

colorado state lihtc



2016 allocation report



*financing the places where
people live and work*



financing the places where
people live and work

December 31, 2016

Dear Members of the Colorado General Assembly,

The enclosed summary highlights the Colorado State Low Income Housing Tax Credit (LIHTC) program's impact in 2016. This summary is intended to fulfill the program reporting requirements as detailed in C.R.S. 39-22-2108.

CHFA is proud to share that state LIHTC allocated in 2016 will help support the development of 1,062 affordable rental housing units. Additionally, 387 of the units allocated state credit in 2015 placed in service in 2016, with the remaining 1,515 units supported last year expected to place in service during 2017.

In total, \$5 million of capped state LIHTC and \$3,958,741 million of the disaster recovery state LIHTC was allocated in 2016 as authorized in the enabling legislation, HR 14-1017. The private sector equity investment generated from the sale of state tax credits when paired with the federal 4 percent LIHTC is estimated to be \$128.5 million. Additionally, we estimate more than \$459 million in economic impact will result from the development of the 1,062 units supported.

Participation in the program from both the development and investor community remains strong, as applications for the \$5 million capped state LIHTC resources exceeded availability by \$3 to \$1.

CHFA is pleased to serve as the state LIHTC program administrator, and presents the additional program information for your review.

Sincerely,

Cris A. White
Executive Director and CEO

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2016 program results

1,062 affordable rental housing units directly supported

- In 2016, the state LIHTC program directly supported the development of 1,062 affordable rental units, and will enable CHFA to support 3,396 units overall during this calendar year.
- Developments awarded state LIHTC will serve households earning 60 percent Area Median Income (AMI) or below.
- Historically, the median income of residents living in LIHTC supported units is \$18,930 or approximately 30 percent AMI.
- For example, 30 percent AMI equals \$19,230 for a two-person household in Denver County, or \$18,540 for a three-person household in Weld County.

\$128.5 million in new private sector investment to support Colorado housing

- The sale of state and federal tax credits allocated to the 1,062 units directly supported is estimated to generate \$128.5 million in private sector equity investment in Colorado.

\$8.7 million in federal 4 percent lihtc leveraged

- CHFA leverages the state LIHTC with federal 4 percent credit, which historically has been under-utilized in Colorado due to a lack of other gap resources required to make these types of deals financially feasible.
- The pairing of state LIHTC and federal 4 percent LIHTC enabled Colorado to leverage \$8.7 million in federal credits in 2016. Without the availability of the state credit, this critical federal resource would likely have been left on the table.

\$459 million in economic impact and 2,846 jobs supported

- Over \$459 million in economic impact and 2,846 jobs are estimated to result from the development of the 1,062 units directly supported with state LIHTC.
- The development of all 3,396 units supported with state and/or federal LIHTC in 2016 is estimated to generate \$1.2 billion in economic impact in Colorado and support 7,310 jobs.

state low income housing tax credit

about state low income housing tax credit

- Colorado's State Low Income Housing Tax Credit (state LIHTC) raises private sector equity for affordable rental housing development.
- The program is modeled after the nationally recognized federal Low Income Housing Tax Credit (federal LIHTC) program created in 1986 under President Reagan's administration, which has helped create or preserve nearly 3 million affordable rental units in the United States.
- Colorado's program was originally established in 2001 and later renewed in 2014.
 - The 2014 renewal authorized CHFA to allocate \$5 million in state LIHTC in 2015 and 2016; and
 - To award credit above the \$5 million annual cap to developments in counties impacted by natural disasters.
- In 2016, the program was extended through 2019. The 2016 legislation authorized CHFA to allocate \$5 million in state LIHTC in 2017, 2018, and 2019.

state lihtc supports key affordable housing needs

flood recovery

- Five of the 12 developments supported with state credit will be located in Boulder, Weld, or Larimer county. All will prioritize housing for residents who were victims of the 2013 floods.
- Disaster Recovery applicants underwent a joint review process with CHFA and DOLA-DOH to ensure alignment with the state disaster recovery efforts and deployment of CDBG-DR resources.

senior housing

- Three of the developments supported with state LIHTC will provide affordable rental housing for seniors.
- In November 2016, the Strategic Action Planning Group on Aging released their initial strategic plan report stating that the number of Coloradans 65 years and over is expected to increase by 68 percent by 2030.

permanent supportive homeless housing

- Three of the developments supported with state LIHTC will provide permanent supportive housing for homeless families and individuals.
- These developments will provide housing and wrap-around services for residents, including case management, employee training, and mental health treatment.
- In 2014, the Governor's Office estimated that 5,800 additional permanent supportive housing units were required to meet the needs of Colorado homeless families and individuals.

