



HOUSING

Agenda
State Housing Board Meeting
1313 Sherman St. Mountainside Room
Denver, Colorado 80203
January 11, 2011

01:00 p.m.	Theo Gregory	Call to Order
		Approval of November 2010 meeting votes*
01:15 p.m.	Pat Coyle	Director's Comments
01:25 p.m.	Pat Coyle	Rules of Agency Organization
01:35 p.m.	Pat Coyle	Analysis of Housing Industry and DOH pipeline/applications
2:00 p.m.	Pat Coyle	Annual Report

Application Presentations

	<u>Project #</u>	<u>Project Name and Applicant</u>	<u>Presenters</u>
02:15 p.m.	11-026	Weld County- Accessible Place Inc- Greeley Supportive Housing Development	Ken Berry Denise Selders
02: 30 p.m.	11-029	Denver County- St. Charles Town Company- Bishops Court	Kurt Franz Meghen Duggins

Approval Process

3:00 p.m. 11-029 11-026

Reasonable accommodation will be provided upon request for persons with disabilities. If you are a person with a disability who requires an accommodation to participate in this public meeting, please notify Mary Miller at (303) 866-2978 by January 9, 2011.

cc: Susan Kirkpatrick CHATS Patrick Coyle Tony Hernandez Alison George
Lynn Shine State Housing Board Members

***An audio of the State Housing Board meeting is available on the Colorado Department of Local Affairs website www.dola.colorado.gov under Housing Division. The audio is unaltered from the meeting as it was held.**

APPLICATIONS REVIEWED IN NOVEMBER

Name: Aurora Housing Authority

Project Number: 11-006

Project Manager & Address: Elizabeth Gundlach-Neufeld
Director of Development
Aurora Housing Authority
10745 E. Kentucky Ave.
Aurora, CO 80012
(p) 720-251-2075
(f) 303-341-7708
egneufeld@aurorahousing.org

Project Photos:



Before



After

Project Address: 850 S. Ironton St, Aurora, CO 80012

Project Description:

The Housing Authority of the City of Aurora (AHA) is requesting a grant of \$550,000 for the construction of the Villages at Westerly Creek, a 55- unit senior development in Aurora. This is the first of a two phase replacement housing of 130 units of obsolete public housing to create 120 units of new affordable rental housing for seniors. The project has been designed so that the current 120 senior residents of the public housing will not have to be relocated during construction; however 10 units of family public housing also located on the property will be permanently relocated using Tenant Protection Vouchers. The Villages at Westerly Creek will include 1 and 2 bedroom units, with rents serving households 30-60% AMI. The Aurora Housing Authority will “remove” the existing units from the public housing inventory and be able to subsequently project-base the rental assistance as the units are completed. Many resident services will be provided on-site, and linkages will be coordinated for off-site services.

Each unit will be outfitted with a patio/ balcony, large pantries, and will have E-star appliances, including dishwasher, range, range-hood and refrigerator. The property will have high efficiency heating and cooling systems, photovoltaic panels on the roof and “snow melt” walkways. The property will include amenities such as a large community room, exercise room, a garden area, secure entry, laundry rooms, and on-site management, maintenance, and senior services. The property is located in close proximity to major bus lines, retail, health care and other social and recreational services for seniors.

AFFORDABILITY

Type of Units	# of Units	Income of Beneficiaries
<u>HOME-Assisted Units</u>		
(2) 1BR, (1) 2BR	3	≤ 50% of AMI (\$ <u>35,850</u>)
(1) 1BR	1	≤ 60% of AMI (\$ <u>43,020</u>)
<u>Other Affordable Units</u>		
(4) 1BR, (2) 2BR	6	≤ 30% of AMI (\$ <u>22,750</u>)
(24) 1BR, (6) 2BR	30	≤ 50% of AMI (\$ <u>35,850</u>)
(12) 1BR, (3) 2BR	15	≤ 60% of AMI (\$ <u>43,020</u>)
<u>Total Units</u>	55	

PROGRAM BUDGET

Project Activities	Total Project Cost	State Funds Requested	Other Funds	Source	Status
Acquisition-related costs	52,000		52,000	LIHTC	committed
Tap Fees	1,435,000	550,000	836,843	Owner Equity	committed
			48,157	LIHTC	committed
Construction	6,636,688		1,850,000	Construction loan	committed
			3,786,688	LIHTC	committed
			600,000	Aurora Housing Corp	committed
			400,000	Arapahoe Co. HOME	pending
Photovoltaic Cells	460,000		460,000	LIHTC	
Design	495,000		495,000	Owner Equity	committed
Interim Cost	667,006		667,006	LIHTC	committed
Perm Financing	450,835		410,000	City of Aurora HOME	committed
			40,835	LIHTC	committed
Developer Fee	1,150,000		745,000	LIHTC	committed
			405,000	deferred	
Tenant relocation	65,000		65,000	LIHTC	committed
project management	100,000		100,000	LIHTC	committed
Totals	11,511,529	550,000	10,961,529		

