

Brandon Courtyard Apartments

Safety, Housing, Education
and Homelessness Committee

May 23, 2018

Andrea Morgan
Housing Development Officer, OED



RESOLUTION SUMMARY

- ✓ Provide \$1,560,000 balloon loan to build 103 income-restricted apartments at 1555 Xavier Street in the West Colfax neighborhood

- ✓ Volunteers of America Colorado (VOA) will build
 - ✓ 59 units of Permanent Supportive Housing (PSH)
 - ✓ 44 units of family housing
 - ✓ 1 manager's unit

- ✓ Rent subsidies include:
 - ✓ 39 project-based vouchers
 - ✓ 13 VASH vouchers (for veterans)
 - ✓ 7 Section 811 vouchers (for persons with disabilities)

- ✓ Project will have onsite management and service coordination by VOA

PROJECT CONTEXT

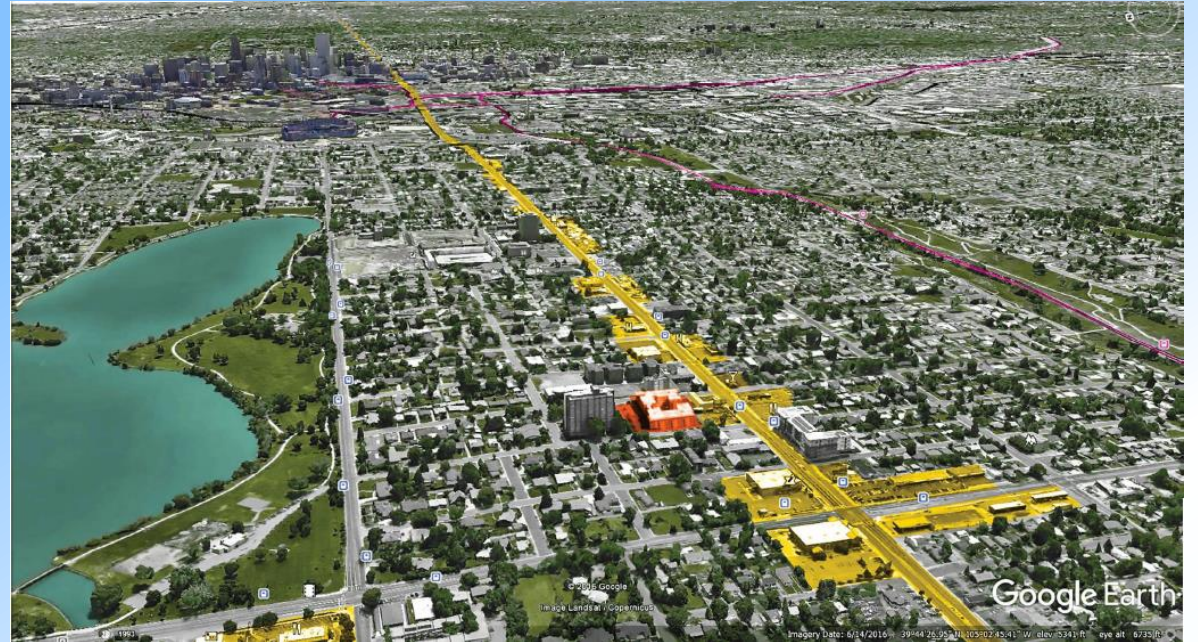
Location:

- 1555 Xavier Street
- West Colfax neighborhood
- Council District 1

Nearby Resources:

- Sloans Lake is three blocks away
- Colfax Elementary is 0.4 miles
- Lake Middle School is 1.2 miles
- Veterans of Foreign Wars post is 0.1 miles
- VOA veteran's service center is 3.2 miles
- West End Health is 0.2 miles
- Colfax bus is adjacent to the site
- Sheridan light rail stop is 0.7 miles

The site is considered “somewhat walkable,” “very bikeable,” and in a “good transit” area on the Walk, Bike and Transit Score criteria.



PROJECT DETAILS

- 103 affordable plus one manager’s unit
- 59 Permanent Supportive units for formerly homeless individuals and families
- 30% - 60% AMI households
- 44% two-bedrooms and 11% three-bedrooms
- 40-year covenant
- **Site amenities:**
 - community lounge area
 - 4th floor lounge
 - rooftop deck
 - enclosed courtyard
 - resource center



BEDROOMS and AMI	60% Units	50% Unit	40% Units	30% Units	Total
1 Bedroom	8		25	14	47
2 Bedroom	25		14	6	45
3 Bedroom	10	1			11
TOTAL	43	1	39	20	103

FINANCING

VOA has requested a \$1,560,000 balloon loan from the city, which represents 7% of the project’s cost and \$15,146 in investment per restricted unit.

This investment meets city policy goals of supporting the development of income-restricted housing for vulnerable, very low-income and homeless populations. With the VASH and Section 811 vouchers, this project will also serve veterans and persons with disabilities.

Source	Cost	%
OED Loan	\$1,560,000	6.6%
Construction Loan	19,262,125	81.9%
CDOH Grant	843,190	3.6%
VOA Seller Financing	600,000	2.6%
VOA Loan	500,000	2.1%
LIHTC Equity	751,576	3.2%
Total Project Cost	\$23,516,891	100.0%

TERMS

- Interest rate of 0%
- 40-year loan term
- 40-year loan extension possible
- Balloon payment
- Income-restricting covenant of 40 years

FIVE-YEAR HOUSING PLAN & 2018 ACTION PLAN

Denver’s five-year housing plan articulates a goal that 20-30% of funding each year be allocated toward Homelessness and 20-30% allocated toward under 30% AMI households. This project will contribute directly to these goals. The funding for this project is coming from the city’s Skyline Housing Fund balance.

-  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