2016 lihtc supported developments

The following list details all projects supported with either state and/or federal LIHTC in 2016.

development name	city	county	total units
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9 percent lihtc

Atlantis Apartments	Denver	Denver	60
Attention Homes Apartments	Boulder	Boulder	40
Broadmoor Bluffs Apartments	Colorado Springs	El Paso	60
Collegiate Commons	Buena Vista	Chaffee	48
Greenway Flats PSH	Colorado Springs	El Paso	65
Journey Home	Canon City	Fremont	30
Lakota Ridge Senior Housing	New Castle	Garfield	50
Littleton Crossing Apartments	Littleton	Arapahoe	63
Paris Family Housing	Aurora	Arapahoe	39
Roaring Fork Apartments	Basalt	Pitkin	56
SloHi Flats	Denver	Denver	45
Uplands Townhomes	Pueblo	Pueblo	72
Vida at St. Anthony's (9% portion)	Denver	Denver	64

4 percent lihtc

Martinez Park & Nettie Moore Apartments	Denver	Denver	45
Maple Terrace	Loveland	Larimer	130
Maryel Manor	Broomfield	Broomfield	50
The Manors I and II	Glenwood Springs	Garfield	76
Shorter Arms Apartments	Denver	Denver	43
Congress Park Commons	Denver	Denver	32
William Tell Apartments	Denver	Denver	81
Copper Range	Colorado Springs	El Paso	240
Woodside	Greeley	Weld	160
North Range Crossing	Commerce City	Adams	216
Aspen Country Inn	Aspen	Pitkin	40
Kentucky Circle	Denver	Denver	172
Willow Street Apartments	Denver	Denver	80
Sloans	Denver	Denver	49
Vida at St. Anthony's (4% portion)	Denver	Denver	112
Woodlands	Fort Collins	Larimer	116

2016 lihtc supported developments

The following list details all projects supported with either state and/or federal LIHTC in 2016.

development name	city	county	total units
state lihtc and 4 percent lihtc			
Alameda View Apartments	Aurora	Arapahoe	116
Arroyo Village	Denver	Denver	130
Fifty Eight Hundred	Lakewood	Jefferson	152
Lowry Family Housing	Denver	Denver	72
Village at Westerly Creek 3	Aurora	Arapahoe	74
Vistas at Panorama Pointe	Westminster	Adams	69
Windmill Ranch Apartments	Brighton	Adams	96
Palo Park Community	Boulder	Boulder	35
Peakview Trails	Greeley	Weld	96
S'PARK_west	Boulder	Boulder	45
Suites Supportive Housing Community	Longmont	Boulder	81
Village on Horsetooth	Fort Collins	Larimer	96

state lihtc supported development descriptions

The following summaries detail more information about the 12 developments directly supported with state LIHTC in 2016. Summaries include information about the communities and populations to be served by each development.

Alameda View Apartments, Aurora

Developer | Gardner Capital

Alameda View Apartments will be a family development located along the Highline Canal recreation trail and adjacent to DeLaney Farms in Aurora. It will be within walking distance of the Aurora Town Center Shopping Mall, City Center Market Place, a public library, and many other amenities. The owners will partner with DeLaney Farms to provide agricultural demonstrations, healthy eating classes, and children's gardening classes at the project site.

- 116 Units: 20 One-Bedroom; 60 Two-Bedroom; 36 Three-Bedroom
- 6 @ 30% AMI; 6 @ 50% AMI; 104 @ 60% AMI
- State Credit Award: \$771,750
- 4% Federal Credit Award: \$1,147,889

Arroyo Village, Denver

Developer | Dolores Project and Rocky Mountain Communities

Arroyo Village will be co-developed by two nonprofit organizations, Dolores Project and Rocky Mountain Communities. It will provide 35 units of permanent supportive housing for extremely low income and chronically homeless individuals and 95 units for workforce families and individuals. The project will be located adjacent to the Knox Station on the West Rail Line.

