

N.Y. Firm Wants to Buy, Fix Low-Income Portsmouth Housing

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PORTSMOUTH - A New York company wants to buy one of the city's most visible low-income housing complexes and rehabilitate it with help from federal tax credits.

The tentative deal involves the sale of London Oaks, a cluster of brown low-rise buildings with 296 units between downtown and Midtown. Two City Council members who saw plans for the project were optimistic the deal would improve the look of the complex and address social problems through new management.

"It's early in the process, but it's awfully exciting, the idea that a group would come in and make a major investment in this property," said Councilman Doug Smith, who saw the presentation with Vice Mayor Bill Moody Jr.

Under the proposal, The Related Companies would buy the property from Roanoke-based F&W Management. The Related Companies has applied for \$1.6 million in federal low-income housing credits for the project, putting it in competition with the Portsmouth Redevelopment and Housing Authority for some of those funds.

Charles Nimmo, president of F&W, said Monday there is a contract for the sale, but the deal is contingent on whether the tax credit application is successful.

F&W has been trying for the past couple of years to sell off its portfolio of properties, which once numbered 55 but is now down to 20, Nimmo said. It built London Oaks about 30 years ago, he said. The Portsmouth Redevelopment and Housing Authority has applied for \$1 million from the same federal low-income housing tax credit program. Those credits would go toward the final phase of redevelopment of the Jeffry Wilson Homes community.

Besides that and London Oaks, five other projects are competing for about \$2.7 million in credits up for grabs in the "Tidewater pool," according to a breakdown of submissions provided by the Virginia Housing Development Authority.

Decisions on the applications aren't expected for months, making a final sale of London Oaks unlikely until fall, Smith said.

The sale would not involve city money, Smith and Moody said.

Plans include major improvements for the complex, including new colors for the buildings, new appliances, landscaping and possibly more access with a new road going through the community, Moody said.

"They intend to open it up and make it a more pleasant place to live," he said.

Joanna Rose, a spokeswoman for The Related Companies, declined to discuss details of the project because the sale is not complete.

The company owns and manages more than 23,000 affordable units, she said.