 - **Virginia:** Arlington, Fairfax, and Loudoun counties
 - **Maryland:** Montgomery County
 - Snowden's Ridge (2019) was True Ground's first project outside of Arlington
 - **Washington, DC**
- Construction and pipeline projects in Northern Virginia, Maryland and The District

Future True Ground Properties

COMMUNITY	LOCATION	ANTICIPATED COMPLETION	UNITS
The Linden Senior Residences	Loudoun County	2026	130
The Exchange at Spring Hill Station	Fairfax County	2027	516
The Sweeney (formerly CH3)	Arlington County	2027	432

Faith Based Partnerships

Two Case Studies from Arlington County, VA

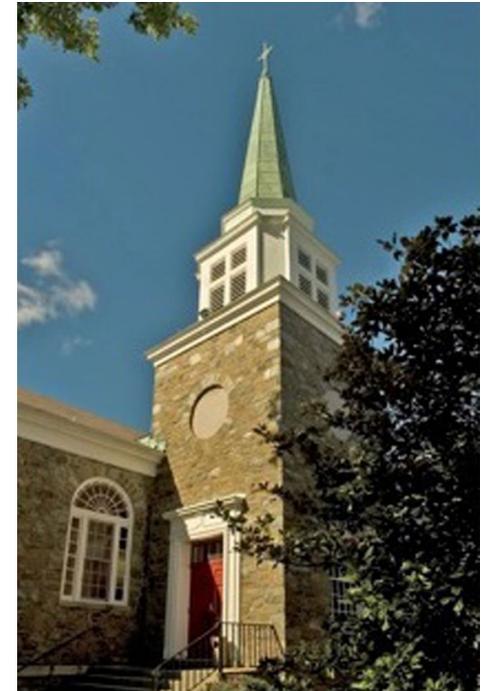
Gilliam Place: Arlington Presbyterian Church (APC) Partnership



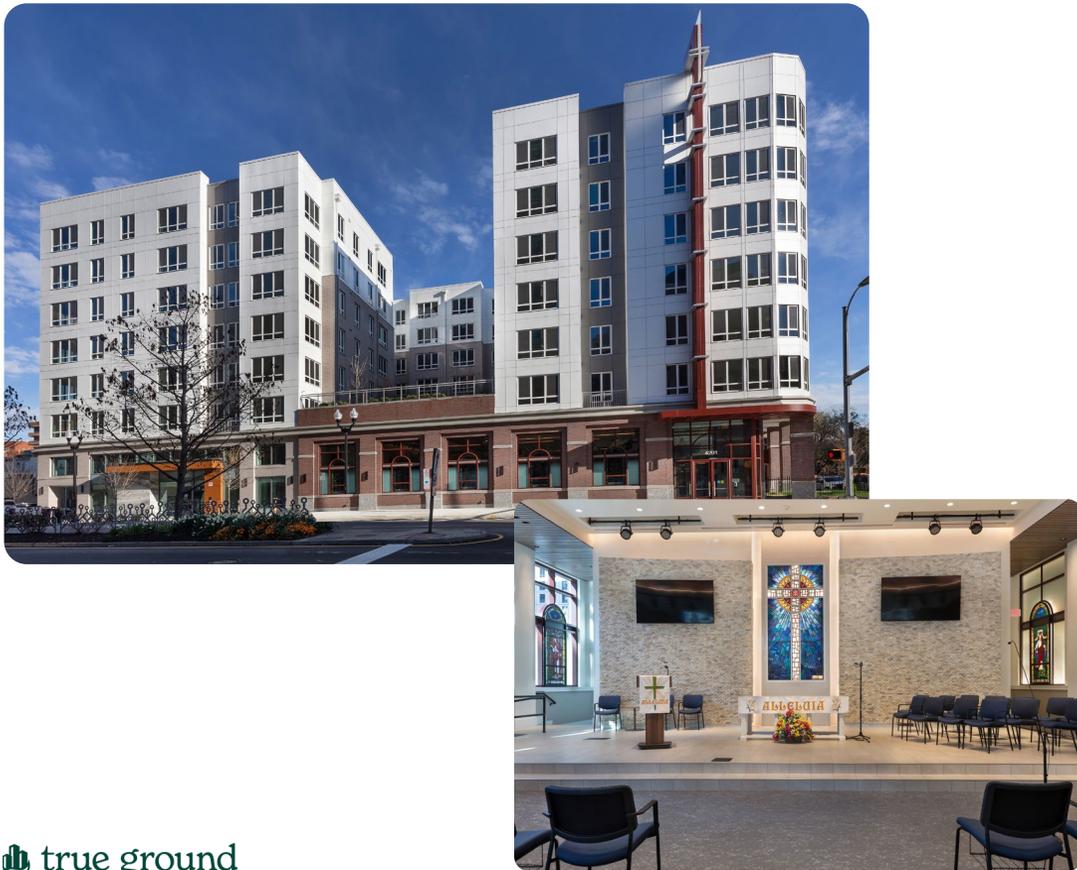
- Worked with APC to purchase their property and construct a new mixed-use community
- 173 affordable units; completed in 2019
- Ground-floor retail has two tenants
 - **APC** with flexible worship space
 - **Kitchen of Purpose**, a nonprofit kitchen incubator and workforce training center
 - Mission: create opportunities for social and economic change through feeding, educating, and empowering the minds of the community