- 130 Units: 60 One-Bedroom; 58 Two-Bedroom; 12 Three-Bedroom
- 35 @ 30% AMI; 95 @ 50% AMI
- State Credit Award: \$1,043,455
- 4% Federal Credit Award: \$1,181,541

Fifty Eight Hundred, Lakewood

Developer | Metro West Housing Solutions

Completion of this development will include transforming a blighted eight-story building in Lakewood into 54 new affordable multifamily rental homes for individuals and families. An additional 98 units will be constructed adjacent to the transformed building. Fifty Eight Hundred will include a courtyard area connecting the two buildings with community gardens and play areas. A variety of amenities are located near the project including a charter high school, elementary school, a sports facilities complex, and Belmar Shopping Center.

- 152 Units: 7 Studios; 46 One-Bedroom; 78 Two-Bedroom; 21 Three-Bedroom
- 8 @ 30% AMI; 16 @ 40% AMI; 16 @ 50% AMI; 112 @ 60% AMI
- State Credit Award: \$800,000
- 4% Federal Credit Award: \$1,287,726

Lowry Family Housing, Denver

Developer | Volunteers of America and Denver Housing Authority

Lowry Family, to be co-developed by Volunteers of America and Denver Housing Authority, will serve formerly homeless households and extremely low income individuals and families with both single family homes and market-rate apartments. It will be located in the Boulevard One neighborhood, which is the last new neighborhood to be developed at Lowry and will be integrated into the Lowry community. Schools, parks, public transportation, and retail will all be within walking distance of the project.

- 72 Units: 44 One-Bedroom; 20 Two-Bedroom; 8 Three-Bedroom
- 25 @ 30% AMI; 46 @ 50% AMI; One Employee Unit
- State Credit Award: \$800,000
- 4% Federal Credit Award: \$543,193

Village at Westerly Creek 3, Aurora

Developer | Aurora Housing Authority

Village at Westerly Creek 3 will be the final build-out of the award-winning Village at Westerly Creek, the largest public housing redevelopment in the country completed without HOPE VI funds. The project will be divided into two components: the east side of the site will include 24 senior units and the north side will consist of 50 family units. Seniors will be able to enjoy the large community space developed in the first phase of Westerly Creek, which will host a variety of services and activities, while the families will enjoy play areas with covered shelters and a picnic area. The site is located in the Cherry Creek school district.

- 74 Units: 24 One-Bedroom; 24 Two-Bedroom; 22 Three-Bedroom; 4 Four-Bedroom
- 8 @ 30% AMI; 66 @ 60% AMI
- State Credit Award: \$700,000
- 4% Federal Credit Award: \$886,487

Vistas at Panorama Pointe, Westminster

Developer | M.E.M Westminster Property, LLP

The Vistas at Panorama Pointe will be the final phase of a senior campus in Westminster that includes for-sale homes, assisted living, affordable, and market rate rental homes. The development will be attached to the Westminster Senior Center and will offer a variety of services and amenities, including health and wellness classes, ice cream socials and potlucks, community gardens, and walking paths. The campus has received strong support from the City of Westminster and Adams County.

- 69 Units: 45 One-Bedroom; 24 Two-Bedroom
- 2 @ 30% AMI; 2 @ 40% AMI; 65 @ 60% AMI
- State Credit Award: \$480,000
- 4% Federal Credit Award: \$401,909

Windmill Ranch Apartments, Brighton

Developer | Brighton Housing Authority and MJT Properties, Inc.

Developer: Brighton Housing Authority and MJT Properties, Inc. Windmill Ranch will be the result of a public-private partnership between Brighton Housing Authority and MJT Properties, a private developer. It will serve families and will be close to shopping, medical services and schools. Brighton Housing Authority has established two very successful programs that will assist the residents: Career and College Launch and Biz Launch, which are designed to help post-secondary youth obtain college or technical training and preparation for careers.

