Making Housing Affordable - Financing Tools and Approaches:

An Affordable Housing Developer’s Perspective

Sam Betters, Recovering Former Housing Authority Executive Director
Loveland Housing Authority

Loveland City Council

80 units of Public Housing

Loveland Housing Development Corporation
501- (c)(3) Non-Profit

Maple Terrace (130 units)
LHA TODAY

- 1,440 - Number of Units and Households Served
- $20.9M – Annual Budget
- 57 - Size of Staff
- 3,622 – Number of Households on Waiting List
High Costs of Construction

Land Costs and zoning issues

Raw Water Costs

Lack of Sustainable Funding

Housing costs increasing at 12% per year and wages at less than 2%
Tools

- LIHTC – CHFA
- Home
- CDBG
- Fee Waivers
- Foundations
- Investor Equity
- Federal Home Loan Bank AHP Grants
- New Market Tax Credits
- Housing Development Grants – State Division of Housing
- CHIF Loans- State Division of Housing
- Marijuana Tax Proceeds
- Even “GOCO” Funds
Keys to Success

There Needs to Be a Champion

Develop a Clear Vision:
- What community need(s) will this project address?
- Who are the primary beneficiaries; how will this project address their specific need

Build affordability into the project from the beginning

Assess and “develop” organizational capabilities and capacity

Best Asset: Local support & Political will
Phase I: Paint the Vision

Phase II: Organizing

Phase III: Action Phase

Phase IV: Program Operations

Phase V: Program Evaluation

Program Development Process
Organizational Capacity

**Management Entity**
- Roles & responsibilities of the Housing Operator/Services Provider
- Policy Development
- Staffing
- Budgeting/Financial Control

**Ownership Entity**
- Non-profit
- Public Agency
- Public/Private Partnership

**Development Team**
- Owner’s Representative
- Project Manager/Developer
- Project Consultant(s)
- Architect
- Construction Manager
- Service Provider(s)
- Property Manager/Maintenance Staff
Mirasol Senior Living Community, Loveland, CO
Vista Ridge- Mixed Income Townhome project, Estes Park, CO
Vista Ridge, Estes Park, CO
Town of Milliken
Fee Waivers $608,000
Infrastructure Reimbursement $142,000
Bridge Financing $40,000

DOLA Grant $400,000
GOCO Grant $30,910 (Pending)

Milliken Housing Authority

DOH
AHP FHLB MHA (sponsor)

Dove Valley Senior Housing, LLP

New Frontier Bank Construction Loan $1,600,000

DOLGA Grant
GOCO Grant $30,910 (Pending)
Infrastructure Reimbursement $142,000
Land Sold to HA for Cost of $360,957

Donor Bank

Bridge Financing $40,000
(Repayment Construction Loan or DOLA)

Predevelopment Note for $107,054 Due 12/31/06

Soft Loans
- $608,000
- 142K Infrastructure Payment
- 201K DOH
- 140K FHLB (Pending)
- 30,310K GOCO (Pending)
- 400K DOLA

Cash Flow and Developer Fees

Member Bank New Frontier

Lancaster Pollard/RDA 4715,000

MMA Equity Investor $1,883,000

Milliken HA will sell to Partnership for $400,000 $360,095 Due 12/31/06

sa/o/82-Dove Valley/Development/Dove Valley Financing Structure
Cleave Street Apt. at Acquisition
The Edge – Loveland CO
Green House Homes at Mirasol – Loveland, CO
Don’t Be Afraid to Innovate
Blob
FabLab House
House Arc
Minka “Printed” Home
Minka “Printed” Home
Thank You

Sam Betters
sbetters@comcast.net  970.690.6775