

9% housing credit application narrative



Project Name: 101 West Main Street

Project Address: 101 West Main Street, Frisco, CO 80443

Executive Summary: 101 West Main Street is a fully entitled 52 unit building with all its funding in place but for the credits requested in this application. The time to spend the already committed funds is now. The tax credit award is crucial to leveraging over \$14 million in state and local dollars that have already been committed to the project. It is one of the rare truly transit oriented developments in a rural resort community and will meet the Zero Energy Ready Homes Standard. In partnership with the Town of Frisco, NHPF will put a 99-year affordability covenant on the property.

Changes since our 2024 application include converting a portion of the former commercial space to a permanent on-site leasing office, additional town funding, advanced construction pricing, and further support.

This project demonstrates the positive effects of the Governor's housing policies. To pave the way for this project the Town of Frisco passed the Affordable Housing Incentive Program which:

- Increase density by nearly 500% on this site
- Substantially decreased parking requirement and was the first project to be allowed to use on street overnight parking and a car sharing program
- Prioritized entitlement and permitting for affordable housing
- Created Frisco Community Housing Development Authority

In addition to a substantial Town commitment, other State agencies have shown their support for this project by committing Land Banking and Strong Communities Grants to the project.

The project is located on one of Frisco's two main commercial streets and is walking distance to the other one. A transit stop to all the other Summit County employment centers is across the street.

101 West Main Street will have 24 studios, 17 one-bedrooms, and 11 two-bedrooms serving households earning between 30% and 80% of the area median income. It will serve individuals and families in Frisco and Summit County, offering high-quality, energy-efficient housing in a central location near jobs, services, and other amenities. With income averaging, the unit mix is responsive to local market conditions, providing 6 units at 30% AMI, 25 at 50% AMI, and 21 at 80% AMI. The overall capture rate is 12.2%. The site is located in a Difficult Development Area.

The building will be all-electric, three stories of wood frame with surface parking. The building will be built to the Zero Energy Ready Homes standard and will contain 664 square feet of ground floor commercial space, which is being funded by the Town. The site is zoned Planned Unit Development; the entitlement

process was completed with the approval of the site plan by Planning Commission in June 2024. The project is now ready to move into the building permit approval process. With a tax credit award in 2025, construction is expected to begin in Spring 2026.

In addition to 9% Low Income Housing Tax Credits, State Housing Tax Credits, and conventional debt, the Town of Frisco is providing more than \$14.6 million in gap funding to the development through the provision of cash flow loans. The Town's new housing authority will provide a property tax exemption.

The NHP Foundation purchased the site in 2023 with a financial contribution from the Town of Frisco. The Town of Frisco's willingness to financially support the development of this site stems from the Town's desire to rapidly expand its affordable housing stock. Other important recent efforts by the Town to help make this development a reality include: the enactment of the Affordable Housing Development Incentive Program (which greatly increased the number of units that could be built on the site by providing density bonuses, parking reductions, and other incentives in exchange for affordable housing), the creation of the Frisco Community Housing Development Authority (which is providing a property tax exemption to keep the units affordable in the long-term), and the award of a Land Banking Grant, More Housing Now grant and Strong Communities Grant to fund the project. This project is in line with the Governor's desire to expand housing density in the state. This site's original zoning allowed only 11 units of market rate housing; however, by using the Town's Affordable Housing Development Incentive Program and density bonus, this project increased density by nearly 500% to 52 units. With the Land Banking Grant and Strong Communities Grant awards already in hand, this project also meets the State's objectives for deployment of Proposition 123 funds.

Location is the greatest amenity for this site. It is centrally located in Frisco's bustling downtown, with access to free transit within 300 feet of the site, meaning that 101 West Main Street is one of the few truly walkable and transit-oriented areas of Summit County. There is convenient service to job centers like Copper Mountain, Silverthorne, and Breckenridge. Located directly on Main Street, the site is within walking distance of jobs, education, health care, parks and government services. There are numerous businesses that offer employment opportunities within the income limits of the proposed units. Schools, restaurants, the post office, parks, banks, and grocery stores are all within 2 miles of the site.

The NHP Foundation ("NHPF"), a 35-year-old nonprofit affordable housing developer of over 18,000 units nationwide, is partnering with the Town of Frisco to make this project a reality. NHPF grew out of the Congressionally chartered National Housing Partnership and exists to create and preserve high-quality housing that is affordable to lower income seniors, families, and individuals and is beneficial to their communities. This project is unique in that roughly half of the project's sources have already been committed through the awards of state grants and Town of Frisco local funds. With entitlements already in place, the project's readiness to proceed is high. *This project is ready to proceed. All funds are awarded, with the exception of the tax credits.*

QAP Priorities: 101 West Main Street serves a non-metro county under 180,000 people; the population of Summit County was 30,631 in the 2020 census.

Criteria for Approval in Section 2 of the QAP

Market Conditions: The proposed AMI and unit mixes reflect market demand based on the results of the market study conducted in January 2025. Numerous market factors support the need for this development:

- The average vacancy rate among comparable properties is 1.8%.
- 77 local business owners surveyed by the Town noted they have unfilled positions or difficulty hiring and retaining employees because of housing costs. The Survey has reached 77 of approximately 350 businesses, or 22%. We estimate from this sampling that there are approximately 581 unfilled positions not including the understaffing that Breckenridge, Keystone, and Copper Mountain have been experiencing.
- In the market area, the majority of renter households consist of one or two people and average household size is expected to decrease over the next 5 years. Our unit mix of studio, one- and two-bedroom units is responsive to household size.
- The Larkspur, a comparable 52-unit affordable housing development in nearby Breckenridge, opened in early 2024 and received over 770 applications in four days.

101 West Main Street will use income averaging to respond to the diversity of need (as shown in Summit County's most recent Housing Needs Assessment). Major employers in the community, including Vail Resorts, have increased minimum wage to over \$20/hour. With the seasonal nature of the local economy, these higher pay rates are anticipated to be a good fit for 80% AMI pricing. The market study notes that the proposed rents are 18% to 79% below market rates and demonstrate a "significant rent advantage" over the market rate comps.

Proximity to Existing Tax Credit Developments: 101 West Main Street will be the first LIHTC development in Frisco. There are no LIHTC developments within five miles of the site and only five tax credit developments within 10 miles.

Project Readiness: With an allocation of 9% LIHTC and Colorado Affordable Housing Tax Credits (AHTC), 101 West Main Street will be fully funded and ready to proceed. It received Final Planning approval on June 20, 2024. The project team is poised to begin the building permit application process. We anticipate receiving the building permit and closing the financing in Spring 2026, which is critical to take full advantage with the short building season in Summit County. We anticipate construction completion in the second half of 2027.

Overall Financial Feasibility and Viability:

The Project is financially feasible if awarded an allocation of 9% credits and AHTC. With the rest of the funding sources committed and waiting to be expended, the tax credits will complete the capital stack on a project that is ready to go. In addition, NHPF is assuming federal tax credit equity from R4, construction and permanent financing from R4, soft loans from the Town of Frisco (as outlined above), and deferred developer fee. SLP participation from Frisco Community Housing Development Authority helps to support the feasibility of construction and ongoing property operations. NHPF, equity syndicators, lenders, and our financial consultants, RCH Jones Consulting and KDM Consultants, have run the current project assumptions through their tax credit financial models.

Experience and Track Record of the Development and Management Team: The Town of Frisco and NHP Foundation initiated their partnership in 2022. Since then, the project team has worked diligently to design a housing development that will meet the needs of the Frisco community. The design, construction type, and unit affordability levels are all the result of extensive deliberation and community input through a lengthy rezoning process. Town elected officials and staff have been supportive and active partners in the development process and remain committed to the development, providing land, gap financing, and long-term ownership through their new housing authority. As the developer, The NHP Foundation brings national experience developing over 18,000 units of affordable housing in 16 states, using a variety of

funding sources including federal, state, and historic tax credits; social impact equity; and federal and local funds. We have assembled a development team that complements this national reach with extensive Colorado and mountain experience, including locally based Allen-Guerra Architects, Norris Design, Group 14, CFC Construction, Corum for Property Management, and RCH Jones/KDM Consulting.

Project Costs: The parcel at 101 West Main Street is relatively flat and regularly shaped, with access from two roads. The site is currently home to an office building and parking constructed in the late 1970s. To minimize cost and maximize the number of affordable units, the design team focused on a highly efficient and cost-effective design for this small, infill site. The site's prime location in the heart of downtown Frisco will allow residents to take advantage of many local off-site amenities, allowing us to focus on providing housing, reducing parking, and creating an efficient building layout. Some upfront costs during construction to allow the building to meet the Zero Energy Ready Homes standard will translate to utility cost savings for residents in the long run. Strong support from the Town has also mitigated project costs through the provision of entitlement review fee waivers. For more discussion on the project costs and how they have been mitigated, see the High Cost Discussion section below.

Site Suitability: 101 West Main Street is a spectacular site for affordable housing, centrally located in the heart of Frisco. The property is roughly 0.8 acres located on Frisco's Main Street in the mountain resort area of Summit County, approximately two hours from Denver along I-70. The site is adjacent to Ten Mile Creek, but a 25' creek buffer precludes any wetland disturbance or development in the floodplain. The property has frontage on W Main Street and Creekside Drive. A 22,000 square foot office building with some underground and surface parking currently exists at the site. Built in 1979, the building is nearing the end of its useful life. A local bus stop is located across the street from 101 West Main Street, and parks, grocery stores, the post office, banks and dry cleaners all within two miles of the property. Transit stops within 300 feet take riders to job centers from Copper Mountain to Breckenridge to Silverthorne.

Underwriting Criteria Waiver Requests: Not applicable for this application.

Market Study Issues: 101 West Main will offer fewer parking spaces than the majority of the comparables, however, the site is located 0.1 miles from a bus stop and has a Bike Score of 58, indicating it is a bikeable location. Therefore, given the close proximity to public transit and the Bike Score, market analysts agree that the proposed parking is sufficient and will be competitive in the market.

Environmental Study Issues and Mitigation: The Phase I Environmental Site Assessment (June 12, 2024 by Freedom Environmental Consultants, Inc.) does not show any Recognized Environmental Conditions (RECs) affecting the project site.

High Cost Discussion and Mitigations: The project team recognizes that the per-unit cost of 101 West Main Street may be relatively high compared to other applications. The primary reasons are the Zero Energy Ready Homes building code and the project's location in the High Rockies where lack of labor, higher material costs, and short building season drive up construction pricing. Other factors contributing to the higher per-unit cost are the cost to acquire transit friendly land in a ski town (condos right across the street are selling for \$1300 / sq.ft), and the need to provide relocation assistance for any business tenants. However, we have endeavored to reduce costs and secure additional financing wherever possible, such that more than 40% of project costs will be financed by committed local and state resources.

Building in the rural mountain region brings unique costs, from smaller local labor pools to higher transportation costs for materials, to very compressed building seasons. To combat these higher costs as much as possible, the development team explored different construction methodologies and designs. First, we considered repurposing the existing building and garage. However, the age and condition of these structures prevented their reuse from being a cost-effective means of producing the 50+ units needed for the site. While the team considered modular construction to speed construction timelines and lower costs, we ultimately decided to pursue a stick-built approach to minimize risk and uncertainty. Though the original design contemplated structured parking below the residential units to minimize the building footprint, the project team and Town agreed to move forward with a surface parked design to reduce construction costs and close the funding gap.

Community Outreach, Opposition Description, and Local Support: Frisco's first LIHTC project is generating tremendous local support as residents, business owners, Town staff, and elected officials all see the need for more housing for their lower income neighbors. For the past two and a half years, NHPF staff have visited with elected officials, local employers, and residents about the need for affordable workforce housing in their community. Small business owners especially describe a pressing need for housing so they can adequately staff their businesses and retain talented employees. From healthcare to schools to retailers, 27 out of 35 businesses we reached out to stated that they have job openings they're struggling to fill. Some even describe having employees who are living in their cars due to lack of housing. Over 62% of businesses surveyed by the Town in 2022 reported similar problems, highlighting the fact that this trend is persisting, not improving. In light of this, the Town's support of the project cannot be understated: it is providing significant gap financing and tax exemptions to make 101 West Main Street a reality. The passage of zoning code amendments providing development incentives for affordable housing earlier this year signals a wider commitment to affordable housing as well. Summit County Commissioners, State Senator Dylan Roberts, and Speaker of the House Julie McCluskie also support the project as a way to help meet the housing needs of the area (see support letters).

Promoting equity as well as economic mobility for residents: NHPF seeks to promote greater diversity, inclusion, racial equity, and social justice in addition to its long-established mission of providing sustainable, service-enriched affordable housing. Most local employers have job openings which they can't fill because potential employees can't find housing nearby, so they leave the area or don't come to the area at all.

NHPF increases access to opportunities for historically underrepresented individuals and businesses in the development and operation of its housing communities by: revising and implementing employee & vendor hiring practices with an IDEA lens (leading to M/WSBE and Section 3 participation that far exceeds municipal goals); conducting annual summer internships for teen affordable housing residents to introduce them to real estate & development; offering financial literacy courses through our Operation Pathways resident services affiliate; and reporting on-time rent payments to credit reporting agencies to help renters build credit histories. At 101 West Main Street, NHPF will implement these tools by: using our underutilized business-focused approach to identifying vendors; affirmatively marketing units to underrepresented groups; offering summer internship training to residents; and providing financial literacy and credit building opportunities.

Acquisition Rehab Section: Not applicable

9% housing credit application narrative



Project Name: 123 Manitou

Project Address: 123 Manitou Avenue, Manitou Springs, CO 80829

Executive Summary:

TWG Development ("TWG") and Paragon Development ("Paragon") are excited for this opportunity to present an application to CHFA for 9% Low Income Housing Tax Credits ("LIHTC") and AHTC for 123 Manitou (the "Project"). This new construction multifamily development will provide forty-three (43) apartments for individuals and families earning at and below 60% of the area median income (AMI) and will be the first LIHTC project in Manitou Springs. This new family housing project will play a key role in the City's efforts to revitalize eastern Manitou Springs, providing much-needed development along Manitou Avenue east of Highway 24. Sixteen (16) units will be three-bedrooms, seven (7) units will be two-bedrooms, and twenty (20) units will be one-bedrooms. Nine (9) units will be set at 30% AMI, three (3) units at 40% AMI, nine (9) units at 50% AMI, and twenty-two (22) units at 60% AMI. Unit amenities will include balconies, central A/C, Energy Star Appliances, and a storage room off the balconies. Onsite amenities include clubhouse, a library, a picnic area, playground, a dog park, bike racks, a patio/gathering space, and on-site management. Income levels within a three- and five-mile radius of the Project are below the state of Colorado and Colorado Springs metro area average, indicating high demand for affordable housing (\$108,498 average household income within a 5-mile radius, compared to \$119,811 in Colorado Springs MSA & \$131,640 statewide). 123 Manitou will be two-buildings with approximately 50,000 GSF in a three-story, wood framed structure. The foundation design is a structural slab on grade with on-site surface parking. An acoustical mat with gypcrete will minimize sound transfer between the units. The building skin will be stone masonry combined with fiber cement siding. All exterior walls will utilize batt insulation with a weather barrier. The roof will be flat with membrane roofing material. The building's design will meet the team's objectives of cost-effective construction and management, visual appeal, and compatibility with the surrounding neighborhood. This project will meet the bronze certification under the NGBS program which will include EV-ready spaces for future use as needed and will have solar panels for the 100% electric building design. Public transportation in the Manitou Springs area is provided by a free shuttle to downtown Manitou Springs, the Incline/Barr Trail, and the Cog. For

connectivity to Colorado Springs, the Mountain Metro Transit System provides bus services from Manitou Springs.

Financing for the Project will include federal tax credit equity generated from the sale of 9% LIHTC and solar credits, State Tax Credit equity, permanent financing from our trusted lenders, a Seller Land Carry note, and deferred developer fee. The team is currently working with El Paso County Housing Authority to be admitted as a special limited partner in the deal to provide property tax exemption plus sales & use tax exemption as well. 123 Manitou will be a welcome addition to the community, as demonstrated by the numerous letters of support we have received from various city stakeholders and local entities.

1. Identify which, if any, of the priorities in Section 2 of the Qualified Allocation Plan (QAP) apply:

The project does not meet any of the priorities listed in Section 2 of the QAP.

2. Describe how the project meets the criteria for approval in Section 2 of the QAP:

- *Market Conditions:* The Property is situated in Manitou Springs, El Paso County, located at 123 Manitou Avenue. The average vacancy rate for the submarket is lower than that of the overall market area. The market data indicates a required capture rate for individuals and families in the PMA of 5.5% total, 6.7% for 60% AMI, 5.3% for 50% AMI, 3.4% for 40% AMI, and 1.9% for 30% AMI. These low capture rates indicate the project will be absorbed into the market based off affordable housing demand.
- *Proximity to Existing Tax Credit Developments:* Utilizing Novogradac's LIHTC mapping tool, the closest existing tax credit developments are located near downtown Colorado Springs, with the nearest development being Greenway Flats at 5 miles away. Manitou Springs has never had a LIHTC project constructed within city limits and has also not seen a new multifamily project constructed since 1973.
- *Project Readiness:* The Property is owned by Paragon and is zoned for the intended use as evidenced by the zoning letter included within the application. Review of the final building plan is administrative, however, there is a public hearing for Planning Commission and City Council when documents are presented for approval. The building plan approval timing is estimated to be approximately 2-3 months. The project, as designed, is within the allowable density and parking requirements, therefore we do not anticipate any issues in securing approvals. The Phase 1 Environmental Assessment indicates that no Recognized Environmental Conditions were discovered. The Project is supported by various entities as evidenced by the numerous support letters provided within the application showing the enthusiasm for the project. Schematic drawings have been designed to be in harmony with the visual character of the surrounding neighborhood, and the plans have been priced by a paid third-party cost estimator. The proposed building is financially viable to construct based on current assumptions by the paid third-party cost estimator.
- *Overall Financial Feasibility and Viability:* The Project is financially feasible if awarded an allocation of 9% LIHTC and AHTC. In addition to the federal equity from CREA, TWG and Paragon are assuming construction financing and permanent financing from Merchants Capital, soft financing through a Seller Land Carry note, and deferred developer fee. TWG, Paragon, equity syndicators, lenders, and our local Colorado consultants RCH Jones and KDM

Consultants have run the current project assumptions through their tax credit financial models. This extensive up-front underwriting has shown that as proposed, there are minimal risk points. Under current assumptions, the project maintains an estimated debt coverage ratio between 1.15x and 1.30x through the initial compliance period using standard escalation and vacancy assumptions. TWG will provide the guarantees including paying off any balance of deferred developer at the end of compliance. TWG's approach to internal collaboration between design, construction, and management maximizes operating efficiencies without compromising resident comfort, ongoing compliance, or building durability and maintenance.

- *Experience and Track Record of the Development and Management Team:* TWG specializes in multi-family housing development, construction, and management. TWG has developed over 11,000 units across numerous cities and 18 states. To date, TWG has developed over 100 properties including affordable housing and market-rate housing with over \$2 billion in total development costs. TWG has active developments in Indiana, Colorado, Pennsylvania, Michigan, Illinois, Missouri, Ohio, Georgia, Washington, Iowa, Utah, Oklahoma, Arizona, Alabama, Georgia, Tennessee, Louisiana, and Wisconsin.

TWG Construction has served as the general contractor for the majority of TWG projects but works well with local contractors when local contractors are better for the project. TWG Management has a positive maintenance and compliance track record. TWG's first Colorado LIHTC property is in operation and their second LIHTC property was completed in 2020 and is fully stabilized.

To help facilitate this Project, the team has engaged RCH Jones Consulting, a Colorado based consultant, and KDM Consultants who will provide strategic direction and financial advisory services to the project. RCH and KDM have over 40 combined years of experience in the affordable housing industry having managed the development of various affordable housing communities across the US, particularly in Colorado.

- *Project Costs:* The Project costs have been informed by our trusted third-party cost estimator and are in line with similar recent developments, such as Residences at Delta II that was awarded 9% LIHTC in 2024. Construction costs in Colorado continue to remain elevated after the last few years of constrained labor and commodities markets and exacerbated by COVID and recent natural disasters across the nation. TWG will also use their proven processes to effectively select sub-contractors and fully vet details during the bidding process. We are also able to leverage national purchasing contracts for materials which in turn creates a more cost-effective project. Our pre-construction team is deeply involved from the beginning of a project.
- *Site Suitability:* This infill site is located in a developed area near downtown Manitou Springs and Colorado Springs, offering residents access to a wide array of community amenities. The site is already served by utility taps and is zoned for our proposed use. The site, formerly a blighted motel and an eyesore to the community, has been demolished and scraped for new development. The Manitou Springs Urban Renewal Authority has expressed its support for our plans to develop new affordable housing on the site. The proposed development of 43 units maximizes the allowable density under the current local code. Furthermore, the site

has been assessed and confirmed to be free of environmental concerns, floodplain restrictions, and wetland impacts, which makes it development-ready and well-suited for affordable housing.

3. Justification for a CHFA Discretionary DDA basis boost of up to 30% of eligible basis
We are seeking a 13.5% CHFA discretionary basis boost for the 9% LIHTC, as the site is not located in a QCT or DDA. This basis boost will support the financial viability of the project and ensure successful development of affordable housing in the high-need area of Manitou Springs, as reflected in the market study. Because the project includes units significantly below AMI, they generate less rental income, making the basis boost critical to maintain affordability and close the financial gap. Additionally, the project's sustainable features, such as energy-efficient systems, solar panels, and EV-ready infrastructure, increase construction costs, further supporting our request for the basis boost.
4. Address any issues raised by the market analyst in the market study.
The market study notes that the site has a lower walk and bike score average than the City of Manitou Springs overall and the comparables, and a transit score for the site is not available. However, the subject is located along two bus routes: Bus Route 3, which is part of the Mountain Metro Transit System and provides bus service into Colorado Springs, and bus Route 36 of the free Manitou Springs shuttle that provides bus service to the downtown area as well as the Incline/Barr Trail and the Cog. The major throughfare of the area, Manitou Avenue, along which the subject is located, also includes bike lanes on both sides. Lastly, there is a new parking/shuttle stop planned for 132 Manitou Avenue, which is located only 250 feet northwest of the subject property. The new parking/shuttle location will also include a 10-foot wide (pedestrian and bike only) multi-use bridge connecting the parking area to Creekwalk Trail.
5. Address any issues raised in the environmental report(s) submitted with your application and describe how these issues will be or have been mitigated.
According to the environmental report for the site, there are no REC's indicated, and no additional investigation is warranted.
6. Identify if there are any unusual features that are driving costs upward, as well as if there are any opportunities to realize cost containment (refer to Section 2 of the QAP for additional information).
The southern side of the property borders Highway 24, requiring moderately enhanced wall assemblies on the southern-facing parts of the building to mitigate sound infiltration. Since Highway 24 is elevated above the buildings, this elevation difference, along with existing mature trees along the hilltop, will aid in noise reduction. During the full design process, an acoustic engineer will assess the project and predict the dB level generated from Highway 24 to determine whether additional mitigation measures are needed for the southern units. If necessary, we will incorporate additional soundproofing materials, such as insulation, drywall, and upgraded windows.
As previously noted, the property gradually slopes upward from north to south, with a steeper incline near Highway 24 and the tree line. This topography has influenced our design approach, positioning

the buildings as far north as possible, but we are still requiring stepped slab-on-grade foundations in each building. Although stepping the buildings adds complexity to construction and is less efficient than a continuous slab-on-grade, it remains a more cost-effective approach than extensive excavation and adding large retaining walls. While these site conditions contribute to slightly higher construction costs, they remain manageable and do not significantly impact the overall project budget. To control costs, we will implement value engineering and competitive biddings as we engage local contractors for involvement in the project. One key strategy we are exploring is prefabricating and panelizing wood framing to reduce on-site labor requirements, lower costs, and accelerate the construction schedule.

7. Describe the outreach to the community that you have done and describe local opposition and/or support for the project (including financial support).

We have reached out to and engaged with neighbors, City leadership, and local employers regarding our project, receiving positive feedback from all parties. This broad support is reflected in the favorable letters of support included in our application, such as the City Council, the Manitou Springs Housing Advisory Board (HAB), the Manitou Springs Urban Renewal Authority (URA), as well as other city stakeholders and longstanding businesses. The City's letter of support confirms its \$2.1 million partnership with Paragon for property acquisition, demolition of blighted structures, removal of the prior problematic ownership, and site cleanup, all of which were successfully completed in 2023. This highlights the City's commitment to sustainable development, particularly in the area east of Highway 24, which has historically experienced less growth compared to the more developed areas west of Highway 24. Manitou Springs has also demonstrated its dedication to affordable housing by participating in Proposition 123, committing to permitting 46 new affordable housing units. Plan Manitou, the city's comprehensive plan, identifies a significant deficit in rental housing, particularly for residents earning below 50% of the Area Median Income (AMI). The HAB's Strategic Plan reinforces this need for affordable housing, noting that 82% of employed Manitou residents commute outside the city for work, while only 12% of those employed in Manitou live within city limits. Many essential workers in the local workforce, especially those in the service industry and the city's artist and artisan community (key economic drivers for Manitou Springs), are unable to afford housing in the city.

8. Describe how the proposed development contributes to promoting equity as well as economic mobility for residents.

This development promotes equity by creating much-needed affordable housing opportunities for longtime Manitou Springs residents struggling with rising housing costs. By providing access to quality housing with stable rents and strong fair housing practices, this development improves the health, financial equity, and quality of life for residents, which enhances their ability to achieve economic mobility. This housing stability also creates an intergenerational opportunity by reducing the financial strain on adult children that need to support their parents.

9. For acquisition/rehab or rehab projects. Not applicable.

9% housing credit application narrative



Project Name: Arapahoe PSH

Project Address: 1900 S. Chambers Rd., Aurora, CO 80014

Brothers Redevelopment, Inc. (BRI) requests Housing Tax Credit (Federal, State Standard and State TOC Accelerated) approval for a Permanent Supportive Housing property located at 1900 S. Chambers Road, Aurora, CO. The location is an empty 2 acre parcel on the east side of Chambers Road between Mexico Avenue to the north and Iliff Avenue to the south. The site is in a DOLA/CDOH defined Transit Oriented Communities corridor with a bus stop 0.1 miles from the site. Zoning is R-3, medium density multifamily, and the property has received final Site Development Plan approval including parking from the City of Aurora Planning Commission on Jan. 8, 2025. The Call-Up period for City Council has passed without referral. The property is in Census Tract 823 and is not in a OCT, DDA or SADDA. The population served will be persons or families experiencing or near homeless with significant supportive services at the location. Unit mix will be 60 one-bed, one-bath units on four floors served by two elevators. The AMI targeting is 100% at 30% AMI including a preference for persons recently released from justice involvement in Arapahoe County. The project has concurrently applied for 50 PBV from CDOH through its 2025 RFA in Feb. 2025. The Aurora Housing Authority will accept an application to provide 10 PBV upon approval of HTC financing. Unit amenities include wall air conditioning, blinds, carpet, high-speed internet hookups, built-in shelves, a ceiling fan, coat closet, refrigerator, stove/oven, dishwasher, disposal and microwave. All units will be furnished. Project amenities include on-site management, laundry facilities on each floor, bicycle storage, tenant services, a community room, multipurpose room, picnic area, computer room, community kitchen, food pantry and medical exam room. Security features include limited access entries, surveillance cameras, a gated entry, part-time security patrol and front desk. Tenant services will include full client assessment, psychiatric and substance abuse counseling, case management, employment and job related services, and a private medical exam office. Services will be provided by AllHealth, Aurora Mental Health and STRIDE. For more details on the services available through the service providers, please see the DOH RFA narrative. Parking has been approved at 66 spaces. Construction type will be slab on grade foundation with spread footings, wood framing, gabled with partial flat roofing, hardiplank siding on staggered setback elevations, two stair towers at each end and two central elevators in the lobby. Services, leasing and staff, and common areas on the first floor with common laundry rooms on each floor. Public transportation will be available on Chambers Road with the

bus stop 0.1 miles from the property. Numerous retail stores and businesses are within 0.5 to 1.0 miles of the property. Job related services will be available on site. Arapahoe PSH has funding for a limited number of bus passes for residents in its operating budget. Energy efficiencies include E-Star appliances, low flow water appliances, low maintenance landscaping, energy efficient lighting, PV ready and construction at NGBS Bronze. Financing includes 9% Federal Tax Credit, State Standard Tax Credit and Transit Oriented Communities Accelerated Tax Credit, HUD Risk Share Permanent loan, HOF permanent loan, commercial bank construction loan, Arapahoe County ARPA and HOME funding, US Bank grant, Land Seller donation, CDOH RFA GAP funding and Deferred Developer Fee. Pricing of all Tax Credits is at current market estimates. BRI is supporting the financial viability of the project by only requesting a total Developer Fee (including PSH Reserve Bonus) of 13.77% versus the total allowable of 17.0%. Further, Calcon is only seeking a 3.7% Contractor Fees versus the max allowable of 10%. If the project is serving Persons experiencing Homelessness or Special Populations, describe how the proposal follows best practices for trauma-informed design, funding for services, experience, etc.: All design and architectural work has been performed by ShopWorks Architecture, a leading firm in 'trauma informed design' principals and who has designed numerous affordable rental housing properties in CO. Arapahoe PSH has many energy efficiency upgrades included in the unit amenities and facility operational equipment. Full case management will be on site with AllHealth Network as lead provider and Auroral Mental Health and STRIDE also present and will use 'housing first' and 'harm reduction' tenants in working with residents. Funding for the services will come from CDOH RFA TSS award, Medicaid, where applicable, direct payments from Arapahoe PSH operating budget for certain services and net after debt service cash flow, 5% HTC Developer Fee boost for Services Reserve, and certain funds through the service providers. The three service providers have a combined experience in excess of 100 years. Please see the DOH RFA narrative for more details of the services available at the property.

Identify which, if any, of the priorities in Section 2 of the Qualified Allocation Plan (QAP) apply:
Arapahoe PSH will serve Persons experiencing Homelessness as defined in Section 5.B 5

Describe how the project meets the criteria for approval in Section 2 of the QAP:

Market conditions: Per the Market Study, homeless count in Aurora increased from 357 in 2018 to 697 in 2024. Based on income and size qualifications, the required capture rate for PSH, including the planned Sanctuary property by Aurora Housing Authority, would be 24.8%.

Proximity to existing tax credit developments: Providence at the Heights is the only operating PSH property in the area and is 1.6 miles from Arapahoe PSH. The Sanctuary on Potomac, an Aurora Housing Authority property, is beginning construction in 2025 and is 1.4 miles Arapahoe PSH.

Project Readiness: BRI acquired the property in 2023. Arapahoe PSH has full zoning (R-3) and site plan approval was received on Jan. 8, 2025 from City of Aurora Planning Commission. Architecture design is complete through the Construction Drawing stage including a full specification handbook. General Contractor has performed three estimate exercises including the latest estimate completed on Jan. 16, 2025, which is the basis for this application. The Development Team members and finance members are the same as Valor on the Fax, so financing should close quickly upon HTC approval. The property could receive its construction permit within days of finance closing.

Overall financial feasibility and viability: Arapahoe PSH targets an ANB Construction loan and CHFA HUD Risk Share and HOF permanent loans as the third-party debt. Debt cover ratio on the permanent loans starts at a combined 1.18:1 in Year One and accelerates to 1.26:1 in Year 15. Use of funds include significant funding of services and security resources as well as full repayment of the Deferred Developer Fee in Year 10.

Soft funds will include CDOH gap financing, Arapahoe County HOME and City of Aurora HOME fund. Further, Arapahoe County ARPA funds, US Bank grant and Seller donation have already been received and utilized in acquiring the land and other predevelopment expenditures.

All tax credits will be acquired by Enterprise Community and include 9% LIHTC, Standard STC and Accelerated TOC Credit. Finally, a deferred developer fee from BRI will complete the financing package.

Experience and track record of the development and management team: This property is the third Tax Credit, new construction project by Brothers since 2018. This project will utilize the same development team as the previously successful Valor on the Fax PSH project in Denver. ShopWorks Architecture and Calcon Constructors form the design/construction team. Professionals include Mr. Mark Berry, Attorney, Comer Nowling Accountants, BeauxSimone Consultants, Pete Gemmill and Bob Munroe round out the team. Brothers Property Management has significant experience in operating and managing PSH properties including a significant portfolio of 'third-party' managed PSH properties for other owners.

Site suitability: The subject is along a minor arterial that has a high traffic volume. It has approximately 325 feet of frontage along South Chambers Road, a six-lane road with a median. Entrance/exit to the property is right hand turns only. The bus stop is approximately 0.1 mile to the north. Other amenities such as grocery, retail shopping, pharmacy and medical clinic are all within 0.6 mile. The site has the Woodrim Tributary open area immediately to the east and single family east of the tributary. To the north is rental storage and some commercial retail. To the west is single family housing. To the south is a Public Service facility and multifamily housing beyond that. All residential is at least 200' from the property.

Justification for waiver of any underwriting criteria: No underwriting criteria waiver is requested.

Justification of the financial need for a CHFA Discretionary DDA basis boost of up to 30 percent of eligible basis: No basis boost increase is requested.

Address any issues raised by the market analyst in the market study: The Market Study only cites two potential weaknesses:

- a. Arapahoe PSH unit sizes are slightly smaller than average homeless properties. The relative difference is very small (less than 60 sq. ft.), and the property amenities and services are comparable to better than other properties, so the Market Study does not indicate any change based on this point.
- b. Occupancy rates at properties outside of Aurora were lower than past surveys, but managers reported higher recent rates of eviction for cause and slow releasing during the holidays. Again, the Market Study did not indicate any change based on this point.

Address any issues raised in the environmental report(s) submitted with your application and describe how these issues will be or have been mitigated: No indication of hazardous substances or petroleum products was observed. Based on ERO's vapor encroachment analysis, it is ERO's professional opinion that a vapor encroachment condition does not exist on the subject property. ERO did not identify any sites on

or adjoining the subject property that may be associated with, be sources of, or have documented use of new or emerging contaminants that may have resulted in a release to the subject property.

Identify if there are any unusual features that are driving costs upward, as well as if there are any opportunities to realize cost containment: There are three unique features to the location that increased costs as follows:

1. Woodrim Tributary: Site planning required a retaining wall at the east boundary of the property to protect runoff and safety adjacent to the tributary. The wall and handrail added cost.
2. City of Aurora Planning required extending the sidewalk adjacent to S. Chambers Road from the site boundaries to the north and south where other more typical sidewalk is located.
3. Pursuant to City of Aurora requirements, the site will need to mitigate existing rodent population, take out numerous trees within the tributary and treat the ground within the tributary.

In all three cases, grant funds from Arapahoe County or reimbursement funds from the City of Aurora will cover the costs associated with completing the aforementioned requirements. Total costs for all items are estimated at \$250,000.

Describe the outreach to the community that you have done and describe local opposition and/or support for the project (including financial support):

Upon the initial Site Development Plan submittal, the City of Aurora did not require a neighborhood meeting because no major comments were received.

BRI conducted the STC required Public Hearing on Nov. 12, 2024. Prior to the meeting, BRI worked with City of Aurora Engagement Coordinator Scott Campbell to identify pertinent stakeholders and neighbors for the STC, including the Chambers Ridge and Woodrim Crossing HOAs. The public meeting was also promoted in a news release sent to several local news outlets, including the *Aurora Sentinel*, the *Littleton Independent*, *Englewood Herald*, and the *Aurora News Weekly* broadcast on AuroraTV Channel 8.

STC Proceedings were recorded as required. Neighborhood comments centered mainly on density and traffic concerns. Pursuant to the guidance document, the development team presented plans and renderings of the 60-unit income-based apartment project with 66 surface parking spaces. It was shared that AllHealth Network would be providing employment support, counseling, and community navigation to the residents of the building. The development partners, project funding, estimated project costs and schedule were also shared.

BRI has also conducted several meetings with City of Aurora officials to discuss the programming and services to be offered. These meetings were attended by the Mayor, Aurora Ward IV City Councilmember Stephanie Hancock (in whose district this proposed community will reside), and Aurora City Councilmembers Allison Coombs, Curtis Gardner and Angela Lawson. In addition, our team met with Arapahoe-Aurora Presiding Municipal Judge Shawn Day and several City of Aurora staff members, including City Manager Jason Batchelor, Arapahoe County Commissioners Jeff Baker, Leslie Summey and

former Commissioner Nancy Jackson joined many of the meetings with Aurora City staff as either conveners or facilitators for the discussions.

Finally, the Aurora City Planning Commission meeting was held on Jan. 8, 2025. This meeting is a public meeting, and some comments were received, again, concerning density and traffic. In addition, there were several supportive comments including reference to the high need for this type of housing in Aurora. The Planning Commission passed the Site Development Plan unanimously.

BRI will continue to communicate with the adjacent community throughout the construction process. Further, Calcon Constructors has significant experience in managing neighborhood relations throughout the construction process, which was definitely one of the considerations in their choice as GC.

It should be noted that the project was promoted broadly in *The Denver Post* and on *Denver's 7* when Arapahoe County made the initial \$3 million American Recovery Plan Act (ARPA) in October 2023, and more recently when US Bank staged a check presentation ceremony announcing their \$500,000 contribution to the proposed project. The latter announcement was covered by *FOX31 News*, *Denver's 7*, *CBS4* and the local Spanish-language affiliate *Telemundo*.

Describe how the proposed development contributes to promoting equity as well as economic mobility for residents.

