

Development Overview

Safety, Housing, Education, & Homelessness Committee

December 6, 2023

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Department of Housing Stability

General Considerations

HOST's development team accepts applications for gap financing on a rolling basis year-round.

Typically a 6- to 8-month application-to-funding timeline.

All loans/grants are first reviewed and approved by HOST's Loan Review Committee (LRC) prior to issuing a conditional-commitment and beginning contracting. All contracts over \$500k are presented to City Council for approval.

Complex Capital Stack

Sources	Total	%
Permanent Mortgage	\$11,670,000	23.7%
CHFA Second Mortgage	\$800,000	1.6%
Federal LIHTC Equity (4%)	\$20,013,566	40.6%
State LIHTC Equity	\$3,465,556	7%
HOST Loan	\$3,300,000	6.7%
DOH Loan	\$3,300,000	6.7%
Deferred Developer Fee	\$759,232	1.5%
Energy Credit Equity	\$106,592	0.2%
CMF Grant	\$150,000	0.3%
Seller Carryback	\$700,000	1.4%
OEDIT ARPA Grant	\$5,000,000	10.1%
Total	\$49,265,046	100.0%

On average, HOST typically provides roughly 13% of the total capital stack. However, this percentage does vary among the variety of project types. Homeownership and preservation projects, where tax credit equity is not achievable in most cases, are seeing HOST funding on the higher end, roughly 15-20% of the capital stack, whereas tax credit rental projects have been in the 6-11% range

HOST-Funded Affordable Housing Development July 2023-Dec 2023

8 New Projects Approved by City Council

400 units

Both Rental and For Sale, New Construction and Preservation

Council Districts 2, 3, 8, 9, 10

Villas at Gage Pointe (23-0975)

- Twenty-Two Denver 8805, LLC was awarded a \$2,050,000 repayable loan for the preservation of 82 units.
- Loan of \$2,050,000 will have a 1% interest rate for a 30-year term.
- Project is located at 8805 E. 12th Ave in the E. Colfax neighborhood
- All 82 units will be income restricted for 60 years: 41 units at 60% AMI and 41 units at 80% AMI.*

*AMI = HUD Area Median Income



Unit Type	% AMI	# of Units
Studio	60%	4
Studio	80%	3
1 BR	60%	37
1BR	80%	<u>38</u>
	Total	82

St. Francis Center West Development (23-0914)

- St. Francis Center West has broken ground on 60 units of supportive housing for elderly tenants/households experiencing homelessness, including one property manager unit.
- Located at 221 Federal Blvd in the Barnum neighborhood.
- Immediate access to Barnum Park and Recreation Center, RTD 30 and 31 bus lines, and shopping along S Federal.
- The building will be elevator serviced and all indoor/outdoor amenities will have accessible features for people with disabilities

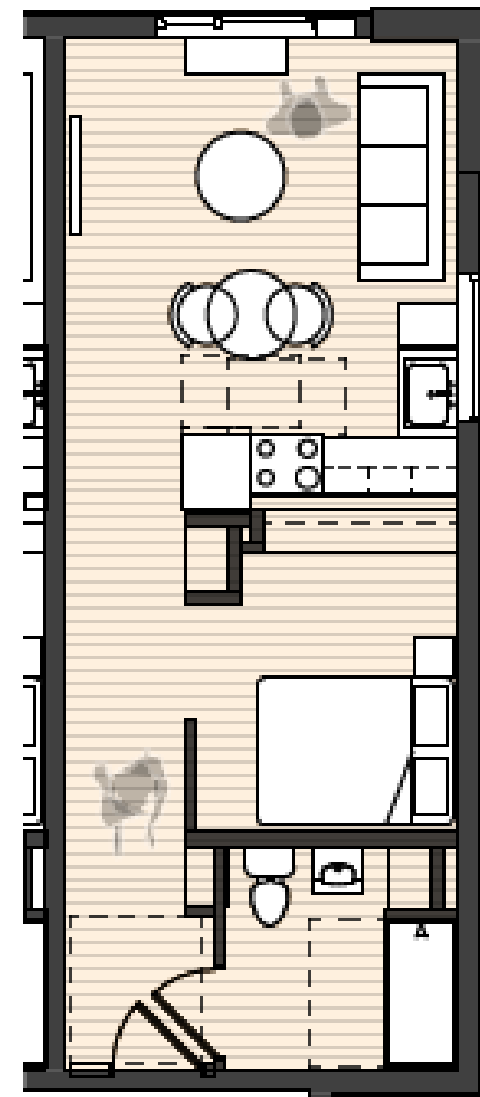


- HOST provided \$2.7M in construction gap financing and \$1.35 in tenant supportive services funding.
- City previously contributed \$1 million for acquisition which was repaid at closing.

St. Francis Center West Development Rent and Occupancy Restrictions

Unit Type	30% AMI	50% AMI	Manager (80% AMI)	Total
1bdr	25	25	1	51
2bdr	5	4		9
Total	30	29	1	60

The AMI thresholds are maximum figures. Actual rents paid by tenants will be capped at 30% of income with the remaining rent subsidy paid for by Project-based vouchers through a Housing Assistant Payment contract with CDOH.