- 96 Units: 36 One-Bedroom; 30 Two-Bedroom; 30 Three-Bedroom
- 15 @ 30% AMI; 12 @ 40% AMI; 32 @ 50% AMI; 37 @ 60% AMI
- State Credit Award: \$404,795
- 4% Federal Credit Award: \$554,635

state lihtc supported development descriptions

disaster recovery developments

The following summaries detail more information about the 12 developments directly supported with state LIHTC in 2016. Summaries include information about the communities and populations to be served by each development.

Palo Park Community, Boulder

Developer | Boulder Housing Partners

Palo Park Community will be located along the Fourmile Canyon Creek and will be close to footpaths, biking, and hiking trails. It will offer a community center, playgrounds, and community gardens. Flatirons Habitat for Humanity will support the construction of nine condominiums adjacent to the project.

- 35 Units: 13 One-Bedroom; 14 Two-Bedroom; 8 Three-Bedroom
- 5 @ 30% AMI; 8 @ 40% AMI; 12 @ 50% AMI; 10 @ 60% AMI
- State Credit Award: \$589,591
- 4% Federal Credit Award: \$379,697
- CDBG-DR Award: \$1,120,055

Peakview Trails, Greeley

Developer | Four Corners Development, LLC

Peakview will serve seniors age 62 and older and is being designed to encourage an active lifestyle for the residents with walking paths, gardens, a computer lab, and large community outdoor area. It will be located in a well-maintained neighborhood and is close to shopping, medical, and other community services.

- 96 Units: 64 One-Bedroom; 32 Two-Bedroom
- 20 @ 30% AMI; 14 @ 50% AMI; 61 @ 60% AMI; One Employee Unit
- State Credit Award: \$987,140
- 4% Federal Credit Award: \$635,718
- CDBG-DR Award: \$3,500,000

S'PARK_west, Boulder

Developer | Element Properties

S'PARK_west will be located in Boulder Junction, Boulder's new transit village. It will be a permanent affordable housing component to this developing vibrant urban living community. The developer will provide free RTD public transportation "EcoPass" to residents.

- 45 Units: 26 Two-Bedroom; 19 Three-Bedroom
- 36 @ 50% AMI; 9 @ 60% AMI
- State Credit Award: \$678,982
- 4% Federal Credit Award: \$582,403
- CDBG-DR Award: \$50,000

Suites Supportive Housing Community, Longmont

Developer | Longmont Housing Authority

This existing project currently serves high risk, special needs populations in a building that was formerly an extended stay hotel. The existing units will be upgraded to include full kitchens and 11 additional units will be constructed from the existing building. Services will be provided to the residents including full-time onsite service providers.

- 81 Units: 11 Studios; 68 One-Bedroom; 2 Two-Bedroom
- 13 @ 30% AMI; 68 @ 50% AMI
- State Credit Award: \$579,601
- 4% Federal Credit Award: \$373,620
- CDBG-DR Award: \$200,000

Village on Horsetooth, Fort Collins

Developer | Fort Collins Housing Authority

Village at Horsetooth is being developed in accordance with the affordable housing land bank policy of the City of Fort Collins to help meet the overwhelming need for affordable housing in the City. The project will include a community green with walking paths, a playground, and community gardens. Other common amenities will include a community clubhouse with programming space for resident services, a fitness room, and a kitchen.

