

LOWRY AFFORDABLE Housing Partners, LLC

SAFETY, HOUSING, EDUCATION AND HOMELESSNESS COMMITTEE

June 7, 2017

Julie Stern

Housing Development Officer

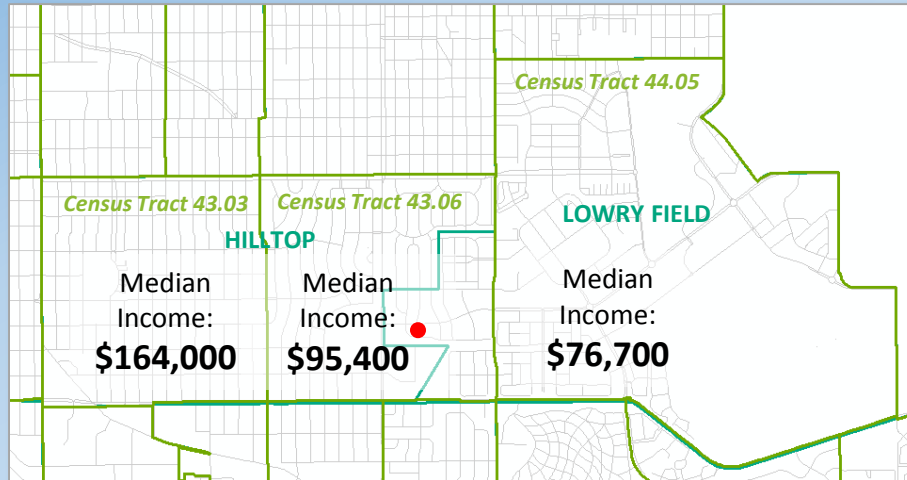
Office of Economic Development



REQUEST TO COUNCIL

Approve Loan Agreement providing \$720,000 in HOME (HUD) funds to Lowry Affordable Housing Partners, LLC for construction of 71 units of income-qualified housing

PROJECT CONTEXT



6756 East Archer Drive

Census Tract: 43.06

Neighborhood: Lowry Field

Transit Access: Bus routes 6, 65, 73

OED Priorities:

- Invest to create **mixed-income neighborhoods**
- Create housing for **vulnerable populations** that includes supportive services
- **Walking access** to transit, retail, parks/recreation, library, healthcare, employment



PROJECT DETAILS



71 income-qualified units (+1 2BR manager unit)

	1 BR	2 BR	3 BR	TOTAL
30% AMI	18	4	3	25
50% AMI	26	15	5	46
TOTAL	44	19	8	71

- Denver Housing Authority (DHA) and Volunteers of America (VOA) co-developers
- 20 units will be reserved for tenants who have experienced homelessness
- VOA will provide full suite of social services on-site
- Project developed through Permanent Supportive Housing Toolkit program

	<u>1 person</u>	<u>2 people</u>	<u>3 people</u>	<u>4 people</u>
30% AMI	\$17,650	\$20,150	\$22,650	\$25,150
50% AMI	\$29,400	\$33,600	\$37,800	\$41,950

FINANCING

Federal & State LIHTC Equity <i>(State LIHTC awarded 2016)</i>	\$9,808,571
Permanent Debt	\$3,370,000
Land Contribution	\$1,520,000
City HOME Performance Loan	\$720,000
CDOH CHIF Loan	\$1,000,000
CDOH Grant	\$720,000
Federal Home Loan Bank	\$500,000
DHA Cash Flow Loan	\$1,800,000
Deferred Developer Fee	\$482,340
Energy Tax Credits & Other	\$161,335
TOTAL PROJECT COST	\$20,082,245

City Financing Terms:

Consistent with OED 2017 term sheets
– forgivable loans available to projects
with a high % of units at 30-40% AMI

- Funding source: HOME (HUD)
- 30 year covenant
- Can be forgiven after covenant period ends (through VOA/DHA option to purchase the loan from the City at nominal cost)