ECLT Scattered-Site Acquisition/Rehab/Resale (23-0977)

- ECLT will acquire at least 62 units of affordable, for-sale housing and the improvements will be resold to households earning at or below 80% of the Area Median Income (AMI). Agreement will acquire between 62-83 homes over three years.
- Homes may be purchased city-wide, however only homes acquired in Westwood, Globeville, Elyria-Swansea, East Colfax, and Sun Valley are eligible for Impact Investment Funds
- Homes will be acquired by ECLT in one of three ways:
 - Traditional acquisition and rehabilitation,
 - The newly launched Doors to Opportunity program, and
 - Stay in Place Program
- A 99-year land lease or deed restriction will be recorded on each acquired under this agreement



HOST awarded \$6,220,000, comprised of \$5,520,000 in ARPA funds and \$700,000 in Impact Investment Funds

Warren Village III Loan Agreement (23-0725)

- Warren Village III is a **D3 mixed-use development** consisting of 89 affordable rental units, 79 of which will be **Supportive Housing Units**.
- Located at 1390 West Alameda Ave, 1363 & 1373 West Nevada Place in the Athmar Park neighborhood, City Council District 7.
- The 89 total units consist of 8 1-bedroom, 62 2-bedroom and 19 3-bedroom units.
- Project includes two buildings. The north building is 4 stories and includes first floor offices, classrooms and other common areas with housing above.
- South building is 3 stories and will include an Early Learning Center on the first level and housing above.
- **WV III will be the 1st supportive housing development in Colorado to include an onsite ELC.**



Rent and Occupancy Restrictions Warren Village III Loan Agreement

Unit Type	30% AMI	50% AMI	60% AMI	Total Units	% of Total
1BR	4	3		7	7.90%
2BR	27	32	4	63	70.80%
3BR	9	9	1	19	21.30%
Total	40	44	5	89	100.00%
% of Total	44.90%	49.40%	5.60%	100.00%	

City Investment

Development Gap financing: \$3,810,000 / 60-yr Performance Loan (Homeless Resolution Fund)

Supportive Services funding: \$1,777,500 / granted over 15 years (Homeless Resolution Funds)

City Project-Based Vouchers: \$22,702,287 (maximum) to support 29 PSH units for 20 years

Clara Brown Commons Loan Agreement (23-1202)

- Clara Brown Commons is a 17-unit townhome homeownership development by Habitat for Humanity.
- Located at 3706 N Gaylord in the Cole neighborhood, City Council District 9.
- Housing units will be restricted to families earning less than 80% of AMI. Each home will be sold with a 99-year land lease.
- The townhomes are intended to serve families as they include larger units: There are four 2-bedroom, six 3-bedroom, and seven 4-bedroom townhomes.
- Twelve of the townhomes are designed to be visitable with no-step entrances, doors with 32" clearance and an accessible bathroom on the main floor. Each unit comes with dedicated off-street parking space



HOST provided \$1.275M in construction financing

Park Hill Residence Funding Agreement (23-1203)

- This project was awarded \$1.345M to assist with the renovation of Park Hill Residence, an assisted living facility serving very low-income seniors.
- Located at 1901 N. Eudora Street in the South Park Hill neighborhood, City Council District 9.
- There are currently 36 units, 4 of which are "shared units". The renovation will alter the building layout, creating 4 additional units. Bringing the total count to 40 studio units.
- A 60-year rental and occupancy covenant will be placed on the property.
- No residents will be relocated during construction. If an occupied room is in need of repairs, a resident will be temporarily moved based on vacancy in the building.



High Street Funding Agreement (23-1456)

- Habitat for Humanity has acquired and is rehabilitating this 11 two-bedroom townhouse style unit property. Upon completion, each unit shall be sold to low-to-moderate income households
- Located at 3501-3543 High Street in the Cole neighborhood, City Council District 9.
- The City exercised its right of first refusal (ROFR) under the preservation ordinance and assigned its ROFR to Habitat to acquire this Property.
- Occupancy restrictions will run with the land for 99 years, enforced via the CCLT lease.
- Sale of all units will be restricted to households at or below 80% of AMI. Habitat must ensure that initial and subsequent sales prices are set where monthly costs do not exceed 30% of the household's income.



HOST provided a \$1.275M grant in American Rescue Plan Act funds

Ruby Vista Loan Agreement (23-1674)

- Gorman and Company will soon break ground on a 98-unit project with 35% of unit's family-sized (3 or 4 bedrooms).
- Located at 1901 S. Navajo St, just south of Ruby Hill Park, City Council District 2.
- 97 of the units will be income restricted, with one of the units serving as a manager's unit.
- The 98 total units consist of 26 1-bedroom, 38 2-bedroom, 26 3-bedroom, and 8 4-bedroom units.
- A rental and occupancy covenant will run with the land for a period of 99 years.
- Residents of Ruby Vista will have access to on-site management and maintenance, laundry facilities, secured building access, a community room, bike garage, and fitness room



HOST is providing a \$4.41M cash flow loan.