All BPM and service provider staff have significant background and training in working with housing residents on an equal basis, formulating service provision programs and communication programs that will focus on the current status and condition of each resident. BPM staff will work in coordination with service provider staff to communicate leasing and conduct standards to each resident in an individual context. Services include wrap-around community-based care, supported employment, case management, skill building, housing navigation and voucher administration, assessment, individual, group and family therapy and medication management. Further, Arapahoe PSH and BRI will work with City of Aurora in their employment related programs and the property has funding included in the operating budget for bus passes. These services are used to treat individuals with both mental health and substance use disorders. All of these services are focused on engaging with, assisting, educating and supporting each resident in their pursuit of personal and economic growth.

9% housing credit application narrative



Project Name: Blossom Commons

Project Address: Southwest Corner of 91st Place and Eaton Street, Westminster, CO

Executive Summary

Volker Development, Inc. ("Völker") is pleased to submit an application for Federal 9% and State Low Income Housing Tax Credits to the Colorado Housing and Finance Authority for the Blossom Commons community, a new affordable multi-family development serving seniors in the City of Westminster. The development will bring 50 units of much-needed affordable housing for seniors to the vibrant and growing Downtown neighborhood. The project will include one- and two-bedroom homes for individuals and couples earning between 30-70% of the Area Median Income.

According to the City of Westminster's recently completed Housing Needs Assessment, over the past decade, the share of Westminster's senior population has increased substantially, and the current senior housing inventory is inadequate to meet this need. For those able to locate housing, affordability is often a challenge - 82% of the City's 3,062 senior rental households are housing cost burdened meaning they are spending 30% or more of their income on rent. Westminster's growing senior population underscores the need for the city to provide a wide array of accessible and affordable senior housing options.

Blossom Commons offers several unique features that enhance its positive impact on the neighborhood:

- 40% of the units will be set aside for renters at or below 50% AMI;
- Affordability at Blossom Commons will be restricted for at least 60 years.
- An on-site resident services navigator will connect senior residents with the services they need to achieve their goals, access benefits, and remove barriers to health care, housing, education, and employment.
- Ground-floor commercial space will be leased by the City of Westminster for a Community Resource Center. This site may include a library kiosk, much-needed meeting spaces for community and non-profit partners, space for services such as computer access or job/career support services, and other community resources.
- Federal and State credits will be deployed locally with a package that includes significant investment by the City of Westminster, Jefferson County funding, deferred fee, and tax credit equity.

The City of Westminster ("City") is a critical partner in the development of this new community, and a letter of support from the City Manager is included with this application. In alignment with the current City Council's housing goals, the City (by way of the Westminster Economic Development Authority) has committed to donating the land for this senior affordable housing. Additionally, the City is planning for rebates of impact and permit fees as well as costs for streetscape improvements. The current purchase contract for the land will terminate March 31, 2026. This, combined

with an upcoming City Council election in November (with 4 of 7 seats up for re-election), creates an urgency in our request for an award of tax credits.

Location and Allowable Density – The Blossom Commons site is located in the City of Westminster’s Downtown redevelopment area. The proposed project is allowable with current zoning. Völker and the design team worked closely with City staff to propose a building that works with design standards, zoning and density requirements, while also considering financial feasibility and providing surface parking (at 0.8:1).

The site is within 0.2 miles of many amenities including a park, bus stop, convenience store, shopping center and medical clinic, and within 0.5 miles of a Costco, Walmart, transit center with park and ride, recreation center and park. A new City dog park recently opened adjacent to the Blossom Commons site. Additionally, another new City park with an estimated development cost of around \$12 million is nearing completion less than 500 feet from the site. As the Westminster Downtown continues to develop around Blossom Commons, its location will become even more desirable for prospective renters.

When the City purchased the dying Westminster Mall between 2009 and 2011, they challenged themselves to build a vibrant and walkable Downtown, designed specifically for community connection. The master development team at the City has been very intentional in selecting projects and private developers that are aligned with City goals and plans. The City has established a goal for 15 to 20 percent of the residential development in Downtown to be affordable. Blossom Commons will contribute to these affordability targets by providing housing for very low- and low-income residents for seniors with supportive services. Völker is excited to be selected by the City as their partner to add the critically-needed senior affordable housing component to the Downtown. Please see an attachment including a detail of the redevelopment of the Downtown, as well as a current development map.

Population Being Served – Blossom Commons will provide homes for older adults aged 55+. The property will include 25 one-bedroom units, and 25 two-bedroom units.

AMI Targeting – The Project will be restricted to very low- and low-income individuals and couples earning between 30-70% of the Area Median Income. 20 of the 50 units (40%) will be restricted to households at or below 50% AMI.

Unit and Project Amenities - The one- and two-bedroom units will have 600 and 800 square feet of living space, respectively. Amenities will include fully equipped kitchens, air conditioning, ample storage space, on-site laundry, bike parking and maintenance, on-site resident services and management, EV charging stations, and indoor and outdoor community gathering spaces.

Type of Construction - Blossom Commons will be one three-story, elevator-serviced building. The units will have entrances from double-loaded interior hallways. Construction pricing includes post-tension slab foundation, wood framing, flat roof with TPO, and wood stairs. Exterior finishes will be compatible with the urban design aesthetic in Downtown and will include brick, metal, and cementitious siding.

Access to Public Transportation – The Blossom Commons site is located within a half-mile walk or bike ride from public transit, including the BRT station at Sheridan and US 36. This station also provides access points for the 91, 100, and 51 bus routes, allowing connections from Boulder to Denver and beyond. This transit network provides excellent access to jobs, amenities, services and shopping throughout the area. A Transportation Reserve in the amount of \$150,000 is included in the development budget to provide bus passes and address other resident transportation needs.

Services - An on-site resident services navigator will connect senior residents with the services they need to achieve their goals and remove barriers to health, housing, education, and employment. The cost for this position is included in the operating budget.

Energy Efficiencies – In alignment with the City of Westminster’s goals for development in the Downtown, as well as CHFA’s energy efficiency and sustainability requirements, the Blossom Commons community will certify to LEED Silver. The property will also comply with the City’s adopted building and energy codes (2021 IECC). EV charging stations for 3 parking spaces will be provided plus an additional 7 EV-ready parking spaces, 5 EV-capable parking spaces, and 14 EV-capable light parking spaces (in compliance with the state of Colorado’s EV Charging Code).

Financing – Our team has worked very hard to reduce the development costs of this project to ensure that we are most efficiently using the available Federal and State LIHTC resources. Blossom Commons will be financed using 9% Low Income Housing Tax Credits, State of Colorado tax credits, Transit Oriented Communities tax credits, Jefferson County subordinate funding, permit and impact fee rebates from the City of Westminster, deferred developer fee, and property tax exemption from Foothills Regional Housing. An LOI for equity (Federal Credits at \$0.87 and State and TOC credits at \$0.72), and a term sheet for debt can be found in our application.

1. Priorities in Section 2 of the Qualified Allocation Plan (QAP). Not Applicable.

2. Describe how the project meets the criteria for approval in Section 2 of the QAP:

Market conditions

The Market Study identifies the following project strengths:

- Blossom Commons is located within the 105-Acre Westminster Downtown redevelopment area, which is a rapidly developing mixed-use urban area with many retail, housing, dining, and recreational improvements.
- There is only one competitive age-restricted LIHTC project in the pipeline with 72 units, but the Primary Market Area (“PMA”) is projected to add 188 senior (55+) renters per year throughout 2029.
- The existing senior LIHTC properties surveyed by the market analyst are 97% occupied, and three have waitlists up to 200 applicants.

The market study identifies that Blossom Commons rents are not only attainable, but the property should lease up at an average monthly rate of 15 units.

Proximity to existing tax credit developments

The PMA has 23 LIHTC projects containing 3,110 income-restricted units. Of these, seven are age-restricted with 677 units. The comparable senior LIHTC projects within the PMA had an occupancy rate of 97.6%. Five rental projects have been awarded tax credits in the PMA during the past three years that have not yet been placed into service. There is only one competitive age-restricted LIHTC project in the pipeline with 72 units: Legacy Senior Residences at 5430 West 64th Street, which is nearly 4 miles away from Blossom Commons.

Project readiness

The project is ready to proceed after receiving an award of tax credits. The Purchase and Sale Agreement is in place. The site is zoned properly, and our plan meets City parking and design requirements. Our concept plan has been submitted and approved by the City of Westminster, and we are prepared to continue with design and entitlements if a tax credit award is received. Our design and construction team has been working closely with the City of Westminster on both site and building design to meet their needs and desires for this property. Following the tax credit award cycle, the City expects building permits to be issued in Q1 2026.

Overall financial feasibility and viability

The Blossom Commons community has been underwritten conservatively, only includes financial resources with a high likelihood of being awarded, and therefore is financially feasible and ready to proceed if awarded 9% LIHTC.

Experience and track record of the development and management team

The development team has extensive experience implementing affordable projects in similar areas with similar design components and has experience closing State of Colorado tax credit deals, along with the capacity and financial stability to implement the project. Please refer to the Applicant Track Record Certification, which describes our excellent track record of development in and out of Colorado. Völker's Mountain West team is led by Lauren Schevets who has been developing affordable housing in Colorado for more than a decade.

Our property management team at Ross-Involve has a superior track record of leasing units on time and working within CHFA requirements and guidelines. Our design and construction team (including Coburn Architecture and Deneuve Construction) is comprised of local affordable housing experts who have worked closely together on many projects over the past decade.

Project costs

The project costs submitted with this application are realistic, vetted, and reflect the current and anticipated state of the market. The construction budget reflects a closing in 2026. Financial feasibility of this project is aided significantly by smart design and constructability. Significant efforts have been made by the team to ensure that conceptual comments by stakeholders have been incorporated into the proposed project being presented to CHFA.

Site Suitability

The property located at the southwest corner of 91st Place and Eaton Street is "pad ready" - flat with direct access to utilities, not located within a floodplain, and has favorable zoning – making it a suitable site for this proposed development.

As discussed above, the site is in close proximity to public transportation, providing convenient access to employment, amenities, and services. Redevelopment efforts in the Downtown have resulted in the development of restaurants, recreation, shopping, and entertainment nearby within the immediate neighborhood. The City has invested millions into the local infrastructure to ensure development of a vibrant community.

3. Provide the following information as applicable:

- Justification for waiver of any underwriting criteria. We are not seeking waiver of the underwriting criteria.
- Justification of the financial need for a CHFA Discretionary DDA basis boost of up to 30 percent of eligible basis. We are not seeking a CHFA Discretionary DDA basis boost.

4. Address any issues raised by the market analyst in the market study.

There are no recommended changes for the Blossom Commons project included in the market study. The penetration rate for the 50% and 60% AMI units are above CHFA's preferred threshold; however, according to the market analyst the higher rate is attainable because of the following (among other factors):

- The 50% and 60% AMI units within existing senior buildings are currently 97% occupied. This indicates that the penetration rates are not necessarily reliable indicators of rental demand, and that additional demand could originate from outside the PMA.
- The Blossom Commons property will be age-restricted to older adults over the age of 55 and using the greater number of qualified renters for this cohort, the subject's overall penetration rate is 23.3% - below CHFA's preferred threshold.

- All senior LIHTC properties surveyed had high historical occupancy rates of 95% to 100% over the past year, indicating strong pent-up demand for affordable rental housing in the market.
- The location in the Downtown Westminster will continue to be enhanced, increasing the ability to draw tenants.
- The proposed rents at Blossom Commons are below the net Payment Standards, indicating that Housing Choice Voucher holders can afford to live at the property.

Blossom Common's unit sizes are smaller than the surveyed weighted average age-restricted sizes, but the differences are disproportionately influenced by one project with much larger sizes. Thus, this is not a significant weakness.

5. Address any issues raised in the environmental report(s) submitted with your application and describe how these issues will be or have been mitigated.

A Phase I Environmental Assessment was completed and revealed no evidence of recognized environmental conditions in connection with the property. Due diligence provided by the City has indicated that there may be abandoned asbestos-containing utility pipes present underground onsite. Abatement and removal costs for these suspected pipes present below the proposed building are included in our construction budget.

6. Identify if there are any unusual features that are driving costs upward, as well as if there are any opportunities to realize cost containment (refer to Section 2 of the QAP for additional information).

As this new community is being developed within a new Downtown environment, the City of Westminster has specific design requirements for the building. Quality of design and exterior materials is very important to them. The City; however, is providing exceptions to their current design standards to accommodate this project and help reduce costs, including modifications to façade and design requirements and the ability to provide surface parking instead of structured.

7. Describe the outreach to the community that you have done and describe local opposition and/or support for the project (including financial support).

At Völker, community building is at the heart of everything we do. Thriving neighborhoods are built on strong relationships and tailored solutions. We work closely with residents, local authorities, and stakeholders to develop housing options that meet the unique needs of each community. The concept for Blossom Commons was developed with special care and attention to input from our partners at the City and Westminster Economic Development Authority, and stakeholders including the property management team and financing partners. One pivotal point for the project was an afternoon of site tours at affordable communities in other jurisdictions with City staff and real estate advisory board members to discuss options specifically for the Blossom Commons property. Völker has heard great enthusiasm for this partnership opportunity from Westminster City Council and staff.

8. Describe how the proposed development contributes to promoting equity as well as economic mobility for residents.

Providing affordable housing options at Blossom Commons will promote economic mobility for its senior residents. Less money spent on housing translates to more money in their pockets for meeting critical needs to support their health, financial well-being, and quality of life. Blossom Commons will allow individuals and families earning a diversity of incomes to enjoy the same level of housing, community amenities, and benefits in Downtown Westminster.

Additional Supporting Narrative Items:

- Narrative for Commercial space (including intended use, square footage, sources of funding, and level of completion)
- Downtown Westminster Redevelopment Narrative and Current Development Map

9% housing credit application narrative



Project Name: Canyons Affordable Apartments

Project Address: NE Corner of Hess Rd and South Havana St, Castle Pines, CO 80108



EXECUTIVE SUMMARY

BMC Investments is excited to again present for consideration the Canyons Affordable Apartments project, a four-story 50-unit affordable housing project (the "Project") within the Canyonside master-planned community ("Canyons") in Castle Pines, Colorado.

The Project, which would be the first affordable housing project in the city of Castle Pines, is in a SADDA with direct access to I-25 at the northeast corner of Hess Rd and South Havana St. Utilizing an average-income structure to accommodate more units for households earning 30% of area median income ("AMI"), the Project features a mix of one, two, and three-bedroom apartments for residents earning 30% to 80% of AMI. The Project will serve individuals and families of all age ranges bringing affordable housing to an amenity rich community with a median home price over \$1MM.

Project units will range from 609-sf to 1,128-sf and will feature Energy Star appliances, in-unit washers and dryers, ample storage space, microwave ovens and Whirlpool or equivalent appliances in every unit. Building residents will enjoy approximately 3,200-sf of amenity space, including a large (+/- 715-sf) club room with soft seating arrangements to accommodate small or medium-sized events. The property also will feature a fully equipped fitness and exercise center, as well as a generous lobby. The Project includes a south-facing outdoor patio space for outdoor relaxation and to enjoy the views.

Canyons Affordable Apartments				
Unit Mix				
AMI	1-BR	2-BR	3-BR	Total
30%	3	1	1	5
50%	12	13	-	25
60%	3	2	-	5
70%	5	3	1	9
80%	3	3	-	6
Subtotal	26	22	2	50

Indeed, the Project's location in the Canyons community affords access to numerous amenities. Just outside the Project's main entrance, residents will enjoy immediate access to Canyons' robust network of 32 miles of trails and 46 acres of open space within the Canyonside area alone. The Project is a 15-minute bike ride or 5-minute drive to the RidgeGate RTD light rail station. Nearby Hess Road and I-25 connect residents to immense employment opportunities in the job-centers of Denver Tech Center, Castle Rock and Downtown Denver.

Across Hess Rd, Canyons has 2 million-sf zoned for future entertainment, commercial and retail use, ready to employ prospective tenants working in the construction field as well as staffing new and existing businesses.

The Project site has excellent access to a grocery store and drug store. A local branch of the Douglas County Library system is less than a mile from the subject site, and Castle Pines has two neighborhood elementary schools less than two miles from the Project site. The Project is in close proximity to the Sky Ridge Medical Center, which is an important residential service as well as job center.

BMC designed the building as all-electric and to Type V (wood-framed) construction, the most economical system for low-rise housing projects. The building skin will feature a mix of metal panel and cementitious panels. The building will have one elevator, surveillance cameras, and a secure entry. The building will be certified under National Green Building Standards at a minimum of Bronze, but with a strong desire to achieve Silver.

This application is for a single, 50-unit building. However, the site has capacity for another 50-unit building to be delivered as a second phase in the future. By sharing surface parking and sitewide infrastructure, the project will most economically deliver a total of 100 badly needed low-income apartments to the Castle Pines community.

Since the Project's 2024 application, the following improvements have been made:

- The Project is now designed as an all-electric building, fully committing to the electrification of all building systems. While an added expense, expertise gained from other projects (both affordable and market-rate) gives BMC the confidence that this can be achieved within our proposed budget.
- Ongoing development at Canyons has progressed. Sitewide infrastructure adjacent to the Project has dedicated funding allocated, and the required Site Improvement Plan amendments were approved by Castle Pines City Council on January 14, 2025. Construction commencement is imminent, as the project has been bid and contracts executed as of late 2024.
- Ongoing commercial activity at Canyons has also progressed. Lifetime Fitness has closed on its property and will begin construction of a 100,000-sf facility in 2025. BMC's 150-unit market rate townhome project is also

projected to begin construction in 2025, completing in 2027. All told, 2,325 housing sites have been sold to residential developers, another 565 housing units are under contract, with another 290 housing units expected to be under contract in the next 30 days, for a total of more than 3,000 homes in this bustling community. Please see the attached Canyons Map for a visual representation of development activity in the community.

- The Project is now working with a new design firm, Studio PBA, who has significant demonstrated experience with LIHTC projects.

An award to BMC would support a for-profit developer's ongoing commitment to put to use its scale and expertise to expand housing opportunities for residents of all economic backgrounds in the community BMC calls home.

1. Identify which, if any, of the priorities in Section 2 of the Qualified Allocation Plan (QAP) apply: The Project does not meet any of the priorities.
2. Describe how the project meets the criteria for approval in Section 2 of the QAP:

Market Conditions: Market conditions for the Canyons Affordable Apartments are excellent. The site is adjacent to I-25 and is a short commute to the RidgeGate Park-n-Ride lot and light rail station. The RidgeGate light rail station services the E light rail line, with direct connections to Park Meadows, DTC, Auraria Campus, Downtown Denver and Union Station. The Project's proximity to amenity rich hubs like DTC and Castle Rock offers a rich palette of shopping, jobs, recreation, parks, and open space for future residents. The market study, produced by JRES Intelica, computes an overall capture rate of 19.4% for this PMA – a strong data point that indicates that successful marketing and lease-up of units at projected rental rates is a reasonable assumption.

Proximity to Existing Tax Credit Developments: Although there are 10 tax credit projects in the primary market area, the nearest tax credit developments to Canyons Affordable Apartments are Ridgeway (Talus) Apartments, which is about 3.5 miles to the north, and The Pines at Castle Rock, which is about 3.5 miles to the south. A full 94% of units in the primary market area are 60% AMI units. A tax credit allocation for the Project will fill the affordable housing gap along I-25 and be the first tax credit project in the city of Castle Pines, in addition to serving a diversity of AMI levels.

Project Readiness: Canyons Affordable Apartments is ready to proceed upon receiving a tax credit allocation. The City of Castle Pines acknowledges the urgent need for affordable housing options in its 2019 Comprehensive Plan, recognizing the increasing housing cost burden and encouraging more diversity and high-quality housing in a range of types and prices. The Project would comply with local regulations as it proposed and would achieve many goals expressed in recent plans for the area. Indeed, please see the letter of support from City Manager Michael Penny for the Project. Roads and utilities serving the site will begin construction imminently. BMC is very familiar with the entitlement process in Castle Pines, having recently entitled and constructed The Madison Apartments at Canyons. City Manager Penny's letter also states the city will provide the Project with expedited plan review and permitting – another meaningful benefit and accelerant to delivery.

Overall Financial Feasibility and Viability: The Project is financially feasible. The project cost estimate was completed by Alliance Construction who has significant LIHTC construction experience, and BMC is very familiar with the Castle Pines development process and requirements. The Project underwriting also includes a healthy 7% contingency to account for unforeseen circumstances and costs.

Experience and Track Record of the Development Team and Management Team: BMC Investments, the applicant, has owned, operated, and developed an impressive array of residential multifamily, office, hotel, and mixed-used projects since its inception in 2011. Across Denver Metro, BMC owns and operates 4,500 workforce housing units, with a combined value of \$900 million. BMC has completed nine development projects totaling \$700 million in total project costs, including three completed multifamily projects comprising 708 units. Nine additional projects, with a total capitalization of \$1.3 billion, are in various stages of development encompassing 198 hotel keys, 375,000-sf of commercial space, and 1,639 residential units, including the LIHTC-financed 210-unit Fitzsimons Gateway project in Aurora. Fitzsimons Gateway was awarded tax credits in 2022, successfully closed with US Bank (tax credit equity) and KeyBank (lender), and is currently under construction, with a delivery date in mid-2026.



To understand the potential pitfalls and opportunities in a development deal, BMC leverages the expertise of its team as well as trusted consultants to create a detailed roadmap to delivery, complete with all aspects of development risk, before embarking upon a project. The Project consultant, Mile High Development (“MHD”), has completed or is under construction on ten LIHTC

developments in the past twelve years in Metro Denver as developer, co-developer or applicant, producing nearly 1,000 units of LIHTC-financed affordable housing. MHD and BMC together create a tremendously strong development team, with the breadth and depth of experience to successfully deliver the Project.

Studio PBA will design the Project. Studio PBA is a Denver-based architecture and planning firm that has designed tens of thousands of multifamily dwelling units across the country, over 1,000 of which have been affordable.

Alliance Construction, an experienced affordable housing general contractor, is providing project estimating services for this application and will build the project under a guaranteed maximum price (“GMP”) contract. Alliance is an experienced multifamily general contractor with many affordable housing projects to its credit and is the general contractor for BMC’s Fitzsimons Gateway project.

Project Costs: BMC bid the construction work to several general contractors and reviewed the scopes and budgets in considerable detail to determine cost reasonableness. By engaging multiple contractors in the bid process, competitive pressure ensures the best pricing for the Project. Through in-depth discussion with the contractors and utilizing decades of experience in the construction and development industry, BMC determined that the bids were reasonable. With a healthy Owner contingency as one tool available to the project, BMC will continue to monitor costs and proactively address any price increases.

Site Suitability: The Project's location within Canyons provides excellent lifestyle amenities and access to economic opportunity. The Project is adjacent to I-25 and is a short commute to the RidgeGate Park-n-Ride, connecting residents to regional employment destinations in Downtown Denver, DTC, and Castle Rock.

BMC has confirmed the City of Castle Pines support for the Project, which aligns with the City's strategic goals to bring income-restricted housing to an otherwise predominantly market-rate environment.

3. Provide the following: Waiver of Underwriting Criteria and Justification of Discretionary Boost: Canyons Affordable Apartments does not request any waivers or a discretionary boost.
4. Address any issues raised by the market analyst in the market study: The market study suggests the Project has a low Walk Score. However, the Walk Score is higher than nearly all competitive communities and higher than the overall Walk Score for Castle Pines. The Project's Walk Score will continue to increase as the 2.0 million-sf of commercial and retail space is developed just across the street from the Project. The market study also showed a high capture rate for the 60% AMI units due to several large projects that have exclusively 60% AMI units. The capture rates at the other AMI levels are extremely low – all below 4.5%. With only 5 units at 60% AMI, there is a negligible increase to the overall capture rate. The development team felt strongly about including a few units at 60% AMI. The income range for a 2-person household at 51%-60% AMI is \$52,200 to \$62,640. With many service industry, municipal and school district employees in this range, having a few units at this level will allow more residents to potentially live in the community in which they work.
5. Address any issues raised in the environmental report(s): The Phase I Environmental Study review has no recognized environmental conditions.
6. Identify if there are any unusual features that are driving costs upward: The Project has no unusual features that are driving costs upward.
7. Describe the outreach to the community that you have done and describe local opposition and/or support for the project (including financial support): The Project has received tremendous local support from the Castle Pines City Manager and Douglas County Housing Partners. Please refer to the support letters submitted alongside this application.
8. Describe how the project contributes to promoting equity as well as economic mobility for residents: Located adjacent to I-25 and just south of the RidgeGate Park-n-Ride, Project residents will have excellent access to job centers and economic opportunities. The Project will also address the equitable distribution of tax credits throughout the state of Colorado by bringing the first LIHTC project to the city of Castle Pines.
9. For acquisition/rehab or rehab projects, provide a detailed narrative that describes the proposed rehab plans/scope of work, and relocation plan (if applicable): Not applicable.

9% housing credit application narrative



Project Name: The Commons Phase II

Project Address: 3765 Marion Drive, Colorado Springs, CO 80909

Executive Summary:

The Commons Phase II is a proposed 42-unit Permanent Supportive Housing (PSH) project located in Colorado Springs that will be developed by Rocky Mountain Communities (RMC) and Homeward Pikes Peak (HPP). The community is the second phase of The Commons development, which currently includes 50 units of PSH in Phase I on the 2.58-acre site. Phase I was completed by RMC and HPP in March 2023 and was fully leased as of October 2023. Phase II proposes 32 one-bedroom, 8 two-bedroom, and 2 three-bedroom PSH units at or below 30% AMI in a 3-story building. It will include an elevator, ample community space, laundry room, dining/kitchen room, flexible amenity space, playground, shared amenities with Phase I to not be duplicative, and 39 additional surface parking spaces. Due to the demand in Colorado Springs and this specific submarket, RMC and HPP have chosen to exclusively serve the most highly vulnerable population of individuals and families experiencing homelessness in Phase II as we did in Phase I. Each PSH unit will include a project-based voucher, which the partnership is applying for 40 State Housing Vouchers (SHVs from the Colorado Division of Housing (DOH). RMC and HPP have also contacted the Department of Veterans Affairs (VA) once again to identify the need for Veterans housing, and the VA has committed 2 vouchers through the Housing Urban Development-Veterans Affairs Supportive Housing (HUD-VASH) Project Based Housing Program to serve the population of Colorado Springs. Project funding will include the Colorado Division of Housing (DOH), the City of Colorado Springs (City), and a Congressional Direct Award.

The Phase II site is currently entitled for up to 69 units, but the availability of LIHTC equity spread across fewer units feasibly allows for a smaller building of 42 units to be financed. The proposed 3-story building will be wood frame construction on a slab on grade foundation with thermoplastic polyolefin (TPO) roofing along with hardy panel. The building will follow Enterprise Green Communities (EGC) criteria and maximize energy efficiency through an LED lighting package, Energy Star rated appliances, and high efficiency fan exhaust ventilation. The project will include conservation and green building items such as high efficiency plumbing fixtures, efficient irrigation and landscaping, a radon ventilation system, and low-VOC interior paints. The property is conveniently located within a ½ mile of employment opportunities, seven K-12 schools, four healthcare providers, and has two transit stops within 500 feet. Its proximity to community amenities will help promote economic mobility for residents. The building is also in a Qualified Census Tract (QCT).

The property will continue to utilize Housing First principles to first provide housing stability followed by wrap around supportive services. It will also incorporate Trauma Informed Design (TID) principles used in Phase I and Arroyo Village, which was also designed by our architect, Shopworks Architecture. Phase I currently provides on-site services that include case management, health care, support groups, substance abuse recovery groups, job skills training, employment support, recreational/budgeting opportunities, conflict resolution/mediation training, personal financial management, and benefits counseling. These same services will be available to Phase II residents, who will have access to case management, peer coaches, and community partners to support their education, training, and employment. Tenant support services (TSS) utilize support systems that increase economic mobility and help transition out of the rental assistance program.

HPP will continue to use community partners to deliver these same services in Phase II. The supportive services budget for Phase II will be funded by the Colorado Division of Housing (DOH), Medicare, developer fee, cash flow, and fundraising that HPP will secure from community partners. Due to issues with methamphetamine at a few RMC properties, our property management department has instituted a zero-tolerance policy for meth use, which is grounds for eviction.

Narrative:

The partnership has made several key changes that will be integral to the success of Phase II:

- The development's permanent financing will not include any must-pay debt. The resulting lack of debt service creates a more financially feasible project that creates long-term financial stability for building operations and residents of the community. This debt structure will increase available net cash flow to pay for supportive services after payment of other obligations including asset management fees and deferred developer fee.
- Engaged both a local architect and general contractor, Shopworks and Taylor Kohrs respectively, who each have experience designing and building affordable multifamily housing in Colorado Springs. Shopworks was selected in large part due to their extensive expertise in trauma-informed design (TID), and their thoughtful design approach is integral to creating a building for extremely vulnerable tenants. The Partnership has further delineated its roles in the development. RMC and HPP have also signed an MOU, as they did in Phase I, for the development of the project.
 - RMC as managing member and co-sponsor will be a guarantor of all partnership obligations and take on all project development responsibilities for the project. RMC will be responsible for securing financing and will work with local partners including City planning, zoning, and code enforcement, and they will also handle all compliance in-house.
 - HPP as co-sponsor will be a guarantor of all partnership obligations and serve as the lead service provider to residents. HPP will use community partners to deliver services that include onsite case management, health care, job skills training, and personal financial management.
 - Dominion will operate as a development consultant on the project, but RMC will operate as the lead developer and continue its expanded role in Phase II due to its involvement at this early stage of the project. Dominion's primary role will include managing financial analysis and assisting with due diligence and the financial closing, and they will also assist RMC as needed to augment development capacity. The expertise of their lead project partner in LIHTC development, and their team's continuity and historical knowledge of The Commons as a development consultant on Phases I and II will remain vital to the ownership team.
- As co-developers of Phase I, RMC and HPP have benefitted from the learned experience of developing and owning a PSH community and serving residents over the past couple years. We applied lessons learned from Phase I to the scope of Phase II and integrated many best practices around TID.
 - RMC and HPP incorporated resident feedback into the design and applied lessons learned from the utilization of resident common areas into its Phase II design. The team was committed to ensuring that individuals with lived expertise of homelessness and behavioral health systems provided guidance to the housing development team, and they received training and technical assistance from nationally recognized TID researchers and participated in a Kaiser Permanente-funded study during the development of this project.
 - The design includes centralized resident amenities in Phase II and reorganized common areas and offices to accommodate centralized support services in Phase I. The indoor amenity space will follow TID principles by being directly adjacent to the outdoor courtyard, and staff offices and the front desk are situated in a central location, so they have eyes on all indoor and outdoor amenity spaces. Improvements to Phase I are not included in Phase II eligible basis, and any minor demolition will not cause any recapture of credits in Phase I.
 - The design prioritizes connections between residents and between residents and staff. To provide better safety and improve circulation, the main building entry will be in a central location between the two buildings. The existing entry will be modified and used only by staff.
 - In response to staff and resident feedback, resident services have been designed with increased privacy and expanded space to accommodate additional residents, and additional conference room space has been added along with a larger maintenance shop, an expanded food pantry, a larger redesigned playground, a dog play area, additional storage space, increased bicycle storage, and a smoking area.
 - Phase II will offer residents free laundry with machine rental and utility costs paid through the property's operating budget as Phase I does.
- Engaged both a local architect and general contractor, Shopworks and Taylor Kohrs respectively, who each have experience designing and building affordable multifamily housing in Colorado Springs. Shopworks was selected in large part due to their extensive expertise in TID, and their thoughtful design approach is integral to creating a building for extremely vulnerable tenants.

- Worked closely with our general contractor to reduce costs and plan our schedule to prevent any avoidable construction delays that were common during and immediately following the pandemic. Davis Bacon Wages and Build America Buy America requirements were used in the construction estimate.

Some project costs, including land, site work, and infrastructure will be reduced due to their inclusion in Phase I. The full land value of \$350,000 was incorporated into Phase I, and thus no land value will be incorporated into Phase II. Site and utility work, the detention pond, and a portion of the parking lot was constructed in Phase I and thus will not need to be fully constructed in Phase II.

Project financing will consist of tax credit equity, a grant from DOH, a loan from The City of Colorado Springs, a Congressional Direct Award, and deferred developer fee. The Colorado Springs Housing Authority as Special Limited Partner will also provide a real estate tax exemption to the project.

1. Identify which, if any, of the priorities in Section 2 of the Qualified Allocation Plan (QAP) apply:

- Projects serving Persons experiencing Homelessness as defined in Section 5.B 5
- Projects serving Special Populations as defined in Section 5.B 5

2. Describe how the project meets the criteria for approval in Section 2 of the QAP:

- Market conditions

As demonstrated by the market study, demand for permanent supportive housing outstrips the supply in Colorado Springs and this market. The State of Colorado Division of Housing funding ended for the Colorado Springs Metro Area Apartment Vacancy & Rent study, and consequently, reliable trend data for this market are no longer available beyond mid-2020. However, vacancies remain quite low among the comparable properties with most vacancy rates below 4.5%. The waiting list for Phase I filled quickly, and we remain the only property in the area providing housing for individuals and families experiencing homelessness.

- Proximity to existing tax credit developments
 - Academy Heights (201 units, 30-70%AMI) – 2.5mi
 - Plaza on the Platte (32 units, 40% AMI) – 1.9mi
 - Copper Creek Apartments (216 units, 60% AMI) – 2.6mi
 - Fountain Springs Apartments (228 units, 60% AMI) – 3.5mi
 - Residence at Village Green (22 units, 60% AMI) – 2.8mi

- Project readiness

Zoning for The Commons Phase II has been in place since the entitlement of Phase I.

RMC and HPP have a track record of securing debt, equity, and public funding for prior LIHTC transactions including The Commons, Arroyo Village, and Meeker Commons, each prior to the Carryover deadline. RMC is also in the process of securing construction financing from CHFA for Gateway Village and expects to close in early February, well in advance of this CHFA milestone.

Due to strong initial Letters of Interest (LOIs) received for this project, the Partnership is confident in its ability to secure construction financing and an equity investment by Carryover. Based on projections of our development budget, we will incur more than 10% of the project costs by Carryover. Our closing schedule coupled with that of our general contractor indicates construction will begin within 12 months of an award as well.

Our schematic design package has been diligently and thoughtfully developed to balance feasibility and utility with the overall goal to serve the needs of future tenants. Our team has analyzed the pre-construction budget with our architect and general contractor and has a high level of confidence in the projected costs as well as the overall project's readiness to proceed at this stage.

- Overall financial feasibility and viability

Project costs have been extensively vetted with the design and construction teams and reflect the projected cost to support the new construction of the 42-unit community. We have also received LOIs to support construction financing and federal, state, and solar equity pricing. In addition, DOH and the City have provided letters indicating their support to permanently fund this project, and we received a Congressional Direct Award grant that will provide substantial permanent financing. We will defer some developer fee to finance the remainder of the project. While we are clear on the execution and delivery of this development, the viability and feasibility of this project depends on an award of 9% and State LIHTCs in combination with the described funding sources to secure the financing of 42 new PSH units in the City of Colorado Springs.

- Experience and track record of the development and management team

RMC has over 30 years of experience as an owner, manager, and developer of affordable housing. In addition to acquiring, financing, and developing properties through several strategies, RMC has developed three LIHTC properties within its portfolio: Meeker Commons, a 4% LIHTC project awarded in 2000; Arroyo Village, a co-developed 9% LIHTC project awarded in 2016; and The Commons, a co-developed 9% LIHTC project awarded in 2020. RMC owns and manages over 1109 units across 10 properties located in Colorado and manages over 300 additional units on a fee basis through its 3rd-party affiliate, Pillar Properties. The RMC management team is experienced in LIHTC and HUD compliance and reporting, and the team has a strong track record of meeting compliance standards and reporting deadlines as evidenced by both The Commons and Arroyo Village.

Although The Commons was the first affordable housing project for HPP, they were partnered with RMC and Dominion, a developer with over 45 years of development experience operating in a pro-bono development capacity that also provided construction management for The Commons. Dominion is known for its high quality and cost-effective developments throughout the country. As they do not take any compensation for their services, their fees are reinvested in the development to benefit families experiencing homelessness and build financial capacity for Homeward Pikes Peak to continue to serve the unhoused Colorado Springs community.

- Project costs

The proposed project will be located immediately adjacent to Phase I of The Commons and will benefit from the utilities and infrastructure already in place. The site has a detention pond that will also serve Phase II once developed. The existing playground along with other amenities including the laundry room, computer room, fitness room, kitchen, hotbox, and community space will be shared with the residents and staff occupying Phase II. The construction of the 42 new units has no unusual costs associated with its development.

- Site suitability

Based on the market study, there is strong demand for affordable housing in the immediate submarket. Its proximity to other developments does not impact the rental rates and demand of The Commons Phase II. There are limited PSH projects in Colorado Springs, none in the general vicinity, and currently only two others in the pipeline for the City as a whole.

3. Provide the following information as applicable:

- This project does not request a waiver of any underwriting criteria.
- The project is not requesting a CHFA Discretionary DDA basis boost, but the project does qualify for a 30% basis boost due to its location in a QCT as noted in the application workbook.

4. Address any issues raised by the market analyst in the market study.

The only weakness identified in the market study is that units are generally smaller than the project's direct competitors. However, the analysis states this should not significantly impact the demand for the units supported by low vacancies for all unit groups.

5. Address any issues raised in the environmental report(s) submitted with your application and describe how these issues will be or have been mitigated.

The environmental report identified two Recognized Environmental Conditions (RECs). The first involves a subsurface soil vapor investigation completed in 2018 that found volatile organic compound (VOC) concentrations exceeding the Environmental Protection Agency's most stringent risk level. It is likely that the VOCs are due to offsite releases as there is no indication of VOC use in the site history. In addition, there is the likely presence of asbestos, lead, and/or Polynuclear Aromatic Hydrocarbons (PAHs) in the soil due to the former apartment complex burning down on the site.

