

# LA TELA

## Elevation

### Community Land Trust

Safety, Housing, Education &  
Homelessness Committee

November 20, 2019

Megan Yonke

Housing Development Officer



**DENVER**  
HOUSING STABILITY

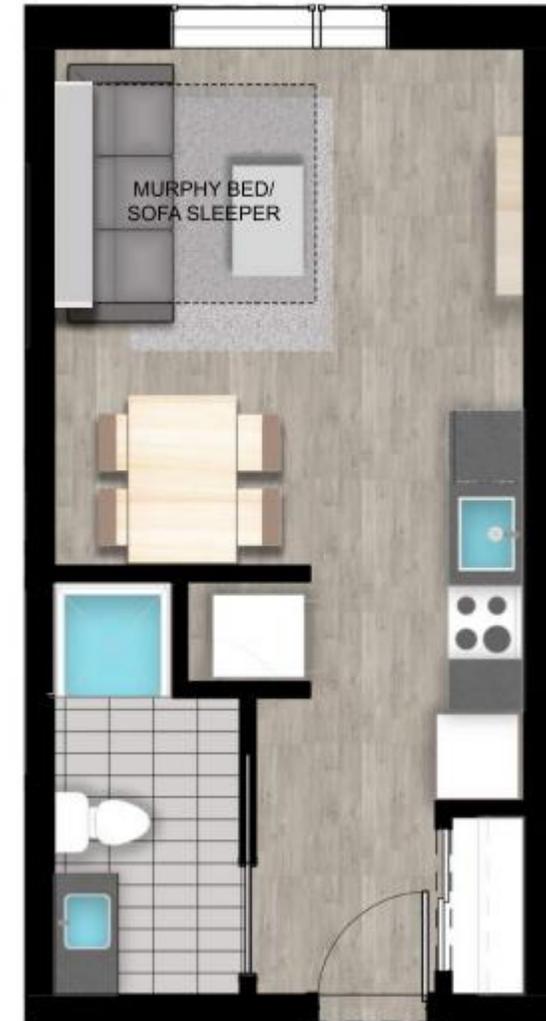
# RESOLUTION SUMMARY

- Provide a \$3,675,000 performance loan from the Dedicated Fund to Elevation Community Land Trust LLC (ECLT) to support the development of 92 affordable condos
- Property will include 64 studios, 24 two-bedrooms, and 4 three-bedrooms
- All units will be permanently affordable homeownership opportunities to those who earn up to 80% of AMI, however initial sales price for the units will be affordable to 70% AMI. ECLT will maintain ownership of the land and it will be leased to the owners under a 99-year renewable land lease to maintain permanent affordability.
- In addition to City funds, the borrower will leverage equity in the land, a grant from the State Division of Housing (\$920,000) and a subsidy investment from ECLT (\$1,380,000).
- Loan will be forgiven if ECLT remains in compliance for full term (99 years).

