

Vida at Sloan's

**Safety, Housing, Education
and Homelessness Committee
February 8, 2018**

**Haley Jordahl
Housing Development Officer
Office of Economic Development**



RESOLUTION SUMMARY

- ✓ **This request is to provide a \$2,400,000 performance loan to the Denver Housing Authority to support the construction of 112 units of housing for seniors and the disabled.**
- ✓ **The development will include 111 income-qualified units and one manager's unit; all income-qualified units will be supported by project-based vouchers.**
- ✓ **In addition to City funds, the borrower will leverage private debt, 4% LIHTC equity, borrower funds, and a grant from the Colorado Division of Housing to complete the project.**
- ✓ **The units will be income-restricted at 30%, 40%, 50%, and 60% of area median income (AMI) for 30 years.**

PROJECT CONTEXT

The development will be located 4057 W. Colfax Avenue in the West Colfax neighborhood. The parcel is located in Council District 1.

The development site is located approximately one mile from Sheridan Station.

Significant growth and development is planned for the West Colfax neighborhood, and the property is anticipated to benefit from new neighborhood amenities to be developed.

The property is walking distance from Sloan's Lake Park.



PROJECT DETAILS

The project will provide 111 units of income-restricted housing and one manager’s unit. All 111 of the income-qualified units will support senior and disabled residents. All of the units will be supported by project-based vouchers.

Because of the property’s target population, it will provide a number of onsite services focused on health and well-being, including a senior activity center employing a Health Living Coordinator and Health Navigator. The property’s ground floor will provide commercial space for Centura Health and Fresenius Kidney Care.

The Denver Housing Authority will serve as the developer, owner, and manager for the property.



UNIT MIX						
AMI	30%	40%	50%	60%	Mgr.	Total
	13	36	37	25	1	112

FINANCING

The Denver Housing Authority has requested a \$2,400,000 performance loan from the City, which will total 8% of the project's cost and \$21,600 in investment per restricted unit.

This investment meets city policy goals of supporting the development of income-restricted housing for vulnerable, very low-income populations.

Source	Cost	%
Federal 4% LIHTC Equity	\$13,416,280	43%
Permanent Debt	\$3,230,000	10%
City Performance Loan	\$2,400,000	8%
CDOH Grant	\$800,000	3%
DHA Loan	\$9,800,000	31%
Deferred Developer Fee	\$662,642	2%
Total Project Cost	\$31,208,922	100%

TERMS

- Interest rate of 0%
- 30-year loan term
- Loan to be forgiven after 30 years, assuming affordability restrictions remain in place
- City income-restricting covenant of 30 years placed on property
- Project has been awarded 4% Low-Income Housing Tax Credits by CHFA

FIVE-YEAR HOUSING PLAN & 2018 ACTION PLAN

Denver’s five-year housing plan articulates that a goal that 20-25% of funding each year be allocated toward the creation or preservation of housing for residents up to 30% AMI, and 20-30% of funding be allocated similarly toward residents in the 30-80% AMI range. With 111 units restricted for low-income seniors and disabled residents supported by project-based vouchers, Vida at Sloan’s will contribute directly to these and other goals.

- HOMELESS — 2018 ALLOCATION GOAL 20-25%
- < 30% AMI — 2018 ALLOCATION GOAL 20-25%
- 31-80% AMI — 2018 ALLOCATION GOAL 20-30%
- HOMEOWNERSHIP — 2018 ALLOCATION GOAL 20-30%



DISCUSSION