The professional recommendations to fully address these RECs are as follows:

- a. The new buildings should be constructed with a soil gas mitigation system such as the most recent version of the ANSI/AARST CC-1000-2018-0523, Soil Gas Control Systems in New Construction of Multifamily, School, Commercial and Mixed-Use Buildings – Rev. 5/23. Such a system will protect against potential radon and VOC vapor intrusion. At completion and prior to occupancy, the new apartment complex should be tested for radon following the most recent ANSI/AARST protocol.
- b. A limited subsurface investigation be conducted to test the soil for potential impacts from the former apartment complex that burned on the site. The soil should be tested for asbestos, PAHs, and lead. If exceedances of residential standards are found, the impacted soil can be managed by excavation and offsite disposal for capping under hardscape or a clean soil cap or a combination thereof.

RMC and HPP addressed similar concerns when developing Phase I, and we intend to continue following the recommendations proposed to fully address the identified RECs.

6. Identify if there are any unusual features that are driving costs upward, as well as if there are any opportunities to realize cost containment (refer to Section 2 of the QAP for additional information).

There are no unusual project costs associated with this project, and the construction cost is priced competitively at approximately \$307,000/unit.

7. Describe the outreach to the community that you have done and describe local opposition and/or support for the project (including financial support).

HPP has provided regular updates to the Pikes Peak Continuum of Care's (CoC) membership and the City of Colorado Springs, and they have provided additional outreach to the Coalition of Housing Advocates and Providers as well as the Pikes Peak Housing Network. We also held a community meeting in January 2025 to discuss the project and State Credits with the community. There is resounding support from local service providers, the City, and the Colorado Springs Police Department Homeless Outreach Team, and El Paso County. There has not been any expressed local opposition to the project.

8. Describe how the proposed development contributes to promoting equity as well as economic mobility for residents.

The housing first approach ensures residents have as few barriers to entry into housing as feasible. Staff will actively work with applicants on documentation to apply for housing. Notice of available units will be shared through a variety of service providers, food banks, local government, and housing providers to provide outreach to people who may not regularly receive news or communication from the CoC. Once clients have moved into the project, case management, peer coaches, and community partners will work together to support residents' goals of education, training, and employment. TSS will work with each resident to utilize as many support systems as possible to increase their economic mobility and plan for a successful transition out of the rental assistance program in a project-based voucher unit. HPP has a strong track record of supporting clients to make the successful transition to independent housing.

9% housing credit application narrative



Project Name: Crossroads at Divide

Project Address: Lone Ranger Road, Divide, CO 80814

Divide, Colorado is on the cusp of a transformation. This unincorporated “town” is maturing into a new community and Crossroads at Divide is directly responding to Teller County’s immediate housing need.

Crossroads at Divide, a 36-unit family affordable housing project sponsored by AmericaWest Housing Solutions and co-developed by Riverstone Platforms Partners, truly represents a connected County-wide crossroads location for residents. Much of Teller County’s population is spread throughout rural areas, with only a third of the population living within a named municipality, such as Woodland Park or Cripple Creek, cities in which development is severely restricted due to charter limitations, infrastructure constraints, and land parcel unavailability.

However, the unincorporated town of Divide, the site of Crossroads at Divide, is centrally located at the junction of the east-west thoroughfare US Highway 24 and the north-south State Highway 67 with ample developable land surrounding it on all sides. Moreover, as such, Divide is on the brink of an explosion of development activity. Teller County is partway through their three-phase process to open their new wastewater facility in Divide to accommodate this anticipated growth. Further, in January, the Teller County Commissioners publicly announced their plan to build the new Teller County Central Service Center in Divide. This Service Center, planned to open in by early 2027, will contain multiple County departments (Attachment 1: County News Article). Finally, the Chamonix Casino in Cripple Creek opened in November 2024 creating an influx of new area jobs.



Chamonix Casino, Cripple Creek
Opened in November 2024

Image credit: www.chamonixco.com

Crossroads at Divide



Wastewater utility
expansion; first
phase to complete
in Spring 2025



Teller County Central Service Center
opening late 2026 or early 2027

Image credit: Mountain Jackpot News

As Divide solidifies its role as the crossroads for the County, its housing needs will also continue to grow. Due to the opening of the new wastewater facility, multiple large parcels of land, including Crossroads at Divide are available for housing development. However, only Crossroads at Divide will house low income, workforce residents. The Teller County Service Center won't just be nearby, it will be across the road from Crossroads at Divide ready to serve residents and the community for decades to come. Employees who choose to reside at Crossroads at Divide, such as those at the Department of Human Services or the Public Health and Division of Motor Vehicles, will have a short walk to work, rather than a lengthy commute from Woodland Park to Cripple Creek. The \$222 million Chamonix Hotel and Casino is bringing more than 200 new jobs to the town of Cripple Creek, where there is no affordable housing. In a town with many casino workers, any household below 70% AMI will need to look for housing in Divide, Woodland Park or even Colorado Springs. In 2014, Charis Bible College relocated from Colorado Springs to Woodland Park. The College has 583 employees with the total campus, which also encompasses Andrew Wommack Ministries totaling over 800 employees. Many of these employees still commute from Colorado Springs. Finally, the Pikes Peak Regional Hospital was acquired by UC Health in 2018 and has since continued to expand their operations. However, they have been held back by an inability to house their 120 employees. Given these choices, Divide is the easy favorite with a commute time of 25 minutes, rather than 35 minutes from Woodland Park or over an hour from Colorado Springs. Now is the time to secure affordable units for this community.

Divide is a long-standing community (Attachment 2: History of Divide), with momentum for continued development. In addition to the plans above, in January, the UC Denver College of Architecture and Planning selected Divide as their student capstone project; the resulting Town Center Master Plan will spur area interest (Attachment 3: Divide Town Center Master Plan). For decades, Divide has slowly developed without a Master Plan. However, with this Master Plan, one that includes Crossroads at Divide in its thesis, Divide can move forward with confident well-informed development for all residents.

Crossroads at Divide is a three-story walk-up building with 12 one- and 24 two-bedroom units at 70% AMI and below, with 11% of units at 30% AMI. Allowable density at the site is currently 15 units per acre. The site is 5.16 acres which would allow up to 77 units. The current plan for the whole of the site in addition to the subject LIHT project is to do a future phase with additional workforce, below 120% AMI, housing over the next 5 years. A spread foundation system with conventional slab-on-grade will be utilized. Design and final engineering will be dependent on geotechnical recommendations. The building will have Hardie plank and factory finished metal siding with high efficiency Pella windows and doors, staggered setback facades and factory finished metal roof panels that complement the mountain setting, while also providing the necessary hail and fire resistances. The building structure will be wood frame conventional construction with preconstructed wood panel systems utilized where applicable. Units will be air conditioned, and feature carpet and luxury vinyl plank floors, high-speed internet hookups, ceiling fans, ample storage, balconies and energy-efficient kitchen appliances. Crossroads at Divide will be built to an NGBS Bronze standard and will be permitted under 2018 IECC. The development will also utilize water-wise landscaping and the building will be all electric, PV ready, and will utilize Cold climate VTAC heat pumps. The laundry facilities will be one common room with a washer and dryer for every four units. There will be 75 parking spaces on the property for over a 2 to 1 ratio. The property will be managed by Colorado Springs based Greccio Housing Unlimited Inc.

There are two transit options for residents of Crossroads at Divide. Teller Senior Coalition runs transportation services on Wednesdays and Fridays and operates throughout Teller County for the price of \$1.00 a day. There are also buses that provide transportation to casino workers operating from Colorado Springs through Woodland Park and Divide and to Cripple Creek. The bus operator has agreed

to make a stop in Divide to pick up workers from Crossroads at Divide to take them to Cripple Creek. There is no cost for those who require the bus to get to and from work.

The project will be financed through 9% tax credit equity, state tax credit equity, IDF CMF deferred sub-debt and taxable permanent debt. Teller County has waived or reduced most of their fees as described below in the project readiness section. Further, Teller County government officials and surrounding jurisdiction town leaders are ecstatic about the prospect of adding Crossroads at Divide to the affordable housing continuum in Teller County (Attachment 4: Letters of Support and List of Community Outreach).

1. Identify which, if any, of the priorities in Section 2 of the Qualified Allocation Plan (QAP) apply: The project is in a county with a population of less than 180,000. Per the 2020 Census, Teller County's population is 24,710.

2. Describe how the project meets the criteria for approval in Section 2 of the QAP:

Market conditions: The PMA has three LIHTC projects, two of which are adjacent to the Crossroads at Divide site. Both adjacent projects have zero vacancy and have a shared waitlist of 35 applicants. The other LIHTC project in the PMA has a 34-applicant waitlist, but no occupancy data was provided. There are only three units of housing in the PMA restricted at 30% AMI and below and there are 17 applicants at this 30% and below threshold on the waitlist. The market rate units in the PMA are 39% more expensive than the comparable units at Crossroads at Divide, making the units at the Project a good value option for residents.

The median home price in Teller County is over \$550,000, which would require an annual income of around \$150,000 or over 150% the median family income in Teller County and certainly higher than the nearest job centers in Divide. Affordable rental housing is an unmet need for this community.

Proximity to existing tax credit developments: There are only two LIHTC projects relevant to the site, Hybrook Townhomes I & II and Valley View Place Apartments. Hybrook Townhomes I & II has 49 LIHTC units between the two projects with one unit at 60% AMI and below and the rest of the units at 50% and 40% AMI and below. Valley View Place Apartments is located in Woodland Park and has 24 units at 60% AMI and below. There are no other tax credit developments or affordable housing projects in the pipeline for this PMA at this time.

Project readiness: AmericaWest Housing Solutions has been working towards development of this project for several years and has several partnerships in place that make 2025 the ideal time to develop the site. One of the benefits of building in an unincorporated town in a rural county is that the planning and permitting process does not have the same onerous process of applications as metro areas, which allows for much faster approvals. Additionally, the County Building and Planning staff are readily available to assist with building permits.

The project site is already zoned as P.U.D. (planned unit development) with the designated zone district for multi-family. No rezoning or variances are needed for this project's site.

Overall financial feasibility and viability: While building in a rural mountain area poses some financial challenges, the AmericaWest team has kept the proposed financing plan feasible by minimizing the tax credit ask to CHFA and by bringing Impact Development Fund's Capital Magnet Funds to fill the financing needs of the project. The Operating Budget has been informed through Greccio Housing's expansive

knowledge and experience and the current operations of AmericaWest's other project, Valley View Place Apartments. The development team is confident that the operations of Crossroads at Divide will be very similar to what is currently being proposed.

Experience and track record of the development and management team: AmericaWest Housing Solutions developed Valley View Apartments in Woodland Park in 2017 (Attachment 5: History of AmericaWest). As the nonprofit has matured, they have continued to partner with additional experts. Adding Riverstone Platform Partners as a co-developer on the project has added their extensive LIHTC development expertise and financing partner relationships to bolster AmericaWest's own development experience. Rounding out the development team with other experts such as Taylor Kohrs, S.B. Clark Companies and DTJ Designs helps to ensure that not only are today's estimates well informed and accurate, but also that the process to close the project will be as smooth as possible.

Project costs: Construction cost estimates have been provided by Taylor Kohrs, an experienced multi-family general contractor headquartered in Thornton, CO. The project's development and operating budgets have been informed by a thorough estimate by Taylor Kohrs and from AmericaWest's recent operating budgets in their other LIHTC project in Teller County.

Site suitability: The site in Divide is ideal for affordable housing development as the town increases its infrastructure and as Divide cements itself as a true crossroads in Teller County, connecting economic centers and people. Crossroads at Divide will be across the road from the newly announced Teller County Central Service Center, where many Teller County departments will be located. The site has access to all necessary utilities and improvements. In addition, the site is in close proximity to a grocery store, elementary school, post office, health clinic, sheriff's station, and a vast amount of open space and trails. The site has no restrictive environmental conditions, has no access issues or traffic concerns, and is part of an extensive Master Plan for the community's development of housing for all income levels. The surrounding communities, especially Woodland Park and Cripple Creek, agree that Divide provides the only place and opportunity to accommodate a large scale affordable and attainable housing development. Both of these cities have limited opportunities for development restricted by availability of properly zoned sites, price prohibiting issues, inability to provide incentives due to charter limitations, lack of suitable infrastructure to facilitate higher density projects, etc. Divide is a very unique opportunity due to its location, availability of infrastructure, and the vast amount of land area that can be developed for work force housing.

3. Justification of the financial need for a CHFA Discretionary DDA basis boost of up to 30% of eligible basis: AmericaWest requests a 23.75% CHFA Designated DDA Boost. This boost generates \$351,651 of additional annual credit resulting in approximately \$2.9 million of additional tax credit equity. This boost is necessary for this small community as, other than fee waiver support, there are no local funding opportunities. Given the restricted and highly competitive state funding situation, a Designated DDA Boost is the most effective gap-filling source. In addition to limited source opportunities, rural mountain locations experience increased costs as further described in Section 6 below.

4. Address any issues raised by the market analyst in the market study. No issues or recommendations were raised by the market analyst.

5. Address any issues raised in the environmental report(s) submitted with your application and describe how these issues will be or have been mitigated. None

6. Identify if there are any unusual features that are driving costs upward, as well as if there are any opportunities to realize cost containment: Construction in a rural mountain location often is more costly than construction near urban centers. AmericaWest Housing Solutions has worked to contained these increased costs by considering alternative construction methods such as panelized construction of walls, the potential use of solar energy, continuous wall board insulation, and high efficiency windows. Consideration for extreme weather and fire are also being addressed for building safety and long-term maintenance. Even though some of these considerations may not provide initial construction savings they will lower long term operating costs and insurance exposure. The site consists of decomposed granite which will allow for a simple spread foundation system and slab on grade for the lower-level units. Xeriscaping and use of local materials such as boulders sourced from a local quarry will be incorporated into the overall site design. The use of cementitious siding and metal roof and wall panels will provide a reasonable cost alternative and long-term life cycle.

There will be no development fees charged to this project. Projects in other less rural jurisdictions typically include drainage impact fees, traffic fees, parks trails and open space fees, and site plan review fees. There will be the standard building permit fee that is administered through the County Building and Planning department. Consideration for discounting this fee will be addressed at time of building permit submittal by the County Commissioners. In addition, since the wastewater facility is undergoing a massive multi-million dollar renovation and expansion, fees for sewer taps will be assessed by the County Commissioners at a later date including consideration for reduced fees for affordable housing. The project will be provided with a discount of between 5 and 30% for water tap fees as the County Commissioners have made affordable housing one of their top priorities and have committed to encouraging projects that achieve this goal.

7. Describe the outreach to the community that you have done and describe local opposition and/or support for the project (including financial support): There has been widespread local support for the Crossroads at Divide from Teller County including the Teller County Commissioners, the Mayor of Woodland Park, and the Mayor of Cripple Creek. In addition to the local municipalities, AmericaWest has also been in conversation with a few of the casinos in Cripple Creek, the Cripple Creek and Victor Gold Mine and the local schools and hospital. All of these employers are looking to Crossroads at Divide to assist with housing the employees they cannot currently hire due to housing costs. Several non-profits have also put their support behind the project. There currently is no known opposition to this project. Specific letters of support and community outreach can be found in Attachment 4.

8. Describe how the proposed development contributes to promoting equity as well as economic mobility for residents: The primary contribution to equity and economic mobility is that residents can live closer to the job centers of Cripple Creek and Woodland Park without having to live there, since there are public infrastructure and land constraints challenges in both municipalities. Divide is growing as a town and is making significant capital improvements to infrastructure and will be home to Teller County governmental offices, making it a town full of growth potential for residents who enjoy mountain living.

In addition to its excellent location, as part of their role as property manager at Crossroads at Divide, Greccio Housing Unlimited offers an array of supportive services and programming intended to increase opportunity and financial, personal, and housing stability. This is all funded through the general operations of the building.

9% housing credit application narrative



Project Name: Federal Apartments

Project Address: 3244 S. Federal Blvd, Denver CO 80236

Executive Summary: Silva Development Partners "SDP" is pleased to present this application to CHFA for 9% competitive Federal Low Income Housing Tax Credits "LIHTC" for the construction of Federal Apartments, a 50-unit older adult apartment community located in the College View neighborhood of Denver, Colorado along Federal Boulevard (the "Project").

The Project's 1.01 acre site is located at the intersection of Federal Blvd and W Floyd Ave in southwest Denver. The Project is not in a QCT or DDA. The site is considered a Transited Oriented Development (TOD); it is located 160 feet from the closest bus transit (Federal Boulevard Bus Rapid Transit). The proposed 3-story, 50-unit multifamily building is an allowable use and density according to the Denver zoning code.

The Project will serve older adults, 62 and older, who make between 30% and 70% of the Area Median Income (AMI). The building will offer 46 one-bedroom apartments and 4 two-bedroom apartments ranging from (560 SF) to (855 SF). The AMI mix will include: five units at 30% AMI; seven units at 40% AMI; 14 units at 50% AMI; 17 units at 60% AMI; seven units at 70% AMI. Average AMI is 52.8%. The excellent location provides older adults with easy access to public transportation, affordable healthcare, groceries, entertainment, recreation, and other necessary amenities that all promote economic mobility.

Unit amenities will include central AC, generous closet spaces, spacious bathrooms with showers, low flow plumbing fixtures, high ceilings, cable TV and data hookups, window coverings/blinds, laminate plank flooring in the living areas and bathrooms, carpet in bedrooms, and Wi-Fi for the community area. All unit kitchens will feature wood cabinets, solid surface countertops, stove and oven, garbage disposal, Energy-Star rated appliances including refrigerator, dishwasher, and in-unit stacked washer and dryer. Interior Project amenities include a large, flexible community space including a warming kitchen with folding tables and chairs for resident gatherings, an exercise room with a large interactive TV and group exercise equipment, meeting rooms for service providers, and 32 tenant storage units at \$20 a month. The property will be served by a full-time, on-site manager and maintenance staff, as well as a part-time service coordinator for a minimum of eight (8) hours a week, capitalized into the Project's annual operating budget. The coordinator will provide access to community support and services and develop programs and resources that support a culture of wellbeing and community. Exterior amenities include a dog run, pollinator garden, community gardens, shaded picnic area, and 17 carports with solar panels attached to the roofs.

Construction will be wood frame with an attractive skin comprised of a combination of brick, stucco, and siding. The roof will be flat with a 60 mil, fully adhered, single ply, cool roof membrane. Heating will be all-electric. Cooling is provided by roof mounted electric condensers. The building will be designed to be highly energy efficient complying with the 2020 National Green Building Standard (NGBS) program at a Bronze level evaluating Silver potential but implementing best practices from Enterprise Green Communities and Zero Energy Ready Homes such as efficient irrigation, efficient plumbing layouts, universal design elements, no smoking policy, and recycling on site. There will be two elevators.

The total estimated project cost is \$25,087,983 (\$501,759 per unit). It will be financed using a combination of \$13,759,983 of 9% Federal tax credit equity (\$0.86); \$2,652,000 of State tax credit equity (\$0.68); \$221,000 of TOC credit equity (\$0.68); \$4,105,100 of CHFA Risk-Share permanent debt; \$300,000 of HOF debt; \$389,900 of Capital Magnet debt; \$2,750,000 of HOST cashflow debt; and \$910,000 of Deferred Developer Fee (31.85%); paid back in year 13. SDP has entered into an agreement with the Eaton Senior Communities to provide real estate tax exemption for the Project.

Key reasons why the Project deserves a 2025 award of 9% Federal tax credits:

- Serving Unmet Affordable Housing Needs in Denver: The Project would be only one of five age-restricted projects in the PMA, compared to the total 26 NON age-restricted projects, and the only one serving residents at 70% AMI, a critical demographic with no current options.

- The dearth of supply is exacerbated when considering the vintage of the current supply. The projected rate of population growth for the 62 and older age group in the PMA is 2.0%, which is faster than the average annual increase for the overall population of just 0.2%, demonstrating an unmet need for older adult housing, even with the current projects available and in pipeline.
- The Project has an Ideal Infill Location: The site is situated in one of Denver's most well-known and centrally located neighborhoods, College View. The Transited Oriented Development (TOD) site provides excellent access to the high frequency bus transit (with the closest bus stop a few feet from the site), River Point at Sheridan shopping center, an abundance of restaurants, multiple grocery stores with pharmacies like Target, King Soopers, and Costco, entertainment, public libraries, and access to nearby hospitals and medical centers. The site is conveniently located near, but not on, Freeway 285 and Route 85 providing ease of access to major transit. Though Federal is known to be a busier street, this specific section is surrounded by existing multifamily buildings and condos on all sides, emphasizing the livability of this block on Federal.
- CRA Accreditation: The Denver location of this Project has a high likelihood of meeting CRA accreditation for a larger pool of investors, creating a more efficient project with scarce 9% LIHTC subsidy. "Making fewer housing resources go farther" is a central theme in this very uncertain economic environment given high construction costs, high interest rates and uncertain macro, fiscal, and tax policy environment.
- Underrepresented Developer: SDP is a 100% Hispanic-owned and 50% Woman-owned development company. With 10 years in business at Silva Management Partners (SMP) and 40 years of experience in LIHTC, SDP is well known to a variety of investors, lenders, housing authorities, auditors, management companies, and developers. Based on the partners' experience and property management expertise SDP is in an excellent position to be a successful developer and operator of LIHTC communities.
- Unanimous Neighborhood Association Support: SDP received unanimous support from the College View Neighborhood Association. Many of the residents were of older age and agreed that even with the current supply and upcoming pipeline, Federal Apartments is not only needed for the rapidly aging population, but welcomed by the community. Furthermore, a 50% owner of SDP is also a homeowner in the College View neighborhood and can speak firsthand on the need for more affordable housing, particularly for older adults, in this specific area.
- Incredibly Strong Property Management Presence: Silva Development Partners is an independent arm of Silva Management Partners (formerly known as Silva-Markham Partners or SMP), a well-known LIHTC property management company in Colorado with 40 years of experience, currently managing 46 affordable properties reflecting nearly 3,000 units. SMP's niche expertise in affordable housing management puts SDP in a very unique position to develop the Project with a keen understanding and competency of the operations, budget, and leasing that is unrivaled in the post-construction process and beyond.
 - SMP is consistently contacted by affordable housing providers (including VOA and Catholic Charities) to aid in lease up and support. In fact, Catholic Charities has offered to be SDP's non-profit partner due to SMP's expertise. The proximity of Catholic Charities's All Saints Apartments and Federal Apartments will allow for shared efficiencies for the older adult population living in the neighborhood. SMP receives high praise for its quick lease ups around the state including, but not limited to, Silver Key in Colorado Springs (lease up completed in just three months), Denver Metro Village, and All Saints Apartments. They are the go-to resource in lease-up consulting, LIHTC compliance documentation, rapid lease up, and rescue for other projects. Furthermore, SMP has been heavily involved with developers in the state from the initial design of their projects through more than 20 successful lease-ups and property stabilization.
- Trusted Development Consultant: The Project's turn-key development consultant is MGL Developers, "MGL". MGL is a trusted, experienced LIHTC multifamily rental developer in Colorado spanning all income levels from deeply affordable to luxury. MGL has developed 15 LIHTC projects as the General Partner and 14 projects as a development consultant. SMP has also been successfully operating MGL's affordable communities for 10 years. Together, MGL and SMP demonstrate the ability to deliver not only quality assets in highly desirable areas, but also delivering exceptional operations and life enriching resident experiences.
- Wellness Package: SDP, through its property management arm, Silva Management Partners, has successfully operated a variety of older adult activities and services for the well-being of their tenants, that will continue to be offered for the older adults in Federal Apartments. SDP has engaged with Eaton Senior Communities, a well-respected affordable community owner, operator, and service provider to provide services at the property that will connect residents to local community support onsite, advocate for the psychosocial and physical needs of residents, and provide shared transportation to and from the services it coordinates. The coordinator will provide access to community supports and services and develop programs and resources that support a culture of wellness.
 - SMP, the management arm of SDP, has agreed to reduce the property management fee by 50% to support funding for a permanent Service Coordinator who will provide services and assistance to the older adult residents.
- Overall Penetration Rate: The PMA is at 16.2%, which is a slight increase from the existing of 12.2%, which is well under the preferred threshold, indicating a need in the market for additional affordable housing for older adults, who are one of the fastest growing populations. Both non-subsidized LIHTC projects in the PMA have waitlists, up to 200 applicants. Excluding All Saints, whose lease up is expected to be completed by end of March 2025 (consulting done by SMP), there are no other directly competitive LIHTC units in the pipeline. The Project is unrivaled in its programming, unit mix, and onsite services. Considering the 1.3% vacancy rate at surveyed older adult LIHTC projects and 149 age-restricted units in the pipeline, the completion of those units will not negatively impact other rental projects restricted to older adults and the vacancy rate would decrease from 1.3% to 0.1% over the next two years. The surveyed LIHTC developments, both senior and family, were highly occupied with waitlists, suggesting there is strong demand for more age-restricted income-restricted units as a result of years of under investment in the area.
- All-Electric Project: Federal Apartments will consist of a single three-story structure serviced by two elevators. The units will have entrances off double-loaded interior hallways. The common areas will primarily be on the first floor of the building. Heating will be all

electric. Cooling is provided by roof mounted electric condensers. The buildings will be designed to be highly energy efficient complying with the 2020 National Green Building Standard (NGBS) program at a Bronze level evaluating Silver potential but implementing best practices from Enterprise Green Communities and Zero Energy Ready Homes such as efficient irrigation, efficient plumbing layouts, universal design elements, no smoking policy, and recycling on site and during construction, to name a few.

SDP Partners is under contract to purchase the land of 3244 S. Federal Blvd for \$1.785M. The purchase price is \$35,700 per door. The land cost is a relative value compared to land prices in the surrounding metro area due to low tap and impact fees in Denver and its close proximity to utilities. Impact Development Fund has earmarked \$389,900 of Capital Magnet Funds for the Project.

The Project will meet two of Denver's Housing Goals identified in the Housing and Inclusive Denver Housing Plan; *Create affordable housing in vulnerable areas AND in areas of opportunity and promote equitable and accessible housing*. By building in a well-known neighborhood in central, southwest Denver with easy access to transit, recreation, shopping and other amenities by walking, light rail or bus, the Project is creating new housing units in an area of opportunity for older adults at income levels ranging from deeply low income to moderate. Creating housing specifically for older adults in this area will also reach the goal of *embracing diversity throughout neighborhoods and support housing as a continuum* by serving a range of income levels.

SDP has worked with Eaton Senior Communities to create a wellness package for older adult communities. Key components include: hosting gardening workshops at the community gardens to encourage healthy eating and connection, and designing a flexible community space to fit all the residents and activating the space to host group meetings focused on exercise, overall health, healthy cooking, financial independence, and general mental health. More information is included as a supporting document to this application. Additionally, SDP has partnered with Eaton Senior Communities to provide an onsite, project funded, Service Coordinator. The Service Coordinator will connect residents (on a voluntary basis) to local community support onsite and services (such as the DRCOG Area Agency on Aging) and act as advocate for the psychosocial and physical needs of residents, ensuring that residents live independently, and develop community partnerships to ensure optimal resource coordination.

To encourage aging in place, SDP will exceed the required number of accessible units: five (5) of the units (10%), instead of the typical 6%, will be fully ADA accessible and an additional two (2) units (4%), instead of the typical 2%, will be accessible for persons with hearing or visual disabilities. The balance of the Project units will be considered Type B, or convertible units, to address accessibility issues in the future. All community spaces will be fully accessible. Building security will consist of controlled access entry with an intercom system to each unit and security cameras at building entries. The buildings will be physically situated and architecturally detailed to take advantage of passive heating and cooling opportunities. The building's enclosures will be energy efficient with Energy Star windows and doors, R-49 insulation in the attic, R-20 in the walls, and R-10 at the foundation. All unit appliances, lighting and light fixtures will be Energy Star. To accommodate active older adults, the Project will offer 33 no-cost parking spaces (0.66 per unit), 17 of which will be carports. Five (5) spaces will be EV installed, two (2) spaces will be EV ready, and 14 spaces will be EV capable. The building will be designed to be "solar-ready"; structurally engineered to support roof mounted solar panels in the future. The building will have solar panels located on the carports, which will bring down utility costs.

1. Identify which, if any, of the priorities in Section 2 of the Qualified Allocation Plan (QAP) apply: The Project will not meet any of the priorities in Section 2 of the QAP.

2. Describe how the project meets the criteria for approval in Section 2 of the QAP:

Market conditions: The City of Denver has a strong and growing demand for affordable housing for older adults. The Office on Aging estimates that by 2050, 24% of Denver's population will be ages 65+. The older adult population is projected to account for 30% of the PMA's total households in 2026, though there are only 5 LIHTC properties, totaling only 588 units, for older adults in the PMA. Furthermore, the older adult population is projected to account for the highest percentage of population increase by 2029. The site is highly marketable to older adults, as it is a central hub in Denver, and in close to proximity to adjacent towns, freeways, entertainment, and necessities. The Project's location is desirable and generally comparable or slightly superior to most surveyed projects. The Project's community and unit amenities are generally comparable to the surveyed age restricted LIHTC properties. While its unit sizes are similar or smaller than average, they have efficient layouts, and half of the units will have access to on-site storage.

Surveyed LIHTC projects have rents set equal to maximum allowable 2024 rent, even for higher AMI levels. Federal Apartment's proposed 30%, 40%, and 50% AMI rents are set to the maximum allowable rents. 60% and 70% AMI rents are slightly discounted at 7%, and 13% from the maximum allowable rent. The Project rents provide a discount to market rate apartments from between 32%-70%, offering excellent value to prospective tenants. The Project will have all owner-paid utilities, which underestimates the rent differential between the Project and the surveyed market-rate rents.

The Project would have to capture a total of 16.2% of the income- and size-qualified older adult (62+) renter households in the PMA to attain full occupancy. Capture rates at each AMI band are as following: 8.6% at 30% AMI; 14% at 40% AMI; 12.7% at 50% AMI; 21.3% at 60% AMI, and 3.2% at 70% AMI. All AMI capture rates are below CHFA's guidelines demonstrating a strong need for this type of housing that will be occupied once built. There are no risks or issues with other AMI thresholds exceeding the preferred threshold. The PMA is expecting to gain 103 62+ households over the next 5 years.

Proximity to Existing Tax Credit Developments: The PMA has 31 LIHTC projects containing 2,809 income-restricted units. However, only five projects are age-restricted; totaling 558 units. The following senior tax credit units were surveyed and used as comparables in the market study: Kings Point; Mountain View Tower and Eliot Cottages; Walsh Manor Annex; CityScape at Belmar. The closest senior LIHTC project on South Lowell Blvd, 0.2 miles from Hampden 285 was delivered 22 years ago. Other senior LIHTC projects nearby were delivered in 1979 and 1971, respectively. Compared to the surveyed senior LIHTC projects built from 1971 to 2015 the Project's location is desirable and generally comparable or slightly superior to most surveyed projects. The Project's community and unit amenities are generally superior to the surveyed senior LIHTC properties, however it will showcase a new development for older adults compared to the vintage of the others. Half of the units will have access to on-site storage, which is not offered by competitors.

Project readiness: The site is zoned S-MU-3 (Suburban Multi Unit 3 Story), which allows for the development of multifamily housing up to three stories. SDP has the site under contract and will purchase the property June 15, 2025. The Project will exceed 35 feet, which is allowable due to City of Denver's affordable housing incentive, meaning the building is able to be four stories tall or 50 feet tall. This concept is compliant, and the Project has been accepted into the City of Denver's Affordable Housing Review Team (AHRT) process which will provide an expedited entitlement process. If awarded 2025 tax credits, the Project will close on the tax credit partnership and commence construction within 12 months.

Overall financial feasibility and viability: The Project is considered a small project at 50 units, which allows tax credits to be distributed to more communities and prevents the concentration of affordable units in a few large projects. The Project takes advantage of City of Denver funding maximums. Impact Development Fund has earmarked Capital Magnet Funding. The Project averages 52.8% AMI with 26 units (52% of the units) at or below 50% AMI. The Project has a 1.16 Debt Coverage Ratio and has deferred of Developer Fee (paid in year 13). Operating expenses are conservative, approved by investor, and based on actual operating expenses from SMP's experience efficiently operating nearly 3,000 affordable multifamily units. Due to SMP's extensive experience LIHTC property management, SDP is able to forecast operating expenses that are realistic and anticipatory.

Experience and track record of the development and management team: MGL is in excellent financial standing as a turn-key development consultant. In the past several years, MGL has completed eleven (11) older adult projects totaling 791 units and has 50 units in entitlement. MGL also provides reliable, proven affordable housing development and financing expertise primarily to PHAs and non-profit organizations seeking real estate development and finance assistance.

The development team, consisting of all Colorado-based firms, Santulan Architecture, BC Builders, MGL, and SDP has designed, financed, constructed 13 LIHTC and workforce housing projects together, including recently delivered St. Stephen Senior Apartments. MGL has an excellent record of completing projects on time and on budget. SDP's property management firm is Silva Management Partners (previously known as Silva-Markham Partners). SMP's niche expertise in affordable housing management puts SDP in a very strong position to develop the Project with a keen understanding and competency of the operations, budget, and leasing that is unrivaled in the post-construction process and beyond. Furthermore, SMP has been heavily involved with developers in the state from the initial design of their projects through more than 20 successful lease-ups and property stabilizations.

Project Costs: The Project represents an opportunity to provide affordable homes to older adults in Denver, the economic hub of the state, but can take advantage of Denver's low tap fees, efficient parking requirement and affordable housing fund. The purchase price, at \$35,700 per door, is market value for an established, highly-amenitized neighborhood in Denver and is relative in value to land in the surrounding metro due to low tap and impact fees in the City and County of Denver. The building is all-electric with solar planned on the carports. The Project is too small to be able to realize Xcel Energy's current rebate program, however, MGL is working with our sustainability consultant and the City of Denver's Office of Climate Action Sustainability and Resiliency (CASR) to identify all available funding sources for solar, electric, and car-charging components. To reduce design costs and offset high labor and material costs, the building will feature efficient unit types and stacked floor plans in a single building. Though the land has a unique grade to it, our architect and engineer are highly familiar with the site and are confident in the design to maximize the efficiency of the land. The land has immediate access to all utilities with no need for costly extensions. SDP is partnering with Eaton Senior Communities as a Special Limited Partner to provide real estate property tax exemption to the Project which significantly reduces operating expenses. Overall, the proposed unit development costs are significantly below the CHFA maximum basis limits.

Site Suitability: The site is situated in an established Denver neighborhood. The TOD site is located in the Federal Boulevard Rapid Bus Transit zone which is "a route that will span almost 18 miles" providing seniors with improved reliability and reduced travel times when they use the public transit system. Furthermore, the site is close to River Point at Sheridan shopping center, an abundance of restaurants, multiple grocery stores with

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pharmacies like Target, King Soopers, and Costco, entertainment like movie theaters and public libraries, and access to nearby hospitals and medical centers. The site is conveniently located near, but not on, freeway 285 and Route 85 providing ease of access to major transit as well as serving the North-South corridor of Federal. Though Federal is known to be a busier street, this section in specific is surrounded by established multifamily buildings and condos on all sides, emphasizing the livability of this block on Federal. Furthermore, redevelopment of the nearby Loretto Heights campus, which includes a community center, increases the site's desirability.

The site is considered a TOD site and has a transit score of 57% making it a "good transit" location, that is only expected to improve as development around the Project continues. It provides access to a variety of bus stops allowing residents to access downtown Denver, the airport and all of the many amenities located up and down Federal Blvd, respectively. The site is also less than two miles from two different libraries, dozens of trailheads and parks, supermarkets, and close to downtown Englewood where there is a post office, police department, coffee shops and restaurants, and pet store. The site is zoned for multifamily and has all necessary infrastructure readily accessible for construction. The building will be visible from freeway 285 and highly visible on Federal Blvd which is excellent for marketing the units with the property signage.

3. Justification for waiver of any underwriting criteria/Financial need for a CHFA Discretionary DDA Basis Boost: The Project meets all underwriting criteria. The Project is not requesting a CHFA Discretionary DDA Basis Boost.

4. Market Study Issues: The market study recommended no changes to the Project.

5. Environmental Issues: Due to the possibility of very limited soil contamination being present on a portion of the site, future soil testing may be required. It is estimated that the cost to characterize the surface soils would be approximately \$5,000 and the cost to excavate and dispose of soils, determined to be impacted would be in the range of \$10,000. SDP has contingency set aside for this testing and possible remediation.

6. Higher Development Costs: The Project projects comparative development costs due to attractive land location, high interest rates, and continued high construction costs. Construction costs have steadied across all market sectors from previous year's month over month increases, but the impacts of high construction loan interest rates, material cost increases, labor shortages, supply chain delays, and insurance cost premium increases are still negatively affecting construction pricing. Additionally, the adoption of new codes and electrification is resulting in more expensive MEP designs than in previous years.

SDP has taken every measure to control costs while still providing an efficient, high-quality development in a superior location. SDP identified vacant land that would not require any additional demolition costs or relocation of sewer lines. The site has proximate access to utilities. The building is designed to be efficient with stacked unit types and average unit sizes for the population served. There will be no underground parking. The site is in Denver which offers low tap fees, reduced parking requirements for affordable housing, and a significant affordable housing fund.

7. Community Outreach: SDP has met with local Councilperson, Kevin Flynn, who is very supportive of the Project. Although the site has allowable use in place zoning, SDP presented the Project to the College View Neighborhood Association on January 14th, 2025, to start a relationship and elicit their feedback. The Project received unanimous support from the neighborhood.