# PROJECT DETAILS

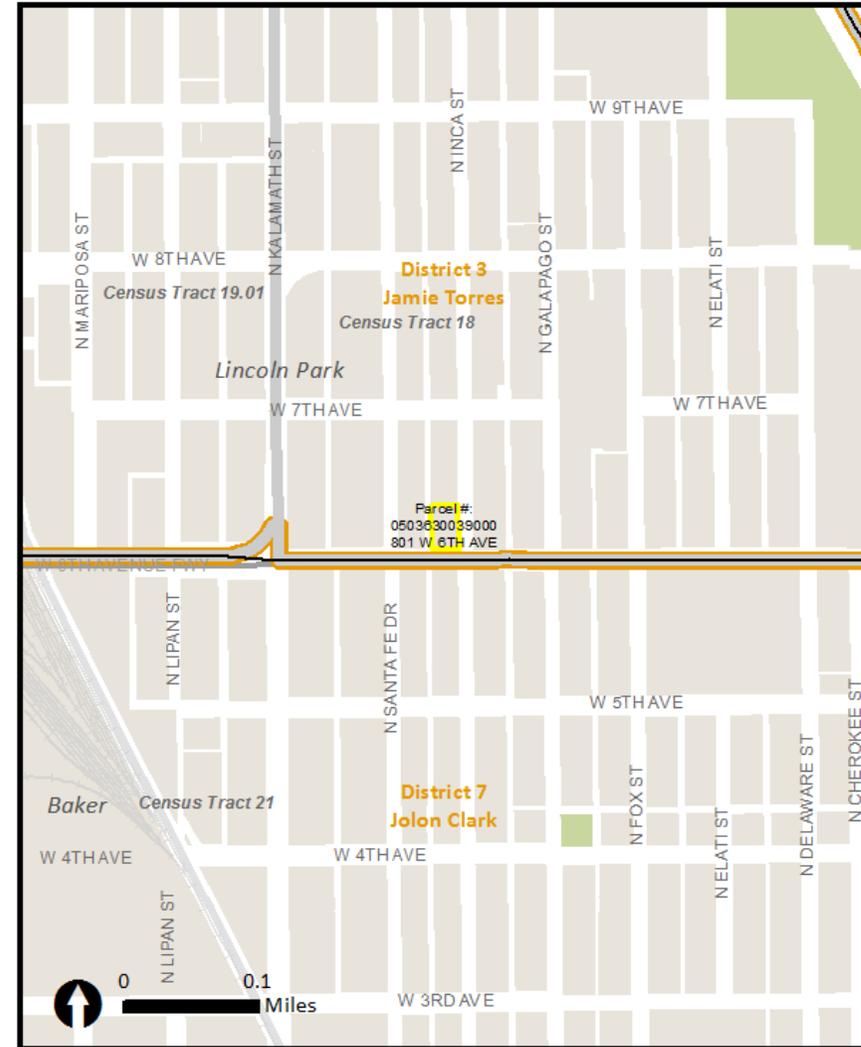
- ECLT Inca Commons LLC is the borrower, and La Tela Development LLC (Jeff Shanahan) is the developer.
- 92 condo units, all affordable at or below 80% AMI, priced to be affordable to 70% AMI
- Approximate unit sizes:  
Studios: 352 SF  
2-bedrooms: 680 SF  
3-bedrooms: 1,050 SF

Max Income	\$50,350 for single person; \$71,900 for family of 4
Unit Type	80% AMI
Studio	64
2 BR	24
3 BR	4
Total	92



# PROJECT CONTEXT

- Address: 603 North Inca Street
- ¼ mile from 1 RTD bus line
- Located in Lincoln Park neighborhood and Santa Fe Arts District
- 1 mile to La Alma and La Familia recreation centers
- Grocery store within 1 mile
- West High School within 0.5 miles



Site Overview (Council, Neighborhoods, Census Tracts)

# FINANCING

Elevation Community Land Trust is requesting a \$3,675,000 performance loan. This is 18% of the total development cost and \$39,946 per City-restricted unit.

This investment meets City policy goals of providing affordable homeownership.



Source	Amount	% of Total
Construction Loan	\$11,949,771	59%
City of Denver	\$3,675,000	18%
Land Loan	\$1,620,000	8%
ECLT Subsidy	\$1,380,000	7%
State Division of Housing	\$920,000	5%
Deferred Developer Fee	\$700,000	3%
Total Project Cost	\$20,244,771	100.0%

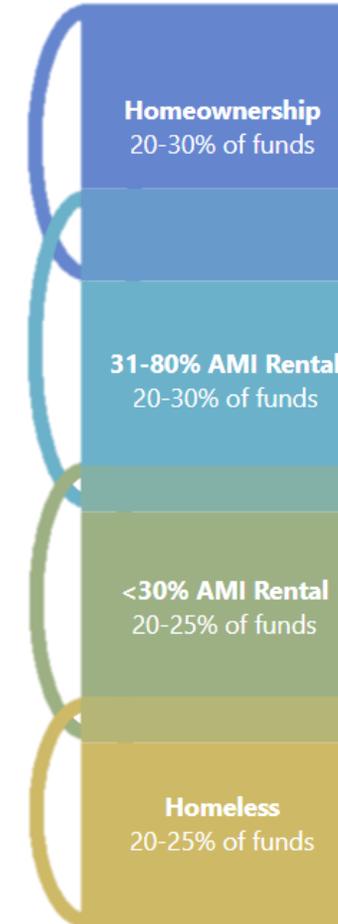
## City Loan Terms

- 0% Interest rate
- 99-year term loan
- City Deed of Trust on the land; ECLT land lease on each unit
- Loan will be forgiven if ECLT remains in compliance

# FIVE YEAR HOUSING PLAN AND 2019 ACTION PLAN

Preservation of affordable housing is a core component of *Housing an Inclusive Denver*

- The Annual Action Plan (2019) allocated 18% of annual housing funds toward the creation or preservation of homeownership units
- La Tela contributes:
  - 92 homeownership units created
  - \$3,675,000 homeownership investment



# DISCUSSION