PROJECT ASSESSMENT FOR Rental New Construction

Criteria	Project Data	CDOH Range
Building Cost		
Cost/Unit/Sq. Ft.	\$217,664 /Unit \$242.95 /SF	\$135 to \$205
Hard Cost/Unit/Sq. Ft.	\$163,485 /Unit \$182.48 /SF	\$105 to \$160
Soft Cost/Unit/Sq. Ft.	\$54,179 /Unit \$60.47 /SF	\$25 to \$40
Land Cost/unit	\$0 /Unit	\$10,000 to \$18,000
Hard/Soft Cost	75% Hard 25% Soft	
Cost Effectiveness Rating		
CDOH subsidy/unit	\$10,000	\$4,000 to \$10,000
Annual Cost/Person & Rating	\$2,379 3 50 yrs	1 to 10 Scale
Externality Rating	\$8 8	1 to 10 Scale
Rent Savings Rating	-1% 0	1 to 10 Scale
Financial Leveraging Rating	21 10	1 to 10 Scale
Composite Score	21	1 to 40 Scale
Operating Cost		
PUPA	\$5,710	\$3,700 to \$4,700
Annual Replacement Reserve	\$13,750 250	\$300 (\$250 for seniors)
Debt Coverage Ratio	1.20	1.10 to 1.20
Capitalized Operating Reserve	\$232,547	4 months debt & operating costs
Financial Commitments		
Terms of Primary Financing	35 yr am 7.50%	
P.V. Tax Credits	0.79	\$.75 to .85
Other Criteria		
Fully Accessible Units	#27 /49 %	5% of Units Encouraged
Visitable Units	# 55/ 100%, plus all common facilities	All units Encouraged
Energy-Efficiency Standard	Enterprise Green Communities	CDOH Energy Standards Policy
Water Efficient Landscape	Yes	Denver Water Board Recommendation
30% AMI Units	# 6/10 %	5% of Units Encouraged
CDOH requirements		
Priority	#3 Incr. supply (med)	CDOH Action Plan Goals
CDOH Eligibility Criteria	HOME, HDG	
Minimum Application Criteria	yes	CDOH Minimum Application Criteria Policy
Housing Needs Assessment Supports Project	Yes	Local Housing Needs Assessment

Comments:

- Management Capacity

Pro:

1. Aurora Housing Authority (AHA) will develop, own and manage the property. AHA owns and manages nearly 850 units of affordable rental housing.
2. The current Buckingham Gardens is 100% occupied and nearby senior property, Fletcher Gardens is 98% occupied.
3. AHA will hire a URA consultant to ensure compliance with federal regulations for the 10 units of Public Housing that are being lost in this transaction.

Con: None.

- Public/Private Commitment

Pro:

1. AHA is making a significant equity contribution to the project and providing pre-development costs, a cost savings of about 15% of total development budget.
2. The project has local support from Aurora Housing Corporation, the City's CHDO, the City of Aurora and Arapahoe County. The City of Aurora has waived building permitting fees.
3. Developer received tax credit allocation from CHFA. They are anticipating a LIHTC investment of \$0.79-0.85 on the dollar.

Con: None.

- Market Demand

Pro:

1. There are presently 120 senior residences at the current property. The current senior residents will not be displaced or relocated during construction. Once construction of this first phase (55 units) is completed, 55 existing residents will be moved to this new building, and the existing 2 buildings (plus AHA administrative offices) in which they are housed will be demolished. In the second (future) phase of Village at Westerly Creek (65 units) the remaining residents will be permanently relocated to the new building and the remaining buildings will be subsequently razed for future development. The market study anticipates a capture rate of 10.2% for this area of Aurora. Currently there are large concentrations of low and moderate-income senior households and very little inventory available at the income and rent levels of this project. The market study also anticipates that the property will achieve stabilized occupancy within two to six months, a rate of between nine and 27 units per month.

Con: None.

Explain Variances from ranges:

- PUPA is higher due to adding a 1/3 time senior service coordinator (valued at \$15,000) and insurance costs are higher for senior properties.
- Hard costs are higher due to the fact that Aurora Water’s tap fee expenses are tenfold that of the City of Denver’s average for 2010 new construction due to a new bond issued to pay for a water district expansion.
- Additionally, the development’s hard costs are increased due to City of Aurora building code requires that 60% of a building exterior must be brick/stone, and no greater than 20% of the exterior may be cementitious siding.
- AHA already owns the land (valued at \$311,659), will finance the demo of 10 PHA units (\$90,000) and provide on-site infrastructure with their own funds (\$1,979,087) for a total contribution of \$2,132,555. AHA will retain ownership of the land and sign a 99-year lease to the to-be-formed partnership entity. These expenses were not a part of the tax credit application budget.
- HAP Contract for rental assistance is for 10 years, renewed annually based on federal appropriations. If actual AMI rents were used, project would be unable to meet debt service; however, AHA will be project-basing the units and will therefore be using the Housing Choice Voucher Payment Standard, which is higher than AMI rents.

Other projects funded in Arapahoe County since 10/09:

- 10-327 NSP/ Arapahoe Douglas Mental Health – Fox Street Apartments \$1,609,675

Other projects funded for Aurora Housing Authority since 10/09:

- none

Arapahoe County AMI: \$ 75,900

Staff Recommendation: Full Funding

- Previous success developing senior housing
- Service-enriched housing and rental assistance for low-income seniors

Date of Meeting: 11/09/2010

Coil	Full Funding	Rosser	Full Funding
Gregory	Full Funding	Weitkunat	Full Funding
Hatcher	Absent	Zucker	Absent
Lucero	Full Funding		

COLORADO DIVISION OF HOUSING * HOUSING DEVELOPMENT ANALYSIS SPREADSHEET

Project Name: **Village At Westerly Creek** Spreadsheet directions are to the right --->
 Date: 11/2/2010 PAGE #1
 Applicant: **Aurora Housing Authority** Operating Proforma
 Spreadsheet Version: Required for Project Applications