Gilliam Place: From Vision to Reality

- Faith-based partnership born out of the Arlington Presbyterian Church (APC)'s vision to serve neighbors and community need for affordable housing
 - Declining attendance and limited cash
 - Leveraged underutilized site (1.5-acre site largely covered by surface parking)
- Multi-year process to attain necessary approvals from church and county
- After exploring multiple options, church decided on a fee simple sale
- APC returned to site as a retail tenant, with flexible worship space
- Kept most sales proceeds to fund mission
- Project broke ground in 2017 and was completed in 2019
- See church journey at: <https://incairnation.org/>



Unity Homes at Ballston: Central United Methodist Church (CUMC) Partnership



- True Ground and CUMC partnered to redevelop their aging church property into affordable housing while expanding their ministries
- 144 affordable units; completed in 2024
- New CUMC includes
 - Updated sanctuary
 - Early childhood education for approximately 90 students
 - A commercial grade community kitchen
- Located across the street from the Ballston-MU Metro Station

Unity Homes: From Vision to Reality

- Faith-based partnership born out of the Central United Methodist Church (CUMC)'s vision to serve neighbors and community need for affordable housing
 - Declining attendance and limited cash
 - Leveraged underutilized site (0.8-acre site with surface parking)
- After exploring multiple options, church decided on a long-term ground lease to True Ground with capitalized upfront lease payment
- CUMC retained direct ownership of their portion of the site
- CUMC reinvested land proceeds plus an additional \$4M from a capital campaign to fund an ambitious program
- Project broke ground in 2021 and was completed in 2024



Unity Homes at Ballston: Timeline

- August 2007 Building Committee begins to form
- April 2013 Congregation Survey & Space
- November 2013 Request for Information (RFI) issued
- July 2014 Rev. Cobb retires & Rev. Harrison-McQueen Appointed
- March 2015 Request for Proposal (RFP) issued
- October 2015 Initial Developer selected
- February 2017 Site Plan Approved by Arlington County
- 2017 & 2018 Financing Applications Unsuccessful
- June 2020 True Ground selected as new developer
- December 2021 Ground Breaking with True Ground
- March 31, 2024 Grand Opening - Easter Sunday



Common Themes

What have we learned?

A Partnership Approach

- True Ground worked closely with our partners to design a mixed-use property that meets the partner's goals and creates affordable housing
- True Ground's role includes conceptual design, entitlements, financing, construction and operation
- True Ground funds all predevelopment costs, financing guarantees and brought expertise
- Partner brought land and shared vision
- Structuring Options
 - Land Sale for cash endowment and flexible use (APC)
 - Ground Lease with upfront capitalized lease payment to congregation (CUMC)
 - Condominium structure—shared land ownership (American Legion 139)
 - Could also consider ground lease with annualized income stream, joint venture, other ideas.