8. Describe how the proposed development contributes to promoting equity as well as economic mobility for residents: Building a LIHTC building for older adults in an underserved PMA, as well as providing the only LIHTC units between 61%-70% AMI which promotes the overall idea of housing equity in the metro area. The ideal location provides older adults with an abundance of parking, nearby public transportation, affordable healthcare, groceries, and other necessary life amenities that all promote economic mobility. Providing a Service Coordinator who will connect residents to local community supports and services further promotes economic mobility, sense of independence, and community for our aging population so that they can live their life to the fullest potential.

9% housing credit application narrative



Project Name: GardenWalk of Cañon City

Project Address: 3232 Independence Road, Cañon City, CO 81212



Executive Summary:

We are proud to present GardenWalk of Cañon City, a visionary development by Belmont Development Company, LLC. This transformative project addresses the critical need for quality, affordable housing in the heart of Cañon City, Colorado. The community features 42 units, providing an even mix of 1 and 2-bedroom residences. It will utilize modern, sustainable construction methods and materials, ensuring energy efficiency and adherence to high-quality standards. GardenWalk of Cañon City is designed to cater to the diverse needs of the community, serving low-income households. Residents will enjoy a range of amenities, including communal spaces, landscaped areas, and recreational facilities. These features are designed to create a vibrant community where residents can connect, engage, and enjoy a high quality of life. Our development will be providing stable and affordable housing options to the residents, which is a major factor in improving economic mobility.

For our 2025 application, we added a bus shelter, pavilion, BBQ grills, multiple bike storage areas, and Amazon delivery lockers in the community building. Additionally, we will be providing washers and dryers in the units. We are providing a donation to the Fremont County Transit to help ensure our residents will be able to use this transportation service for the long term. Greater details about nearby service providers have been provided. In order to connect our tenants with these services, we will promote through pamphlets, flyers, and posters, as well as by organizing meetings and arranging informational presentations to help tenants understand how to access these services. By fostering this connection, we can create a stronger, more supported community for our residents. Finally, Colorado State Credits have been added as an additional source of funding for the development.

The project caters to a diverse population, offering a thoughtful unit mix and income targeting. The income targeting is 9 units at 30% AMI, 5 units at 50% AMI, 5 units at 60% AMI, 14 units at 70% AMI, 8 units at 80% AMI. This mix of one and two bedrooms and income targeting was determined in an effort to target the bedroom sizes and income that are in higher demand in the PMA as determined by Novogradac. We are also focused on addressing inclusivity across income levels. Families, including those with young children, will be the targeted population.

The units feature modern amenities such as patios/balconies, vinyl plank flooring, E-star rated ceiling fans, and in-unit washer dryers. Shared community amenities include a clubhouse, living/activity game room, fitness center, on-site management, a pavilion with a barbecue area, a bus shelter, bike storage, amazon lockers in the community room, and a playground. We hope to foster a sense of belonging and well-being at GardenWalk. GardenWalk will use high-quality construction, including a durable foundation, framing, roofing, and an energy-efficient building skin. Circulation is designed for accessibility with stairs.

GardenWalk's strategic location at 3232 Independence Road within the City's Urban Renewal District maximizes density on a ~1.5-acre parcel. The site's proximity to US Highway 50, the primary commercial corridor, enhances connectivity to services and employment centers. In addition to convenient freeway access, our development is immediately near several essential services that our residents will be able to quickly access without needing a car such as various restaurants, banking, fitness center, and urgent care. Our site is also within walking distance of a number of non-profit and governmental organizations that offer supportive services that are beneficial and accessible to our tenants. To ensure our tenants are aware of these essential resources, we will promote through pamphlets, flyers, and posters, as well as by organizing meetings and arranging informational presentations to help tenants understand how to access these services. Additionally, the Fremont County Transit provides Demand-Response Transit services in Fremont County. This service picks up residents at home/work and takes them to their destination. The service is provided free of charge but accepts donations. We see this as a great service our residents would be able to utilize; as such, the development budget includes a \$20,000 contribution to the Fremont Transit Authority to help support these efforts. GardenWalk promotes economic mobility by facilitating easy access to employment opportunities such as governmental, retail, and commercial.

GardenWalk aligns with Colorado's Renewable Energy goals and NGBS Bronze building standards by constructing energy-efficient housing. The development will be 100% Electric, with EV ready parking, PV ready roof infrastructure, and will implement water-wise landscaping to wisely use the valuable and limited resource of water.

The financing structure includes equity generated from the sale of 9% LIHTC, state credits, construction to permanent loan from Cedar Rapids Bank and Trust, deferred developer fee, and a significant incentive package of waived, or reduced local tap, impact, permit fees by the City of Cañon City. This approach ensures financial feasibility while maximizing the number of rental units, aligning with CHFA's Guiding Principles.

GardenWalk of Cañon City embodies CHFA's Guiding Principles by providing affordable housing, promoting equity, and fostering economic mobility. The site's strategic location, inclusive amenities, commitment to energy efficiency, and collaboration with the community position it as an excellent candidate for a Housing Tax Credit award. The project will be an integral part of Cañon City's commitment to meeting the diverse housing needs of its residents.

1. Priorities from the QAP:

GardenWalk of Cañon City will be in a Rural County, providing distribution of Housing Credits across the State. Fremont County population is less than 180,000, a CHFA priority. Additionally, Cañon City has not had a tax credit award since 2016.

2. Project Criteria for Approval:

Market Conditions:

The overall vacancy rate in the primary market area is just 2.3%. The market study states that the demand for our development is anticipated to be strong based on performance of comparables, existence of waiting lists, and lack of good quality rental housing. A recent Community Needs Survey for the Fremont County Community Block Service Grant states 79.9% of respondents say affordable housing is an obstacle to self-sufficiency. The same survey showed 77.7% of respondents say affordable or safe housing is an urgent need. Canon City's July 2024 Identifying Hidden Demand for Housing reports: "Each workday, 4,497 employees commute into Cañon City for work. This means that 65.4% of the City's workforce lives outside city limits. This represents a possible source for housing demand, in that a majority of the City's workforce resides outside the city. In reviewing Cañon City's rental market, this report found that Cañon City has a significant deficit in rental housing options, despite being near the state average for rental tenure. Most of the City's rental pool is derived from single family homes converted into apartments (duplexes or triplexes) or manufactured homes. It appears that both the converted homes and apartment complexes are aged units." City staff and leaders are very conscious of this condition, and the City has incentivized development of multifamily housing through resolutions for fee waivers, concessions for development standards, and an Urban Renewal District that is accommodating to multifamily use.

Proximity to Existing Tax Credit Developments:

The last tax credit award in Cañon City was a 2016 9% award for supportive housing. Their sponsor, Loaves and Fishes Ministries, is entrenched in serving the homeless community in Cañon City, and we are proud to have their letter of support. A 1997 4% tax credit award was made to Heatherwood Apartments just a few hundred feet away. The next closest award is 1.75 miles away at Celtic Townhomes and was a 2005 9% award for 14 units. We are fortunate to secure one of the last vacant lots in our area, which is one of the few parts of town that provides the location criteria to create a competitive application under the current QAP.

Project Readiness:

The site is zoned appropriately, evidenced by a zoning letter included within the application. Review of the final site plan is administrative and does not require any additional approvals of the City that would involve a public notice process. The City is currently able to meet their review timeline per their office policy of fifteen business days and we expect a quick revision process. The Phase I Environmental Assessment indicated no Recognized Environmental Conditions were discovered. Preliminary plans have been priced by a paid third-party cost estimator; the cost to build the development included in the application is appropriate based on current information and the review of Belmont Construction Company, the General Contractor, as well as our architect and energy consultant.

Overall Financial Feasibility and Viability:

As presented, the project is financially feasible if awarded an allocation of 9% LIHTC and CO State Credits, and a discretionary basis boost. In addition to the federal and state equity from Midwest Housing Equity Group, Belmont is assuming construction and permanent financing from Cedar Rapids Bank and Trust, and a deferred developer fee. The city will provide local tap, impact fee, permit fee waivers or discounts.

Experience and Track Record of the Development and Management Team:

Belmont Development Company, LLC, and its affiliated companies, collectively known as Belmont, bring together a seasoned team of professionals with a diverse background in Development, Construction, and Property Management. We have been actively contributing to the housing industry in Arkansas, Colorado, Kansas, Missouri, Oklahoma, and Texas for over three decades. Committed to providing affordable housing, Belmont's mission revolves around creating and enhancing such housing through exceptional service and care, ensuring profitable growth for owners and financial partners.

Responsible for securing funding, financing, and overseeing construction, Belmont has successfully developed over 50 communities encompassing more than 3,500 units. As an affiliate member of the National Council of State Housing Agencies, and other state coalitions, Belmont has been a steadfast supporter of the various housing and finance agencies.

Belmont Management Company Inc., formed in 2004, serves as the Management Agent for Belmont-owned properties and other multifamily housing entities, managing over 100 communities with over 5,000 units. Belmont Management ensures comprehensive property management services, covering marketing, leasing, maintenance, tax credit compliance, accounting, and financial services.

As General Contractor, Belmont Construction Company, LLC recently completed construction on a 4% bond project consisting of four properties, located in Estes Park, Brighton and Limon, Colorado. Park Ridge Apartments LLC was a 12 million rehabilitation of 112 units. We have built ongoing relationships with several of the subcontractors on both Park Ridge Apartments and GardenWalk of Gunnison that will be used on the Cañon City project.

The key principals and personnel at Belmont are instrumental in its success. Ryan Hudspeth, the founder, leads Belmont's operations, focusing primarily on management. Derrick Hamilton, oversees development operations and construction activities, while Shawn Smith coordinates development activities and secures financing. Johnny McClain manages day-to-day construction activities, and Paul Neissl serves as the Construction Project Manager.

Project Costs:

The project's preliminary costs have been reviewed and verified by a third party, Cost Engineers, Inc., as well as the Belmont team. A number of strategic measures have been taken to contain costs and bring resources to the development as well. Wallace Architects L.L.C. has designed a site plan and buildings that are highly efficient from an environmental and construction standpoint.

Site Suitability:

The site is relatively flat and is near several services and employment opportunities. The area caters to higher commercial and residential density through zoning, developability, and infrastructure. The site will require minimal dirt work and Justice Center Road, which will be one of the points of access to the development, is scheduled to be re-paved later this year. The public work department is also working on a re-design of this road along with other improvements.

3. Justification for Underwriting Criteria waivers, or CHFA discretionary boost:

We are requesting a discretionary basis boost for this Project of ~12.5%, as the site is not located in a QCT/DDA. The waiver of the cost basis results in approximately \$1,561,000 in total equity, making

the project financially feasible. Our annual credits per unit are well within precedent levels with the discretionary boost.

4. Issues raised in the market study.

The main issue raised by the market study is the low walkability score. As noted above, there are several amenities close by such as service providers in the immediate site area. Additionally, the Fremont County Transit provides Demand-Response Transit services in Fremont County. This service picks up residents at home/work and takes them to their destination.

5. Issues raised in the Environmental Report

No issues were identified in the Phase I report. No Recognized Environmental Conditions were noted. No further action is recommended.

6. Unusual features driving costs upward Cost Containment

Other than the inflationary pressure and the more rural location of the site, there are no unusual costs noted at this time.

7. Outreach to the community, local opposition, and/or support for the project:

The development team has met with the city planner, the manager of economic development, and the city administrator to discuss the suitability of the site. The City has extended their resolution waiving permit and water tap fees and made a baseline commitment under Proposition 123. The seller, the Cañon City Area Fire Protection District, has agreed to favorable terms in the purchase agreement such as minimal hard earnest money, a sales price much less than what the property was recently listed for and potential fee reductions on installation of fire equipment. The team's outreach effort has been focused on local non-profits, businesses, and city and county government offices. This outreach resulted in eight letters of support for our application.

8. How the proposed development contributes to promoting equity as well as economic mobility for residents:

GardenWalk of Cañon City will provide residents with new, high quality, energy-efficient housing that is affordable and conveniently located to their employment. The project will offer a mix of income levels and household types, fostering integration. As noted above, residents and workers in Cañon City are having to source housing in other counties due to the lack of quality affordable housing within the city. With rent stability, GardenWalk of Cañon City will allow residents to maintain affordability and support their long-term success. Through the extensive list of free or reduced cost supportive services we have mentioned being within a few hundred feet away translates directly to economic value for our tenants. Walkability to these sites also saves time and money related to transportation expenses. Additionally, we will serve a wide range of AMI levels, including over 20% of our units serving the 30% AMI category.

9. Acquisition and Rehabilitation is N/A.

9% housing credit application narrative



Project Name: Harbart House

Project Address: 1290 Colorado Boulevard Denver CO

Executive Summary

The proposed project involves the redevelopment of a vacant site into a new and vibrant housing community. Formerly the home of the Harbart House Apartments, demolished in 2023, this project will return housing to this site and carry the legacy of the Harbart House Apartments into the future while also increasing both density and affordability.



The site is one half acre in size. At 50 planned units density will equate to 100 units an acre. The project is in a QCT. The site has excellent access to public transit, with stops along Colorado Boulevard ½ block from the site. Colorado (route #40) is a high frequency bus line with stops every 15 minutes during peak hours. Another east west stop is located across the street at 13th and 12th Avenues (route #10). Two

blocks north is RTD's Colfax Bus Rapid transit line, now under construction and expected to open in 2027, concurrent to the opening of this proposed project. This project will provide enhanced service east to Fitzsimmons and west to Civic Center. All residents will be provided with RTD passes to encourage use of these mass transit opportunities.

This workforce family project will offers a very affordable unit mix, with 20% of units at 30% AMI, 24% of units at 40% AMI, 38% of units at 50% AMI, and 18% at 60% AMI. 84% of the units are one bedroom and 16% are two bedroom.

This five-story building will consist of a ground level concrete podium below four stories of wood framed housing. It will be an accessed controlled, interior loaded building with one elevator and two staircases. The exterior will be a mix of stucco, siding and masonry.

Building systems will include high efficiency in-unit packaged terminal heat pumps, a central condensing natural gas domestic hot water plant, gas-fired dedicated outdoor air system, PV-ready infrastructure, ENERGY STAR appliances, low flow plumbing fixtures, LED light fixtures and programmable thermostats for common area HVAC equipment. The project will comply with Enterprise Green Communities with the ENERGY STAR Multifamily New Construction Certification. The project will be constructed to CHFA Water-wise landscaping and non-functional turf criteria. The project will exceed CHFA EV-ready requirements with 15% EVSE installed, 5% EV-ready, and 40% EV-capable parking spots. The project will be constructed as electrification-ready.

Project financing will involve a local grant, debt and LIHTC equity.

We believe that this project's location will provide many easily accessible job opportunities for our residents. Access to public transit in all directions opens up opportunities in a wide variety of locations. But within walking distance to the site are numerous job opportunities. Rose Medical Center is 4 blocks away, National Jewish is one block north. Two blocks to the south is the CU Hospital redevelopment area. Restaurants, retail shops, and various service establishments are all along Colfax. The site's location provides a realistic opportunity for residents to access a variety of good employment opportunities without having to own a private automobile.

Section 2 QAP Priorities

The project does not directly address any of the priorities listed in Section 2 of the QAP.

Section 2 QAP Criteria for Approval

- Market conditions - The market conditions for this project are very strong. This project will offer a tremendous value proposition to its residents with rents at least 28% - 71% lower than comparable class B properties in the neighborhood. Modest capture rate increases will result from the addition of this project to the PMA. Capture rates at every level fall well below CHFA's 25% threshold. Vacancy in the PMA amongst LIHTC projects has been at or near 0%, with long waiting lists at other LIHTC projects. In addition to this, the strong job growth and general appeal of this area is driving the expected addition of 250 renters per year to this PMA through 2029. The market study recommended no changes to the proposed project.
- Proximity to existing tax credit developments – The PMA has 39 projects containing almost 2,900 units. Of those the project will compete most directly with 1,053 non-deeply subsidized family units.
- Project readiness – This project is ready to proceed. The proposed project is a use by right. We have held a preliminary concept meeting with Community Planning and Development; no issues of concern regarding the planned development were noted. Submittal to the building department for permits would take place with an award of tax credits with construction beginning well before carryover deadline.
- Overall financial feasibility and viability – The proposed rents are very achievable in the market, particularly given its deeply affordable AMI mix. Support from the City, along with the State credit equity, reduce hard debt to levels supportable by these low rents. Our operating budget is based on several comparable projects. Our management agent's pricing power in the insurance market reduces this cost in comparison to the most alternative programs.
- Experience and track record of the development and management team - Medici Development's three principals have been involved in the development, finance and operations of affordable housing for over 25 years. We strive to develop quality projects with long term viability at a low cost. We have been involved in all aspects of the development process, including complete development, construction management, and financing consulting for the LIHTC program in Colorado. Our team of professionals has been involved in every element of project development and management. We focus on and specialize in public/private partnership projects such as this. We have consulted with other non-profits and housing authorities. We have built and overseen the construction of multiple projects throughout the State. In terms of property management, we plan to contract with Asset Living property to operate the project. Asset currently operates all of the projects in our portfolio and has an excellent track record of compliance and efficiency.
- Project costs - We have worked closely with the design and construction team to develop an efficient building design that can be constructed at as low a price as possible.

- Site suitability - A central location in Denver puts this site within easy walking distance of multiple transit stops, with more to be constructed by the time this project opens. Two hospitals are within 4 blocks of the site, providing easy access to medical care and the numerous jobs in the medical fields. The site is within ¼ mile of several neighborhood retail stores and restaurants, a movie theater, a fire station, a childcare center, and an urgent care center. Another quarter mile out is a park, grocery, and more retail. An elementary, middle and high school are all within one mile of the site. Just south of the site, at the CU Medical Center redevelopment area, over 1,000 units of market rate housing have been constructed since 2016, creating a vibrant mix of residents in the neighborhood.

Underwriting

Provide the following information as applicable:

- Justification for waiver of any underwriting criteria – N/A
- Justification of the financial need for a CHFA basis boost up to 30 percent of eligible basis – N/A We do not need additional credits for this project.

Market Conditions

The market study recommended no changes to the project, no issues of concern were noted.

Environmental Issues

There are no environmental concerns; the site is clean.

Project Costs

There are no unusual features to the site location or building design that are driving costs upwards. We have made every effort to value engineer the design to reduce costs while adding resident improving the quality of the exterior materials to enhance curb appeal and improve long term cost savings.

Economic Mobility

The location of this project provides immediate access to a number of job opportunities in a variety of fields. Two large hospitals are within walking distance of the site. These institutions offer hundreds of good employment opportunities in the health care industry. Also within walking distance of the site are any number of small businesses offering employment opportunities in food service, retail, and a variety of service oriented businesses (auto, personal care, etc.) In addition to these immediately accessible jobs this location provides access to excellent public transit options which opens up opportunities throughout the city. The site's location provides a realistic opportunity for residents to access a variety of good employment opportunities without having to own a private automobile, thereby creating an opportunity to save on both housing and transportation costs.

Local Support and Outreach: Atlantis Community Foundation previously operated the Harbart House Apartments on this site. Unfortunately, the building became functionally obsolete over time and as a

result was no longer suitable as housing. In response to neighborhood concerns Atlantis proactively demolished and cleared the site to make way for the proposed redevelopment.

Over the course of the past year the City of Denver amended parking requirements for affordable projects, the effect of which was to reduce required parking. This project's density is made possible by these reduced parking requirements.

We have no opposition that we are aware of.

9% housing credit application narrative



Project Name: The Ives II

Project Address: 7525 W. 44th Avenue, Wheat Ridge, CO

Executive Summary

Jefferson County Housing Authority, d/b/a Foothills Regional Housing (FRH) is pursuing a 9% LIHTC and AHTC award paired with a 4% LIHTC and AHTC award to develop The Ives II. The overall Ives II development consists of 98 units, of which 44 units will be funded with the 4% portion and 54 units will be funded with the 9% portion. The site is located at the northeast corner of Wadsworth Boulevard and 44th Avenue in Wheat Ridge and is adjacent to a residential neighborhood park and the newly completed Ives I project. This site is not located in a QCT or DDA.

Since applying in 2024, FRH has made several meaningful changes based on experience, feedback and financial feasibility. The major change we implemented has been to use FRH bond cap to combine a 4% AHTC application with the 9% AHTC application round and therefore get to 98 units. The 98-unit configuration is appreciated by the neighbors and allows our design to be more efficient with costs given the funding constraints. This decision was also informed by our entire team's intimate knowledge of the site with the completion of Ives I in May and extensive up front discussions with accountants, attorneys, investors and lenders regarding the paired scenario.

Access to public transportation, park, pharmacy, neighborhood shopping center, medical clinic, and grocery store are located within half a mile of the project and, within one mile, there is a hospital, Head Start, community shopping center, and childcare center. Yet, even greater neighborhood amenities are on the horizon. This development's timing aligns with major improvements along Wadsworth Boulevard. The corridor improvement project, known as Improve Wadsworth, is a \$70 million project to expand the Wheat Ridge Wadsworth corridor. With widened sidewalks, boulevard landscaping, and improved crosswalks, Improve Wadsworth will increase vehicle and pedestrian safety and improve walkability surrounding the project site. While Wheat Ridge has lower than average home prices for the Denver metro area, affordable units are nonetheless still difficult to find. Currently, the overall vacancy rate in Jefferson County is 4.5%. The Ives II will provide 54 one-bedroom units, 36 two-bedroom units, and 8 three-bedroom units 30% - 70% AMI households, with a weighted average AMI of ~59%. FRH intends to commit

30 project-based vouchers from its own HCV allocation. The average size of the units is 550 square feet, 761 square feet and 1050 square feet for the one-, two-, and three-bedrooms, respectively. Design and construction will consist of a four-story two-elevator building with wood-framed walls and structure at levels 1-4, slab and spread footing foundations. The building will have a mix of flat and pitched roofs and the exterior will be hardiplank. The project will have a total of 58 parking spaces, or 0.59 per unit – above the City of Wheat Ridge affordable housing minimum parking ratio of 0.5. Residential corridors will be double-loaded and accessible via stairwells and an elevator. This building will pursue EGC certification and will feature high efficiency design paired with electrification-ready construction. To achieve a high level of greenhouse gas and utility cost reduction, The Ives II will utilize high efficiency air source heat pumps, central condensing domestic hot water plant with high rated AFUE, low flow plumbing and water-wise landscaping, above code windows and envelope insulation systems, low power density LED light package and Energy Star appliances. The project will have significant amenities including vinyl wood flooring throughout the units, dishwashers, microwaves, and will be WiFi ready. Common amenities include elevator service, community and flex space, on-site laundry, bicycle storage, playground, picnic area and owner paid utilities. Approximately 4,500 SF of leasing and amenity spaces are available for residents, partner agencies, and staff use including WiFi access, mail lobby, lounge, staff offices, reception desk, and kitchenette. This common area space will accommodate voluntary services provided by partner agencies. Additionally, tenants of Ives II will have access to voluntary services offered by Jefferson Center for Mental Health at Ives I, located only a few hundred feet away. These providers will offer a board range of services including suicide prevention programming, wellness classes on a wide range of behavioral and physical health topics, life skills and parenting skills training, trauma services, intensive outpatient (IOP) substance use group therapy, employment services, homelessness prevention, and telehealth access. In addition to federal 9% tax credit equity, 45L equity, Colorado AHTC equity and TOC equity, the proposed financing includes a construction to perm loan boosted by the PBV provided by FRH, soft funding including City of Wheat Ridge soft funds, a seller carry-back note from FRH and deferred developer fee.

Priorities in Section 2 of the QAP:

None

Criteria for approval in Section 2 of the QAP

Market conditions: Market conditions are very favorable for The Ives II as the average apartment vacancy rate in the Primary Market Area (PMA) is 4.6% and the inclusion of 70% AMI units will allow targeting in an underserved market as there are no existing LIHTC units at this threshold. The Ives II's capture rate for the 60-70% AMI units is 5.0% and the PMA occupancy rate is ~96%, evidencing a strong rental market.

Proximity to existing tax credit developments: There is only one existing non-age-restricted LIHTC project in the PMA. The surveyed LIHTC properties outside the PMA were 93% occupied in January 2025, have had stable occupancy over the past year and four managers noted waitlists with up to 60 applicants. As such, there is substantial pent-up demand for a project like The Ives II. The Ives I, a sister development to the Ives II, is located just a few hundred feet away. Ives I consists of 50 one-bedroom units, with approximately half of the units providing preferences for individuals exiting homelessness and receiving services from JCMH (no formal requirements). Lease up of Ives I started mid-June 2024 and stabilized in

August 2024. Ives II features larger units, up to three-bedrooms, aimed at serving a broader demographic than Ives I.

Project readiness:

The site is correctly zoned for the scope and use with the ability to close within nine months of an award. Furthermore, the same team that worked on the Ives I, which was completed ahead of schedule and under budget, is working on Ives II, which offers informed assumptions and learning. Finally, FRH is bringing a significant amount of its own funding to the deal to make it feasible including a seller carry note, its own capital, and project-based vouchers representing continued commitment to its mission and the community.

Overall financial feasibility and viability

As conceived, the project is financially feasible using 9% LIHTC paired with 4% LIHTC, AHTC, the 30 PBV and committed gap financing, including substantial investments from FRH. Costs have been vetted by the same design/construction team who built the site next door affording consistency and efficiencies. Initial conversations with lenders and LIHTC investors indicate a strong market interest. Letters of intent and or interest from all funding sources are provided and demonstrate overall financial viability.

Experience and track record of the development and management team:

FRH has been developing and managing affordable housing projects in Jefferson County since 1975. In addition, Shopworks Architecture and Calcon Construction have extensive experience in the affordable housing space and have worked with FRH's owner's rep GL Development Advisors. RCH Jones and KDM Consultants have helped with deal structure and financial underwriting. Four of these firms partnered successfully to complete Ives I ahead of schedule and under budget (also leasing up Ives I ahead of investor projections). Please see attached information from FRH and our development team members for more information on our qualifications.

Project costs:

The project's construction and soft costs are based on schematic design drawings that have been informed by dozens of meetings and local data generated by a General Contractor. FRH has completed another project on the same block, which provides real-time development and operating costs. FRH has worked to keep project costs as low as possible while still intending to deliver quality spaces and being mindful of construction material and labor shortages.

Site suitability:

The project site has frontage along Wadsworth Boulevard, an arterial road, which provides excellent visibility. Tenants will benefit immensely from its proximity to the RTD bus stop at Wadsworth Boulevard and West 44th Avenue, which is nearly adjacent to its western boundary, as well as its location directly adjacent to Apel-Bacher Park to the east, which was recently redeveloped and improved. The site is also within walking distance to a bank, elementary school, grocery store, neighborhood shopping center and post office, and within a mile of childcare, a medical clinic, hospital, big box retail stores, community

shopping center and senior center. Most importantly, the site is adjacent to Ives I and both residents and management can take advantage of those efficiencies.

Request to waive underwriting criteria or discretionary DD Basis Boost:
Not applicable

Address any issues raised by the market analyst in the market study:

The subject's unit amenities are slightly inferior or inferior to most surveyed projects that offer in unit laundry, and the subject's unit sizes are slightly smaller than average for the PMA. These characteristics should be offset by the subject's competitive location, project amenities, design and condition. We have targeted our design approach to address the needs of the intended residents and believe the specialized services along with subject's competitive unit features, project amenities, design and condition offset the smaller unit sizes.

Issues raised in the environmental report and how these issues will be or have been mitigated:

Our Phase I consultant has identified 1 REC and some BERs. The recommendations are as follows:

- Restriction of groundwater use for domestic purposes
- Implementation of a Soils and Materials Maintenance Plan during site redevelopment
- Installation of sub slab vapor mitigation system in planned development with post-construction testing to confirm system effectiveness
- Installation of a radon mitigation system in planned development with post-construction testing to confirm system effectiveness

FRH will perform the recommended actions and have included estimated costs to complete such actions in the development budget.

Unusual features that are driving costs upward as well as if there are any opportunities to realize cost containment:

The construction budget for the Ives II is affected by the following:

- Increased costs associated with access road creation and utility installation that will benefit all phases of the site's master plan. Our design team is prioritizing a neighborhood typology at the private drive that will significantly enhance the pedestrian experience at the junction of two major thoroughfares.
- Storm-water detention options are limited due to the space constraints of this infill site. Because of this we are required to provide detention on the roof of the building.

Containment of these costs is being addressed by the efficient and timely use of the same development team that just completed the adjacent Ives I project.

Description of outreach to the community and local opposition and/or support for the project:

We have worked closely with the City of Wheat Ridge to ensure zoning and design requirements are met. The City also donated part of the site to FRH at no cost and has committed to provide soft funding to

support the development. Letters of support from local governmental agencies have been included. We are not aware of any current opposition to the proposed project.

Description of how the project contributes to promoting equity as well as economic mobility for residents:

This site is in a TOC and has excellent access to job centers and RTD bus line service along the Wadsworth corridor and will contribute to the ongoing community development taking place and being encouraged by the City of Wheat Ridge. The Ives II is located near existing retail, including Safeway grocery store (11-minute walk) and Walgreens (4-minute walk), and social services, including Jefferson Center Walk-In Crisis Center (6-minute walk) and STRIDE Community Health Center (13-minute bus ride). Additionally, the partners for this project provide services aimed at helping tenants increase their level of self-sufficiency. Such services include financial education, parenting classes, and employment assistance.



9% housing credit application narrative



Project Name: Kite Route Crossing

Project Address: 0 Canary Lane, Superior, CO 80027

Executive Summary:

Pennrose is thrilled to have the opportunity, in partnership with the Town of Superior, to create the first LIHTC and the first age-restricted development in Superior - a vibrant, fast-growing community sorely in need of both.

4.5.1 Low-Income Housing Tax Credit (LIHTC)

According to HUD's LIHTC database, Superior does not have any LIHTC housing.

**Excerpt from Town of Superior [Housing Needs Assessment](#), December 2023*

Kite Route Crossing will provide 50 high quality affordable homes for seniors aged 55 and older in an ideal location in the Superior Town Center. The community will be built on a 1.78 acre infill site where a full-service grocery store, pharmacy, indoor and outdoor recreation opportunities, public transportation and a variety of amenities are all within a few blocks.

Since our 2024 9% LIHTC application, Pennrose has made the following meaningful improvements:

- Optimized the design/layout of the development and increased unit mix to 50 units with more 1BR and fewer 2BR units based on further analysis
- Adjusted mix of income levels served based on feedback from the community and market study
- Worked with the Town of Superior to approve a Planned Development Amendment and a bundle of Fee Waivers worth approximately \$767,000
- Negotiated a \$350,000 reduction in land purchase price
- Collaborated with the Town of Superior on a Proposition 123 Land Banking application
- Identified over \$1 million in new financial resources between CDBG-DR and the Community Foundation of Boulder County

Utilizing the Income Averaging program, the project will restrict unit to senior households earning at or below 30%, 50%, 60%, and 70% AMI. With a unit mix consisting of 44 one-bedroom and 6 two-bedroom units above a ground level community amenity space and covered parking, Kite Route Crossing is designed with seniors in mind.

The development will be 100% electric powered, in furtherance of the State and local sustainability goals. We anticipate incorporating rooftop solar onto the building, and the community will be built to Enterprise Green Communities standards. The wood-framed building will sit on top of a covered parking deck and provide double-loaded corridor design with both stair and elevator access to its residents.

Project amenities include on-site property management, a multi-purpose community/recreation room, fitness room, a dog wash, and an outdoor sun deck on the second floor with views of the Flatirons. The lobby will have an open-concept seating area with access to a closed-door conference room for privacy when needed. The units themselves will be spacious and will include full kitchens with E-star appliances, coat closets, walk-in closets, and in-unit washers/dryers.

With consultation provided by Group 14, the project will meet aggressive energy efficiency and greenhouse gas reduction goals through EGC and ENERGY STAR for Multifamily New Construction certifications. To hit these goals, the current design approach includes several high-performance building systems including: (1) all-electric cold climate split system heat pumps and electric resistance water heaters, (2) low power density LED lighting package and Energy Star appliances, (3) continuous exterior wall insulation and slab insulation with above code window assemblies, (4) low flow plumbing fixtures and native landscaping, (5) a PV-ready rooftop with R60 insulation, and (6) electric vehicle charging stations at 10 parking stalls. The project anticipates translating a high-performance design into lower operating costs. Energy Star Portfolio Manager software will be used to reconcile energy budget to actuals, and property management will proactively address consumption spikes if they occur.

The development is led by Pennrose, LLC (Pennrose), a long-standing and highly experienced affordable housing developer. The property will be managed by Pennrose Management Company (PMC), a high-capacity national property management company with over 13,000 units under management, the majority of which are regulated affordable housing units through LIHTC, HUD or other state/local programs.

Per the letter of support included in our application, the Boulder County Housing Authority (BCHA) has indicated its support for the development and indicated its interest in a Special Limited Partnership for the development, leveraging additional private capital through a property tax and sales & use tax exemption for the property. Additionally, thanks to a voter-approved initiative in Boulder County, BCHA now has access to annual housing funding via the Affordable and Attainable Housing Tax (AAHT) fund. BCHA is still in its strategic planning period for allocation of these funds but has indicated to Pennrose a willingness to invest AAHT funds in Kite Route Crossing in 2025. Given the uncertainty around quantity and timing, our application does not include AAHT investment as a source of funds, but Pennrose and BCHA will continue conversations about partnership opportunities to leverage this resource.

The Town of Superior's Council unanimously approved a PD Amendment in March and a bundle of fee waivers/reductions in September totaling approximately \$767,000 to support Kite Route Crossing. Excerpts from the September Council meeting, including several quotes from Council members, are included in our application.

Pennrose is grateful for the support shown by both Boulder County and the Town of Superior for Kite Route Crossing. Together, we will take great pride in developing Superior's first ever affordable and age-restricted housing project.

Priorities from the QAP:

Not Applicable

Project Criteria for Approval:

- a. Market conditions: All senior LIHTC properties surveyed by the market analyst, both in and outside the Primary Market Area, had historical occupancy rates above 98% and the PMA's newest senior project has 522 applicants on the waitlist. Highlighting the pent-up demand, the market analyst further concludes that, with the only age-restricted units at 70% AMI in the PMA, Kite Route Crossing will provide much-needed housing options for seniors who do not qualify at the lower income thresholds. The site has very good access to healthcare, shopping and services. It is within a half mile of government services, a bus stop, neighborhood shopping center, community shopping center, specialty market, convenience store, park, childcare facility, hospital, medical clinic and urgent care, and less than a mile from a police station, post office, supermarket, big box retail store, elementary school, middle school and pharmacy.

The Marshall Fire, which ignited on December 30, 2021, in Boulder County, Colorado, was the most destructive wildfire in the state's history. It burned over 6,000 acres and led to the evacuation of approximately 37,500 residents. The blaze resulted in the destruction of 1,084 structures, including 991 residential homes and seven commercial properties, primarily in the towns of Superior and Louisville. The fire caused significant economic damage, with estimated losses exceeding \$513 million. As of December 2024, approximately two-thirds of the destroyed homes have been rebuilt. However, challenges persist for the remaining displaced residents, including issues related to underinsurance and diminishing support resources.

- b. Proximity to existing tax credit developments: The market analyst identified 14 LIHTC properties within the PMA, totaling 1,291 units. Of those, five are age-restricted with a total of 369 units. The closest family or senior LIHTC comp is located 2.7 miles away on the north side of Louisville. Again, there is not a single income- or age-restricted rental development anywhere in Superior, which is why Kite Route Crossing is so important to diversifying the Town's housing inventory.
- c. Project readiness: The development is on track to achieve a financial closing within the next twelve months. The property is zoned for the intended use of residential development and the Phase I is clean.
- d. Overall financial feasibility and viability: Pending an award of Federal and State tax credits, Kite Route Crossing is fully sourced through private debt, philanthropic support, and financing from state, county, and local government agencies. The Town of Superior agreed to waive most development and impact fees for the project. BCHA agreed to enter a Special Limited Partnership to leverage additional capital from property and sales & use tax exemptions. The Colorado Department of Local Affairs authored a letter of support to fund the project up to \$521,554 in Community Development Block Grant Disaster Recovery ("CDBG-DR") funds as part of the Marshall Fire Recovery. The attached letter from DOLA also details the expected timeline to amend the Wind and Wildfire Home Protection program, opening the door for additional funding for the project if needed. CHFA and OEDIT invited the Town of Superior to submit a full application for Prop 123 Land Banking funds to support Kite Route. Although Prop 123 is a competitive application, we are confident that the project has sufficient merits and meets the program's

stated priorities, shovel-readiness chief among them. The Community Foundation of Boulder County (CFBC) also pledged \$500,000 to the project. In the event that Kite Route does not receive some of the funding described above, Pennrose and Superior will pursue one or more of the following sources to close any financial gap: Prop 123 Concessionary Debt, CDOH funding, additional CDBG-DR, and Boulder County's AAHT funds.

- e. Experience and track record of the development and management team: Pennrose, the project's sponsor, is a known national leader in affordable housing development and operations, having developed or redeveloped more than \$5 billion of multi-family and mixed-use properties throughout the country since 1971. The Pennrose Mountain Region office is led by Shannon Cox Baker, who has been developing affordable housing in Metro Denver and Boulder County for nearly twenty years. Pennrose Management Company has over 13,000 units under management, the vast majority of which are in LIHTC and/or subsidized developments. RCH Jones Housing is the preeminent LIHTC financing consultant in Colorado. The project's civil engineer (Civil Resources) has intimate knowledge of the Superior community and code, having engineered the majority of new construction in the Town over the last ten years. The project's architect (SAR) and general contractor (I-KOTA) also have deep LIHTC and affordable housing expertise. Both have worked together on multiple Colorado LIHTC developments, and their reputations delivering exceptional projects on time and on budget are well-known.
- f. Project costs: The project's construction budget is based on schematic design drawings, local data generated by the general contractor and civil engineer and informed by the development team's recent development budgets. All other project costs are based on reasonable and recent experience with tax credit development closings in Colorado. The development team will continue to work diligently to keep project costs as reasonable as possible while balancing the need to ensure that the development quality meets the standards of the Downtown Superior.
- g. Site suitability: The site is suitable for development for a variety of reasons. Namely, it provides tremendous opportunities for employment, community engagement, health and wellness, and convenient access to amenities. Within walking distance of the site, there is access to public transit and open space, as well as amenities including a recreation center, a pharmacy, multiple commercial and retail options, and a supermarket. Additionally, the site itself is served by existing public utility infrastructure, facilitating an expedient permitting and development process. The site's slope and soil conditions do present a challenge, but they are not unique to the Town of Superior or Boulder County and are manageable according to both our construction team, geotechnical engineer, and civil engineer.