STABILIZED FIRST YEAR INCOME						EXPENSES	
	% AMI	#of units	Sq. Ft.	Monthly Rent	Total Annual Rent		
1 BR	30%	4.0	722.4	732	35,136	Administrative Expenses	
2 BR	30%	2.0	1027.0	927	22,248	Management Fee	28,000
					0	On-site Personnel Payroll	58,800
						Health Ins. & Benefits	15,000
1 BR	50%	26.0	722.4	732	228,384	Legal & Accounting	11,760
2 BR	50%	7.0	1027.0	927	77,868	Advertising	1,960
					0	Office Supplies	11,356
1 BR	60%	13.0	722.4	732	114,192	Telephone	4,200
2 BR	60%	3.0	1027.0	927	33,372	Audit	6,000
					0	Bad Debt	2,800
					0	Total Administrative Expenses	139,876
					0	Operating Expenses	
					0	Utilities (owner paid)	56,840
					0	Trash Removal	4,760
					0	Fire & Liability Insurance	35,000
					0	Total Operating Expenses	96,600
Total units		55		Total Rent Income	511,200	Maintenance	
Total sq ft		43,385				Maintenance	54,600
				Parking Income		Repairs	2,800
				Laundry Income	7,920	Grounds (inc. snow removal)	6,440
				Other Income			
				Total Income	519,120	Total Maintenance	63,840
Vac. Rate	0.05			Less Vacancy	-25,956	Real Estate Taxes	0
				Effective Gross Income	493,164	Operating Reserve	0
						Replacement Reserve	13,750
DEBT SERVICE						TOTAL ANNUAL EXPENSES	314,066
				1st Mortgage	#REF!	NET OPERATING INCOME	179,098
				2nd Mortgage	#REF!	P.U.P.A. Expenses *	5,710
				3rd Mortgage	#REF!		
TOTAL DEBT SERVICE						#REF!	
BEP	#REF!		Poss D/S @ 1.1 DCR				
				Project Debt Coverage Ratio	#REF!		

BEP = Break Even Point
 Poss D/S @ 1.1 DCR = Possible Debt Service at a 1.1 Debt Coverage Ratio

*Note:

* P.U.P.A = Per Unit Per Annum Expenses

5.48%
1.3 FTE

27.36%
86.1
82.7
unit avg. = 0.0
unit avg. = 250
0
0

Name: CHDA/ Regal Apartments

Project Number: 11-018

Project Manager & Address: Community Housing Development Association (CHDA)
JoEllen Davidson, Executive Director
325 Inverness Drive South
Englewood, CO 80112
(p) 303-799-4341
(f) 303-799-6797
jodavidson@housinglady.net



Project Photos: before

Project Address: 5531-5541 S. Delaware St, Littleton, CO 80120

Project Description:

Community Housing Development Association (CHDA) is requesting \$300,000 in HOME funds for the acquisition and rehabilitation of the 12-unit Regal Apartments located in Littleton. Nine of the units will be affordable to households at 50% AMI and three will be available at 30% AMI.

Half of the 12 units will be set aside for special needs residents receiving supportive services from CHDA's three partner agencies: Arapahoe/Douglas Mental Health, Arapahoe House, Inc., and Developmental Pathways. These agencies provide services for individuals or households impacted by developmental disabilities, mental illness and/or drug or alcohol substance addiction.

The scope of rehabilitation will include upgrades to the electrical system, new windows, new interior and exterior doors, new flooring, new cabinets and countertops in kitchen, new fixtures in bathrooms and landscaping. Work performed will comply with Enterprise Green Communities rehab standards.

AFFORDABILITY

Type of Units	# of Units	Income of Beneficiaries
<u>HOME-Assisted Units</u> (1) 1BR, (1) 2BR	2	≤ 50% of AMI (\$ <u>37,950</u>)
<u>Other Affordable Units</u> (1) 1BR, (1) 2BR (2) 1BR, (6) 2BR	2 8	≤ 30% of AMI (\$ <u>22,750</u>) ≤ 50% of AMI (\$ <u>35,850</u>)
<u>Total Units</u>	12	

PROGRAM BUDGET

Project Activities	Total Project Cost	State Funds Requested	Other Funds	Source	Status
Acquisition	655,000	290,000	365,000	Arapahoe County HOME	pending
Construction/Rehab	391,050		391,050	Arapahoe County HOME	pending
Design Fees	7,800		7,800	Arapahoe County HOME	pending
Interim Costs	18,750		18,750	Arapahoe County HOME	pending
Permanent Financing	59,200		27,400	Arapahoe County HOME	pending
			31,800	FHLBank AHP	pending
Tenant Relocation	65,000		65,000	FHLBank AHP	pending
Project Management	13,200		13,200	FHLBank AHP	pending
Totals	1,200,000	290,000	910,000		

PROJECT ASSESSMENT FOR Rental Acquisition w/ Rehab

Criteria	Project Data		CDOH Range
Building Cost			
Cost/Unit/Sq. Ft.	\$100,000 /Unit	\$134.83 /SF	\$100 to \$140
Hard Cost/Unit/Sq. Ft.	\$85,921 /Unit	\$115.85 /SF	\$90 to \$120
Soft Cost/Unit/Sq. Ft.	\$14,079 /Unit	\$18.98 /SF	\$10 to \$20
Hard/Soft Cost	86% Hard	14% Soft	
Cost Effectiveness Rating			
CDOH subsidy/unit	\$24,167		\$2,000 to \$10,000
Annual Cost/Person & Rating	\$1,333	6 yrs	1 to 10 Scale
Externality Rating	\$8	8	1 to 10 Scale
Rent Savings Rating	19%	6	1 to 10 Scale
Financial Leveraging Rating	3	6	1 to 10 Scale
Composite Score		26	1 to 40 Scale
Operating Cost			
PUPA	\$4,246		\$3,700 to \$4,700
Annual Replacement Reserve	\$300		\$300
Debt Coverage Ratio	0.00		1.10 to 1.20
Capitalized Operating Reserve	\$25,000		4 months debt & operating costs
Financial Commitments			
Terms of Primary Financing	no hard debt	years	
P.V. Tax Credits	n/a		\$.75 to .85
Other Criteria			
Fully Accessible Units	#0 / 0%		5% of Units Encouraged
Visitable Units	#0 / 0%, no common facilities		All units Encouraged
Energy-Efficiency Standard	Enterprise Green Communities Rehab Standard		CDOH Energy Standards Policy
Water Efficient Landscape	Yes		Denver Water Board Recommendation
30% AMI Units	# 3/ 25 %		5% of Units Encouraged
CDOH requirements			
Priority	#6: special needs + services (high)		CDOH Action Plan Goals
CDOH Eligibility Criteria	HOME, HDG		
Minimum Application Criteria	Yes		CDOH Minimum Application Criteria Policy
Housing Needs Assessment Supports Project	Yes		Local Housing Needs Assessment

