

Central Park IV

RR22-1607



Safety, Housing, Education, & Homelessness Committee

December 7, 2022

Adam Lyons, Lead Housing Development Officer

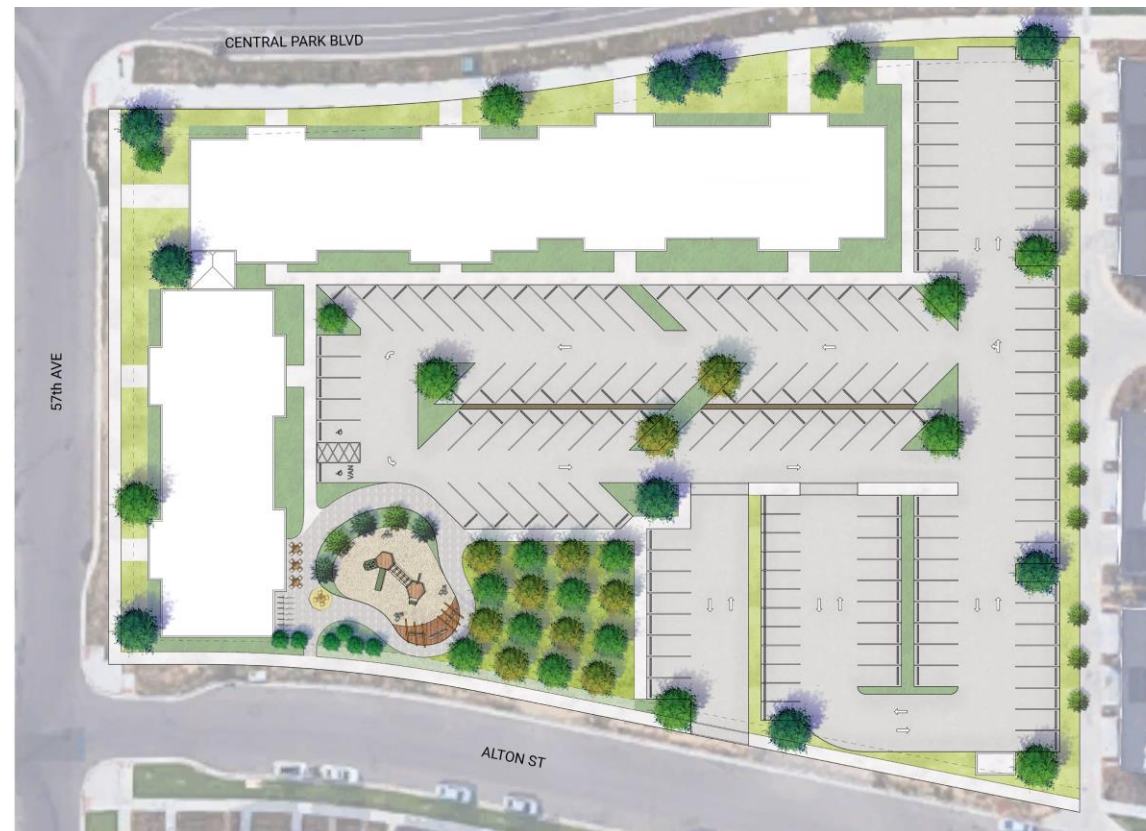
Department of Housing Stability



DENVER
HOUSING STABILITY

Central Park IV – Affordable Homeownership

- Northeast Denver Housing Center, Inc, through its entity NDHC Affordable Communities, Inc. will provide 70 for-sale, deed-restricted condos for low-to moderate-income households at or below 80% of Denver’s area median income.
- Located at 5702 N Central Park Blvd. in the Central Park Neighborhood
- Three-story building will include:
 - 70 condominium units, all 2 bedroom
 - All units will have private patios, balconies, or Juliet balconies
 - An indoor/outdoor community club room, playground, and urban orchard



Central Park IV – Affordable Homeownership

Scope of Work

Covenant Term	20 years
Funding Source	Affordable Housing Fund: Linkage Fee
Contract Amount	\$2,449,976

- HOST is recommending a \$2,449,976 performance loan for gap financing development of the site.
- All 70 2-bedroom units will have an initial sales price of \$210,000
- Supports the Stapleton Development Plan which requires 10% of for-sale homes to be affordable
- A 20-year Stapleton affordable housing covenant will be placed on each unit
- Construction start is planned for early 2023 with an estimated 18-month construction schedule

Project Details– Funding Sources

Sources	Total	%
Construction Loan	\$11,760,000	50.2%
HOST Loan	\$2,449,976	10.5%
Sales Proceeds	\$2,190,000	9.3%
CDOH Loan	\$1,873,014	8%
Brookfield Grant	\$1,645,000	7%
Land Grant	\$1,500,000	6.4%
Deferred Developer Fee	\$1,263,753	5.4%
NDHC Equity	\$750,000	3.2%
Total	\$23,431,743	100.0%

- In addition to City funds, borrower will leverage private construction debt, state Division of Housing funds, land donation, deferred developer fee, and grant funds.
- Overall total development cost is \$23,431,743 or \$334,739 per unit

RR22-1607 Summary

- Provides a \$2,449,976 loan to NDHC Affordable Communities, Inc to develop a total of 70 for-sale units
- Performance loan, partially forgiven as each sale to a qualified homebuyer
- All units affordable to households earning between at or below 80% AMI
- Stapleton affordable housing covenant recorded on each unit for 20 years

Action Requested Today

Approval of 22-1607: loan agreement with NDHC Affordable Communities, Inc for \$2,449,976 to provide funding for a new affordable housing development, located at 5702 N. Central Park Blvd. in Council District 8 (HOST-202265609).

Questions?

Thank You!