Justification for Underwriting Criteria Waivers, Cost Basis, and/or CHFA Discretionary Boost:
Not applicable.

Issues Raised in the Market Study: The PMA's senior (62+) 50% and 60% AMI penetration rates of 43.9% and 86.7% are above the preferred threshold, but as the Market Study goes on to affirm, these rates do not fully predict renter demand given the low vacancy rates and waitlists at age-restricted LIHTC properties in the PMA.

Issues Raised in the Environmental Report and Mitigants:

The Phase I did not identify any evidence of recognized environmental conditions and did not recommend any further action or investigations.

Unusual Features Driving Costs Upward and Cost Containment: The high-cost drivers for this development are driven by the site's topography and soil condition, which has a slope and expansive soils, both of which are common in Superior. The geotechnical investigation conducted by CTL Thompson indicated that the site is developable; our architect and general contractor included each of the engineer's design recommendations in the design and cost estimate. In order to stabilize the site for construction, drilled piers and retaining walls are necessary. The building itself is rather straightforward and cost-effective and is designed to take advantage of the sloped conditions to provide covered parking and two stories of residential development, all well below the view plane of the neighbors above.

Outreach to the Community, Local Opposition and/or Support for the Project:

In socializing our plans for Kite Route Crossing, we have received a lot of encouragement and excitement for the development, especially given its focus on seniors. Several organizations, including Boulder County Human Services, Via Transportation, and Sister Carmen provided letters of support for the development. We did not receive any opposition from the community throughout the PD Amendment process. The project received unanimous support from the Superior Town Council to amend the PD and waive permit fees. The project also received letters of support from Superior Mayor Mark Lacin on behalf of the Town of Superior Town Council, and from State Senator Judy Amabile. We will work to address any concerns that may arise, though we believe that Kite Route Crossing meets the community's need in terms of size and scale: offering affordable housing without disturbing the community's quality of life and appreciation of existing mountain views.

How the Proposed Development Contributes to Promoting Equity & Economic Mobility for Residents:

The Town of Superior's recently published Housing Needs Assessment (December 2023) states it well: "Superior's senior population is rapidly growing. This growth is unlikely to slow as Gen X'ers grow older. Seniors aged 65 year and older experienced the fastest growth since 2011, increasing by 246%." It goes on to recommend that "Superior should consider multiple housing options to meet the changing needs of seniors. These could include services to allow 'aging in place,' single-story homes with universal design, rental properties that are targeted to seniors, allowances for multigenerational living..." Seniors, and especially those on low- and fixed-incomes, are increasingly without options anywhere in Superior. Kite Route Crossing provides a thoughtful, high-quality option for seniors to live in Superior in a location where they can access, within blocks, the amenities and services they need to enjoy full independence and a high quality of life.

9% housing credit application narrative



Project Name: Living Tower Senior Living

Project Address: 18821 East 22nd Place, Aurora, CO, 80011

Executive Summary

Living Tower Senior Living (the "Project") is a proposed 50-unit affordable housing development for residents aged 55+ located in east Aurora. Designed to address the growing demand for older adult housing, the Project promotes health, equity, stability, and community for residents. Located within a Qualified Census Tract (QCT), the development will serve residents in 38 one-bedroom units and 12 two-bedroom units with incomes ranging from 30% to 60% of Area Median Income (AMI), with 20% of units reserved at 30% AMI, 10% at 50% AMI, and 70% at 60% AMI.

Colorado's senior population is rapidly increasing, with nearly 1.7 million residents expected to be 65 or older by 2035. Living Tower Senior Living aims to combat the loneliness epidemic among this older population by creating a community that fosters connection and engagement. The Project balances active spaces like fitness areas, arts and crafts room, and community event room along with inviting outdoor spaces that include walking trails to promote physical activity along with serene spaces for relaxation. The variety of amenities ensures that residents can thrive in their golden years through meaningful opportunities for social, physical, and emotional well-being.

The Project is not just about housing, it is also about revitalizing a community icon. Blue Ridge Atlantic Development ("Blue Ridge") and Mile High Ministries, an award-winning nonprofit based in Denver, have partnered in the community to save Living Tower Methodist Church. A longstanding community pillar, the pandemic led the Church to struggle financially, a similar challenge faced by many churches during the pandemic, forcing closures throughout the country due to declining congregations and leading to insufficient funds. Blue Ridge created a platform to save struggling churches through affordable housing developments and this mission aligned perfectly with Mile High Ministries' Abundant Ground initiative to help local churches identify partners to navigate redevelopment opportunities. (Attachment A)

Living Tower Senior Living is a testament to innovative problem-solving, blending affordable housing with community preservation. With an experienced development team, strong community partnerships, and a comprehensive plan for sustainability, this Project will not only provide high-quality housing but also

revitalize a treasured community resource, leaving a lasting impact on its residents and the broader Aurora community. Financing timing is of the essence to allow Living Tower Methodist to continue existing as a pillar of connection in its community and to continue providing their services.

Living Tower Senior Living directly addresses CHFA's guiding principles including serving lowest income residents with 20% of units set aside for residents at 30% AMI and below and by serving older adults. Located within 0.5 miles of a bus line with easy access to job centers, the Project promotes economic mobility in the community. Additionally, Living Tower Senior Living contributes to Colorado's 100% Renewable Energy goals by providing affordable housing in a QCT that is constructed to be PV ready with an all-electric design.

The elevator-served buildings will feature a slab foundation, wood framing, 30-year shingles, and a 100% masonry exterior composed of hardy board, brick, and stone. The project will be constructed to meet NGBS Bronze standards, emphasizing energy efficiency and sustainability including water-wise landscaping and all electric building systems.

The location is zoned R-3, allowing for a density of up to 70 units and three stories, however, Blue Ridge's 50-unit project was intentionally situated in design and elevation to provide continued privacy to neighbors. There is a major shopping center 1.2 miles to the north of the site that includes a WalMart Super Center, Dollar Tree, Home Depot, PetCo, dentists, coffee shops, Goodwill, several restaurants, and banking. The nearest City of Aurora recreation center with older adult programming is the Beck Recreation Center located 3.2 miles to the south, a 4-7 minute bus ride from the site. Terrace Park, a small greenspace, is located 0.3 miles to the south of the site. Star K Ranch, a wetland and secluded urban green space with walking trails, is two miles from the site.

The site's proximity to public transportation further enhances its suitability for older adult housing with the current closest stop a 0.3 mile walk from the site. Residents who work will benefit from proximity to employment centers with access to older adult-friendly employers, like Home Depot and Goodwill. Monthly resident services will be administered by a resident coordinator with additional support from Living Tower Methodist Church and other nonprofit organizations. Services are anticipated to include health screenings and community programs such as transportation to grocery stores and local cultural events.

The Project will be financed with taxable construction and permanent debt, 9% Federal LIHTC and Colorado AHTC equity and supported by deferred developer fee.

Community Focused Amenities

Unit amenities include features such as walk-in closets, glass-top stoves, LED lighting, premium fixtures, and washer/dryer connections. All units are ADA accessible allowing units to be adjusted to better meet the needs of our residents today and while they age-in-place.

Outdoor spaces are equally inviting, designed to connect residents to nature and to one another. A walking trail weaves through the campus, linking residential units to activity areas, with Living Tower Church serving

as a central hub. Active amenities like pickleball courts, BBQ grills, shaded seating areas, and tranquility zones provide a variety of settings for both socialization and solitude. Fencing, shrubs, water features, and artistic landscaping create private, serene retreats for reflection and relaxation. Additionally, a greenhouse and community garden encourage residents to engage in gardening, promoting physical activity and a sense of purpose.

This balanced approach to design not only ensures privacy and aesthetic harmony but also fosters a vibrant and supportive community where older adults can thrive both mentally and physically. By blending thoughtful architecture with enriching amenities, Living Tower Senior Homes creates an environment that truly feels like home.

1. Identify which, if any, of the priorities in Section 2 of the Qualified Allocation Plan (QAP) apply: Although the project does not meet the specific definition for serving Special Populations in regard to the scoring criteria, Blue Ridge aims to promote inclusivity in their developments through elective targeted populations based on each communities' unique needs. The initial community feedback resulted in Blue Ridge taking 5% of the units to set aside preference to veterans, individuals with physical disabilities, and those impacted by domestic violence.

2. Describe how the project meets the criteria for approval in Section 2 of the QAP:

Market Conditions: The market study states that the Project's attributes will enable it to compete effectively with its primary LIHTC competitors, and that the unit distribution is appropriate for its older adult target market, especially in a PMA where 75% of renters aged 55+ are in one- or two-person households. The study also states that the Project will cater to an underserved market of older adult renters (ages 55 to 62), due to most age-restricted LIHTC properties serving only 62+. Of the 411 age-restricted LIHTC units in the PMA, only 60 are available for those aged 55 to 62, and all other LIHTC projects in the pipeline are 62+. The Project's shared and unit amenities, condition, unit sizes, parking, and design are similar or superior to comparable properties.

The market analyst calculated a required penetration rate of 45.2% for the 30% AMI units, 92.4% for the 50% AMI units, and 200.6% for the 60% AMI units, with an overall penetration rate of 126.9%. The existing penetration rates are 25.0% for the 30% AMI units, 57.6% for the 50% AMI units, and 156.7% for the 60% AMI units, with an overall penetration rate of 90.3%. The market analyst believes the Project will be competitive despite its penetration rates exceeding CHFA's 25% threshold because: the penetration rates are lower when considering renters 55+ rather than 62+; the number of LIHTC units available to renters aged 55-62 is limited, making the Project's 55+ restriction a market advantage; the PMA is estimated to gain 238 renters aged 55+ annually through 2029, though the penetration rates do not account for in-migration; the vacancy rates at comparable properties remain low and many properties have waitlists; and the Project will be able to target Housing Choice Voucher (HCV) recipients, which broadens its target market.

The PMA's overall surveyed vacancy rate was 4.5%, and, excluding one underperforming senior LIHTC

project, the age-restricted affordable units in the PMA were 2.4% vacant. Three comparable properties have waitlists with 20 to 50 applicants, with a wait of one and a half to two years. Despite the required penetration rates, the market analyst concludes that the Project should absorb 15 units per month and reach a stabilized occupancy of at least 95% in just over three months, without concessions, due to the need for income restricted units in the PMA as the influx of qualified older adults continues.

Proximity to existing tax credit developments: There are 3,450 total existing LIHTC units in the PMA as of December 2024. Of those, 411 are age-restricted LIHTC units. The closest existing age-restricted tax credit development includes Sable Ridge I and Sable Ridge II, built in 2008 and 2018, located 2.7 miles northwest of the Project, with 123 total units serving older adults at 50 – 80% AMI and below. Meadows at Montbello, built in 2017 and located 3.8 miles northwest of the Project has 86-units for older adults earning 50 – 60% of AMI, and has units with Project-Based Rental Assistance. Kappa Tower, built in 2021 and located 6.5 miles northwest of the Project has 70 units serving older adults earning 30 – 60% of AMI. Clyburn at Central Park, built in 2003 and located 7.0 miles west of the Project has 100 units for older adults earning 50 – 60% of AMI.

Project readiness: The project is well-positioned for development, having secured zoning approval on January 13th. With the use now permitted, the developer is finalizing plans and intends to submit the first permit set to the city within 90 days. This proactive timeline ensures the project remains on track, reflecting the developer's commitment to efficient and timely execution. The architect, who has a proven track record with the developer, is reusing many successful design features from a previous project to expedite the process. Additionally, the experienced general contractor has been involved since the start, providing design and cost assistance to minimize surprises and ensure a smooth transition to construction.

Overall financial feasibility and viability: The \$21 million project has been reviewed by third-party lenders and equity providers and is deemed financially feasible. The development team has a proven track record of delivering high-quality affordable housing projects and feels confident in the cost projections and scope of work.

Experience and track record of the development and management team: Blue Ridge and Mile High Ministries represent a powerful partnership grounded in complementary expertise and a shared commitment to addressing the critical need for affordable housing. With nearly 40 years of experience, Blue Ridge has developed thousands of housing units across the country, specializing in affordable and older adult housing. Mile High Ministries, through their program Abundant Ground, brings a unique perspective by empowering faith-based organizations, such as Living Tower Methodist Church, to repurpose underutilized land for community-focused housing initiatives. Together, these organizations combine technical knowledge, development expertise, and a mission-driven approach to create impactful, sustainable solutions, which are detailed further in Attachment B.

The property manager, Asset Living, manages more than 1,750 properties nationwide and brings extensive experience for Living Tower Senior Living. In 2001, Asset Living expanded in Colorado through the acquisition of Echelon Property Group, adding to their affordable housing property management expertise.

Blue Ridge assembled additional experienced professionals for their team, including tax credit financial consultant S.B. Clark Companies, green energy consultant Group 14, General Contractor Pavilion Construction, and tax credit attorney New Communities Law.

Project Costs: The Project has been designed as all electric and will include efficiencies that lead to lower ongoing utility costs.

Site Suitability: The site is well-suited for the proposed design, with no environmental issues identified. Its proximity to public transportation, major employment centers, and community amenities makes it ideal for older adult housing.

3. Justification for waiver of any underwriting criteria or CHFA Discretionary DDA basis boost: n/a
4. Address any issues raised by the market analyst in the market study:
The Market Study indicates the Project has limited visibility. However, there is good road access and average linkage to shopping and recreation. The community partnership with Mile High Ministries and Living Tower Methodist Church will help to increase awareness of the Project despite limited visibility.
5. Address any issues raised in the environmental report(s)
No Recognized Environmental Conditions were identified.
6. Identify if there are any unusual features that are driving costs upward, as well as if there are any opportunities to realize cost containment (refer to Section 2 of the QAP for additional information).
The Project will have two elevators, one in each building, which does increase costs some, but is essential for the design and population served. Aurora does have higher impact and tap fees than other jurisdictions, however, those costs are factored in without the Project being over cost basis. Additionally, Blue Ridge will work to request reduced fees where allowable with the City of Aurora.
7. Describe the outreach to the community that you have done and describe local opposition and/or support for the project (including financial support).
The development team has conducted an on-site community meeting to gather feedback from neighbors and the church congregation. Design suggestions from these meetings have been incorporated into the project plans. To date, the project has received nearly 20 letters of support from the Tower Triangle neighborhood, reflecting strong community backing (see Attachment C).
8. Describe how the proposed development contributes to promoting equity as well as economic mobility for residents
The inclusion of supportive services fosters economic mobility by equipping residents with tools for health, financial literacy, and workforce engagement.

9% housing credit application narrative



Project Name: The Marq

Project Address: 251 E North Ave, Trinidad, CO 81082

Commonwealth Development Corporation of America (CDC) is proud to resubmit The Marq, a 40-unit family development serving incomes from 30-60% AMI. Trinidad has received extremely low Housing Tax Credit allocations since the program's inception in 1986 and has seen little to no new construction multifamily rental housing, especially two- and three-bedroom units over the past 30 years. A 2022 Housing Needs Assessment found that 45% of all Trinidad renters are cost burdened. In response, the city created the Housing Now Incentive program, committing \$2MM to workforce housing, including \$125,000 for The Marq. The Marq aligns with CHFA's Guiding Principles by serving the lowest-income tenants for the longest period, locating a project in a QCT that contributes to a Concerted Community Revitalization Plan (CRP), distributing Housing Tax Credits across the State including rural areas, advancing Colorado's renewable energy goals, and supporting variety of qualified applicants such as women-owned business enterprises.

Income	Type	# of Units
30% AMI	1-bed/1-bath	2
	2-bed/1-bath	2
	3-bed/2-bath	2
50% AMI	1-bed/1-bath	2
	2-bed/1-bath	12
	3-bed/2-bath	10
60% AMI	1-bed/1-bath	2
	2-bed/1-bath	3
	3-bed/2-bath	5

The Marq consists of two 2-story residential buildings with a mix of 1-, 2-, and 3-bedroom units and a standalone clubhouse, totaling 45,472 gross square feet. The 3.1-acre site is zoned HDR (up to 25 units/acre). Timber-frame slab-on-grade construction features composite siding, varied facades, and a membrane roof. The all-electric development will pursue LEED Silver certification, incorporating ENERGY STAR appliances, water-sense fixtures, recycling, EV-ready parking, low-water landscaping, and secure bicycle parking. Units include central HVAC, blinds, carpet, internet/cable hookups, ceiling fans, coat and walk-in closets, a pantry, fridge, stove/oven, dishwasher, disposal, and in-unit washer/dryer. The clubhouse will offer a multi-purpose community room, exercise room, business center, outdoor picnic area, playground, and green space. Public transportation options include a dial-a-ride shuttle (SCCOG) and regional bus services with access to major employers Mt. San Rafael Hospital and Trinidad State College. Nearby amenities include grocery stores, schools, parks, a youth center, and medical facilities. Property management will be led by Colorado-based Total Concept, a non-profit with expertise in rural southern Colorado.

The Marq will be funded through 9% Federal LIHTC, Standard State Credits, 45L Credits, Permanent Debt (CHFA), Deferred Developer Fee, and City of Trinidad Housing Now funds, with a total development cost of \$18,508,948. The Trinidad Housing Authority will serve as a special limited partner (at no cost), enabling property tax exemption and will also contribute eight (8) project-based vouchers to support long-term operations and the lowest-income residents.

In response to CHFA's feedback on our previous application, we have: 1) increased density by adding six one-bedroom units, 2) identified additional funding (45L credits), 3) secured an MOU with a service provider, and 4) advanced designs to 30%, allowing a more detailed cost estimate from our general contractor. The City's planning department has agreed to expedite the remaining plan and permit reviews to facilitate a February 2026 construction closing. CDC has secured strong community support, with letters from the City of Trinidad, Trinidad Housing Authority (THA), South Colorado Council of Governments (SCCOG), Trinidad Urban Renewal Authority (TURA), and the Trinidad & Las Animas County Chamber of Commerce. Through this proposal, CDC looks forward to bringing much-needed affordable housing for families in Trinidad.

1. Identify which, if any, of the priorities in Section 2 of the Qualified Allocation Plan (QAP) apply: The estimated population of Las Animas County as of July 1, 2022, is 14,327 (United States Census Bureau), thus satisfying the criteria for the third priority outlined in Section 2 of the QAP, non-metro counties with a population of 180,000 or fewer. (QAP Section 5.B.3.b.)

2. Describe how the project meets the criteria for approval in Section 2 of the QAP: The Marq responds to many of CHFA's Guiding Principles outlined in Section 2 of the QAP including:

Preference to rental housing projects serving the lowest-income tenants for the longest period. The Marq includes units at 30%, 50%, and 60% AMI, ensuring that the project serves a range of low-income tenants, and the development will extend its Land Use Restrictive Agreement (LURA) to support affordable housing at this location for 40 Years.

Provide for distribution of Housing Tax Credits across the State including rural areas. Trinidad's rural location in Las Animas County has seen limited distribution of Housing Tax Credits since the program's creation, with only one other 9% LIHTC project existing in the area. Since the program's inception in 1986, The Marq will be the sole new construction development dedicated to families in this region and the only 9% LIHTC development in Trinidad to offer three-bedroom units.

Provide opportunities for qualified Applicants including underrepresented developers such as Women-owned enterprises. CDC is certified through both the Women's Business Enterprise National Council and the State of Wisconsin Supplier Diversity as a WBE and is one of the county's largest women-owned affordable housing development firms.

Provide opportunities for affordable housing within a half-mile walking distance of public transportation and easy access to job centers that maximize the housing density. Despite Trinidad's rural location, public transportation options like the South Central Council of Governments (SCCOG) which provides a dial-a-ride service to residents with access to employment and quality of life opportunities in the region, including easy access to Mt. San Rafael Hospital and Trinidad State College, two major employers in the area. Additional transportation choices include the Amtrak Train stop, which is 0.9 miles away, and the Bustang Outrider stop, located 1.1 miles away. Both stops provide services that connect Trinidad to other communities within Colorado.

To contribute to Colorado meeting its 100 percent Renewable Energy goals by 2040. This all-electric development is designed to meet the Leadership in Energy and Environmental Design (LEED) v4.1. Silver tier, including water-wise conservation low flow fixtures, high-efficiency lighting, and HVAC systems, and no smoking requirements in each unit. Site improvements will include EV parking, resident recycling, drought-tolerant native xeriscaping, and onsite stormwater retention. Federal investment from the Inflation Reduction Act has supported the expansion of solar energy in Las Animas County including the recently completed phase 2 of Spanish Peaks Solar, located 20 miles north of Trinidad. This solar plant generates 140 megawatts of renewable energy and helps reduce electricity bills for residents.

Market conditions: Throughout the market study completed by Prior & Associates (Section 19), The Marq demonstrates that it will be well received by the primary market area (PMA) as it will be in "superior" condition as compared to existing rental properties and it can achieve its proposed rents. The overall penetration (capture) rate is 15.5% and according to a market study "all of the subject's penetration rates are below CHFA's preferred threshold of 25% because it will be the PMA's second non-subsidized family LIHTC project." The Marq is the only income-restricted rental property proposed in the PMA. The Marq is projected to lease up at an average monthly rate of 8 units, allowing the building to reach full occupancy in 5 months. The only existing non-deeply subsidized LIHTC project in the PMA, Trinidad Artspace Lofts (40%, 50%, and 60% AMI units), is attaining rent maximums and has historically high occupancy rates. Since our

previous application, we have reacted to the market study and CHFA's response regarding adding density and six 1-beds to our unit mix to serve the 172 one-person households which make up 40% of the income-eligible households in the PMA. With 420 total income- and size-qualified renter households, The Marq will address an underserved component of the rental market. With no other new LIHTC projects in the development pipeline, we are poised to fulfill a critical need in the region.

Proximity to existing tax credit developments: There is only one LIHTC property within 120 miles of Trinidad, Art Space Lofts, located 1.2 miles away on the opposite side of Highway 25. This property consists of Studios and 1 beds, does not offer deeply subsidized units, and does not fully cater to the housing needs of families, a gap that The Marq aims to fill.

Project readiness: The Marq is fully entitled and ready to proceed with an allocation of 9% credits. Since our previous application, CDC has invested additional time and effort in ensuring project readiness and adapting to the market by revising the unit mix and design to incorporate 1-bed units. We have met extensively with our architects M&A Design, Inc. and Acorn Construction based in Pueblo, CO (1 hour from Trinidad) to vet their construction team and proposed subcontractor list to provide a more detailed cost estimate (Section 4). We are confident that Acorn Construction is the right partner for the job based on their 43 years of experience, local expertise, and knowledge of specific CHFA requirements as shown through their recent work on Crawford Townhomes. Since our previous application, because of adding 6 units and having a more advanced plan set to inform the cost estimate, our total cost increased by approximately \$3MM or \$31K per unit.

The City commits to expediting plan review time, as detailed in their Letter of Support and Zoning Approval Letter (Section 13.02.NarrativeSupportingDocs and N.17.ZoningConfirmation). The staff has approved the preliminary site plan and has agreed to waive \$75K in tap and permit fees, along with an extra \$50K cash match from the Housing Now incentive fund. The site is shovel-ready for development, with utility connections and public infrastructure improvements in place. Pending a 9% LIHTC award, the development team is on track to receive a building permit by December 2025, close in February 2026, and complete construction within 14 months, placing the building in service in April 2027.

Overall financial feasibility and viability: The Marq is financially feasible if awarded an allocation of 9% LIHTC and Standard State Credits. CDC has secured additional sources including the City of Trinidad Housing Now funds, tap fee waivers, and 45L credits. The project's long-term viability is supported by market demand, cost savings achieved through energy conservation design, real estate tax exemption, and strong rental revenue made possible through the Project Based Vouchers and Special Limited Partnership with the Trinidad Housing Authority (Sections E.7, G.9,& H.10). Favorable financing and strong project performance will enable The Marq to achieve a first-year debt service coverage ratio (DSCR) of 1.15 and continued stability beyond year 15 with a DSCR of 1.24 while consistently meeting required reserve and expense obligations as confirmed by Mike Fallesen, Commercial Loan Officer III with CHFA (Section E.5.)

Experience and track record of the development and management team: CDC has led six developments creating 371 units in Colorado since 2015 including the recently completed Village at Solid Rock in Colorado Springs and the newly awarded Jet Wing Flats. The latter two projects exemplify CDC's commitment to working with local partners to bring their vision to life and develop housing that can positively transform neighborhoods. The team has extensive experience structuring successful LIHTC developments leveraging federal, state, and local sources shown through the 130+ developments and 8000+ units created by CDC since 2001. Our team possesses the expertise, capability, and experience necessary to ensure the timely delivery of a high-quality living community. Affordable Housing Finance Magazine recognized CDC as a Top 25 U.S. Affordable Developer in every year between 2018-2023. CDC approaches opportunities using a vertically integrated team model that brings together experienced developers, architectural designers, construction professionals, and asset managers to maximize project efficiency and effectiveness throughout the development process. Total Concept, the Property Manager, has experience in managing affordable housing in more than 15 counties in Colorado including existing properties in Las Animas County. They are well versed in compliance matters including LIHTC and HUD programs and work closely with CHFA, DOLA, and DOH.

Project costs: The overall project costs for The Marq not only fall within the budgets of other successful Commonwealth projects but are also in line with those currently under construction. We've substantiated these costs with estimates from a local construction firm, Acorn Construction, the third-party general contractor we engaged for this project. A key element driving the project's cost-effectiveness is the design of a two-story, walk-up midrise building, strategically maximizing resource utilization, ensuring efficiency, and optimizing both land use and resident density. The estimated total cost is \$12,737,911 which includes P&P bonds, contractor's liability insurance, contractor's overhead and profit, cost progression and escalation to account for the time differential between now and when the project is expected to close, and sales and use tax. The development budget carries an additional 5% contingency.

Site suitability: The vacant site includes public street access with sidewalks, bicycle lanes, and existing utility infrastructure, with city approval for intended multifamily use. The location offers ample nearby amenities, including convenience shopping (JR's, 0.4 miles), medical facilities (Samaritan Clinic, 0.4 miles), schools (SCCOG Early Learning, 0.4 miles, Trinidad Middle School, 1.1 miles, Trinidad Highschool, 1.2 miles), parks (Roundup Park, 0.5 miles, Wormhole Loop Trailhead, 0.4 miles), community resources (Youth Club of Trinidad, 0.6 miles, Southern CO Family Center, 1.5 miles), grocery (Safeway, 1.3 miles) and transportation (Amtrack Station Trinidad Stop, 0.9 miles).

3. Waiver of underwriting criteria or Discretionary DDA basis boost: The Marq is not requesting any waivers or a Discretionary DDA basis boost.

4. Address any issues raised by the market analyst in the market study. According to the market study, there are no recommended changes for our project.

5. Address any issues raised in the environmental report(s) submitted with your application and describe how these issues will be or have been mitigated. The Phase I Environmental report discovered no Recognized Environmental Conditions (RECs).

6. Identify if any unusual features are driving costs upward, as well as if there are any opportunities to realize cost containment (refer to Section 2 of the QAP for additional information). Trinidad, being a remote and rural city, poses a unique challenge related to the increased cost of getting construction materials to the site and the labor market. We have assessed Acorn Construction as the strongest local partner based on their expertise and long-standing track record in Pueblo (1 hour away). Cost containment is achieved by delivering an efficient building design.

7. Describe the outreach to the community that you have done and describe local opposition and/or support for the project (including financial support). Since proposing the development last year, CDC has met with many community groups and local stakeholders including working with the property owner on the initial design concept, public engagement through the site plan review, and interactions with City staff including the planning department, fire department, etc. The following community-based organizations provide their support for this project, documented in letters enclosed in Section 10 of this application:

- Trinidad Urban Renewal Authority (TURA), a commission dedicated to eradicating blight conditions within the city,
- The Trinidad & Las Animas County Chamber of Commerce,
- South Colorado Council of Governments (SCCOG), which provides dial-a-ride transportation services, and non-medical care services, and operates an Early Learning Center for children 1-8 years old conveniently located within 0.4 miles of our site.
- The Trinidad Housing Authority
- Las Animas County Department of Health and Human Services.

We have reached out to Mt. San Rafael Hospital and Trinidad State College, exploring potential collaborations to support their employees with housing needs and foster beneficial partnerships within the community. The Marq

receives financial support through local partners, including project-based vouchers, property tax exemption, Housing Now Funds, and a waiver of tap and permit fees. Our outreach and collaboration with local stakeholders reflect our commitment to integrating with the local community and ensuring the smooth progression of this project. No opposition to the project has occurred.

8. Describe how the proposed development contributes to promoting equity as well as economic mobility for residents: 20.1% of Trinidad's residents live below the poverty line, with the median household income standing at an average of \$47,800 (United States Census Bureau). The Marq addresses a notable housing gap in the area, emphasizing our commitment to tackling the critical issue of equity in housing. Our goal is to deliver new, secure, and professionally managed housing to an underserved community with a focus on deep income targeting. Additionally, an MOU with Benefits in Action (Section 10) outlines how this nonprofit organization will help residents navigate applications to benefits programs including healthcare, SNAP and food delivery services, and other forms of financial assistance and mental well-being. Given the development's highly energy-efficient design, The Marq will also bring economic benefit to future residents through utility bill savings.

9. For acquisition/rehab or rehab projects, provide a detailed narrative that describes the proposed rehab plans/scope of work, and relocation plan (if applicable): This item is not applicable.

9% housing credit application narrative



Project Name: Paragon Place

Project Address: 2205 N. Washington Street, Denver, CO 80205

Stabilize and thrive is the stated purpose for Paragon Place, a project that will empower at least 111 individuals and 55 families in total, to exit chronic homelessness and stabilize their lives with purpose-built supportive housing and an extensive supportive service program. This project brings new specialized capacity to the table for addressing homelessness in the Metro Denver Continuum of Care, while also piloting appropriate innovations like a voluntary movement therapy program in partnership with Cleo Parker Robinson Dance (a next-door neighbor). Anchored by the Paragon Behavioral Health (“Paragon”) organization, this project is all about Paragon and their unique social service niche – serving high-acuity families in need.

A partnership between Paragon and Cohen-Esrey Development Group, this remarkable project builds on a prime location, which will ensure residents are connected to the resources and opportunities needed to thrive.

- ✓ Directly across Washington Street from Safeway grocery store
- ✓ Transit-rich location: 3 blocks to L Line light rail stop at 25th and Welton
- ✓ Each resident family will receive RTD EcoPass
- ✓ Multiple city parks within a 3-block walk
- ✓ Highly-rated Polaris Elementary School one block away
- ✓ Homes in San Rafael neighborhood often sell for over \$1mm
- ✓ Next door to Cleo Parker Robinson Dance, which will offer cultural programming
- ✓ Accessible job opportunities throughout the greater downtown area

Paragon Behavioral Health Connections is the ideal supportive service partner to deliver one of the City’s most unique supportive housing communities. While not the first, it will remain one of a few PSH projects serving family households. With 12 one-bedrooms, 30 two-bedrooms, and 13 three-bedrooms, over 78% of units will have 2 or 3 bedrooms. With a total of 111 bedrooms, this project may house approximately 120 individuals exiting homelessness depending on how many children share bedrooms. This population may benefit in particular from Paragon’s programs for family reunification and Child Welfare-involved situations (which families may often find themselves in simply due to being unhoused).

The project offers amenity spaces such as fitness center, community lounge, playground, dog wash, dog run, on-site management, trash rooms, laundry facilities, and a ground-floor suite just for Paragon’s supportive service program. All units are served by elevators, opening the community for older adults

and those living with disabilities. There are 26 parking spaces (of which 4 are EV spaces), which greatly exceeds the City of Denver’s typical parking requirements for affordable housing.

The design is classic modern, paying homage to the urban neighborhood context of Uptown and Five Points. Davis Partnership Architects has significant PSH experience including the recent social impact bond project, Sanderson Gulch Apartments. Based on Davis’ experience with trauma-informed design (TID) and focus groups, the project will emphasize gentle color, natural light, openness and security, with clear circulation and wayfinding. Davis will further develop their TID program (including holding new focus groups) as they continue design development. Foundations are 5” slab on grade with spread footings; the structure is wood-framed, with panelized walls and parallel chord trusses. The roof is a flat roof with TPO. Facades are 80% cementitious panel, 15% brick, and 5% wood panel. These choices meet local design code, help contain construction costs, and create a beautiful design.

Green features have become standard for Cohen-Esrey’s portfolio, but Paragon Place goes one step further with ZERH. This design utilizes a Passive House-compliant advanced building envelope – the project is applying to City of Denver for competitive Passive House incentives to help fund remaining costs (mainly cold weather heat pump water heat) to achieve Passive House but not committing to that now. The project also utilizes a rooftop solar array to generate 45% of the all-electric building’s electrical baseload, which will be used to reduce the operating expense budget for owner-paid utilities.

Deep affordability makes sense for this project based on the community need. All units are proposed to be restricted at 30% AMI and will be covered by vouchers from CDOH. This project is a strong fit for utilizing HOST vouchers that come with a lower TSS funding level due to Paragon’s approved Medicaid reimbursement rate, which is among the highest approved by the Medicaid program in Colorado. All units are elevator-served, 10% are accessible Type A (double the requirement), and all remaining units are Type B accessible units.

High-acuity specialization from Paragon Behavioral Health Connections will allow this project to serve the most vulnerable households in the OneHome system. This project will have a case worker to household ratio of 11:1, near the low end for case management ratios in PSH per the Corporation for Supportive Housing. The services budget has been underwritten to a funding level of \$15,000 per unit per annum, which is unusually high for PSH, but justified in this case with high-acuity family households. This budget supports the low case management ratio and also funds one FTE therapist to provide clinical oversight to case workers. This funding level is supported by project cash flow, PSH developer fee boost, Paragon’s high Medicaid reimbursement rate, and DOH/HOST TSS funding.

Community partnerships underscore the strategy to target this project toward the most underserved needs in the community. The following community partnerships are in place for this project:

- a. Community Economic Defense Project will serve as voucher administrator.
- b. Paragon Behavioral Health Connections is a “Wellness Winnie” partner for the City of Denver, bringing their mobile public health interface around the city.
- c. Joshua Station, a nearby family shelter, will provide direct referrals for families who either aren’t an ideal fit for their program or “graduate” their 2-year program.
- d. Cleo Parker Robinson Dance will lead “movement therapy” program on-site, intended as supplemental (voluntary) therapy for families with young children who need to move.
- e. Mile High Youth Corps will coordinate with I-Kota Construction to use the job site for low-income apprenticeships that help grow the local trades workforce.

- f. Detour, aka Thomas Evans, is a local Five Points-based muralist who has committed to lead an artwork program that will involve families of the initial move-in cohort.
- g. HOST has indicated strong support for both vouchers and TSS funding and gap funding as needed, placing the project among its highest priority tier for this round.
- h. CHFA Lending has offered \$750,000 in Capital Magnet Funds to this project.
- i. Mercy Capital has expressed interest in offering low-interest construction financing.
- j. Impact Development Fund has also indicated this project could be eligible for the Greenhouse Gas Reduction Fund being administered through IDF.
- k. City of Denver CASR is developing a Passive House rebate/incentive program that will be easy for the project to achieve, as it is already designed for ZERH.
- l. Colorado Health Foundation hosted a public meeting for the project on January 22, 2025.

1. Identify which, if any, of the priorities in Section 2 of the Qualified Allocation Plan (QAP) apply:
 - Projects serving Persons experiencing Homelessness as defined in Section 5.B.5

2. Describe how the project meets the criteria for approval in Section 2 of the QAP:

- Market conditions: According to the 2024 Point-In-Time Count, there were 6,539 homeless individuals in Denver, including 5,266 sheltered persons and 1,273 unsheltered individuals. This is an increase from the 2023 PIT count that included 5,818 homeless persons. Of the 4,753 homeless households in the PMA, 588 were adult households with at least one child. The 588 homeless households with children had a total of 2,240 homeless persons, indicating the average size of a homeless household with children is 3.81 persons.

The housing market in greater downtown is generally stable, despite absorbing 9,000 new units under construction recently completed, according to Downtown Denver Partnership. Despite all of this absorption, vacancy has only increased to 10% and rents have decreased by 4% year-over-year. Once this market-rate development wave is absorbed, there will be significant upward pressure on rents. Generally, the demand for supportive housing is less a function of the rental market (although rent increases do contribute to homelessness) and more tied to growth in homelessness as a whole.

- Proximity to existing LIHTC developments: Across the street is one phase of DHA's Benedict Park Place, a mixed-income LIHTC and market-rate community, with several phases within 1-2 blocks. Two blocks away, is DHA's older adult Section 8 tower. Within a half-mile radius there are a number of 60% AMI tax credit projects like Welton Park and The Point, which is also a primarily market-rate, mixed-income project. Further away, is a triangle of downtown bounded by Broadway, Park Ave., and Stout St., which includes six PSH projects primarily serving single adults. Residents at Paragon Place will have the benefit of some distance from this cluster, while also having the benefit of transit and walkable access to services along Broadway as needed. Downtown Denver Partnership reports that 10,000 new units have been added since 2010, with another 9,000 units under development (of which less than 5% are LIHTC) and a current total of 80,000 people living within 1.5 miles of the city center.
- Project readiness: The Project has by-right zoning in the R-MU-30 zone district. This project does not require any competitive, deadline-based funding like FHLB or other grants, so it would be able to move to a financial closing as soon as a building permit is received.