Comments:

- Management Capacity

Pro:

1. CHDA has 149 units in its portfolio. Properties are currently 99% occupied. Recent monitorings do not have any outstanding findings.
2. Director of CHDA has 33 years experience and has facilitated funding and development of 2,000 affordable rental units statewide.
3. CHDA will hire URA consultants to ensure compliance with federal regulations, and will hire a construction project manager to oversee the rehabilitation of the property.

Con: None.

- Public/Private Commitment

Pro:

Arapahoe County is committing HOME funds. CHDA is investigating funding from Arapahoe County’s Weatherization Program

Con: None.

- Market Demand

Pro:

Arapahoe County Housing Needs Assessment confirms a gap of 12,500 rental units for house holds ≤ 30% AMI.

Con: None.

Explain Variances from ranges:

- Per unit subsidy is high because proposed scenario does not include any hard debt on property. Other scenarios show annual cash flow of less than \$1,000.

Other projects funded in Arapahoe County since 11/09:

- none

Other projects funded for CHDA since 11/09:

- none

Arapahoe County AMI: \$75,900

Staff Recommendation: full funding conditional upon commitment from other funding sources

- Full funding will allow property to operate without debt service and achieve sufficient cash flow to continue supporting operations on a small property with low rents.
- Can achieve economies of scale in maintenance/ management, across the street from 36-unit CHDA property.

Date of Meeting: 11/9/10

Coil	Full Funding	Rosser	Full Funding
Gregory	Full Funding	Weitkunat	Full Funding
Hatcher	Absent	Zucker	Absent
Lucero	Full Funding		

COLORADO DIVISION OF HOUSING * HOUSING DEVELOPMENT ANALYSIS SPREADSHEET

Project Name: **Regal Apartments** Spreadsheet directions are to the right ---->
 Date: **11/2/2010** **PAGE #1**
 Applicant: **Com. Hsng. Dev. Assn.** **Operating Proforma**
 Spreadsheet Version: **10/6/2010** **Required for Project Applications**

STABILIZED FIRST YEAR INCOME						EXPENSES	
#Bed/Bath	% AMI	#of units	Sq. Ft.	Monthly Rent	Total Annual Rent		
1	30%	2	675	387	9,288	Administrative Expenses	
						Management Fee	4,233 6.30%
1	50%	2	675	425	10,200	Mgmt Personnel Payroll	9,125 25.00% FTE
2	30%	1	775	475	5,700	Health Ins. & Benefits	2,184
2	50%	7	775	500	42,000	Legal & Acctg Sftwre License	2,000
					0	Advertising	1,000
					0	Office Supplies	850
					0	Bad Debt	1,000
					0	Audit	3,000
					0	Compliance	600
					0	Total Administrative Expenses	23,992 35.71%
					0	Operating Expenses	
					0	Utilities (owner paid)	7,500
					0	Trash Removal	1,260
					0	Fire & Liability Insurance	3,500
					0	Security & Pest Control	625
					0	Total Operating Expenses	12,885
	Total units	12	Total Rent Income		67,188	Maintenance	
	Total sq ft	8,900				Maintenance	4,800
			Parking Income		0	Repairs	
			Laundry Income		0	Grounds (inc. snow removal)	1,375
			Other Income		0	Other	
			Total Income		67,188	Total Maintenance	6,175
	Vac. Rate	0.1	Less Vacancy		-6,719	Real Estate Taxes	4,300
			Effective Gross Income		60,469	Operating Reserve	0 unit avg. = 0
						Replacement Reserve	3,600 unit avg. = 300
			DEBT SERVICE			TOTAL ANNUAL EXPENSES	50,952
			1st Mortgage		0	NET OPERATING INCOME	9,517
			2nd Mortgage		0	P.U.P.A. Expenses *	4,246
			3rd Mortgage		0		
			TOTAL DEBT SERVICE		0	* P.U.P.A = Per Unit Per Annum Expenses	
	BEP	75.83%	Poss D/S @ 1.1 DCR		8,652	*Note:	
			Project Debt Coverage Ratio		0.000		

BEP = Break Even Point
 Poss D/S @ 1.1 DCR = Possible Debt Service at a 1.1 Debt Coverage Ratio

APPLICATIONS FOR REVIEW IN JANUARY

Colorado Department of Local Affairs, Division of Housing
Pro/Con for 11-026 - Weld County- Accessible Space, Inc.- Greeley
Supportive Housing Development



Application Number: 11-026

Application Name: Weld County- Accessible Space, Inc.- Greeley Supportive Housing Development

Address: 2550 University Avenue, Suite 330 N, Saint Paul, MN 55114

Contact Name: Mr. Matt Wagner

Phone: 651-645-7271

Contact's Title: Fund Development Specialist

Email: mwagner@accessiblespace.org



Project Address: 6528 W. 10th Street, Greeley, CO 80634

Project Description: Accessible Space, Inc. (ASI) requests a HOME grant of \$340,000 to assist in the new construction of seventeen (17) units of affordable, accessible rental housing in Greeley, Weld County, with the following unit mix: fourteen (14) one bedroom units and three (3) two bedroom units. Sixteen (16) of the units are for households at 50% AMI or less. One unit will be non-income restricted for the Resident Manager. This project will utilize HUD 811 Capital Advance funding for income-eligible individuals with disabilities (i.e. mobility impairments and/or self-care limitations) and includes rental assistance for the sixteen (16) affordable units, thus allowing residents to pay no more than 30% of their adjusted gross income for rent. Accessible Space, Inc. will manage and complete the construction of this project and will also provide all resident services for the households.

