

# The Rose on Colfax

Safety, Housing, Education, & Homelessness Committee

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Department of Housing Stability



# The Rose on Colfax Family Housing Project

- 1510 Valentia Street & 8315 E. Colfax Avenue
- On current #15/15L, future Colfax BRT
- Site was awarded via competitive RFP (HOST/DED0)
- Of the 2 East Colfax land RFPs, this is the Family/Early Childhood Education (ECE) project and 7900 is Supportive Housing
- East Colfax neighborhood



# Mercy Housing Mountain Plains – The Rose on Colfax #21-0945

Loan Term	11/1/2021 – 11/01/2061
Funding Source	Property Tax & Linkage Fee
40-year Loan Amount	\$3,500,000

- Located at 1510 Valentia St & 8315 E. Colfax Ave in the East Colfax Neighborhood
- Provides loan to MHMP 15 E Colfax LLLP to develop a total of 82 units
- 30 one-bedroom, 28 two-bedroom, 22 three-bedroom, 2 four-bedroom
- City covenant recorded on the land for 60 years
- This project is utilizing a City land donation, 4% State tax credits, private debt, Mercy’s own mezz debt, and DOH funds
- Project also includes an Early Childhood Education (ECE) center on ground floor



# UNIT MIX

Unit Type	30% AMI	40% AMI	50% AMI	60% AMI	70% AMI	Total
1BR	4	1	6	13	6	30
2BR	5	2	2	15	4	28
3BR	5	2	2	9	4	22
4BR	2	-	-	-	-	2
Total	16	5	10	37	14	82
% of Total	20%	6%	12%	45%	17%	

*Context: 60% AMI for a single-person household is \$42,000, two-person household is \$48,000*

## PROJECT DETAILS

- In addition to City funds, the borrower will leverage: Land donation, State and 4% LIHTC, Mercy mezz debt, DOH grant, and fundraising
- Developer is also deferring 37% of developer fee as equity source
- Overall \$30 million project, \$344,000 per unit

Sources	Amount	%
First Mortgage	\$ 7,363,000	25.0%
Mercy Gap Loan	\$ 1,000,000	3.4%
Federal LIHTC Equity	\$ 10,462,957	35.6%
State LIHTC Equity	\$ 4,064,949	13.8%
HOST Loan	\$ 3,500,000	11.9%
DOH Loan	\$ 1,020,000	3.5%
Deferred Developer Fee	\$ 851,337	2.9%
ECE Capital Campaign	\$ 1,155,440	3.9%
<b>Total</b>	<b>\$29,417,683</b>	<b>100.0%</b>

# Action Requested Today

## Approval of the following Resolution:

1. Approval of #21-0945: MHMP 15 E Colfax LLP - The Rose on Colfax \$3,500,000 loan, supporting development of 82 units

# APPENDIX



## Background: The Rose on Colfax

The City purchased the Property on April 28, 2017, utilizing the City of Denver Affordable Housing Fund. The Property is currently a vacant parking lot.

The Property was re-zoned to E-MS-5 from E-MS-3. OED applied to rezone the Property to E-MS-5 in 2018, based on initial support from the neighborhood.

Five respondents submitted proposals for the RFP.

Mercy Housing Mountain Plains (MHMP 15 E Colfax LLLP) was chosen to develop a family housing project with early childhood education for 8315 East Colfax/1500 Valentia.