Denver’s Planning Department has indicated support for applying to the Affordable Housing Review Team (AHRT) process to expedite entitlements.

- Overall financial feasibility and viability: As summarized in HOST’s letter of support, this project is highly feasible and viable. The project is premised upon conservative underwriting assumptions to be able to absorb downside equity pricing risks.
- Experience and track record of the development and management team: Cohen-Esrey brings more than 50 years of experience in affordable and market rate multifamily housing and has owned and managed more than 68,000 units in over 550 properties. Consistent with its corporate model, Cohen-Esrey will self-manage this property through Cohen-Esrey Communities LLC (“CEC”) who will bring strong expertise and capacity.

COHEN-ESREY COMMUNITIES PSH PORTFOLIO (Feb. 1, 2025)

Name	City	State	Total Units	# of PSH Units	Mgmt Start Date	Population Served	Service Provider	Services Provided
Alhaven	Kansas City	MO	50	10	11.1.2020	Young adults with HIV/AIDS	Save Inc.	On-site medical services
Eileen’s Place	Kansas City	KS	60	60	2.2.2021	At-risk and Homeless Families	Metropolitan Lutheran Ministries	Case Management, Life skills, Financial and Employment Coaching, Medical/Dental Assistance, Basic Needs, etc.
Freedom	St. Louis	MO	68	68	6.1.2014	Homeless veterans	St. Patrick Center	Job and skills training, employment placement, and behavioral health programs
Intrada St. Louis	St. Louis	MO	56	12	1.5.2021	Youth aging out of Foster Care	Epworth Children and Family Services	On-site case management
Libertad	Des Moines	IA	40	4	2.1.2019	At-risk and Homeless Families	Hawthorn Hill	Job-training, child care, etc.
The Launchpad	Colorado Springs	CO	50	50	4.1.2025	Youth aging out of Foster Care	The Place	On-site case management

- Project costs: Serving family-sized households experiencing chronic homelessness is a costly endeavor. Cohen-Esrey has strived to keep costs down by limiting the building height to four stories. The triangle-shaped parcel posed some unique cost impacts that were partially mitigated (except for form-based view plane requirements around corners) by turning the project into an L-shaped double-loaded corridor.
- Site suitability: The site is particularly ideal for family PSH, with direct access to a grocery store, Polaris Elementary School, light rail nearby, several parks within 3 blocks, and more.

3. Provide the following information as applicable:

- Justification for waiver of any underwriting criteria – None.
- Justification of the financial need for a CHFA Discretionary DDA basis boost of up to 30 percent of eligible basis – N/A

4. Address any issues raised by the market analyst in the market study.

The market study notes a 11% vacancy rate in December 2024 among the surveyed PSH project in the PMA but cites reasons for this rate other than a lack of demand such as an increase in evictions and notes that this vacancy rate is overstated as many of the vacancies are pre-leased or have pending applications. The study gives Paragon Place the highest possible score for all categories including Market Demand, and the project’s capture rate of 14% is well below CHFA’s preferred threshold.

5. Address any issues raised in the environmental report(s) submitted with your application and describe how these issues will be or have been mitigated.

The Phase 1 ESA identified zero known or suspected Recognized Environmental Conditions.

6. Identify if there are any unusual features that are driving costs upward, as well as if there are any opportunities to realize cost containment (refer to Section 2 of the QAP for additional information).

The project's location in Downtown Denver will require more time for the installation of utilities, public improvements and road closures. The contractor has added 70 days to the schedule in anticipation of these complexities. The ZERH HVAC requirements are also 25% more costly than Cohen Esrey's standard VTAC design. This gap is largely closed by available subsidies proposed through CASR (\$100,000) and the State heat pump tax credit (\$110,000).

7. Describe the outreach to the community that you have done and describe local opposition and/or support for the project (including financial support).

The project team conducted a community meeting, hosted by Colorado Health Foundation (three blocks from project site) on January 22nd, 2025 for which the team distributed flyers around the neighborhood, contacted area stakeholders, and affirmatively contacted those with lived experience. There were a number of individuals with lived experience in addition to the Five Points Business Improvement District in attendance who provided feedback and indicated support. Cohen-Esrey has also met with District 9 Councilmember Darrell Watson and State Senator James Coleman to obtain their support.

8. Describe how the proposed development contributes to promoting equity as well as economic mobility for residents.

Family homelessness is a tragedy caused by systemic inequalities and lack of access to opportunity for too many families in our community. Family homelessness now comprises 34% of all homelessness in the Metro Denver point-in-time (PIT) count, which is rising due to our region's high cost of living. According to the latest PIT count, the demographics for family homelessness are very different from single adult homelessness. For individuals in family households experiencing homelessness, only 42% identified as male and 74% identified as non-white, thus a population that skews female-led and BIPOC.

Paragon Place seeks to stabilize these households with Paragon's strong, regionally-leading service platform. Importantly, the project also delivers a prime location for car-free access to amenities, along with an efficient, yet elegant living environment designed through trauma-informed design principles. Once stabilized through on-site social services, residents will be empowered to thrive through our arts and dance programming partnerships and transit access to pursue low-barrier employment opportunities across greater downtown Denver. This project will meaningfully impact the lives of 55 families, and at least 120 individuals in the first move-in cohort; should residents no longer need intensive supportive housing, Paragon is uniquely suited to maintain their services through their mobile, home-based model that they currently utilize. This project will result in significant equity and economic mobility for those who need it the most.

9% housing credit application narrative



Project Name: Park Avenue Apartments

Project Address: 3500 & 3600 Park Avenue West, Denver, CO 80216

Executive Summary

The Colorado Coalition for the Homeless (CCH) proposes Park Avenue Apartments, a new 60-unit permanent supportive housing (PSH) and transit-oriented development targeting chronically homeless households. Located at 3500 - 3600 Park Avenue West in Denver Council District 9, the property is within a 2025 Qualified Census Tract (QCT), ½ mile distance from light rail, and meets all of CHFA's Guiding Principles. The project will leverage State credits, Transit Oriented Communities (TOC) credits, and Federal 9% Low-Income Housing Tax Credits (LIHTC) to bring critically needed PSH units to Denver.

The site is formerly home to the La Quinta Hotel and Old West Pancake House and was acquired by CCH in December 2021 with support from Denver HOST and the CDOH Operation Turn-Key (OTK) funding program. The hotel property currently serves as a non-congregate shelter; however, its grant-funded operational commitments expire in mid-2025, precluding continued operations beyond this date. Regulatory requirements mandate that the site transition to affordable housing, necessitating immediate redevelopment funding to prevent default. Additionally, the existing structures have exceeded their effective useful life and are experiencing significant deterioration. Timely redevelopment is critical to replace these buildings with lasting solutions to homelessness and to preserve this site's potential as a valuable community asset.

The building follows trauma-informed design (TID) principles and relied on feedback from CCH clients with lived experience to create a design that fosters inclusivity, healing, and joy. The design was refined through collaboration in a DU TID study with Davis Partnership Architects, Shopworks Architecture, Group 14, and CCH staff. The project's ground floor level features exposed wood beams, open corridors, and abundant natural light from floor-to-ceiling storefront windows. Amenities include a welcoming lobby with front desk reception, case management and property management offices, and views of the protected outdoor courtyard. Resident spaces include a media lounge, computer lab, kitchen, library, secured bike storage, a rooftop deck with seating and mountain views, and flexible spaces for both large and small gatherings, supporting a safe and engaging environment. All units are 1-bedroom, 1-bathroom apartments, serving households at 30% to 60% AMI. Units include full kitchens with Energy Star appliances, premium Fibrex windows, VTACs, open floor plans, ample natural light, and multiple

storage areas. The building provides centralized laundry facilities and gathering space on each floor and common area Wi-Fi.

Park Avenue Apartments will replace the existing structures on-site and is a use-by-right within the C-MX-8 zone district. The 61,244 square-foot building will feature 3 and 4 stories of Type V-A construction, with wood framing, glulam timber beams, on-grade spread footing foundations, and a mix of brick, cementitious panels, stucco, and metal cladding.

Conveniently located near downtown Denver, RiNo, and Sunnyside neighborhoods, the site has excellent transit and trail access. It is less than half a mile from the South Platte River Trail and the 41st & Fox Light Rail Station and is served by major RTD Bus Route #38. Residents will receive RTD Neighborhood ECO Passes and the project's holistic approach to site design includes key pedestrian safety enhancements and wayfinding to ensure residents find safe and comfortable multi-modal routes to destinations.

CCH will provide comprehensive, high-quality, and targeted supportive services that are critical in empowering residents ability to retain housing and establish healthy communities. CCH's fully integrated approach to deliver both housing and healthcare is designed to create more encounters of services, increase level of care, and improve outcomes. Services include mental and behavioral health wellness counseling, life skills training, job readiness, addiction services and support financial literacy, and crisis intervention. CCH plans to partner with Bank On Denver to provide financial counseling on-site. On-site staff will deliver mental health services, case management, and front desk support. Services will be funded through DOH TSS, Medicaid, fundraising, and project cash flow.

Sustainability features of the design include Energy Star appliances, rooftop photovoltaic solar panels, LED lighting, EV charging, and is Electrification-Ready. The project will achieve Enterprise Green Communities and the WELL Building Standard certification.

Funding sources include State credits, TOC, and 9% LIHTC, a permanent first mortgage and construction financing from FirstBank, FHLB AHP funds, gap funding from HOST and CDOH, Congressionally Designed Spending award, and a deferred developer fee. Sixty (60) project-based vouchers have been requested from CDOH concurrently with this application, the project has received Tier 1 designation from CDOH on each of the previous non-awarded LIHTC application rounds. Property tax exemption is supported by a partnership with Denver Housing Authority. The project has advanced significantly since prior LIHTC applications and has secured a Congressional Designated Spending award via HUD EDI program funding, furthering signifying not only this project's broad support, but its financial and overall visibility.

1. QAP Priorities:

This project will serve people experiencing homelessness and is a permanent supportive housing community.

2. Criteria for Approval:

Market conditions

There is significant and unprecedented local demand for housing for individuals experiencing homelessness or at risk of homelessness. The latest 2023 Point in Time count that surveyed 5,818 homeless individuals in Denver County and over 24,000 seeking homelessness services. This development is urgently needed to

address this need and provide lasting solutions to homelessness. The capture rate for this project is just 13.1%, and a market study projects a lease rate of 15 units per month, with stabilization occurring within four months of project completion. In all seven market evaluation categories, from market demand to project location, the project is rated 5 out of 5 in all categories except location, which rated 4 out of 5.

Proximity to existing tax credit developments

This project is less than a quarter mile from CCH's Renaissance Riverfront Lofts, an established LIHTC property that is stabilized since 2009. The proximity would allow for shared resources for staff and residents. No impacts are anticipated to existing leased and stabilized LIHTC properties and, evidenced by the Market Study findings, demand far outpaces supply for PSH properties in the area.

Project readiness

The project team successfully rezoned the site in 2022 to C-MX-8 to accommodate multi-family development. The project is fully controlled by the Sponsor and no further rezonings or public approvals are required for the development. Design work is being completed by Davis Partnership Architects with pre-construction consulting and pricing by Alliance Construction. Schematic design and project pricing are complete; 100% CDs will be complete in Summer 2025. The project has been accepted into Denver's Affordable Housing Review Team (AHRT) and has been reviewed and approved from Concept Site Development Plan (SDP). If awarded tax credits, the project will be eligible for coordinated building permit reviews and further support through AHRT to ensure milestone dates are achieved. There are no unresolved environmental factors and CCH has received environmental release from HUD. This project meets the Project Readiness threshold criteria.

Overall financial feasibility and viability

Project financing is based on CCH's proven Renaissance Development Model that has been successfully implemented in the development of more than twenty affordable, multi-family projects throughout the state. The model is designed to serve the lowest income residents for the longest period of time. To accomplish and further CCH's organizational mission, the project incorporates multiple sources of financing and structures financing to cover the cost of development with limited long-term debt obligations, committing cash flow to services and other resident supports.

This project has secured an award of Congressional Designated Spending FY2024 under the HUD EDI program, signaling its broad support from both Sen. Hickenlooper and Sen. Bennet and Rep. DeGette and underscoring the financial feasibility of the deal. Additionally, gap funding from CDOH is being concurrently applied for as part of the CDOH PSH RFA Pilot, inclusive of vouchers, services, and gap funding. Park Ave Apartments is well within all metrics and guidelines for state funding. The City of Denver is supporting this project and has again highlighted this project as one of their highest priority projects for funding.

The project's development financing includes fully payment of its existing CDOH OTK Loan, set to mature in 2026; it is critical to award this project and realize the full outcomes of the statewide OTK program. This project has significant support from local officials, federal agencies, CDOH and HOST and is financially feasible and ready to close.

Experience and track record

CCH is a leading developer of supportive housing and service facilities both in Colorado and nationally. CCH maintains a skilled, in-house, 5 FTE real estate development team, which oversees all CCH construction projects including community facilities, LIHTC and NMTC developments, and mixed income, affordable housing developments. In 40 years of service, the Colorado Coalition for the Homeless has developed more than 2,400 units of supportive and affordable housing through 23 developments. Our housing approach integrates high-quality housing for homeless individuals and families with services and individualized needs and care. Our quality architectural designs and environmental standards add significant value to existing neighborhoods and cultivate pride and wellbeing among residents and the larger community. CCH is a multiple award-winning organization for its efforts in housing development, most recently being honored with a 2023 Eagle Award and the 2023 ULI Terwilliger Award for development of Legacy Lofts and Stout Street Recuperative Care. CCH has made significant investments in its property management division, housing assistance department and has significantly improved its management and maintenance teams in recent years. With enhanced compliance focus, all of CCH's portfolio is in full compliance with all LIHTC, CHFA loan, and other affordable housing program requirements.

The project development team includes Davis Partnership Architects, a highly skilled and proven local firm with extensive experience in LIHTC developments. Alliance Construction, based in Denver, is a leader in affordable housing construction, completing more than a dozen projects and over one million square feet of affordable housing in the past five years.

Finally, CCH's experienced, skilled, and compassionate staff in our property management, housing navigation, case management, and health provider teams work tirelessly to provide and maintain secure and supportive homes for the most vulnerable residents of our state. As one client expressed in our annual Customer Satisfaction Survey, *"I never felt like I deserved a second chance, and now I do. The people who work here restore my faith in others. My future is my own again, thanks to the care of the staff."*

Project costs

CCH relies on the experiences and lessons-learned from 23 previous LIHTC developments to control costs throughout the entire project, ensuring efficient use of project sources. Project pricing is based on completed schematic design documents and consultation from third-party general contractor, Alliance Construction, and engineering and design professionals.

Planning for the full build-out in design, engineering, and construction has been considered at this phase and incorporation of larger utilities is designed and priced. Included within the cost estimate is compliance with the Buy America, Build America act (BABA) as a condition of federal Congressional funding award.

Site suitability

Park Avenue Apartments will be located within Globeville Neighborhood, which includes transportation nodes, local services, commercial retail, places of employment, parks, libraries, places of worship and more. The project is located off Park Avenue, off the I-25 corridor, providing convenient access to bus lines. It is half a mile from the 41st and Fox Light Rail Station (TOD site), providing an additional transit option, and it is less than half a mile from the South Platte River Trail, providing easy bike access to downtown and points north. Park Avenue Apartments is a certified Transit Oriented Development site. Special design attention is noted to include enhanced traffic and pedestrian safety improvements at key locations to contribute to the

neighborhood and site's improvement. Though located adjacent to highway noise, the design has mitigated any impacts through premium windows and exterior façade design, building siting, and a sound and privacy wall. Native plants, shade areas, and strategic elevation changes within the courtyard landscape design further help to create areas of privacy and peace in this urban setting.

3. Justification for waiver of any underwriting criteria & financial need for discretionary DDA basis boost: N/A
4. Market Study Issues: There are no issues or recommended changes to the project identified by the market study.
5. Environmental Report Issues and how they have been or will be mitigated: A Phase I report identified this site's historic use as bulk fuel storage. A limited Phase II report was conducted to further evaluate the area and found arsenic and lead levels below established EPA and CDPHE clean-up levels. All recommendations from the Phase I report and subsequent evaluations have been included in the proposals including the installation of a Vapor Mitigation Barrier and standard materials management plan. In accordance with the Environmental Reports and opinion of the Environmental Professional, all environmental issues have been evaluated and addressed. The project has also received its AUGF environmental release from HUD. To mitigate noise concerns, the project's exterior wall assembly, including premium window assembly, has been evaluated and shown to reduce outside noises to within standard residential decibel levels.
6. Any unusual features that are driving costs upward, as well as if there are any opportunities to realize cost containment: In order to maximize efficiency of time and resources, wet utilities on-site have been designed and priced to accommodate all future phase development on – site. The project intends to realize some cost savings as future phases are planned and executed. Due to its relative proximity to the highway and rail, premium windows, exteriors, and a sound wall are necessary to the project to mitigate noise exposure. The project will also comply with BABA and some increased material costs.
7. Community Outreach: Community outreach for this site began in early 2022 as CCH engaged community members and local organizations on the re-zoning of the site from Industrial to C-MX-8. This process revealed significant community support for a new affordable housing development at the site, as the property was rezoned unanimously, with opposition, and two written letters of support from the RiNo Art District and the Denver North Business Association (DeNoBa). Current community support is evidenced by a letter of support included in the application the District 9 Council Office. CCH also commits to continued community engagement with council office, RNOs, and GES Coalition during development and throughout operations. No registered opposition has been received.
8. Promoting equity and economic mobility for residents: CCH's holistic and proven effective approach to services, housing, and healthcare meet our residents 'where they are' and provide individualized services to promote economic mobility. This project will create a pathway for success to *all* residents. In addition to on-site services, job training, matching and financial literacy education are available to all residents.

9% housing credit application narrative



Project Name: Pinewood Modular

Project Address: 200 S. Ironton Street, Aurora CO 80012

Executive Summary – Pinewood Modular (“Project”) is a proposed 49-unit affordable, family housing development on a site currently owned by Ulysses Development Group (“UDG”) in Aurora, Colorado. The Project will be located on an approximately 1.14-acre vacant portion of the 4.5-acre parcel zoned MU-C, Mixed-Use Corridor District, which carries no maximum for residential density.

The Aurora Places Plan, the community revitalization plan impacting the Project site, calls for centrally located affordable housing for families and seniors in diverse neighborhoods. The site includes Pinewood Lodge, a 103-unit senior affordable housing property that UDG acquired in May 2024 that serves residents earning 50% to 60% of the Area Median Income (“AMI”). This is congruous with the proposed Pinewood Modular which will serve residents earning 40%, 50%, and 60% AMI. UDG is committed to serving the lowest-income tenants for the longest period; as such, the Project will remain affordable for the 15-year compliance period and an additional 25-year extended use period.

Pinewood Modular will be comprised of one prefabricated panelized slab on grade building with one-, two-, and three-bedroom units, a double loaded corridor, two stairs, and an elevator. The first floor includes approximately 938 SF of active lifestyle residential amenities such as a fitness center, work from home space, leasing office, and maintenance storage. Apartment interiors will feature Energy Star-rated appliances including in-unit washers & dryers, luxury vinyl-plank flooring, solid surface countertops, energy efficient LED light fixtures, and EPA water sense low-flow plumbing fixtures.

UDG is committed to Colorado’s Renewable Energy and Climate Action goals. Pinewood Modular is designed to comply with the Enterprise Green Communities as well as the Department of Energy’s Zero Energy Ready Homes programs. The project will incorporate all-electric energy sources, a photovoltaic system to provide on-site energy for the common area power, and five EV-ready parking spaces.

Pinewood Modular contributes towards promoting equity and economic mobility for residents by providing access to safe, affordable housing in Aurora’s western edge. The Project is served within one half mile walking distance of the 3, 3L, and 105 bus lines which connect to business and recreation centers and qualifies for the 2025 Transit Oriented Communities Credit.

In Fall, 2024, UDG applied for the State of Colorado’s Proposition 123 Concessionary Debt Program and received an award of up to \$489,500 to fund predevelopment expenditures. The development capital stack for Pinewood Modular includes Colorado administered tax credits – the Federal 9% Housing Tax Credit (“9% HTC”), the State Affordable Housing Tax Credit (“State AHTC”), and Transit Oriented Communities Credit (“TOC Credit”);

sustainability and energy efficiency tax credits and rebates; income from operations; a seller note; permanent and construction debt; and a 44% deferred developer fee. CHFA-administered tax credits are the only outstanding and competitive sources included in the Pinewood Modular capital stack. Should the project receive a successful award, the project can close within six to nine months.

Location and Allowable Density – The project is centrally located along the western edge of Aurora, off Alameda Avenue. The 4.5-acre parcel is appropriately zoned MU-C, Mixed-Use Corridor District. This district is intended to promote sustainable infill and carries no maximum for residential density. Approximately ¼ of this site, 1.14 acres, will be subdivided through a Minor Subdivision Plat Approval with the City of Aurora. Pinewood Lodge and Pinewood Modular will implement shared management agreements for parking and outdoor amenities. The site is not located in a QCT, DDA, or SADDA.

Population and Bedroom Mix – Pinewood Modular aims to strengthen Aurora’s social fabric, co-locating family with senior housing and offering opportunities for intentional, intergenerational engagement. Pinewood Lodge serves senior residents in one- and two-bedroom homes. Pinewood Modular has been intentionally designed for Aurora’s workforce and families. It will include a mix of 17 one-bedroom, 16 two-bedroom, and 16 three-bedroom homes. UDG has evaluated the relationship between both sites holistically, considering how residents of all ages will use and enjoy programmed amenities. Opportunities for engagement have been thoughtfully sited, hinging at existing outdoor amenities and offering residents opportunities to live and play cohesively. This is in line with the Aurora Places Plan, Aurora’s Community Revitalization Plan, which calls for centrally located affordable housing options for families and seniors in diverse neighborhoods. Pinewood Lodge and Pinewood Modular will enter into a shared management agreement which details the staffing and programming of both projects.

AMI Targeting – UDG performed a sensitivity analysis to determine how to serve the lowest-income populations while maintaining underwriting standards. This balance was achieved at 56.33% AMI with 36 units at 60% AMI, 8 units at 50% AMI, and 5 units at 40% AMI. This is congruous with the existing Pinewood Lodge which, although it is senior not family housing, serves households earning 50% to 60% AMI. Pinewood Modular will remain affordable for at least the 15-year LIHTC compliance period as well as an additional 25 years, for a minimum of 40 years of restricted affordability.

Unit and Project Amenities – Apartment interiors will feature Energy Star-rated appliances including a stove, oven, and vent hood; refrigerator; dishwasher; garbage disposal; air cooling system; elevator; and in-unit washers & dryers. Unit finished will include luxury vinyl-plank flooring, solid surface countertops, energy efficient LED light fixtures, and EPA water sense low-flow plumbing fixtures. Three of the units (6.1%) will be Group A designated as accessible for mobility disabilities and two units (4.1%) will be designated as accessible for hearing or visual disabilities. Water and electricity are separately metered and will be paid by the tenant, while sewer and trash are paid by UDG. The first floor of Pinewood Modular includes approximately 938 SF of active residential amenities such as a fitness center, work from home space, maintenance storage, and a leasing office. UDG has engaged with the Pinewood Lodge residents to identify outdoor opportunities for intergenerational engagement between the two developments.

Type of Construction – Pinewood Modular is a type V construction, comprised of one prefabricated panelized slab on grade building with one-, two-, and three-bedroom units, a double loaded corridor, two stairs, and an elevator with a TPO flat roof. The four-story building will include high quality and durable materials and comply with the City of Aurora design guidelines. Upper-level apartments will be accessed through one elevator and two stair cores. The property will be surface parked with 42 vehicle spaces – at a ratio of 0.86 – including five EV-ready

charging spaces and six ADA accessible spaces. On-site renewable energy will be generated by a rooftop solar PV system serving the common area and amenities.

Access to Public Transportation – Pinewood Modular is conveniently located along the western edge of Aurora and is served within one half mile walking distance of the 3, 3L, and 105 bus lines, which connect to business and recreation centers. This strategic location enhances access to public transportation, making it easier for residents to reach local amenities and employment opportunities. The proximity to these transit options supports economic mobility by providing a reliable means for individuals to commute to various job centers, thereby expanding their employment prospects. Additionally, the development's location in a well-established neighborhood ensures that residents can easily access essential services, cultural institutions, and recreational facilities. By improving connectivity and access to resources, Pinewood Modular empowers residents to pursue personal and professional growth, ultimately fostering a more equitable community.

Description of Energy Efficiencies – UDG is committed to being a strong partner in achieving Colorado's 100% Renewable Energy and Climate Action goals. Pinewood Modular is designed to comply with the Enterprise Green Communities as well as the advanced energy performance standard of Department of Energy's Zero Energy Ready Homes program. The project will incorporate all-electric energy sources, a photovoltaic system to provide on-site energy for the common area power, and at least five EV-ready charging spaces.

Capital Sources – The capital stack for Pinewood Modular includes Colorado administered tax credits – 9% HTC, State AHTC, and TOC Credit; sustainability and energy efficiency tax credits and rebates; developer equity, income from operations; a seller note; construction and permanent debt; and a 44% deferred developer fee. CHFA-administered tax credits are the only outstanding and competitive sources included in the Pinewood Modular Capital Stack. Should the project receive a successful award, the project can close within six to nine months.

1. Priorities of the QAP – Pinewood Modular is not proposed to serve persons experiencing Homelessness or Special Populations, and the Project site is in a metro county with greater than 180,000 persons.

2. Criteria for Approval

- a) *Market conditions* – Pinewood Modular's market study confirms the overwhelming demand for the project due to its rent advantage, product quality, and favorable location. Comparables in the market operate with low vacancies and waiting lists. As there is a limited number of recently constructed LIHTC developments targeting the general population within the Primary Market Area ("PMA"), the low-income base appears to be underserved. The overall capture rate for the development is low to moderate, at 14.2; however, in-migration is not included in the analysis.
- b) *Proximity to existing tax credit developments* – There are 28 existing LIHTC or mixed-income developments within the PMA, the nearest family units being the 181 competitive units at Residences at First Avenue 0.4 miles to the north and the 66 competitive units at Village at Westerly Creek 0.8 miles to the south. The market study's projection for an extremely quick absorption of Pinewood Modular's units of 25 move-ins per month represents the robust demand for the project, despite other LIHTC Developments in the market; this is due to low vacancy and waiting lists of comparable LIHTC developments, the underserved low-income base within the PMA, and Pinewood Modular's significant rent advantage over market rate properties.
- c) *Project readiness* – CHFA-administered tax credits are the only outstanding and competitive sources included in the Pinewood Modular Capital Stack. UDG has site control and has already engaged with the City of Aurora which anticipates the zoning and entitlement process to take six to eight months from official application, concurrent with CHFA's timeline. Should the project receive a successful award from CHFA in May 2025, a financial close and groundbreaking ceremony are projected for the first quarter of 2026.

- d) *Overall financial feasibility and viability* – CHFA has already invested in the project with its Proposition 123 Concessionary Debt award in the Fall of 2024. A subsequent award of CHFA-administered tax credits will secure the financial viability of Pinewood Modular. None of the other sources contemplated in the capital stack are competitive or outstanding. The debt and equity term sheets provided by Key Bank and Enterprise provide sound financial viability to allow Pinewood Modular to quickly move towards closing upon a successful award.
 - e) *Experience and track record of the development and management team* – UDG's Denver-based staff of over thirty extremely experienced affordable housing professionals will deliver an exceptional result for the Aurora community and the future residents of Pinewood Modular. Ross-Envolve will provide resident-focused property management services with their robust compliance expertise developed through managing their portfolio of LIHTC units, including Pinewood Lodge. Proset Construction has a proven record of safely completing successful prefabricated developments within Colorado. Please review UDG's corporate resume for further information on the robust experience of our team members and other successful LIHTC completions.
 - f) *Project costs* – The cost to construct Pinewood Modular has been provided by Proset Construction in collaboration with UDG's Head of Construction and Director of Pre-Construction. Proset Construction was highly recommended to UDG based on their vast knowledge of modular and prefabricated construction methods. Proset Construction joined the Pinewood Modular team during the project's initial inception in 2024 and will be integral in the next phases of design ensuring efficiency and conservative analysis. UDG is confident in the accuracy of their cost estimate and the team is prepared for any unanticipated economic factors that could influence costs which will be mitigated by conservative nature of the cost estimate and ability to close in the first quarter of 2026.
 - g) *Site suitability* – Pinewood Modular's location is ideal for an affordable multifamily development. The proximity to RTD's 3, 3L, and 105 bus lines will provide an affordable transportation resource for residents. The central location in Aurora provides easy access to community amenities including nearby access to one King Soopers store and a Walgreens Pharmacy. Families will have access to schools and parks, the closest being the Lotus School for Excellence and Expo Park within one half mile of the project site.
3. Requested Waivers – No waivers of CHFA's underwriting standards are requested.
 4. Issues from Market Study – The Market Study identified two main weaknesses which are mitigated by the strong demand for affordable housing in the Primary Market Area. The blended capture rate for the project is 14.2, with the 60 percent AMI capture rate being moderate but considered reasonable. The Market Study notes that the capture rate analysis likely understates the demand in the PMA given the LIHTC comparables are performing well and not giving concessions, and the Demand Analysis does not account for any in-migration. The market study confirms that 87.3% of Aurora's workforce is living outside of the Primary Market Area (54,053 of 61,912 employees) which is a strong indicator that a lack of affordable housing opportunities exists within the PMA. Additionally, the unit sizes range from 7 to 22 percent below the comparable averages, but within the range of the comparable properties. Considering only LIHTC supply, the proposed three-bedroom unit sizes are 17 percent below the comparable average, while the one and two-bedroom unit sizes are similar to the comparable average. The Market Study concludes that, despite the smaller unit sizes, "the Subject will compete well within the market due to the rent advantage, and an apparent pent- up demand for additional affordable housing in the market."
 5. Issues from the Phase I – The Phase I Environmental Site Assessment ("ESA") identified one Business Environmental Risk ("BER") in the existing Pinewood Lodge building. UDG was aware of this condition and is engaged in ongoing monitoring and testing to mitigate this condition. In February 2024, Partner Engineering and Science, Inc. ("Partner") conducted multiple rounds of radon sampling on the subject property. Based on the results of these sampling events, mitigation and follow up testing was recommended in units 106, 127, and 131. UDG installed the required mitigation systems and the post mitigation testing report returned favorable results. However, installation

of new mitigation systems could have potentially opened new preferential pathways within non-mitigated ground contact units, and now units 111 and 116 are returning elevated results. UDG will continue to work with Ross-Enolve and Partner to access the Pinewood Lodge units, ensure testing and mitigation is completed, and remove BER from the Phase I ESA. Additionally, a radon mitigation system is planned beneath the Pinewood Modular building in anticipation of this site condition.

6. Unusual features that are driving costs upward –Pinewood Modular has been designed to provide the greatest cost efficiency per credit from CHFA, while maintaining important project elements. Construction cost components that may not be typical in other projects are the high amount of energy efficiency and sustainability measures being sought. HVAC systems such as electric heat pumps are one example where costs are much higher than traditional systems. This increase in cost is partially mitigated by the 45L Tax Credit, Investment Tax Credits, and energy efficiency rebates made available by the sustainable nature of the Project. In addition, the City of Aurora has notoriously high water and sewer tap fees and impact fees as a part of the permitting process. UDG has engaged the Aurora Housing Authority in a Special Limited Partnership to explore mitigating some of these administrative, municipal costs.
7. Community outreach – In early November, the development team engaged with the Aurora Housing Authority (“AHA”) to propose a Special Limited Partnership which would give UDG use of the Housing Authority’s waitlist for available units and the Housing Authority’s tax-exempt status. The AHA has submitted letters of support along with this application and will be a strong community partner and resource. In January 2025, UDG hosted the first public hearing at Pinewood Lodge. This meeting was held in person and noticed via flyers around the existing building and in the local publication, the Sentinel. At this “listening session,” UDG shared a brief firm overview, intent to apply for State AHTCs, and high-level overview of the proposed project; however, the majority of the session was spent hearing public comments from the residents of Pinewood Lodge. Residents shared their concerns and aspirations for the vacant Pinewood Modular site. This feedback has informed the project’s design as well as highlight areas where UDG must be sensitive to resident needs and mitigate the impacts of construction and increased density. UDG will continue to engage with the residents of Pinewood Lodge and the greater community through the City of Aurora permitting process.
8. Promoting Equity and Economic Mobility – The proposed Pinewood Modular development has been designed to promote equity and economic mobility for residents. UDG is focused on enhancing housing stability and economic opportunities for our residents, and Pinewood Modular will further this goal. By increasing density in a location rich with amenities—such as cultural institutions, outdoor recreation, healthy food options, and medical services—residents will have access to a high quality of life. Its transit-oriented nature offers easy access to the state’s largest employment centers and educational institutions, supporting personal and professional growth. Additionally, Pinewood Modular will provide high-quality housing in an area generally lacking affordable options, with rents 15-60% lower than comparable properties. This makes quality housing more accessible and helps residents improve their economic situations, fostering a more equitable community.

9% housing credit application narrative



Project Name: Ravenfield

Project Address: 590 S. 27th Ave. Brighton, CO 80601

Executive Summary

The Brighton Housing Authority (BHA) is pleased to present Ravenfield Senior Apartments (“Ravenfield”, “Project”), a proposed 46-unit age-qualifying community in Brighton, Colorado. Located on the northeastern edge of the Denver metro area, Brighton combines accessibility to Denver with a connection to the rural communities to the north and east. Looking in both directions, Brighton’s senior affordable housing (all developed and owned by BHA) serves both seniors from the northeast metro area as well as seniors who are aging in place in rural areas more remote from critical services. Ravenfield will include 46 units (41 1BR and 5 2BR) at a mix of 30%, 50% and 60% AMI. This will also be the first LIHTC development in the market area to offer Project-Based Vouchers (PBV); PBV will be attached to all 9 30% AMI units and 2 50% AMI units, creating accessibility to high-quality age-qualified housing for very low-income seniors. Units will be generously sized and thoughtfully designed to offer an embrace environment, and help residents who may be downsizing feel at home. Featured unit amenities include in-unit washers and dryers, Juliet balconies in second and third floor units, large closets and pantry cabinets, and an architectural nook at the entry door with a wood storage bench and storage hooks.

The concept evolution for Ravenfield has been strongly driven by local and regional partnerships. BHA has provided critical leadership in partnering with the City of Brighton to create favorable conditions for affordable housing development, including advocacy and advisement of a fee waiver matrix that will result in \$600,000 of fee waivers for Ravenfield; as well as the City’s first water fee-in-lieu for affordable housing that allows development to take place without the onerous and uncertain process of securing water rights. In addition, BHA’s acquisition of the site, which was sold by the adjacent church through a competitive process, that was designed to ensure a used that is beneficial to the community, was financed through an Adams County program leveraging ARPA funds.

The design of the community was initially guided by both a design charrette engaging city and county leadership, as well as a series of focus groups with current BHA senior residents. BHA also completed a rezoning of the site in less than 5 months, approved by unanimous votes in both Planning Commission

and City Council. Recognizing that Ravenfield's site is ensconced in a mature residential community, BHA reached out early and often to adjacent neighbors, investing over \$30,000 in community engagement efforts. As a result of proactive approach to community involvement, neighborhood opposition was not a factor in the rezoning process and BHA intends to continue engaging with adjacent neighbors although public hearings for the Project are complete. Ravenfield will be a 3-story Type V wood-framed building with a post-tensioned slab on grade foundation and cement board siding. In consideration of the mobility needs of a senior population, the building will be served by two elevators. The project will meet the EGC with Energy Star green standard and include cold-climate air-source heat pumps.

The building will feature extensive community amenities. The primary amenity area on the first floor will include a library area with fireplace, large kitchen and dining space, and service provider meeting areas. Each floor will feature a pocket amenity space including a coffee area; sunroom/conservatory with plants; and a quiet reading nook. A rooftop patio with mountain views will include casual seating areas. The building amenities have been thoughtfully designed to encourage social connection with spaces for larger or smaller gatherings, or for folks who choose to enjoy time alone. Near one entrance, residents will have access to a "community mud room" with bicycle storage, a workbench and utility sink. Outdoor amenities will include a large patio with BBQ, raised garden beds, a community fire pit, and a landscaped walking path around the site. The outdoor amenities have been designed to embrace the semi-rural nature of the site and Brighton overall. Residents will be able to live in a natural environment where they can choose to garden or simply have a cup of coffee in the morning in the outdoors.

Ravenfield will be located with convenient driving access to many community amenities, including grocery and retail within about a mile and a new community senior center within two miles. While, like the rest of Brighton, walkability around this community is limited, the City of Brighton has worked creatively with RTD to create a new micro-transit service that ensures that residents without access to driving can effectively meet their needs around the community. Service began January 1, 2025 and is available 13.5 hours/day. However the site is not devoid of walking options as it sits directly adjacent to a paved community walking path, along an agricultural ditch, which leads North to Sister City Park. To further support an individual's and households' ability to maintain housing stability, BHA created a new services department in 2024. This department focuses on adapting to ever evolving resident needs and approaches residents' experience in housing holistically. BHA's services will be implemented at Ravenfield and will include food delivery in partnership with Food Bank of the Rockies, partnering with other agencies to provide a range of on-site assistance, providing BHA-sponsored events like resource fairs and clothing drives, and providing RTD vouchers and vouchers to shop at ARC thrift stores for clothing, household items and more through a partnership with ARC. BHA also works closely with Eagle View Senior and plans on connecting residents with the center's robust senior focused programming.