**Colorado Department of Local Affairs, Division of Housing
Pro/Con for 11-026 - Weld County- Accessible Space, Inc.- Greeley
Supportive Housing Development**



<u>Affordability</u>			
<u>Type of Units</u>	<u>Number of Bedrooms</u>	<u># of Units</u>	<u>Income of Beneficiaries</u>
HOME	1 Bedrooms	2	<= 50% AMI (\$32,500)
	<u>Total HOME Units:</u>	<u>2</u>	
OTHER AFFORDABLE	1 Bedrooms	12	<= 50% AMI (\$32,500)
	2 Bedrooms	2	<= 50% AMI (\$32,500)
	<u>Total OTHER AFFORDABLE Units:</u>	<u>14</u>	
UNRESTRICTED	2 Bedrooms	1	<= 120% AMI (\$78,000)
	<u>Total UNRESTRICTED Units:</u>	<u>1</u>	
	<u>Total Units:</u>	<u>17</u>	

<u>Program Budget</u>					
<u>Project Activities</u>	<u>Total Project Cost</u>	<u>State Funds Requested</u>	<u>Other Funds</u>	<u>Source</u>	<u>Status</u>
Appraisal & Market Study	\$2,500		\$2,500	U.S. Dept. of HUD	Committed
Architect/ Engineering	\$117,000		\$117,000	U.S. Dept. of HUD	Committed
Attorney's Fees	\$10,000		\$10,000	U.S. Dept. of HUD	Committed
Building Permit & Tap Fees	\$280,000		\$280,000	U.S. Dept. of HUD	Committed
Closing Costs	\$29,500		\$29,500	U.S. Dept. of HUD	Committed
Construction	\$200,000		\$200,000	GURA - HOME	Committed
	\$522,661		\$522,661	HUD - Amendment Funds	Pending
	\$1,036,839		\$1,036,839	U.S. Dept. of HUD	Committed
	\$340,000	\$340,000	\$0	CDOH - HOME	Pending
Contingency	\$59,954		\$59,954	U.S. Dept. of HUD	Committed
Developer's Fee	\$179,862		\$179,862	U.S. Dept. of HUD	Committed
Insurance & Taxes	\$10,000		\$10,000	U.S. Dept. of HUD	Committed
Land Acquisition	\$182,445		\$182,445	U.S. Dept. of HUD	Committed
Operating Reserve	\$9,640		\$9,640	ASI Equity	Committed
Soils Tests & Surveys	\$19,800		\$19,800	U.S. Dept. of HUD	Committed
<u>Totals</u>	<u>\$3,000,201</u>	<u>\$340,000</u>	<u>\$2,660,201</u>		

Colorado Department of Local Affairs, Division of Housing
Pro/Con for 11-026 - Weld County- Accessible Space, Inc.- Greeley
Supportive Housing Development



Project Assessment For Rental New Construction			
Criteria	Project Data		DOH Range
Building Cost			
Cost/Unit/Square Feet	\$176,482 /Unit	\$176 /SF	\$135 - \$205
Hard Cost/Unit/Square Feet	\$143,497 /Unit	\$143 /SF	\$105 - \$160
Soft Cost/Unit/Square Feet	\$22,253 /Unit	\$22 /SF	\$24 - \$40
Land Cost/Unit	\$10,732 /Unit		\$10,000 - \$18,000
Hard/Soft Cost?	87 % Hard	13 % Soft	
Cost Effectiveness Rating			
DOH Subsidy/Unit	\$21,250		\$2,000 - \$10,000
Annual Cost/Person	\$2,778	Score: 3 40 Years	1 - 10
Externality Rating	8	Score: 8	1 - 10
Rent Savings Rating	10	Score: 2	1 - 10
Financial Leveraging Rating	8	Score: 8	1 - 10
Composite Score		21	1 - 40
Operating Cost			
PUPA	\$4,042		\$3,700 - \$4,700
Annual Replacement Reserve			\$300 (\$250 for seniors)
Debt Coverage Ratio			1.10 - 1.20
Capitalized Operating Reserve			4 months debt & operating costs
Financial Commitments			
Terms of Primary Financing			
P.V. Tax Credits			0.75 - 0.85
Other Criteria			
Fully Accessible Units	17	100 %	5% of units encouraged
Visitable Units	17	100 %	All units encouraged
Energy Star Units	17	100 %	Units have minimum 80 HERS rating or equivalent
Water Efficient Landscape	Y		Denver Water Board recommendation
30% AMI Units	0		5% of units encouraged
DOH Requirements			
Priority	Special Need		High Growth, Preservation, Special Needs, None
CDOH Funding Eligibility	HOME		HOME, CDBG, HDG

**Colorado Department of Local Affairs, Division of Housing
Pro/Con for 11-026 - Weld County- Accessible Space, Inc.- Greeley
Supportive Housing Development**



Pro/Con Narrative

Management Capacity:

Pro:

1. Accessible Space, Inc. (ASI) is a non-profit organization based in Minnesota and incorporated in 1978 that provides accessible, affordable housing, assisted/supportive living and property management services to very low-income adults with physical disabilities and brain injuries, as well as seniors age 62 and over. ASI is the largest provider of Section 811 housing in the nation and developed 120 HUD 811 and 202 projects in twenty-eight states for a total of 2,713 units. It currently has 4 buildings under construction producing an additional 75 units.