1135 Logan

- Renewal Residences, LLC has acquired and is rehabilitating this affordable 30-unit rental property. HOST waived the right of first refusal and allowed Renewal Residences to assume the existing debt and deed restriction.
- Located at 1135 Logan Street in the Capitol Hill neighborhood, City Council District 10.
- The property consists of a three-story building with 30 efficiency units, an administrative office, laundry, community space and 11 on-site parking spaces.
- Half of the units (15) are restricted at or below 30% AMI, with the other half below 80% AMI.
- The residents of the property will be formerly incarcerated persons and persons with substance abuse issues. Existing residents will be allowed to stay.



HOST awarded a \$485,000 grant for the acquisition and rehab of the property.

Questions?

Appendix

HOST INCOME LIMITS AND MAXIMUM RENTS

2023 HOME INCOME LIMITS

(Effective: June 15, 2023)

Area Median Income	HOUSEHOLD SIZE						HUD Income Designation
	1 Person	2 Person	3 Person	4 Person	5 Person	6 Person	
120%	\$104,244	\$119,136	\$134,028	\$148,920	\$160,834	\$172,747	
115%	\$99,901	\$114,172	\$128,444	\$142,715	\$154,132	\$165,549	
100%	\$86,870	\$99,280	\$111,690	\$124,100	\$134,028	\$143,956	
95%	\$85,527	\$94,316	\$106,106	\$117,895	\$127,327	\$136,758	
90%	\$78,183	\$89,352	\$100,521	\$111,690	\$120,625	\$129,560	
80%	\$66,300	\$75,750	\$85,200	\$94,650	\$102,250	\$109,800	Low Income
70%	\$60,830	\$69,510	\$78,190	\$86,870	\$93,870	\$100,800	
65%	\$56,466	\$64,532	\$72,599	\$80,665	\$87,118	\$93,571	
60%	\$52,140	\$59,580	\$67,020	\$74,460	\$80,460	\$86,400	
50%	\$43,450	\$49,650	\$55,850	\$62,050	\$67,050	\$72,000	Very Low
30%	\$26,100	\$29,800	\$33,550	\$37,250	\$40,250	\$43,250	Extremely Low

2023 HOME RENT LIMITS

(Effective: June 15, 2023)

Area Median Income	UNIT TYPE				
	Studio	1 Bedroom	2 Bedroom	3 Bedroom	4 Bedroom
100%	\$2,171	\$2,326	\$2,792	\$3,226	\$3,598
95%	\$2,138	\$2,248	\$2,652	\$3,065	\$3,418
80%	\$1,657	\$1,775	\$2,130	\$2,461	\$2,745
70%	\$1,520	\$1,629	\$1,954	\$2,259	\$2,520
65%	\$1,393	\$1,493	\$1,793	\$2,064	\$2,283
60%	\$1,303	\$1,396	\$1,675	\$1,936	\$2,160
50%	\$1,086	\$1,163	\$1,396	\$1,613	\$1,800
30%	\$651	\$698	\$837	\$968	\$1,080



Current HOST Initial Sale Limit

Maximum Initial Sales Price for Income-restricted For Sale Homes 2022

Maximum AMI for the Unit	Bedroom Count	Maximum Initial Sale Price
80% of AMI	Studio	\$198,450
	1-bedroom	\$234,950
	2-bedroom	\$271,450
	3-bedroom	\$307,900
	4-bedroom	\$337,250
75% of AMI	Studio	\$178,750
	1-bedroom	\$212,450
	2-bedroom	\$246,100
	3-bedroom	\$279,800
	4-bedroom	\$306,850
70% of AMI	Studio	\$159,050
	1-bedroom	\$189,950
	2-bedroom	\$220,800
	3-bedroom	\$251,700
	4-bedroom	\$276,500

Rent and Occupancy Restrictions Ruby Vista Loan Agreement

Unit Type	30% AMI	50% AMI	60% AMI	Manager (or 60%)	Total Units	% of Total
1BR	3	4	19		26	26.5%
2BR	2	5	30	1	38	38.8%
3BR	1	4	21		26	26.5%
4BR	1	1	6		8	8.2%
Total	7	14	76	1	98	100%
% of Total	7.1%	14.3%	77.6%	1.0%	100%	

City Investment

Development Gap financing: \$4,410,000 / Cash Flow Loan (Affordable Housing Fund)

Rent and Occupancy Restrictions Park Hill Funding Agreement

Unit Type	30% AMI	50% AMI	60% AMI	Total Units	% of Total
Studio	17	13	10	40	100%
1BR				0	0%
2BR				0	0%
Total	17	13	10	40	100%
% of Total	42.5%	32.5%	25.0%	100%	

City Investment

Development Gap financing: \$1,345,000 / Grant (American Rescue Plan Act)

Rent and Occupancy Restrictions Clara Brown Commons Loan Agreement

Unit Type	60% AMI	70% AMI	80% AMI	Total Units	% of Total
2BR			4	4	24%
3BR			6	6	35%
4BR			7	7	41%
Total	0	0	17	17	100%
% of Total	0%	0%	100%	100%	

City Investment

Development Gap financing: \$1,275,000 / Performance Loan (Affordable Housing Fund)