As ever, BHA's goal is to create buildings that symbolize a physical manifestation of successful community engagement and thoughtful design – and, specifically for Ravenfield, a community that recognizes and embraces those aging in the Brighton community. The hope would be of those in and around the community to drive by and feel as though their input has value and has brought a high quality of living to those who have a personally contributed to the community for a lifetime.

1. Priorities from the QAP: Not Applicable
2. Project Criteria for Approval:
 - a. Market conditions: The community's 2023 Housing Needs Assessment and Incentive Strategies Assessment – its first ever, commissioned by BHA in partnership with the City of Brighton – shows an acute need for senior housing. BHA is currently the only provider of senior LIHTC units in Brighton (all but 20 of the 213 comparable units in the PMA); at the time of the market study, only 4 of these units were vacant with a combined wait list of 423 senior households. Meanwhile, market-rate independent senior units in Brighton start above \$2,000/month for one-bedroom units and can reach as high as \$5,000 or more. The demand is significant with a total PMA applicable waitlist of about 423 units as on early January.
 - b. Proximity to existing tax credit developments: There are only 5 other older adult LIHTC developments in the market area, the most recent developed by BHA in 2019. Additionally, the four other senior LIHTC developments in Brighton are located on the west side of the city, closer to Highway 85 and in more commercial areas of the community. Ravenfield will offer a different housing option that is integrated into a single-family residential community.
 - c. Project readiness: BHA and the design team have invested in the project's readiness to proceed by completing a rezoning that permits the proposed development, as well as initiating site plan review with the City of Brighton in advance of the LIHTC application. With these pieces in place and fostering a strong partnership from the City, the project is well-positioned to quickly achieve building permits.
 - d. Overall financial feasibility and viability: Financing sources include 9% LIHTC and State AHTC equity; a conventional construction-to-permanent loan; a BHA seller carry note, additional GP note, deferred developer fee; and fee waivers from the City of Brighton (all subject to change). The project will also be supported by Project-Based Vouchers provided by BHA. In consideration of the current uncertainty of state and federal resources, BHA will commit its own additional resources to secure the viability of Ravenfield.
 - e. Experience and track record of the development and management team: BHA is an experienced LIHTC owner and operator, and recently closed financing on its first self-led development. BHA has engaged an experienced development team to ensure the success of this project and build its capacity to provide affordable development leadership in the community:
 - GL Development Advisors – GL Development Advisors brings combined decades of experience leading LIHTC projects through every phase of development on behalf of Colorado housing authorities and non-profits. GLDA is engaged to assist and advise BHA on every aspect of the development process.
 - RCH Jones Consulting – Over 20+ years, Ryan Jones has underwritten and closed financing on 46 LIHTC projects in Colorado, comprising over 3,600 units

- JLA Architects – JLA has designed over a dozen LIHTC communities; project manager Rebecca Greek has been part of 14 LIHTC communities in Colorado in the last 5 years at JLA and in previous roles, including implementation of trauma-informed design
 - I-kota – recently names one of the top 40 affordable housing contractors in the U.S., I-Kota has provided pre-construction and construction services for over 1,200 LIHTC units and over 2,000 multi-family units.
- f. Project costs: The design and construction team have worked diligently over several rounds of design to optimize the efficiency of the building, landing on a concept that saved over \$500,000 from the initial round of design. However, one major element of the project costs that we cannot control are the local permit, tap and impact fees, of which a portion is being waived by the City.
- g. Site suitability: The site selected for Ravenfield is zoned to permit the proposed project and amply sized for all required parking and stormwater detention, along with generous outdoor amenities. The site is a short drive to key services and amenities (which can be accessed with micro-transit and on-call transit options for residents without cars). The site is part of an established residential community and adjacent to a church and an urgent care facility; the market study notes that the location is a safe, quiet and appropriate location for senior housing.
3. Justification for Underwriting Criteria Waivers, Cost Basis, and/or CHFA Discretionary Boost: The applicant team for Ravenfield has requested that CHFA authorize a Cost Basis Override in support of the project, allowing the development to maximize the benefit of a tax credit award. Between continued rising labor costs, ongoing material cost escalation, and added costs related to local energy codes, we are not able to fit our full construction budget within the constraints of the Cost Basis. This request was approved.
4. Issues Raised in the Market Study: Overall, the market study concludes that Ravenfield provides thoughtful units and amenities, meets strong demand and is likely to be competitive to other options in the market. The only negative was the site's lack of walkability, which was noted to be representative of the overall character of the community. It is also mitigated by numerous on-demand and micro-transit options offered in partnership between the City of Brighton and RTD (and supported by RTD vouchers provided through BHA's services team).
5. Issues Raised in the Environmental Report and Mitigants: There are no issues raised.
6. Unusual Features Driving Costs Upward and Cost Containment: As described above, the design and construction team have studied the building closely to improve its cost efficiency. One element driving costs upward is the need to include two elevators in consideration of the mobility needs of senior residents. In addition, local permit, tap and impact fees are relatively more expensive than most areas but is being offset by local fee waivers.

7. Outreach to the Community, Local Opposition and/or Support for the Project: As described in the executive summary, BHA has invested considerable time in building rapport with the community and adjacent neighbors, resulting in a successful rezoning in only 5 months. As further described above, the design of the community was driven by the lived experiences of seniors in BHA's other age-qualified communities in Brighton.

8. How the Proposed Development Contributes to Promoting Equity & Economic Mobility for Residents: As is the situation with many seniors, living within a fix-income can propose a number of barriers, including achieving the ability to afford market-rate units. Through the addition of Ravenfield, the Brighton community is ability to provide housing options that can better meet those resource limitations. This encourages households' and individual's capability to access housing that aligns with their needs as they age. In addition, the project is geographically located in an area that allows individuals and households to access services and commercial areas that are limited in other areas of the Brighton community. As is the reality of most older adult projects, seniors are more likely to live within the limits of a fix-income. By providing quality units, even seniors who are restricted to resources that may not allow them to achieve market-rate rents in Brighton, increases their housing options. This encourages individuals and households the ability to access housing types that may be more suitable to their needs as they age. In addition, the Project is located in a geographical area that promotes access to services and commercial areas less accessible in other areas in the community.



9% housing credit application narrative



Project Name: Rita Bass Apartments

Project Address: 155 W 5th Avenue, Denver, Colorado 80204

Evergreen Real Estate Group (Evergreen), an experienced LIHTC developer, owner, and manager of affordable housing, has a simple, achievable plan to build a 60-unit, 100% affordable housing development in the Baker neighborhood of Denver, adjacent to the Denver Health campus. The Rita Bass Apartments project transforms an underutilized parking lot into a vibrant affordable housing development in one of the most amenity-rich and expensive areas of Denver. With a focus on families, 33% of the units (20 units) at the Rita Bass Apartments will be 3-bedroom units, providing family-size units in a neighborhood with a dearth of affordable housing for families. Of the 60 units, 25% (15 units) will serve people at 30% AMI, addressing a critical need in the neighborhood that has over 1,200 individuals and families who would qualify. This project will also address the critical need of 70% AMI and 80% AMI units for individuals and families – two AMI levels represented by over 7,000 eligible households in the Primary Market Area. The proposed Rita Bass Apartments development is conveniently located adjacent to a RTD Route 52 bus stop, which runs from the Alameda light rail station, past the site, and north through downtown Denver before continuing west through Arvada. The project will have a dedicated bike room on-site for residents to take advantage of the newly opened South Broadway bikeway, providing access to grocery stores, green space, and dozens of shops and restaurants. The project site is currently zoned for multifamily, presenting the unique opportunity for a high-density, high-design affordable housing project. Just a short distance away is Sunken Gardens Park and with the Cherry Creek Trail, residents will be connected to a vast network of parks and recreational opportunities throughout Denver.

Evergreen has worked with HOST to ensure deep targeting of units that will meet the need of the community and with Denver Health to address needs within their workforce, and in particular families. The proposed concept includes 20 one-bedroom units, 20 two-bedroom units, and 20 three-bedroom units. This 100% affordable development will serve individuals or families at 30%, 60%, 70%, and 80% AMI. Even after the Rita Bass Apartments reaches full occupancy, over 10,200 households at these income levels will still face an unmet need for housing. Internal data from Denver Health reveals that more than 2,800 employee households meet the eligibility criteria for housing at the Rita Bass Apartments. Denver Health has been actively working for years to address the pressing housing needs of its workforce, and this project represents a significant step toward that goal.

Designed by Meridian 105 Architecture, this visually striking and efficiently designed building blends clean geometric lines with intricate facade detailing that adds texture and depth. Its balanced symmetry is artfully disrupted by elegant metal cladding in a scalloped design, breaking up the

monotony of the structure and adding a sophisticated visual rhythm. The all-electric construction of the project will support high-efficiency HVAC units, and units will have electric hot water heaters, electric unit cooking, and EV-ready charging stations will be on-site. This project will pursue Enterprise Green Communities and Zero Energy Ready Homes certification. Residents will enjoy market-comparable amenities, including full kitchens with Energy Star appliances and LED lighting, step-in showers, in-unit washer and dryer, low flow plumbing fixtures, vinyl plank flooring throughout the units, free on-site parking, access to a resident community room, fitness center, co-working space, children's playroom, secure bike storage, and on-site property management and building maintenance personnel. Resident services will be provided by Family Tree Inc., who will have an office on-site, giving residents access to critical connections that enhance their lives and economic mobility. The location of the project site promotes the use of public transportation with a RTD Route 52 stop on Bannock Avenue which provides access to the Central Business District and the Alameda and Old Towne Arvada rail stations. To leverage this transit-rich location, every resident will be supplied with an RTD Transit Pass. The Rita Bass Apartments will be adjacent to the Rita Bass Condominiums, a new construction, 70-unit for-sale affordable building, developed by Shanahan Development. This innovative, co-located development approach will provide both rental and for-sale housing options to the Baker community, Denver Health employees, and broader Denver area.

The Rita Bass Apartments project has very straight-forward capital stack of sources of financing for this project that includes no soft funds, State tax credits, Transit-Oriented Communities tax credits, 9% federal LIHTC, federal 45L credits, deferred developer fee, and permanent debt. This financing approach provides a very clear path to closing.

1. Identify which, if any, of the priorities in Section 2 of the Qualified Allocation Plan (QAP) apply: While this project does not specifically address one of the three priorities in Section 2 of the QAP, this project does provide very deep affordability and family-size units, consistent with the goals of the HOST Strategic Plan, and addresses almost all of the Guiding Principles in Section 2.A of the QAP.

2. Describe how the project meets the criteria for approval in Section 2 of the QAP:

Market conditions

The market analysis provided by JRES Intelica CRE concluded that the proposed project has a very strong unit mix, unit sizes, and reasonable rents, and would be supported by extremely strong market demand. The market study mentioned the lack of specifically 70% AMI, 80% AMI units and there are currently zero (0) units under construction or proposed at those AMI levels in the Primary Market Area and those AMI levels are the most underserved. After all proposed units come online, there will still be over 10,200 qualifying households with need for housing that will still be unmet. The market study notes that:

"The subject units will rent in the 30%, 60%, 70% and 80% AMI bands. Most of the PMA's LIHTC units are targeted at the 40%, 50% and 60% AMI levels, and the other AMI levels have been underserved. The overall residual demand for 30%, 60%, 70%, and 80% AMI units is very high, accounting for more the 70% of the total residual unit demand in the PMA."

Proximity to existing tax credit developments

Nearby LIHTC developments, including Emerson Flats (21 units), Lincoln Terrace (75 units), Mariposa Redevelopment Phases II and III (93 and 87 units, respectively), and Villa de Barela Residential (38 units), all reflect the high demand for affordable housing in the area. Lincoln Terrace has no vacancies and a

waiting list of 10 families, while Mariposa has extensive demand with 63 families waiting for a one-bedroom, 47 for a two-bedroom, 23 for a three-bedroom, and 12 for a four-bedroom unit.

Project readiness

The Rita Bass Apartments project demonstrates a strong level of project readiness. The development and design team has been accepted into the Affordable Housing Review Team (AHRT) process and has maintained consistent communication with the City of Denver as it advances through Concept Design, with an anticipated release from this phase in February 2025.

All critical preparatory steps—such as environmental, geotechnical, survey, and the Part 58 NEPA checklist has been completed. Additionally, the Project Team has conducted a comprehensive pricing exercise based on detailed design plans and completed thorough value engineering. With a LIHTC award, this project is positioned to work toward securing a building permit and close on financing before the end of 2025 through continued coordination with AHRT.

Overall financial feasibility and viability

The Rita Bass Apartments project is structured with a clean and efficient capital stack, relying exclusively on permanent sources with just three key financial parties—the permanent lender (CHFA), construction lender, and tax credit investor. The aggressive sustainable design makes the project eligible for Greenhouse Gas Reduction Funds through National Equity Fund, who is in receipt of and controls these funds to deploy on sustainable projects like Rita Bass Apartments. The project is also eligible for Robert Wood Johnson Foundation funds to support the health-housing partnership between Evergreen and Denver Health, addressing critical housing shortages and social determinants of health. Additionally, the project leverages Housing Opportunity Funds provided by CHFA, Energy Star 45L Tax Credit and Transit-Oriented Communities tax credits. With no reliance on soft funding, this structure ensures predictability in underwriting, a streamlined due diligence process, and an efficient closing.

Experience and track record of the development and management team

Evergreen Real Estate Group principals bring nearly 100 years of combined experience in the affordable housing industry in various roles as owner, lawyer, consultant, property manager, educator, architect and urban planner. Evergreen Principals have developed thousands of units of low- and mixed-income housing in Colorado, Illinois, Indiana, Wisconsin and other states, using the full range of affordable housing financing programs, from 4% and 9% LIHTC, to HOME and CDBG funds, to Section 8 and RAD resources. The EREG team currently has 3 LIHTC projects under construction, two projects scheduled to close and start construction by the end of 2024, another 5 projects actively under development (a mix of 9% and 4% projects), including the Rifle Apartments project recently awarded 9% LIHTC by CHFA. Evergreen's Denver office is led by Vice President of Development, Javonni Butler, who has 14 years of experience in real estate and will be overseeing this project in Denver, with the aid of Chelsey Hume, AIA, Development Project Manager in Evergreen's Denver office

Evergreen Real Estate Services, LLC (ERES), Evergreen's property management company, manages more than 13,000 units of housing in nine states, with a mix of affordable, senior, market rate, and special needs properties, many covered by HUD operating subsidy contracts. ERES has a property management staff of more than 350 people, including accounting, compliance, human resources, and other corporate staff as well as site.

Meridian 105 Architecture is an architectural design studio, founded in Denver, Colorado in 2010, dedicated to the concept that architecture and design play a significant role in life experience. Their

multifamily work consists of many projects, including The Rail Yard Apartments, a transit-oriented development emphasizing community connectivity and sustainable design. Their work has been honored with multiple accolades, including the AIA Colorado Design Award of Merit, as well as ArchDaily's Building of the Year award.

Milender White is a general contractor based in Denver that is dedicated to delivering outstanding results on every project, unsurpassed service to clients, with a total commitment to safety, quality, and integrity. Milender White has built thousands of affordable housing units within in the City of Denver and the State of Colorado, and is a longtime partner of Denver Housing Authority, for-profit and non-profit developers, hospitals, schools, and other valued clients.

Project Costs

The Milender White team has extensive experience with both LIHTC and market-rate multifamily development, specifically in Denver, and their detailed schematic design level cost estimate with trusted subcontractors and their historic cost database to validate the proposed project's costs. The construction, design, and development team have been working together in a collaborative and iterative fashion to design a building consistent with the budget included in this application. The residential construction costs included in this budget are \$320,089 per unit, fully consistent with recent construction pricing.

All other soft costs, including financing costs, are based on direct review of professional service fees in the market, or on conversations with lenders and investors about rates and terms relating to debt and equity. Evergreen is deferring approximately 30% of its allowable developer fee to keep overall project costs down. The total development cost of just under \$456,477 per unit is reasonable and appropriate given current economic conditions for a development of this size and scope.

Site Suitability

The Rita Bass Apartments site presents a rare and valuable opportunity to develop impactful affordable housing in a highly desirable neighborhood that is 99% built out, making new development opportunities extremely limited. The site is zoned for mixed-use multifamily, ensuring compliance with City of Denver Zoning, Energy, and Building Codes. Situated near Denver Health, the Rita Bass Apartments project addresses critical housing shortages and social determinants of health by providing stable, high-quality housing near essential medical services, schools, transit, and job opportunities.

The project site is well-connected to public transportation, including multiple bus and light rail lines, ensuring residents have efficient access to jobs, education, and essential services. The neighborhood is highly walkable, with proximity to grocery stores, parks, and employment centers, fostering a livable, sustainable community. Additionally, all environmental, geotechnical, and survey work, including the Part 58 NEPA checklist, have been completed, confirming that the site is development-ready with no environmental constraints.

Provide the following information as applicable:

Justification for waiver of any underwriting criteria
There are no requests to waive underwriting criteria.

Justification of the financial need for a CHFA Discretionary DDA basis boost of up to 30 percent of eligible basis

There are no requests for a CHFA Discretionary DDA basis boost.

Address any issues raised by the market analyst in the market study.

There were no issues raised in the market study. Over 10,000 households in the PMA would qualify for housing at Rita Bass Apartments.

Address any issues raised in the environmental report(s) submitted with your application and describe how these issues will be or have been mitigated.

There were no recognized environmental conditions found in the Phase I environmental report.

Identify if there are any unusual features that are driving costs upward, as well as if there are any opportunities to realize cost containment (refer to Section 2 of the QAP for additional information). Construction pricing in Denver is moderating, with material and labor costs stabilizing. The efficient design of the Rita Bass Apartments supports accurate pricing exercises, due to its straightforward scope with minimal complexities. Additionally, the vacant parking lot site, surrounded by existing infrastructure, requires little site preparation, adding confidence to the predictability of costs.

Describe the outreach to the community that you have done and describe local opposition and/or support for the project (including financial support).

The development team has prioritized meaningful community engagement to align the project with local priorities and cultivate robust support. The team has also engaged with the Baker Historic Neighborhood Association, which has provided a letter of support. Lastly, a letter of support from Denver Health further emphasizes the development's alignment with the healthcare provider's mission to promote workforce stability and community well-being. In addition, the team has in communication with the La Alma Lincoln Park community, an adjacent neighborhood, to ensure transparency and understanding of the project's goals. Financial backing from the City and County of Denver, including a \$5M contribution toward land acquisition, further highlights the local commitment for this project. To date, no significant opposition has been raised.

Describe how the proposed development contributes to promoting equity as well as economic mobility for residents.

The Rita Bass Apartments play a crucial role in advancing equity and economic mobility by providing stable, high-quality housing and access to essential resources. Offering 60 affordable housing units for individuals and families earning 30%-80% of Area Median Income (AMI), the development provides much-needed housing in Denver's high-cost Baker neighborhood. Residents benefit from direct proximity to Denver Health, a major healthcare provider and employment hub, ensuring access to both critical medical services and stable jobs. RTD Transit Passes and nearby bus routes further enhance mobility by reducing transportation costs and connecting residents to job centers, schools, and community resources. Additionally, thoughtfully designed amenities such as a fitness center, children's playroom, and co-working spaces foster health, productivity, and social connection. By integrating affordability, sustainability, and community-focused design, the Rita Bass Apartments serve as a replicable model for equitable urban housing, creating opportunities for residents to achieve long-term stability and economic independence.

9% housing credit application narrative



Project Name: Switchgrass Crossing

Project Address: 3800 S. Mason St., Ft. Collins, CO 80525

Volunteers of America (VOA) presents Switchgrass Crossing, a new 45-unit, 55+ older adult community that builds upon VOA's uniquely qualified older adult housing and service provision in the Fort Collins area. The development is the encore to Cadence, which received a LIHTC allocation in 2020 and opened in 2022. The residents love living at Cadence, as evidenced by resident surveys, strong neighborhood support, the overall community reception, and the current waitlist of over 300 people. With the immediate need demonstrated by the Cadence waitlist and market study, VOA is ready to expand its commitment to the older adult population in Fort Collins and address the city's need with the development of an additional high quality affordable housing development.

The project name *Switchgrass Crossing* is derived from Switchgrass a beautiful grass common throughout Colorado and the development's multi modal location. The site is located near the southwest corner of a horizontal-vertical crossing of two streets and two transit lines in central of Fort Collins. It is a true Transit Oriented Development (TOD) site. The word Crossing implies a connection of one or more pathways or passages that amplify or boost the location's importance and amenities. It also means an intersection or interchange which implies coming together and/or exchange, a role the new VOA property will provide in bringing people together, especially at a time when it becomes more difficult in life to make ends meet and develop new friendships.

The development is expected to attract both active older adults and more frail seniors who will benefit from greater attention and services. VOA has an extensive existing presence and services for older adults in the Fort Collins community between its Fort Collins office and two other senior properties, Sanctuary and Cadence, all within a 4-mile radius of the new development. VOA's initiative to develop older adult housing with this project is well aligned to expand that support network. Project residents will have a direct connection to health/wellness, financial, social, and benefit support services through an on-site Services Coordinator. Additionally, the Fort Collins VOA office offers Meals on Wheels, Support Services for Veterans, Retired and Volunteer Senior Program and Café Lunch to the community. Services are further outlined in the anticipated services agreement (Attachment No. 1).

Switchgrass Crossing is located on one of Volunteers of America's most walkable sites with a walk score of 98, excellent public transit options and indoor bike storage. Aligned with the City's focus on transit and environmental efficiency, Switchgrass Crossing ensures that residents have options and connectivity without needing to use a car. VOA has incorporated resident feedback from Cadence into the Switchgrass Crossing design, by adding a dog run and doubling the size of the bike room (Attachment

No. 2: Cadence Resident Feedback). Within a 10 min walk (1/2 mile) residents can access multiple amenities including: Safeway, Olive Garden, Panera Bread, Urgent Care and South Mesa Veterinary Hospital.

This new construction project will include 45 new apartments, both one- and two-bedroom, which will be available between 30% and 60% AMI. The AMI mix includes 11% @ 30% AMI, 11% @ 40% AMI, 22% @ 50% AMI, and 56% @ 60% AMI. The average AMI for the entire project is 52%, which demonstrates the overall commitment to affordability. The units will have full Energy Star appliance packages including refrigerator, range, dishwasher, microwave oven and washer/dryer. Indoor community spaces include a community room with a kitchenette, a living room, activity area, fitness room, conference room and computer space. To feature the walkable/bikeable nature of this site, Switchgrass Crossing will include both indoor and outdoor bike storage on a one-to-one ratio for each resident.

The building will be one four-story wood framed structure with a slab foundation, and EDPM flat roof with brick, hardi plank siding and metal accents on the facade. The building will be serviced by two sets of stairs and two elevators. The site will have surface parking, an outdoor courtyard/terrace/seating area, raised garden beds, a dog run, and landscaped areas. Responding to Shopworks research of key themes for senior housing (Attachment: No. 3 Senior Insights), the courtyard and outdoor amenities are surrounded by a 4' fence that will help provide a feeling of safety and security. Further, VOA has ensured access to the outdoors—reported, overwhelmingly, as senior's favorite time of day—by including an outdoor porch and shade trees. Certified through Enterprise Green Communities, the building will be all-electric and will include a roof top solar PV system, further described in the sustainability narrative.

Switchgrass Crossing will be financed with 9% LIHTC equity, a taxable construction/permanent debt and additional soft loans. The project benefits from multiple credit equity sources beyond federal, including; state, transit, solar, and 45L energy credits. VOA is providing strong sponsor support with a sizeable Capital Magnet Fund commitment and deferred developer fee. The project anticipates gap funding from the City of Fort Collins with a backup plan outlined in Attachment No. 4. While income targeting is 30%-60% AMI, the project is electing Average Income to maximize development flexibility (Attachment No. 5).

1. Identify which, if any, of the priorities in Section 2 of the Qualified Allocation Plan (QAP) apply: While Switchgrass Crossing does not directly respond to the priorities in the QAP, it meets seven of the Guiding Principles: 1) serving lowest-income tenants for the longest period, 2) distribution of tax credits, 3) variety of applicant, 4) diversity of population, 5) within a half-mile of public transport, 6) renewable energy goals (solar, all-electric, and ZERH), and 7) new construction.

2. Describe how the project meets the criteria for approval in Section 3 of the QAP:

A. Market conditions

The market analyst concluded that Switchgrass Crossing's proposed unit mix is suitable for the Primary Market Area (PMA) demographics, both in terms of unit types and income levels. The overall capture rate for the Project is 26.3%. The capture rate is 18.8% for the 30% AMI units, 30.9% for the 40% AMI units, 26.4% for the 50% units, and 21.3% for the 60% AMI units. Although CHFA's threshold for capture rate is 25%, Switchgrass Crossing is expected to be competitive and lease-up very quickly given the low vacancy rates and long waitlists at other age-restricted LIHTC buildings in the PMA combined with its excellent location and linkages. Additionally, the capture rate calculation, as required by CHFA, only includes potential tenants aged 62+, while Switchgrass

Crossing will be restricted at 55+, so the actual capture rates would be lower. This capture rate assumes an in-migration rate of 30% based on the in-migration trends of Cadence.

Strong market demand is evidenced by the market area's low, 2.5% overall vacancy rate for age-restricted LIHTC properties and high historical occupancy rates, with four of the seven comparable properties having waitlists totaling 519 people. Six of the seven comparable LIHTC properties charge maximum allowable rents for both one-bedroom and two-bedroom units at all of the AMI levels they offer. The one exception has chosen to offer rents far below maximum allowable (\$62 to \$240), with the largest discounts for its studio units at 30%, 40%, and 50% AMI.

Based on these factors, the market study states that Switchgrass Crossing's attributes will enable it to compete effectively with its primary competitors. The market study states that the project should lease up at an average rate of 11.25 units per month and reach stabilized occupancy within four months, without concessions and received a perfect "5" overall rating for the project.

B. Proximity to existing tax credit developments

There are seven existing competitive LIHTC older adult properties in the PMA with a total of 517 income-restricted units without PBV's. Four of those properties are three to four miles to the north, around downtown Fort Collins. Two of the seven properties are around 2 miles to the east. The last property is 0.6 miles southeast of Switchgrass Crossing.

C. Project readiness

The current zoning of the site allows the proposed plan to be developed as a use by right with no public process. City staff raised no issues that would prohibit development of the site at the pre-application meeting. VOA will continue on with design through the CHFA review period and by May, 50% design development drawings will be completed. Based on VOA's experience with the City, the same design team as Cadence, and the projected design/permitting schedule, a building permit is anticipated in February 2026 and a closing in March 2026.

D. Overall financial feasibility and viability

The proposed financing plan for Switchgrass Crossing is feasible only as a 9% but not as a 4% because it is not in a QCT or DDA. The City is very excited about the project and financial support is expected for the project through various affordable housing and energy efficiency funds. The current building/site plan strikes the right, and most cost efficient execution, balance of maximizing density, an efficient building form, an outdoor amenity space and surface parking. Volunteers of America will also be providing significant funding through their Capital Magnet Funds and deferred fee.

E. Experience and track record of the development and management team

VOA is a 128-year-old non-profit agency that provides housing and services to older adults and seniors, people with disabilities, people leaving homelessness, and families. Its portfolio includes 20,000+ units in 400+ communities nationally. The Colorado affiliate will be the property manager and service provider for Switchgrass Crossing. VOA manages a significant portfolio of over 2,000 affordable housing units in Colorado including the 2 affordable housing complexes in Fort Collins. VOA has retained the same team of consultants, designers, and construction professionals who successfully executed Cadence to deliver Switchgrass Crossing. VOA pairs its broad development expertise with specialized partners to ensure the project provides the highest quality solution possible for our resident in the most cost-efficient manner. See the development team résumés for

more information. VOA, in alignment with its mission, always provides on-site services staff that is more supportive than a typical apartment property manager. Switchgrass Crossing includes office space for an on-site Service Coordinator and a Community Administrator. This property will benefit by being only 1.6 miles away from another VOA property, the Sanctuary Apartments. VOA's staff are oriented and trained to be focused on resident well-being and will connect individual residents to in-home or community-provided services, as well as creating a schedule of community activities. VOA's staff partners with community organizations to connect residents with activities, services, social networks and other benefits provided by these other organizations.

F. Project costs

Construction cost estimates reflect current market conditions and were provided by BC Builders, an experienced multi-family and LIHTC general contractor. In May 2022, BC Builders completed VOA's Cadence development on schedule and on budget. BC Builders has recent experience with all-electric construction and is confident in the costs of such for this budget. Switchgrass Crossing's construction, development and operating budgets have been informed by a thorough estimate by BC Builders, VOA's recent development budgets for other LIHTC projects, and recent operating experience.

G. Site suitability

The site for Switchgrass Crossing is well suited for older adult affordable housing and excellent in almost every metric. Zoning is already in place and there are minimal requirements for additional utility work with no anticipated offsites. The location relative to transit is ideal. Horsetooth Station, which services the MAX bus route, a high frequency direct route through the center of Fort Collins, is a 3 minute walk for residents. Residents can easily access downtown Fort Collins, Colorado State University and surrounding medical centers and hospitals via this transit station. The site also scored above average on transit and very high on walkability. Finally, access to Mason Trail is only a few blocks away and provides safe avenues for walking or biking.

3. Provide the following information as applicable:

- Justification for waiver of any underwriting criteria
- Justification of the financial need for a CHFA Discretionary DDA basis boost of up to 30 percent of eligible basis

Please see Attachment No. 6: Cost Basis Waiver Request

4. Address any issues raised by the market analyst in the market study.

None.

5. Address any issues raised in the environmental report(s) submitted with your application and describe how these issues will be or have been mitigated.

While not considered a REC by the Phase I, the report identified that given the historic site use as a vehicle parking lot, if any significant staining or odors were discovered during development activities that the Phase I preparer should be contacted. No visible signs of significant surface staining or active leaks were observed during the Phase I preparation. VOA commits to being aware of and having contractors alert to any significant staining or odors.

6. Identify if there are any unusual features that are driving costs upward, as well as if there are any opportunities to realize cost containment (refer to Section 2 of the QAP for additional information).

Overall inflation and labor challenges continue to push material and labor costs up. The city of Fort Collins tap and impact fees are significant at almost \$30,000 per unit. In addition to higher construction costs, other soft costs have increased in various categories such as design, legal and construction interest. The development budget includes estimated building permit, tap, impact, plan review, and electric utility estimates from the City. The City is providing a tap and impact fee credit of \$70,000 credit for the 5 30% AMI units. VOA is applying for City gap funding and pursuing energy credits. The design goals include: a) maximize the number of units, b) a four-story stick frame building, c) a surface parking lot, d) a high level of energy efficiency, and e) meet the City of Fort Collins stringent requirements. The 'L' shaped building, interior common spaces and double loaded parking is a very efficient layout. BC Builders brings strong experience in estimating and delivering cost-efficient multifamily LIHTC buildings along the Front Range.

7. Describe the outreach to the community that you have done and describe local opposition and/or support for the project (including financial support).

VOA in conjunction with its architect surveyed residents of Cadence in the fall of 2024 in planning this project. Their input has been documented and include in the appendix section of the application. As much as possible of their input has been and will be included into Switchgrass Crossing. Partner support is further outlined in Attachment No. 7: Letters of Support.

8. Describe how the proposed development contributes to promoting equity as well as economic mobility for residents.

Switchgrass Crossing promotes equity by creating a long-term community asset, older adult affordable housing, in a community where the 65+ population is expected to continue to grow by 61% in the 20 years between 2020 and 2040. Residents of Switchgrass Crossing will benefit greatly from the location of the project with older adult necessities like healthcare and groceries nearby in addition to amenities that promote well-being to all older adults like bike trails, an Urgent Care within a few blocks walking distance and VOA's high quality senior services. Further, the TOD and pedestrian orientation connects the residents to the community, alleviating isolation and opening opportunities for economic mobility. For older adults, economic mobility also means economic stability. Connection to community offers educational opportunities and older adult resources to understanding available benefits and avoiding financial exploitation—two keys to economic stability.

9% housing credit application narrative



Project Name: Tapestry LIHTC

Project Address: 1799 N Pennsylvania Street, Denver, Colorado

1. Executive Summary

Gorman & Company, LLC, in partnership with the Colorado Health Foundation, is proud to submit a 9% LIHTC application for the 72-unit Tapestry LIHTC project ("Tapestry") in the Uptown/North Capitol Hill neighborhood of Denver, Colorado. This project is aligned with many of CHFA's Guiding Principles, is ready to proceed with construction in 2025, offers significant leverage to the Credit request, and will be implemented by a development team that consistently delivers projects on time and on budget.

The Colorado Health Foundation (CHF) is a statewide philanthropic organization that champions health and well-being for every Coloradan. CHF purchased most of the city block west of their offices in Uptown with the purpose of creating an affordable, family-oriented housing community. The overall Tapestry Campus, of which the LIHTC building is one part, will provide residents what they need to lead healthy lives with access to a range of affordable housing and services to meet a variety of household needs. In addition to our affordable housing, Tapestry will offer an onsite early childcare education center (ECE) and health clinic. Additional services will be offered onsite by Hope Communities. Tapestry will create health and economic equity, inspire social cohesion through gathering spaces, and provide above average accessibility and services. Please see Tab 10 for more on the onsite Tapestry services and how they will be financed.

CHF is pledging extraordinary financial leverage to the project: contributing over \$14,500,000 in the form of a land contribution, subordinate loan, and site preparation. CHF is also providing a surface parking lease of additional nearby land to eliminate structured parking from the building. The total investment by CHF is MORE than the total 9% equity and nearly 90% of the amount of the combined State and Federal equity. This leverage is incredible and very hard to find in other developments.

Time is of the essence for this funding round: getting an award in this funding cycle is crucial to utilize this significant CHF leverage which is incredibly rare.

Project Location: Tapestry is across from CHF headquarters at 18th and Pennsylvania, east of downtown Denver in the Uptown Neighborhood, which gentrified in the 1980s and 1990s. Tapestry will provide affordable family housing back in Uptown, which is otherwise out of reach.

Allowable Density: Tapestry will maximize density permitted by zoning and the nexus between construction costs, larger family units and our identified marketable parking ratio.

Population Being Served: The site is within a campus that will include both a LIHTC project, the subject of this application, (72 units) and a neighboring middle-income project (100 units). The LIHTC building will be restricted to those earning 30%, 50%, 60% and 80% AMI. Tapestry will offer a community of choice and a spectrum of affordability options for our residents. This is a unique attribute that furthers the mission of CHFA and is exceptionally hard to replicate in an urban location. Gorman has a proven track record of crafting mixed-income campuses with both LIHTC and middle-income deed restricted housing and is excited to bring this approach to central Denver.

Unit Mix, Project Amenities and Accessibility: The one-, two-, three- and four-bedroom units will average 625, 900, 1,115 and 1,365 square feet respectively. Amenities include fully equipped kitchens, in-unit washer and dryer in the three- and four-bedroom units, central laundry facilities for the one- and two-bedroom units, storage closets, community room, fitness room, open spaces and onsite Community Serving Facility spaces.

- Accessible Design: Tapestry will achieve above average accessibility standards. Along with our accessibility consultant, we have crafted design for accessibility and will provide enhanced outreach efforts to attract residents in need of these design qualities. Please see additional information in Tab 10.
- Early Childhood Education center: Mile High Early Learning Center will operate an ECE on the first floor of the building, open to the broader community yet with priority for building residents as shown in Tab 10.
- Clinic: Uptown Clinic will run a health clinic on the first floor of the building, open to the broader community and our residents. Please see their support letter in Tab 10.
- Hope Community Services: Hope will offer services and employ staff in their dedicated space in the building, open to residents and the broader community, which is illustrated in the Proforma, Income & Expense tab, in both cell B34 of the Annual Operating Expenses and Row 8 of the Proforma. Please see their support letter in Tab 10.

Construction Type and Parking: Tapestry will include one free-standing, five-story structure with one level of timber podium and four stories of wood framing, with varied elevations. An elevator will ensure that 100% of the apartments are visitable. The masonry exterior will feature accents of hardi-panel siding and flat roofs.

Parking: Tapestry will offer 50 surface parking spaces, which exceeds the Denver zoning code requirements. We conclude this is marketable given our experience. It is also supported by our parking study (Tab 19) which recommends a parking ratio of .54 to .59 for the project (we offer .69 spaces per unit). Beyond on-site parking, additional spaces are secured next door to the site through a 15-year parking lease from CHF.

Access to Transportation for Economic Mobility: The site has access to abundant multimodal amenities and services, with on-site access to community services, an ECE and health clinic (all within the building) and excellent access to nearby employment, schools, grocery stores, restaurants, banks, and a recreation center. These transit options offer our residents access to economic mobility:

- Immediate bus access at the site to Denver Union Station and Civic Center Station which are then a portal to 47 transit routes and more than 22,500 transit trips within one-half mile, accessing almost 500,000 jobs in a 30-minute transit trip.
- Tapestry will provide enclosed bike parking spaces on-site for bike transportation alternatives.
- Tapestry will contract with RTD to provide Neighborhood Eco Passes to all residents, at a 50% discount, which is illustrated in the Proforma, Income & Expense tab, cell B32 in the application. These options will promote economic mobility for our residents.

Access to Services for Economic Mobility: The on-site services by Hope Communities, onsite ECE and onsite Health Clinic will promote economic mobility for our residents (shown in Tab 10).

Energy Efficiency: The project will certify to NGBS Gold level and exceed 2018 IECC. As an all-electric community, Tapestry LIHTC will also be PV-ready. We include EV car charging stations on site that meet zoning requirements.