2. ASI has received 3 HOME grants from CDOH for its Longmont, Fort Collins and Greeley Supportive Housing projects which were funded from 2006 – 2008. The HUD Denver Multifamily Hub has worked with ASI on over 20 HUD 811 and 202 projects.

Con: None.

Public/Private Commitment:

Pro:

1. The Greeley Urban Renewal Authority (GURA) has committed \$200,000 in FY 2009 HOME funds for construction costs and Weld County has granted a real estate tax exemption for ASI's first Greeley 811 project. It is estimated that the savings for this property will be between \$13,000 and \$25,000 annually.

2. The City of Greeley provided a Consolidated Plan Consistency Letter for this project. In addition, their current Housing and Community Development Plan indicates that one of the priority objectives is the "active solicitation of the development of affordable rental housing for low-income families, elderly and special needs populations who pay more than 30% of their income for rent."

3. ASI has worked collaboratively with the state and local governments including the Colorado Department of Human Services, the City of Greeley, Weld County, Craig Hospital Outreach, the Greeley Commission on Disability, and the Greeley-Weld Housing Authority to assist in meeting the needs of the local community in this project.

Con: None.

Market Demand:

Pro:

1. The market study completed for this project concludes that there is "an acute need for affordable and accessible rental units with rental assistance and services in the Greeley area." The local housing authority and area service providers indicate that there are a very limited number of units designed specifically for the disabled in Greeley and that voucher holders have significant difficulties in locating units that meet their needs.

2. According to the City of Greeley's Consolidated Plan, 25% of the families on the Section 8 waiting list include individuals with disabilities. The average wait for Section 8 Rental Assistance is 3.2 years. Additionally, 30% of those currently receiving Section 8 assistance are individuals with disabilities.

3. The Fox Run Apartments, ASI's first HUD 811 development in Greeley, was fully occupied in less than 60 days and currently has a waiting list of 20 adults with physical disabilities.

Con: None.

**Colorado Department of Local Affairs, Division of Housing
Pro/Con for 11-026 - Weld County- Accessible Space, Inc.- Greeley
Supportive Housing Development**



Pro/Con Narrative

Explain Variances from Ranges:

1. The CDOH subsidy per unit is higher than the range due to the fact that HUD 811 funding does not allow permanent debt on these properties. Per unit subsidies for special needs housing have historically exceeded the range for most projects.
2. The capitalized Operating Reserve is less than the range due to the fact that HUD 811 projects do not carry debt service and the operating expenses are monitored by HUD. The PRAC (Project Rental Assistance Contract) is determined based on the amount of cash needed to cover operating expenses.
3. The Contingency budget is less than the range due to the fact that HUD 811 projects only require a 2% contingency.

<u>Other Projects Funded in Weld County Since 01-04-2010</u>		<u>Contract Amount</u>
<u>Project#</u>	<u>Project Name</u>	
10-055	Weld Co.-Catholic Charities and Community Services of the Archdiocese of Denver, Inc.- Guadalupe Comm. Ass. Cntr.	\$600,000
Total Award for County:		\$600,000

<u>Other Projects Funded for Accessible Space, Inc. Since 01-04-2010</u>		<u>Contract Amount</u>
<u>Project#</u>	<u>Project Name</u>	
Total Award for Grantee:		

<u>Weld County AMI: \$65,000</u>			
<u>Staff Recommendation:</u>			
Funding of up to \$340,000 based on:			
* Most residents are very low-income with special needs			
* DOH funds are very well leveraged by \$1,927,900 in HUD funds which are highly competitive			
* This project was only one of two HUD 811/202 projects in the Rocky Mountain HUD region which received FY 2009 funding			
* ASI has 3 other HUD 811 projects in Colorado which will allow for efficiencies of scale of operations			
<u>SHB Recommendation:</u>			<u>Date of SHB Meeting: 01/11/11</u>
Gregory		Rosser	
Coil		Weitkunat	
Hatcher		Zucker	
Lucero			

**Colorado Department of Local Affairs, Division of Housing
Pro/Con for 11-029 - Denver Co - Volunteers of America National -
Bishops Court (1840 Grant St.)**



Application Number: 11-029

Application Name: Denver Co - Volunteers of America National - Bishops Court (1840 Grant St.)
Address: 1660 Duke Street, Alexandria, VA 22314
Contact Name: Mr. Kurt Frantz **Phone:** 303-595-8710 x 5430
Contact's Title: Development Manager, St.Charles Town **Email:** kurt@stcharlestown.com



Project Address: 1840 Grant St, Denver, CO 80203

Project Description: Volunteers of America National Service (VOA) is requesting a Housing Development Loan Fund (HDLF) loan in the amount of \$850,000. This loan will be combined with a \$1,750,000 loan from participating CDFI lenders (Mile High Community Loan Fund (MHCLF) and Mercy Loan Fund) for a total predevelopment loan amount of \$2,600,000. VOA is requesting this loan to bridge the time from when they acquire the property (anticipated July 2011) to when they close on the tax credit partnership (anticipated Dec. 2011), at which point the funds will be repaid to DOH. HDLF funds will be loaned at 3% simple interest and will be due and payable by July 1, 2012. HDLF funds will be secured by a Deed of Trust in 2nd position.

