

# Clara Brown Commons

Safety, Housing, Education, & Homelessness Committee

February 23, 2022

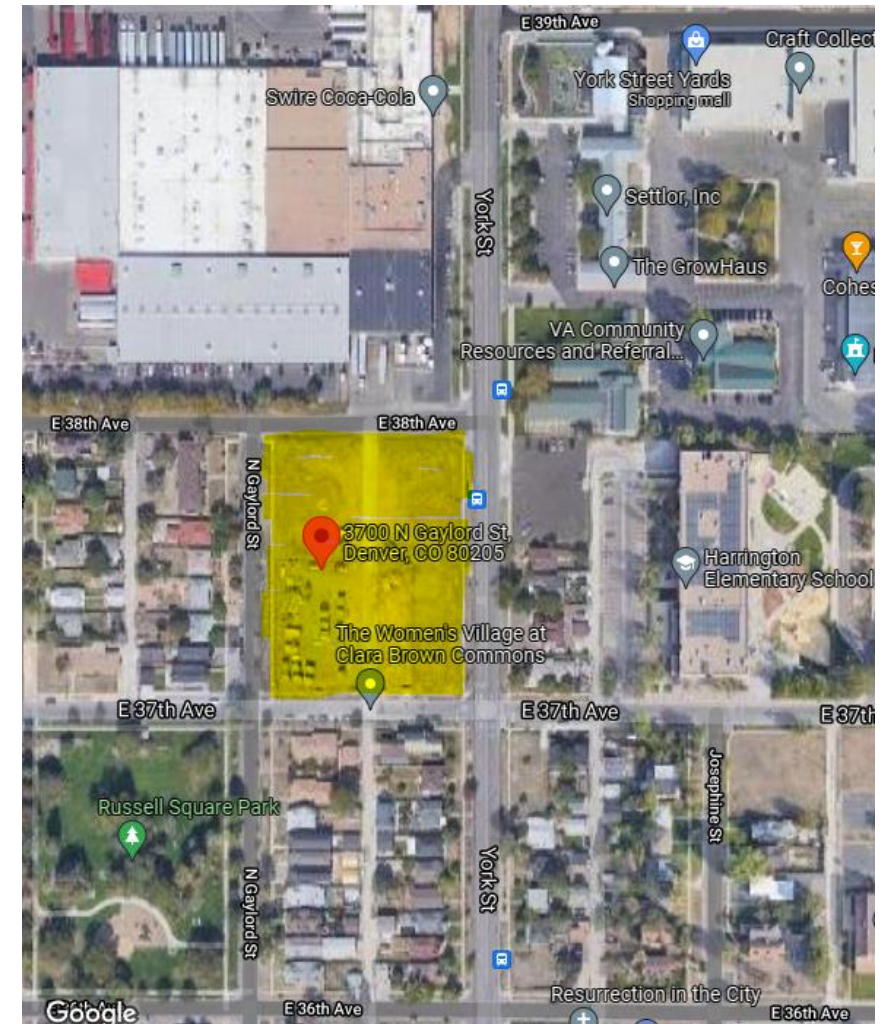
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**DENVER**  
HOUSING STABILITY

# Clara Brown Commons Redevelopment

- Mile High Ministries project
- Full city block, bordered by 37<sup>th</sup> Ave., 38<sup>th</sup> Ave., York St., Gaylord St. (Cole neighborhood)
- Phase one: 61 income-restricted rental units
- Phase two: 17 income-restricted townhomes, nonprofit business center (not included for this performance loan)
- Proximity to mass transit
- Adjacent to Russell Square Park



## Mile High Ministries – Clara Brown Commons #22-0228

Loan Term	March 2022 – March 2082
Funding Source	HOME
60-year Performance Loan Amount	\$1,825,000

- Performance loan (grant) to develop 61 income-restricted units
- Nearly 1/3 of units are deeply affordable - serving households earning up to 30% of the Area Median Income (AMI)
- City covenant on the land for 60 years
- Project is utilizing 4% and State tax credits, State gap financing, fundraising
- Project to include on-site resident services (adult education, job services)



# UNIT MIX

Unit Type	20% AMI	30% AMI	50% AMI	60% AMI	80% AMI	Total Units	% of Total
1BR	1	4	3	3	3	<b>14</b>	23.0%
2BR	1	7	7	8	5	<b>28</b>	45.9%
3BR	1	5	6	5	2	<b>19</b>	31.0%
Total	<b>3</b>	<b>16</b>	<b>16</b>	<b>16</b>	<b>10</b>	<b>61</b>	100%
% of Total	4.9%	26.2%	26.2%	26.2%	16.4%	100%	

*Context: 60% AMI for a single-person household is \$44,016, two-person household is \$50,304 as of mid-2021*

## PROJECT DETAILS

- In addition to City funds, the borrower will leverage: State and 4% Low Income Housing Tax Credits (LIHTC), State Division of Housing (DOH) grant, deferred developer fee, and private fundraising
- Developer is also deferring 41% of developer fee as equity source
- Overall \$26.6 million project, \$435,781 per unit

Sources	Amount	%
First Mortgage	\$ 6,400,000	24.1%
DOH – Housing Trust Funds	\$ 1,500,000	5.6%
HOST/Denver - HOME Funds	\$ 1,825,000	6.9%
4% LIHTC Equity	\$ 11,005,654	41.4%
State AHTC Equity	\$ 2,592,060	9.8%
Deferred Developer Fee	\$ 905,000	3.4%
MHM Capital Campaign	\$ 2,200,000	8.3%
MHM Equity	\$ 154,933	0.6%
<b>Total</b>	<b>\$26,582,647</b>	<b>100.0%</b>

# Action Requested Today

## Approval of the following Resolution:

1. Approval of #22-0228: Mile High Ministries – Clara Brown Commons \$1,825,000 performance loan, supporting development of 61 income-restricted apartments