Type of Financing: The project will use 9% Federal LIHTC, State of Colorado AHTC and State TOC, soft loans from the City of Denver, CHF, and Raza, a Sponsor Note from Gorman (expected to be supplanted with Robert Wood Johnson funding if it is secured), Deferred Developer Fee, and permanent and construction debt financing as shown in Tab 7. The City of Denver offers building permit fee waivers through the AHRT program, and participation is documented through the Denver Housing Authority for property tax exemption (Tab 9). We will defer developer fee within a 15-year pay back schedule to assist in funding a financing gap on the project. We are providing letters of interest from National Equity Fund (NEF) for LIHTC, AHTC and TOC equity and Citi Community Capital for construction and permanent debt (Tabs 5-6).

Persons Experiencing Homelessness or Special Populations: While we will not set aside units for Homeless, utilize Coordinated Entry or any PBVs, we are providing 11% of our units at 30% AMI, enhanced wrap-around services for our households and utilizing best-in-design programming for above average accessibility.

Priorities in QAP Section 2: While not specifically meeting the priorities identified in Section 2, our design and comprehensive services for special populations are described in Tab 10.

1. The project meets the criteria for approval in Section 2 of the QAP:

- Market conditions: As evidenced by the market study, the project is in high demand and represents good value for future tenants. The 30%, 50% and 60% AMI rents are set to maximum AMI levels and are 27% to 74% lower than the average effective Class B market-rate rents, while the proposed 80% AMI rents are 16% to 34% lower than the surveyed Class B 80% AMI rents. The rents are below the net Payment Standards for Denver, which allows residents with tenant-vouchers to occupy Tapestry. The 26.3% penetration rate for planned or under construction units, including Tapestry, is slightly above the CHFA 25% guideline, yet only up slightly from the existing 24.1% as shown in the market study on page 68. While some projects in the PMA are underperforming, this is a lagging effect caused by the expiration of Covid rent relief payments that resulted in higher delinquencies, vacancies, and evictions necessitating rent concessions that is expected to level. The subject's proposed 80% AMI rents are \$332 to \$446 lower (16% to 17% lower) than the highest surveyed 80% AMI rents at Clara Brown Commons, the PMA's newest LIHTC project, which is 98% occupied and most comparable to the subject. As such, the market study indicates Tapestry, with its location and amenities, will operate at a 95% occupancy rate with the rents shown in our application.
- Proximity to existing tax credit developments: Given the central Denver location, there are several planned market-rate developments in the neighborhood, yet only three LIHTC developments planned that have received an award and not placed in service (page 60 of the market study). The market study indicates the subject will not compete directly with two of those projects given they are designated to PSH or seniors yet will compete with only one new LIHTC project: the renovation of the Denver Dry Goods on the 16th Street Mall.
- Project readiness: The project is ready to proceed and will financially close and begin construction in October 2025. We have zoning in place, have been released from Concept Review with the City of Denver and are moving forward to our building permit submission.

- Overall financial feasibility and viability: The project is viable and has letters of support from lenders and investors. We are confident that these sources are achievable.
 - Experience and track record of the development and management team: We are very proud of our track record and team. We have successfully completed CHFA-funded LIHTC projects as shown in Tab 12. Our Colorado team has been led by Kimball Crangle since 2014, we have used our Colorado-based Architecture team since 2018, and our Gorman Property Management team since 2020.
 - Project costs: Our hard costs are in line with our cost expectations and parallel to pricing escalations expected. We are containing costs with an economical building design (contribution of land for the development and a nearby surface parking lease, surface parking, maximized density) and construction methods. We will minimize known cost risks and address unknown risks as they arise (related to tariffs or labor supply issues, for example) as proven in our other recent developments.
 - Site suitability: The site is zoned and suitable for our project concept. We have easy access to utilities, roads, and existing neighborhood amenities. The multi-modal transportation opportunities and proximity to parks, schools, various job centers, services and amenities make the site desirable for families seeking deeply affordable housing with onsite services along with an ECE and health clinic.
 - Site Control: We are excited to partner with the CHF on the land contribution for the project and a lease of land for nearby surface parking. Please see the PSA, including the Parking Lease attached.
3. Describe any requests to waive underwriting criteria:
- a. Justification for waiver of any underwriting criteria: N/A
 - b. Justification of CHFA's DDA credit up to 130% of qualified basis: N/A
4. Address any issues raised by the market analyst in the market study. The market study concludes that there are 'no recommended changes for the subject property' although highlighted two weaknesses:

Weakness 1: The LIHTC units in the PMA were 9.8% vacant overall.

How we are mitigating: Tapestry will mitigate high vacancy rates in the PMA at some properties by setting our 80% AMI rent levels below AMI max levels and generally below other stabilized 80% AMI rents (such as at Clara Brown, whose 80% AMI units are 100% occupied). The 4.9% penetration rate in the 80% AMI income range on page 68 of the market study illustrates this demand. Gorman's existing 80% AMI units are performing well in Denver. The PMA high vacancy is attributed 'catch up evictions' upon the expiration of the COVID-19 rent subsidy programs and eviction moratorium. As noted on page 72 of the market study, Tapestry is expected to stabilize at 95% occupancy. The market study (page 59) also indicates that approximately 16,000 rental units came online in Denver in 2024, a record for the city and well above previous years' deliveries. Forecasts show that 7,500 units will come online in 2025 and 5,900 in 2026, which are the lowest levels in more than ten years which will balance overall occupancy rates.

Weakness 2: High penetration rates in the 50% and 60% AMI units:

How we are mitigating: Tapestry will capture in-migration residents interested in a highly livable neighborhood with a 96-walk score, access to on-site services, ECE and a Health Clinic. Additionally, our service provider will work with their clients and with their sub-service providers to identify potential residents for Tapestry. Many properties in the PMA are achieving 100% occupancy in 50% and 60% AMI

units. The market study indicates (page 59) that in-migration has been significant at PMA properties yet can't be counted toward the penetration rate. The 50% and 60% AMI penetration rates for planned or under construction units, including Tapestry, is only up 1.6% and 4.0% from the existing rate, of which many properties are 100% occupied in these AMIs, as shown in the market study on page 4.

5. Environmental report issue(s):

The Phase I ESA identified two potential RECs due to historical filling stations and nearby automobile repair and historical use of nearby properties as a dry cleaning and laundry facility. A Phase II report identified 2 VOCs that are higher than the EPA recommended levels, which include Calcium and Benzo(a)pyrene. To mitigate, we are implementing the recommendations for remediation, with a cost of \$102,000 as shown in the Development Budget tab cell B24 as estimated by our GC. We will also include a Materials Management Plan. These findings are typical for urban sites, and we are experienced at properly mitigating soils during construction.

6. Unusual features that are driving costs upward:

We have worked to minimize costs with significant CHF contributions including land, site preparation, a nearby surface parking lease, and efficient building design in floor layout and unit square footages. We have budget for exporting potentially contaminated soils.

7. Describe the outreach to the community:

CHF conducted multiple sessions with five different communities to hear their stories and lived experiences. Through these sessions, CHF developed its mission for Tapestry to meet the needs of the community. In addition to performing outreach with residents, CHF also met with neighborhood associations (including Uptown on the Hill, CHUN and CHUN Urban Planning Committee), governmental agencies (including City of Denver, CHFA, DHA), and service providers (including Denver Urban Garden, Mile High Early Learning, Denver Health, and DPS).

8. Describe how the proposed development promotes equity and economic mobility for residents: Tapestry promotes equity and economic mobility by 1) providing deeply affordable housing for 100% of the project between 30% and 80% AMI; 2) providing family housing in a previously gentrified neighborhood in a service enriched campus; 3) proving on-site ECE, with a preference for children living at Tapestry; 4) designing the project to include accessible features that allows for long-term livability for people of all abilities and ages; 5) offering an ideal location for access to transit, education, employment, and other resources that reduce barriers to economic mobility and equity; 6) providing the services of Hope Communities, along with additional service partners (identified in Tab 10) on-site to aid in economic mobility for residents; and 7) providing an on-site health clinic to ensure a health-foundation for our residents, which will promote health equity and economic well-being.

9. This is not an acquisition or rehab project.

ⁱ References in Section 10

9% housing credit application narrative



The Project: Tierra Azul

Project Address: 800 Craft Drive, Alamosa, CO 81101

Executive Summary:

The Community Resources and Housing Development Corporation (CRHDC) is pleased to present Tierra Azul, an affordable rental development that will include 46 multifamily units, and will be the first phase of the only master-planned mixed rental and for-sale development in Alamosa.

Alamosa is a community of just under 10,000 residents, lying in the heart of the San Luis Valley. Alamosa is the largest city of the valley's 5 counties, and an important regional center providing services to residents throughout the valley. Key services in Alamosa include the San Luis Valley Regional Medical Center – the valley's only ICU and where residents can access various medical specialists – as well as Adams State University, a public university with a student population of about 3,000.

The health of these anchor institutions, as well as Alamosa's ability to grow key services like regional retail, has been held back by one critical factor – the community's housing stock. Both the hospital and the university struggle to attract professional staff, often losing potential recruits after they search for housing in the community. Few Adams State graduates remain in Alamosa, due to a shortage of both housing and job opportunities. When the community is unable to grow its services, residents must bear the cost of travel to the Front Range – or forego critical services altogether – which contributes to the cycle of persistent high poverty. Over 20% of Alamosa County residents live below the poverty line.

Alamosa's rental vacancy rate regularly runs under 3%. Over half of renters in Alamosa earn under 50% AMI; Alamosa's 2021 housing needs assessment estimated only 10 units affordable at 50% AMI are typically available on the market. The housing stock that does exist is poorly aligned with residents' needs. More than half of all homes were built before 1980, and poor insulation and energy efficiency drives high utility costs for residents (utility costs can make up half of residents' housing costs). Housing development has been constrained by a lack of buildable land – the investment needed to bring infrastructure to new building sites far outpaces the home prices most community members can afford.

CRHDC has had a long-standing presence in Alamosa, providing both critically needed affordable rental housing along with self-help homeownership development; CRHDC has assisted in the development of over 15% of the City of Alamosa's housing stock. The proposed project is part of a major new subdivision that CRHDC and the City of Alamosa have been working toward since 2021. CRHDC, working in

partnership with the City of Alamosa, has secured grant funding from the Mineral Impact Fund, Colorado Health Foundation, and a CDOH Transformative Affordable Housing Grant to support the complete cost of the infrastructure needed to support approximately 400 planned units in the new subdivision. CRHDC has selected and contracted with Cooley and Sons, a local infrastructure contractor, who will complete the horizontal infrastructure during the 2025 construction season. CRHDC's master planned community is part of a concerted investment in this area of Alamosa, which also include an elementary school and newly developed park only steps from the proposed project.

Tierra Azul will be part of a master planned community that will include a diversity of housing types, both rental and homeownership serving residents between 30% and 140% AMI. This first project will offer 26 1BR, 16 2BR and 4 3BR rental units ranging from 30-80% AMI. Of the proposed 46 units, 30 will be in a larger 2-story building; each unit will have its own exterior door opening onto a shared stair. The other 16 units will be part of two 8-plex buildings that will offer a smaller-scale living opportunity. Residents will have access to a separately financed clubhouse that will provide facilities to serve the entire master planned community, and potentially house future CRHDC offices, as well as CRHDC's extensive service offerings. Tierra Azul is a residential project designed with a modern Colorado vernacular aesthetic, combining energy efficiency with contemporary living. The development will feature Type VB and Type VA construction with a slab-on-grade foundation. Fully electric, the project prioritizes sustainability and energy performance. Open floor plans will enhance natural light and flexibility in the 1-bedroom, 2-bedroom, and 3-bedroom units. Exterior materials will include hardi-board siding, landscaping with native species and xeriscaping that will invite residents to enjoy the natural beauty of the surrounding area. The project will meet the NGBS bronze standard.

1. Identify which, if any, of the priorities in Section 2 of the Qualified Allocation Plan (QAP) apply: Alamosa County, with a population of 16,547 (as of 2021) meets the QAP priority for projects located in a non-metro county with a population of 180,000 or less.

2. Describe how the project meets the criteria for approval in Section 2 of the QAP:

Market conditions: The City of Alamosa's 2021 Housing Needs Assessment and Action Plan indicates a shortage of 515 units just to satisfy current need through 2026. The plan identifies "...a need for more housing variety including smaller homes, opportunities for seniors, and more affordable house types such as townhouses, duplexes and condos." The market study shows a capture rate of 11.2% for the proposed 50% AMI units and capture rates well below 10% for all other AMI levels. While the project will implement income averaging to increase the range of potential residents, 70% and 80% AMI units are planned to be initially offered at or below 60% AMI rents. Additionally, the market study states that of 11 affordable properties in the 1,300 square mile Primary Market Area, only one project with 41 units is directly competitive with Tierra Azul.

Proximity to existing tax credit developments: Iron Horse is the only LIHTC property in the area that will compete with Tierra Azul. The other properties are deeply-subsidized. Iron Horse reported 182 applicants on their wait list indicating pent-up demand.

Project readiness: CRHDC is highly confident of its ability to deliver Tierra Azul on the projected timeline. In previous LIHTC rounds, the need to secure funding for infrastructure development was an impediment to the project's readiness to proceed. CRHDC has secured funding and contracted for the infrastructure development to take place during the 2025 construction season, and City staff have confirmed that infrastructure completion will be a prerequisite for Certificates of Occupancy, but *not* building permits. As discussed in the City's zoning letter, CRHDC has built an exceptionally strong collaboration with Alamosa planning and development staff. CRHDC has secured site plan approval, all further decisions are subject to administrative approval only, and the City of Alamosa has offered a 30-day review period for building permits.

Overall financial feasibility and viability: The proposed financing includes 9% LIHTC and State AHTC equity, a construction to permanent loan, a committed Capital Magnet Fund loan and grant from RCAC, and deferred developer fee. The City of Alamosa has contributed to the project by waiving over \$1M in fees. The development team has worked to scale the project to best leverage the available resources.

Experience and track record of the development and management team: CRHDC, a registered 501c3 and Community Housing Development Organization, has a long history of providing home ownership options in Colorado. CRHDC has helped over 2,100 Colorado families build their own homes through the Mutual Self-Help Program. Through this program, CRHDC has been involved in creating approximately 15% of the for-sale housing stock in Alamosa.

CRHDC is an experienced LIHTC developer, with 40 years of experience working in Alamosa, and has augmented its capacity with an experienced LIHTC development, finance and construction team to ensure the success of this project:

- DGMA - Since its founding in 1979, DGMA has worked with numerous non-profit, for-profit and housing authority developers on more than 150 affordable rental housing projects.
- GL Development Advisors – GL Development Advisors brings combined decades of experience leading LIHTC projects through every phase of development on behalf of Colorado housing authorities and non-profits. GLDA is engaged to assist and advise CRHDC on every aspect of the development process.
- Kephart – Kephart is a nationally recognized design and planning firm that focuses only on developing housing, with over 400,000 units developed. Kephart has designed and built over a dozen LIHTC communities in Colorado.
- Alcon & Peak81 Consulting – As described in more detail in Section 8 below, working with a local contractor was a critical part of CRHDC's strategy to maximize the impact of this investment in the community. Recognizing the importance of LIHTC experience, Alcon has partnered with Peak81 Consulting, led by Mark Teplitsky, a former contractor who has led numerous LIHTC projects in Colorado.

Project costs: The design of Tierra Azul is cost-efficient. The 2-story walkup floor plan, with units opening directly into shared stair cores, eliminates the need for interior corridors and allows for a highly

efficient floor plate, as well as significantly reduced common area HVAC and heating/cooling costs. By using an Alamosa-based contractor, the project will be best able to leverage the local construction workforce and avoid the cost of bringing in subcontractors from the Front Range.

Site suitability: Tierra Azul is the first phase of a 43-acre planned development in southwest Alamosa. The new community is adjacent to previous CRHDC developments and within ¼ mile of CRHDC's offices, where a variety of housing services are available. The site is also within a half mile walk of an elementary school and a brand new neighborhood park, and within a mile of a middle school, supermarket, neighborhood shopping center, child care, medical clinic, and Adams State University.

3. n/a, no waivers requested.

4. Address any issues raised by the market analyst in the market study.

Overall, the market study notes that competing newly constructed units are in extremely limited supply, and that Tierra Azul's units are larger and have superior amenities to competing projects. The only weakness noted in the market study was that the only directly comparable property took a longer time to lease 50% and 60% AMI units. Tierra Azul has implemented two strategies to mitigate this concern. We have modeled 60% AMI units leasing at a discount to 60% AMI rent to improve their affordability. We are also including 70% and 80% AMI units at the same rent level as the 60% AMI units, in order to reach a broader segment of the market in need of housing options.

5. Address any issues raised in the environmental report(s) submitted with your application and describe how these issues will be or have been mitigated – none identified

6. Identify if there are any unusual features that are driving costs upward, as well as if there are any opportunities to realize cost containment (refer to Section 2 of the QAP for additional information). The development team has significantly improved the cost efficiency of this project from previous rounds by securing separate funding to create the required infrastructure and community amenities. The development team's extensive collaboration with the City of Alamosa has produced a design concept that lays the groundwork for a project that achieves an efficient, cost-effective community with a specific focus on design, performance, and long-term operations, especially as the future phases of Tierra Azul are built out with additional efficiencies as future phases are realized.

7. Describe the outreach to the community that you have done and describe local opposition and/or support for the project (including financial support).

In 2021, the City of Alamosa, in partnership with CRHDC and other stakeholders, undertook a Housing Needs Assessment and Action Plan included a variety of intense outreach strategies that resulted in the most robust responses of any public engagement process the City of Alamosa has ever embarked upon. These outreach strategies included: a mailing survey to each resident in Spanish and English; Public Service Announcements, social media blitzes, radio interviews, online surveys, eight virtual public meetings which included breakout room discussions, Q&A sessions, and community-led visioning.

The results of the Assessment and Plan were the catalyst for city staff and CRHDC to collaborate for over two years on the most effective building land use code updates, designs and project that would fulfill the community's vision and needs. The City of Alamosa also worked as the lead agency, in partnership with CRHDC, to obtain state and philanthropic funds to fund 100% of the infrastructure. The City has also agreed to provide a number of fee waivers to support the success of the initial LIHTC phase.

"It is a rare moment when a project can be the defining catalyst for years of growth and prosperity in a city. [...] That is why the Tierra Azul development is the city's highest housing priority and staff has spent the last 15 months [now 27 months] meeting weekly with the developer, coordinating infrastructure and updating the City of Alamosa code to allow for affordable housing development considerations. We stand at the precipice of great change, one that could finally bring new jobs and vibrancy to our community." – City of Alamosa

8. Describe how the proposed development contributes to promoting equity as well as economic mobility for residents.

CRHDC has an extensive history of providing services that support residents' economic and housing mobility in rural Colorado. With CRHDC's office only ¼ mile from Tierra Azul, the full array of CRHDC's services will be accessible to residents. CRHDC's programs and services provide community members the information needed to build their assets, with a focus on family budgeting, learning about credit, consolidating debt, preparing to buy a home, to maintaining home stability. Currently, CRHDC offers:

- Free and comprehensive home ownership assessments to help future homeowners determine if they are ready to own a home and get on their path to homeownership
- CRHDC's Financial Capability program offering customized individual and family financial plans to meet individualized goals
- Housing Stability counseling services are offered to help households remain in their home, if possible, avoiding foreclosure or eviction
- Financial housing resources for residents and community members facing financial challenges
- Residential lending solutions and down payment assistance
- Community development and small business lending solutions

Tierra Azul's impact will be felt in the community far beyond the 46 households who will call Tierra Azul home. As described in the executive summary, the San Luis Valley is a region that has experienced persistent poverty. Despite the presence of anchor institutions, the community's ability to invest and grow these resources for the benefit of all has been stunted by a lack of affordable housing stock. By creating new housing opportunities, Tierra Azul will support the growth and stability of critical services in the community, creating ripple effects throughout the community. And by leveraging local contractors and vendors to the greatest extent possible – including the selected general contractor – Tierra Azul will attract millions of dollars of public and private investment that will continue to circulate in the local economy. In this way, echoing the words of City staff who have worked in such close partnership to bring this vision to fruition, the opportunity to develop Tierra Azul promises to be truly catalytic and transformative for Alamosa and the valley beyond.

9% housing credit application narrative



Project Name: Waldown

Project Address: 3707 Walnut Street, Denver, CO 80205

Executive Summary

Steele Properties and Elevation Development Group are pleased to partner for a proposed residential development, Waldown located in the River North (RiNo) district, Five Points neighborhood of Denver. This 40-unit affordable property will support individuals and families with access to clean transportation and amenities intended to promote upward mobility.

- Location: 3707 Walnut Street is zoned C-MX-12 (12 stories allowable) and is not located in a OQT/DDA/SADDA
- Construction: The singular building will be constructed slab-on-grade with type 3 wood framing over a type 1 concrete podium, and a flat TPO membrane roof. The building will have interesting/multi-dimensional metal siding on its exterior, two staircases and one passenger elevator in the center of the building.
- Energy Efficiencies: PV-ready, all-electric design that includes high efficiency cold climate heat pumps. The project will target energy performance of 20% higher than 2021 IECC requirements and will achieve National Green Building Standard (NGBS) Gold certification.
- Individuals and Families with AMI as shown in table:
- Amenities: access to clean transportation (RTD passes provided to all residents, bike storage and a bike library, carshare vehicle parked on site with subsidized fares, walker’s paradise in prime location), fitness center on site, internet access provided to all units, in-unit washer & dryer, owner-paid utilities.
- Access to public transportation and job centers: 500 feet from 38th-Blake light rail station with connections to Union Station and the A-line to the airport, 0.1 miles from 38th & Walnut bus stop, 7 additional bus stops within 0.5 miles. Surrounded by restaurants, small businesses, an urgent care, recreation center, and more within 0.5 miles.
- Type of Services: In partnership with Denver Housing Authority, Friends of DHA will provide a comprehensive range of supportive services. Programs may include topics in economic self-sufficiency, health/wellness, youth development, and community building, with a focus on digital inclusion. Coordinators work directly with residents to connect them to essential resources, employment services, and educational opportunities.
- Economic mobility: amenity-rich location with ease of public transportation and other clean transportation services; internet services provided to all residents to allow for online schooling/work-from-home opportunities. All residents will be eligible to apply for the Community Housing Concepts college scholarship program.
- Type of financing: 9% LIHTC, AHTC, TOC Credit, CCD HOST

Type	% AMI	No.
1 Bedroom	30%	3
1 Bedroom	40%	2
1 Bedroom	60%	5
2 Bedroom	30%	6
2 Bedroom	40%	5
2 Bedroom	60%	9
3 Bedroom	30%	3
3 Bedroom	40%	1
3 Bedroom	60%	6
TOTAL:		40

1. Priorities from the QAP: Although the application does not reflect any of the priorities listed in the QAP, Waldown does further several of CHFA's guiding principles including setting aside 30% of its units for residents at or below 30% AMI, and providing affordable housing within a half-mile walk to public transportation.

2. Criteria for Approval:

- Market conditions: As evidenced in the Market Study, stabilized affordable comparables report 2.1% vacancy and the majority maintain waiting lists. Comparables have shown quick absorption rates, and the market area appears to be "experiencing supply constrained conditions resulting in pent-up demand for affordable housing such as the subject." The City of Denver has a severe shortage of affordable housing units and market demand continues to grow.
- Proximity to existing tax credit developments: According to the market study, there are 1,622 existing LIHTC units in the market area, including nearby Walnut Lofts. This does not seem to effect demand because of the substantial need for affordable housing in Denver.
- Project readiness: The property is a Use by Right under current zoning C-MX-12. Denver's Affordable Housing Review Team (AHRT) has reviewed Concept and will accept the project into the full AHRT review once awarded tax credits, for an expedited review process. This is an administrative process, beginning with Concept Approval, then full Site Development Plan (SDP) approval, then submittal for and release of building permit. The project has been discussed in Concept Review (approval expected May 2025) and it is anticipated that all administrative approvals, including site development plan and building permits, will be received in approximately 12 months. Elevation Development Group has extensive experience building residential properties in the City of Denver and is familiar with all processes required to obtain building permits in a timely manner.
- Financial feasibility and viability: The project is financially feasible and viable with an award of 9% tax credits and State tax credits as shown in the underwriting application. Letters of Intent have been included with the application from financing partners who have experience working with the Sponsor and are confident in the viability of the project. Letters of support have also been provided by Denver HOST and Denver Housing Authority. After an award of tax credits, Denver HOST will present the opportunity to City Council for approval. Similarly, after an award of tax credits, Denver Housing Authority will present the opportunity to its Board for approval.
- Experience and track record: Steele Properties current portfolio includes over 90 tax credit properties and 9,000 apartment units in 26 states. With over 60 years of collective experience in affordable housing, Steele's leadership has a distinguished reputation for providing excellent affordable housing options in Colorado and across the United States.

Elevation Development Group is an experienced Developer of ground-up residential, office, and retail projects in Denver. With an eye for design and efficiency, Elevation brings an expertise in constructing successful new developments in compliance with the City of Denver's initiatives.

Monroe Group began as an affordable housing management company over 30 years ago. Today, the company manages over 9,000 affordable units in 25 states across the country services families, seniors, and persons with disabilities Monroe Group believes that by supporting and strengthening the communities in which our residents live, they are also improving their quality of life.

- **Project Costs:** The development and operating budgets have been well vetted through review of prior Steele Properties and Elevation Development Group projects. The construction budget was reviewed thoroughly by the General Contractor with guidance from the Architect. Financing and project costs have been reviewed and discussed with the proposed Lender and Syndicator. Consideration has been taken for fluctuating inflation and interest rates in the current market environment.
- **Site suitability:** “location, location, location”, as the saying goes and Waldown delivers with prime real estate in Denver’s popular and growing River North (RiNo) district. Access to public transportation, easy highway access, and walkability cannot be beat in this location. The property is near to restaurants, job centers, child care and schools, shopping, grocery, and healthcare. Please refer to Location Maps included in the application for other nearby amenities. The site is ready for redevelopment.

3. Application Justifications:

- Justification for waiver of any underwriting criteria: Not applicable
- CHFA Discretionary DDA basis boost: Not applicable

4. Market Study Issues:

The Market Study concludes “the existing development is considered excellent in terms of marketability, unit mix and proposed rents. No changes are recommended.” The capture rate noted in the market study is slightly elevated at 21.1%. However, the market study goes on to explain that the high occupancy rates and waiting lists among affordable comparables, in addition to the quick absorption rates among the surveyed comparables, it appears the market area is experiencing supply constrained conditions resulting in pent-up demand for affordable housing such as the subject. As such, the slightly elevated capture rate is considered good.

5. Environmental Report Issues:

The Environmental Report references a prior study in which notes three sites in close proximity to the proposed location of Waldown with Recognized Environmental Conditions. Additional Phase II testing was performed and Arsenic was detected at concentrations slightly above the residential screening level, however the report concluded that the concentrations appeared unrelated to historical activities on site, and do not require further action. This was further supported by a No Action Determination approval from the Colorado Department of Public Health and Environment.

6. Unusual features that are driving costs:

The unique drivers of cost for this project are related to the relatively small size of the site, which requires that the building have a higher floor count (6 stories) to accommodate the desired number of units. This results in added cost to build additional floors. Being a 6-story building also requires the use of non-combustible wood and a fire protection system that come at additional cost compared to a building of 5 stories or fewer. These challenges were anticipated during the early stages of design and have been included in the contractor's estimate. Additional cost-mitigation efforts include the elimination of below-grade structures in the design to minimize excavation-related costs and the use of cost-effective materials and building systems.

7. Describe the outreach to the community:

The Sponsors held a public meeting on January 23, 2025; no members of the public attended. The project has been discussed with Denver Housing Authority for a Special Limited Partnership (Letter of Support is enclosed with the application). The project has also been discussed with Denver HOST (Letter of Support is enclosed with the application). The site is zoned for residential use, with several nearby properties of a much larger size than Waldown and as such, this project will only strengthen the community and provide much-needed economic diversity in the area.

8. Promotion of equity and economic mobility for residents:

Waldown will promote equity for its residents by providing a vital affordable housing option in an amenity-rich location. The RiNo district has seen tremendous growth in the last several years, and there are limited affordable housing options in the area. Waldown will strategically provide access to an economically thriving part of Denver with exceptional access to job centers, restaurants, recreation, retail, urgent care and more in a Walker's and Biker's Paradise with Good Transit according to walkscore.com.

Economic mobility is not only promoted through the exceptional location but also through unique access to owner-provided amenities. RTD passes will be provided to all residents to take advantage of the nearby light rail and bus system, providing for easy commutes to Union Station, schools, and the airport. In partnership with Colorado Carshare, a non-profit with a mission to empower diverse communities to live a car-free lifestyle, residents will be able to rent an electric vehicle with fares subsidized by Waldown. It is estimated that one carshare vehicle replaces 13 personal vehicles. This will enable residents to easily access any service needed which is not accessible by public transportation, without the need for a costly personal vehicle. In addition to the carshare and RTD passes, the property will have a bike storage facility inclusive of a bike library. Residents will be able to check out bicycles for daily errands or other daily uses. Through these building amenities, the design will promote access to clean transportation and will further promote health and wellness with a fitness center on site.

In addition, economic mobility will be promoted digitally as the property will provide internet access to all residents. This will allow for work-from-home opportunities, online schooling for both K-12 school students as well as college courses and vocational preparation training. Residents can utilize

the internet access or transportation flexibility for networking events and other services offered in the area.

Importantly, economic mobility will also be promoted through supportive services. Through a partnership with Denver Housing Authority, Friends of DHA will provide a comprehensive range of supportive services aimed at enhancing their quality of life and fostering self-sufficiency. They offer programs in economic self-sufficiency, health and wellness, youth development, and community building, with a special focus on digital inclusion. Service coordinators work directly with residents to connect them to essential resources, including healthcare, employment services, and educational opportunities, while offering personalized support to help them overcome barriers. Friends of DHA also provides financial coaching, homeownership education, and workforce development, including training and job readiness support in demand-driven industries.

9% housing credit application narrative



Project Name: WILDFLOWER FLATS

Project Address: 1501 2ND STREET, FORT LUPTON, CO 80621

Executive Summary

- First senior LIHTC project in the city of Fort Lupton
- 57-unit community serving seniors 55 and older
- Project Location: east of Rollie Avenue and north of State Highway 52/1st Street in the Vincent Village master planned community
- Project Density: 34.8 units per acre
- AMI targeting: 8 units at 30%, 5 units at 40%, 22 units at 50%, and 22 units at 60%
- 41 one-bedroom units and 16 two-bedroom units
- Surface parking (52 total spaces including 6 accessible, 3 EV Charging Stations and 3 EV ready)
- Highly experienced senior housing developer and property manager – McDermott Properties and ComCap Management
- Unit Amenities include stainless steel appliances, quartz countertops, walk-in closets, and Juliet balconies
- Project Amenities include dedicated Areas for Services, Fitness Center, and Community Room
- Walking distance to: Fort Lupton Recreation Center, Safeway grocery store, Urgent Care Facility, Pharmacy, Convenience Store, Coffee Shop, and more
- Construction details:
 - Wood frame construction, 3 stories on PT slab, 2 Hydraulic elevators, TPO 60 mil roof
 - Building exterior: brick, stucco, cementitious siding
 - Circulation: double loaded halls accessible by elevators and stairs
 - Wood interior stairwells and stairs
- Energy Efficiency: National Green Building Standards (NGBS) Bronze, Energy Star appliances, and Electrification-Ready
- Supportive Services:
 - Wildflower Flats has entered into an agreement with Eaton Senior Communities to provide supportive services to residents.
 - Available to all senior residents, the Eaton Health and Wellness program focuses on eight areas to help seniors “age well” focusing on mental, physical and spiritual health. The program encompasses:
 - Physical fitness and therapy
 - Nutritional programs
 - Intellectual stimulation

- Environmental connectivity
- Social involvement
- Emotional support
- Spiritual connection
- Community involvement
- The community services areas of the building have been designed to facilitate the Eaton supportive services program. A special Wellness room is designed and dedicated to the program.
- Resident service coordination costs are included in the project's operating budget.
- Financing:
 - Taxable construction loan in the approximate amount of \$15.3 million
 - Permanent financing in the approximate amount of \$3.1 million
 - Approximately \$13 million in 9% LIHTC equity and \$2.7 million in AHTC equity
 - Deferred developer fee in the approximate amount of \$300,000
 - Property tax exemption through a special limited partnership with the Fort Lupton Housing Authority

1. Identify which, if any, of the priorities in Section 2 of the QAP apply:
None of the priorities from this section apply.

2. Describe how the project meets the criteria for approval in Section 2 of the QAP:

A. Market conditions:

- A survey of the comparable properties in the PMA was completed in early January, 2025 and included the following properties:
 - Libretto Apartments
 - Brighton Village Senior Apartments
 - Crossing Point North
 - Karl's Farm Apartments
 - Fall River Apartments
- All surveyed affordable senior communities in the PMA that were not in the initial lease-up phase show strong occupancy levels; one at 100%, two at over 98%, and one at 90%.
- The market analyst concludes that the project will reach 95% occupancy in only three months (18 units per month).

B. Proximity to existing tax credit developments:

Wildflower Flats will be the first senior LIHTC project in the city of Fort Lupton.

The PMA includes areas of Weld County and Adams County. Because of the limited number of senior LIHTC properties within the PMA, only two of the five comparable LIHTC properties included in the market study are located within the PMA (Brighton Village Senior and Libretto Apartments, both in Adams County). Of the three comparable surveyed properties located outside of the PMA, two are located in Adams County (Crossing Pointe North and Karl's Farm Apartments) and one is located in Boulder County (Fall River Apartments).

C. Project Readiness:

- Proper zoning in place. Rezoning not needed.
- Concept plan reviewed by Fort Lupton Planning completed May 2024.

- Site plan will be submitted to Fort Lupton Planning upon CHFA approval of the project.
- The development team anticipates project closing and construction start in November 2025.
- Wildflower Flats is ready to go!

D. Overall financial feasibility and viability:

- Project meets goal of using least number of tax credits to provide feasibility at less than \$26,500 per unit in annual 9% LIHTC. Based on the CHFA LOI summary, Wildflower Flats is the most tax credit efficient project for older adults in this application round.
- Proforma meets or exceeds CHFA underwriting requirements.
- Sponsor financial strength enhances guarantees.
- Wildflower Flats has received a tremendous response from investors and banks willing to partner for this project.

E. Experience and track record of the development and management team:

Development Team: McDermott Properties has developed over 3,500 affordable, and market rate, multifamily units. This includes six newly constructed affordable senior communities.

Property Management Experience:

- ComCap Management, an affiliate of the sponsor, will manage Wildflower Flats:
 - Currently manages 5 affordable senior communities.
 - Has a total management portfolio of over 2,800 affordable senior and family apartments.
 - Excels at lease up of new properties and meeting compliance requirements.

F. Project Costs:

- The Project's construction costs were estimated by Brinkman Construction, an experienced Front Range general contractor, and the construction costs have been confirmed by McDermott. McDermott's in-house construction expertise facilitates optimal construction pricing.
- Given the smaller project size, 57 units, the project costs are reasonable in the current volatile market. Lower hard costs are made possible by the project's efficient design and surface parking which helps to offset higher water costs in Weld County

G. Site Suitability:

- Site has proper zoning for multifamily for older adults.
- Well located in southeast Fort Lupton
- Part of the Vincent Village Master Planned community. Vincent Village includes a 72-unit family LIHTC project that was completed in October of 2023, and was 100% occupied by December of 2023. In addition, Vincent Village includes other public and privately held businesses. Those businesses include a pharmacy, coffee shop, 7-11, AutoZone, and a car wash. There are two access points into Vincent Village off Highway 52 (aka 1st Street) and South Rollie Avenue.

3. Provide the following information as applicable:

- Justification for waiver of any underwriting criteria

- No waiver requested.
 - Justification of the financial need for a CHFA Discretionary DDA basis boost of up to 30 percent of eligible basis – N/A
4. Address any issues raised by the market analyst in the market study submitted with your application:
No issues were raised by the market analyst.
 5. Address any issues raised in the environmental report(s) submitted with your application and describe how these issues will be mitigated:
There were no environmental issues raised in the ESA Phase 1 report dated December 2, 2024.
 6. Identify if there are any unusual features that are driving costs upward as well as if there are any opportunities to realize cost containment:
 - There are no unusual building features that are driving costs up.
 - Because Brinkman Construction has built this building two times before for McDermott Properties, this experience results in a better coordinated and less expensive project.
 - Cost containment will be achieved through collaboration with the general contractor and rigorous value engineering of completed construction drawings.
 - Land costs are reasonable to market conditions in Fort Lupton.
 7. In your own words describe outreach that you have conducted within the proposed community. Describe any potential neighborhood opposition that may impact the project's readiness to proceed.
McDermott properties held a virtual public hearing on January 23rd, 2025, and there was no neighborhood or public opposition. Letters of support from the community are included in the application including support letters from the mayor of Fort Lupton and the Fort Lupton Housing Authority.
 8. Describe how the proposed development contributes to promoting equity as well as economic mobility for residents.
Wildflower Flats will promote equity by creating affordable housing opportunities for very-low income older adults including 35 units for households earning less than 30-50% AMI. The project's 57 affordable apartments for older adults will be a critical addition for a community that lacks this resource currently. The project will allow low-income seniors to more easily access needed services and in some cases, to live closer to family members.

Narrative Attachments:

- Letter of Engagement with Eaton Senior Communities
- Support Letters:
 - Mayor Zo Hubbard
 - Fort Lupton Housing Authority
 - Bank of Colorado Fort Lupton branch
 - 1st Street Church