HDLF funds will be used for acquisition of the historic property located at 1840 Grant Street that will be developed into Bishops Court Apartments, 45 units of permanent supportive housing targeted toward families earning between 30-50% AMI. The project is an acquisition/substantial rehab (historic renovation) that will be designed to meet Enterprise Green Communities rehab standards. The site is currently comprised of three different parcels of land, including a historic convent and a classroom, a gymnasium and a parking lot. Upon securing tax credits, VOA also intends to apply for HOME funds that would be used for construction expenses.

**Colorado Department of Local Affairs, Division of Housing
Pro/Con for 11-029 - Denver Co - Volunteers of America National -
Bishops Court (1840 Grant St.)**



<u>Affordability</u>			
<u>Type of Units</u>	<u>Number of Bedrooms</u>	<u># of Units</u>	<u>Income of Beneficiaries</u>
		<u>Total Units:</u>	<u>0</u>
		<u>Total Units:</u>	<u>0</u>

<u>Program Budget</u>					
<u>Project Activities</u>	<u>Total Project Cost</u>	<u>State Funds Requested</u>	<u>Other Funds</u>	<u>Source</u>	<u>Status</u>
Predev- Acquisition and Due Diligence	\$2,350,000	\$850,000	\$1,500,000	MHCLF & Mercy loan Fund	Pending
	\$250,000		\$250,000	MHCLF & Mercy Loan Fund	Pending
Construction	\$128,629		\$128,629	DOH HOME Funds	Pending
	\$2,918,653		\$2,918,653	9% Tax Credit Equity	Pending
	\$128,630		\$128,630	City of Denver HOME funds	Pending
	\$1,002,000		\$1,002,000	Key Bank	Committed
	\$221,000		\$221,000	4% Tax Credit Equity	Pending
	\$1,487,754		\$1,487,754	Historic Tax Credit Equity	Committed
Const. Contingency	\$583,166		\$583,166	9% Tax Credit Equity	Pending
Design Fees	\$242,800		\$242,800	9% Tax Credit Equity	Pending
Interim Financing Costs	\$433,060		\$433,060	9% Tax Credit Equity	Pending
Perm. Financing Fees	\$87,503		\$87,503	9% Tax Credit Equity	Pending
Operating & Debt Service Reserve	\$221,174		\$221,174	9% Tax Credit Equity	Pending
Developers' Fee	\$961,390		\$961,390	9% Tax Credit Equity	Pending
	\$311,310		\$311,310	Deferred Developer's Fee	Pending
Relocation	\$213,654		\$213,654	9% Tax Credit Equity	Pending
Project Management	\$49,000		\$49,000	9% Tax Credit Equity	Pending
<u>Totals</u>	<u>\$11,589,723</u>	<u>\$850,000</u>	<u>\$10,739,723</u>		

**Colorado Department of Local Affairs, Division of Housing
Pro/Con for 11-029 - Denver Co - Volunteers of America National -
Bishops Court (1840 Grant St.)**



Pro/Con Narrative

Management Capacity:

Pro:

1. St. Charles Town Company (the Developer) has experience developing historic acquisition/ rehab properties.
2. VOA National Service (the Applicant) and VOA Colorado Branch (the Property Manager and Service Provider) have high capacity providing service-enriched housing.
3. Residents will have the opportunity to receive services, including access to Individual Development Account (IDA) matched savings programs, to take classes in financial literacy, health, budgeting and education, and will have business incubation opportunities.

Con:

None

Public/Private Commitment:

Pro:

1. This project will create 13 set-aside units for Denver's Road Home and is anticipated to receive operating support for these services, which is not included in this budget.
2. This project will receive additional equity from the syndication of historic tax credits.

Con:

None

Market Demand:

Pro:

1. The market study calculated the capture rate for the 30% AMI units at 5%, and the overall capture rate at 24.6%. The market study believes this is easily attainable due to the property's unique historic features and being located within walking distance to a grocery store, social services, schools, transit lines, employment centers and retail.
2. The absorption rate is calculated to be 25 units/ month upon completion of construction, assuming pre-leasing two months prior to the completion of construction.
3. If proposed project is unsuccessful, the property could be sold to repay HDLF based on the current appraised value of \$2,300,000.

Con:

1. The market study calculated the capture rate for the 50% AMI units at 31%, but the market study believes this high number will be mitigated by other compensating factors, including in-migration, the high absorption rate of nearby properties with 50% AMI units and overall proximity to downtown.

Explain Variances from Ranges:

- * Hard Costs are higher due to a substantial rehabilitation of a historic property.
- * Soft Costs are higher due to historic and low income housing tax credits syndication costs and relocation expenses for commercial tenants who are leasing existing art studios.

**Colorado Department of Local Affairs, Division of Housing
Pro/Con for 11-029 - Denver Co - Volunteers of America National -
Bishops Court (1840 Grant St.)**



Other Projects Funded in Denver County Since 01-04-2010

<u>Project#</u>	<u>Project Name</u>	<u>Contract Amount</u>
11-019	Denver City and County - Renaissance Housing Development Corporation - CHDO Operating	\$50,000
11-016	Denver Co. Newsed CDC, Inc. - Newsed CHDO Operating	\$23,000
10-040	Denver Co.- Del Norte Neighborhood Development Corp.-Veterans Apt.-Rental Acq. New Construction Pre-Dev.	\$450,000
10-042	Denver Co.-DHA Park Avenue 5B-New Construction	\$500,000
10-076	Denver Co.-Mercy Housing Mountain Plains-Bluff Lake Apartment Homes-New Construction	\$166,995
10-076	Denver Co.-Mercy Housing Mountain Plains-Bluff Lake Apartment Homes-New Construction	\$879,000
10-060	Denver Co.-Newsed CDC, Inc.-Newsed CHDO Operating	\$23,000
10-058	Denver Co.-Northeast Denver Housing Center, Inc.-CHDO Operating	\$11,990
10-015	Denver Co.-Phoenix on the Fax-Rental New Construction	\$237,500
11-001	Denver Co.-Renaissance Housing Development Corp.-West End Flats-Rental/Acq/New Construction	\$1,000,000
10-049	Denver Co.-Yale Station LLC-Rental New Construction	\$200,000
11-009	Denver County-Northeast Denver Housing Center- CHDO	\$24,123
Total Award for County:		\$3,565,608