Affordable Housing at Scale

Gilliam Place

Size	Units @ 60% AMI	Units @ 50% AMI	Units @ 30% AMI	Total
Studio	17	5	0	22
1 Bedroom	73	1	9	83
2 Bedroom	23	26	0	49
3 Bedroom	19	0	0	19
Total	132	32	9	173

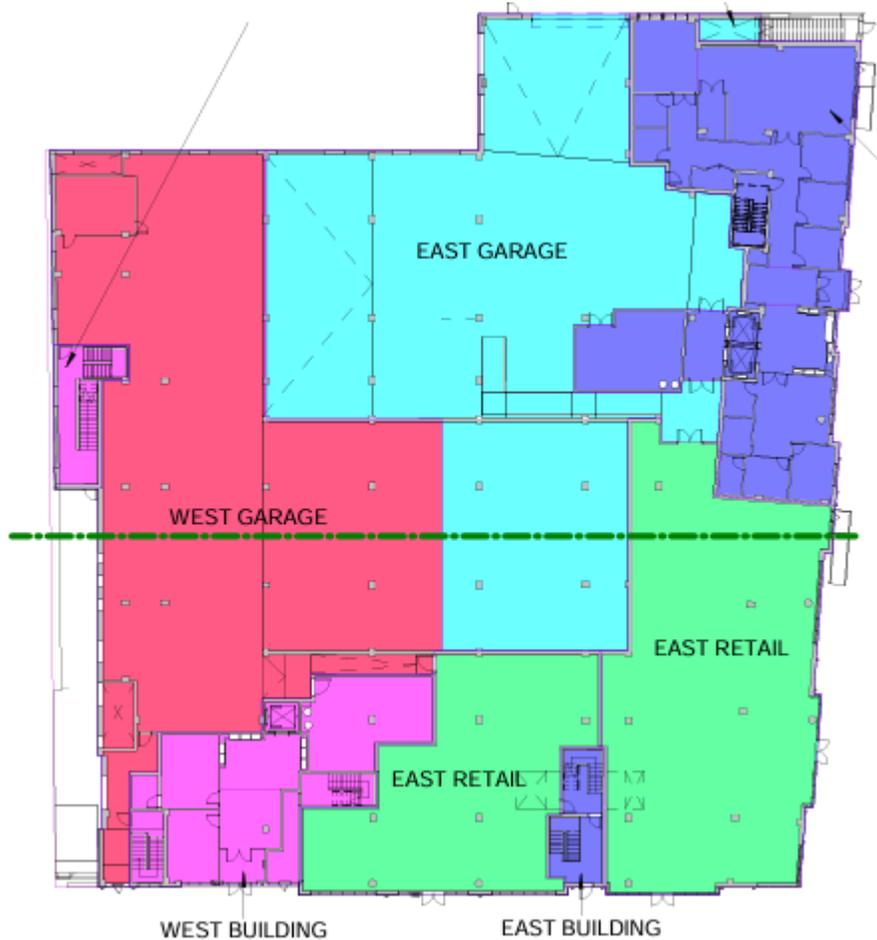
Unity Homes

Size	Units @ 60% AMI	Units @ 50% AMI	Units @ 30% AMI	Total
1 Bedroom	33	60	15	108
2 Bedroom	24	0	0	24
3 Bedroom	12	0	0	12
Total	69	60	15	144

- Over 300 units of affordable housing created on two sites, including 116 units at or below 50% AMI
- Longstanding church partners remained on site, well positioned for future success
- Development in transit rich, high opportunity areas

Design Challenges of Shared Space

Gilliam Place



Unity Homes



Lessons Learned

1. **Leadership patience**—this journey is not for the faint of heart. Recruit your key leaders, both clergy and lay, for a 5-year+ term. Persistence will be important in achieving your vision and protecting the congregation's assets.
2. **Set priorities**—be clear about what makes the project viable for your congregation. Differentiate “Must Have” from “Nice to Have”. The project will change over time, so be prepared for re-assessing these priorities.
3. **Limit your risk exposure**—this is an expensive and complex process. Be sure you ask lots of questions, get good advisors and align the risks with the development experts. Your agreements should ensure that your partner and team members are compensated based on successful outcomes. Be sure to understand the internal approval process of your partner.
4. **Enthusiasm**—Keep pressing for your vision. Don't lose faith amidst the tactical pressures!



Thank you!