Other Projects Funded for Volunteers of America National Service Since 01-04-2010

<u>Project#</u>	<u>Project Name</u>	<u>Contract Amount</u>
Total Award for Grantee:		

Denver County AMI: \$75,900

Staff Recommendation:

Full Funding of HDLF Loan: \$850,000, 3% simple interest, secured by a 2nd Deed of Trust, due and payable by July 1, 2012. Strong ability to repay loan due to appraisal of property and high capacity of VOA and St. Charles Town Company.

* Conditional upon VOA as the nonprofit grantee.

* Conditional upon securing commitment of outstanding predevelopment gap funds.

SHB Recommendation:

Date of SHB Meeting: 01/11/11

Gregory		Rosser	
Coil		Weitkunat	
Hatcher		Zucker	
Lucero			



STATE OF COLORADO

Department of Local Affairs, Division of Housing

STATE HOUSING BOARD

Draft RULES OF AGENCY
ORGANIZATION ***** **Draft**

Comment [S1]:

ARTICLE I – NAME

The name of this board shall be the Colorado State Housing Board (SHB).

ARTICLE II – PURPOSE

The SHB was created by the Colorado Revised Statutes, 24-32-706, to serve in an advisory capacity to the general assembly, the governor, and the Division of Housing (DOH) on housing matters. These Rules are meant to provide procedural guidelines for the SHB and, in no way, shall alter the statutory requirements of the SHB.

Deleted: Bylaws

ARTICLE III – ELECTION OF OFFICERS

A. SHB shall annually elect, by a majority vote of those present, a Chair and Vice-Chair. Officers shall assume office immediately upon election and serve for a one (1) year term or until the April SHB meeting, whichever occurs first.

Deleted: the first regular meeting of the second quarter

The annual election shall occur at the SHB first regular meeting in April.

Deleted: of the second ¶ quarter

B. Upon proper nomination and a second by SHB members, a nominee for Chair shall be considered.

Formatted: Bullets and Numbering

C. In the election of officers, each SHB member is entitled

Formatted: Bullets and Numbering

to only one (1) vote. There shall be no proxy voting.

D. If the duly-elected Chair becomes unable to complete the term of office, the Vice-Chair shall automatically assume the position of Chair until the completion of the term, and a new Vice-Chair shall be elected at the next regular meeting in accordance with the provisions of the Bylaws. If the Vice-Chair is unable to complete the term, an election shall be held at the next regular meeting to fill the vacancy. Said election shall be in accordance with the provision of these Bylaws.

← - - - - Formatted: Bullets and Numbering

E. If neither the Chair nor the vice-Chair is present, any member in attendance shall call the meeting to order and SHB shall immediately elect by majority vote a Chair Pro Tem to preside at that meeting. Such office shall be terminated by the entrance of the Chair or Vice-Chair.

← - - - - Formatted: Bullets and Numbering

ARTICLE IV – DUTIES OF OFFICERS

A. The Chair shall:

1. Conduct and preside over all SHB meetings and decide procedural issues in accordance with accepted principles of decorum and Roberts Rules of Order Newly Revised, to the extent feasible.
2. Maintain contact with the Director and/or Housing Programs Manager.
3. Call special meetings in accordance with the Bylaws.

B. The Vice-Chair shall:

1. Perform and/or exercise all duties of the Chair when the Chair is absent or disqualified.

ARTICLE V – MEETINGS

A. Regular meetings. Regular SHB meetings will be conducted at least monthly.

B. Special meetings. SHB special meetings shall be conducted when:

1. Called by the Chair or Vice-Chair, as permitted pursuant to their duties.
2. Requested by the Director of DOH.
3. Requested by a majority vote of SHB.

B. All SHB members shall be notified of all special meetings, study sessions, site visits and/or workshops by U.S mail, e-mail, facsimile or by telephone.

C. All regular meetings, special meetings, study sessions, site visits and/or

workshops shall be posted on the Division website 24 hours before such event.

- D. Each regular and/or special meeting shall be recorded or have minutes prepared for SHB approval.
- E. Recordings and/or minutes of each regular and/or special meeting shall be available for public inspection.

ARTICLE VI – VOTING

- A. Each SHB member, including the Chair and Vice- Chair, shall be entitled to to vote whether in person or by proxy vote.
- B. Proxy votes must be in writing and presented to the Chair or Vice Chair.

ARTICLE VII – QUORUM AND MAJORITY VOTE

- A. No official business of SHB can be conducted without a quorum of eligible voting members participating whether in person or by telecommute.
- B. A quorum of SHB shall be at least four (4) members unless vacancies on the board exist and then a quorum shall be a majority of SHB members.

Deleted: resent

ARTICLE VIII – LIMITS ON AUTHORITY

- F. SHB recognizes that it serves as an advisory board to the DOH and has only those powers granted by its enabling statute.
- G. As such, SHB is not authorized to sign contracts, grant applications, grants and/or deeds or easements made or created in the name of the State of Colorado.