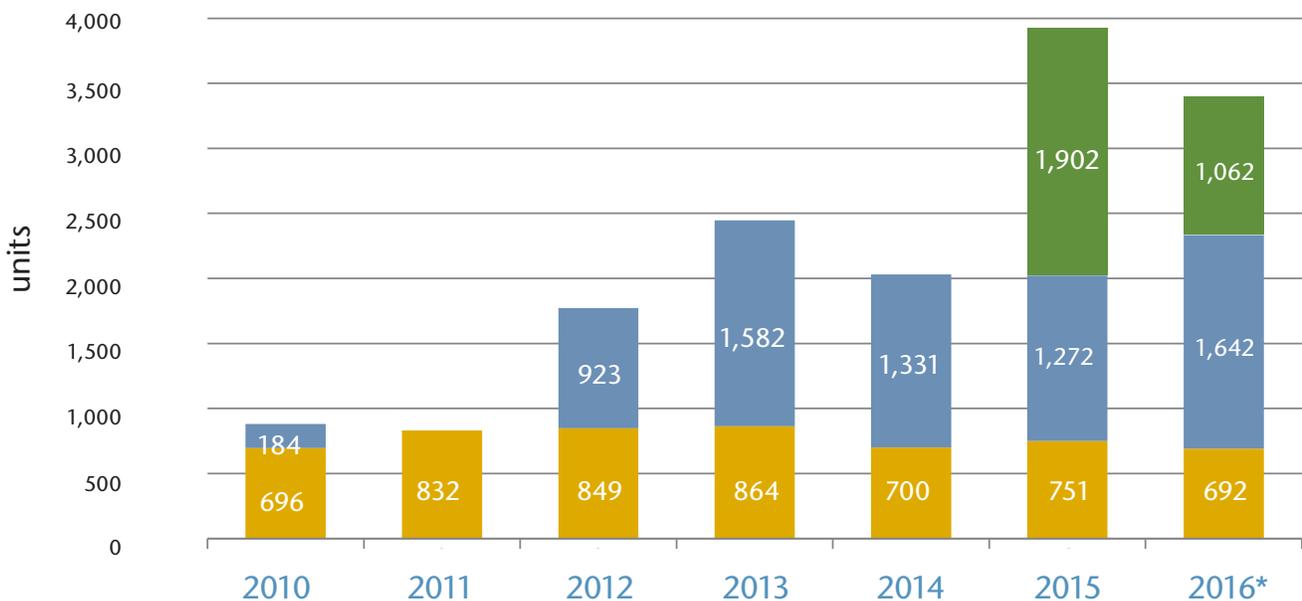
- 96 Units: 6 One-Bedroom; 66 Two-Bedroom; 22 Three-Bedroom; 2 Four-Bedroom
- 43 @ 30% AMI; 52 @ 60% AMI; One Employee Unit
- State Credit Award: \$1,123,427
- 4% Federal Credit Award: \$741,330
- CDBG-DR Award: \$2,000,000

lihtc historic investment 2010 to 2016 units

The following table illustrates the number of units supported by state and/or federal LIHTC annually between 2010 and 2016.

lihtc units 2010 to 2016

year	9 percent lihtc	4 percent lihtc	state lihtc and 4 percent	total tax credit units
2010	696	184	0	880
2011	832	0	0	832
2012	849	923	0	1,772
2013	864	1,582	0	2,446
2014	700	1,331	0	2,031
2015	751	1,272	1,902	3,925
2016	692	1,642	1,062	3,396*

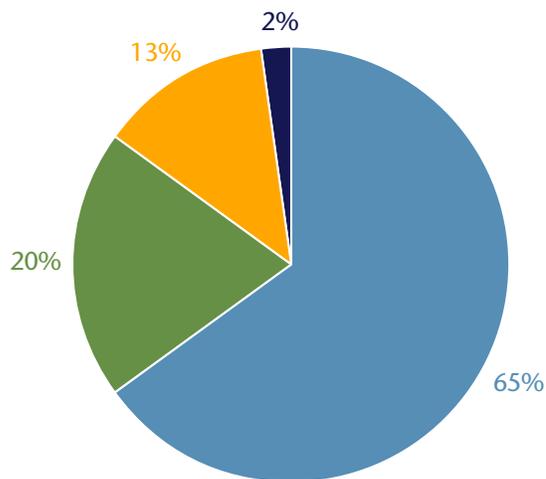


* Data as of December 1, 2016.

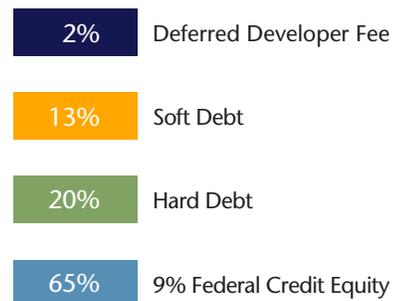
funding source examples for affordable housing

The state LIHTC has been used to leverage the federal 4 percent LIHTC, which has historically been under-utilized in Colorado due to a lack of gap resources required to make these transactions financially feasible.

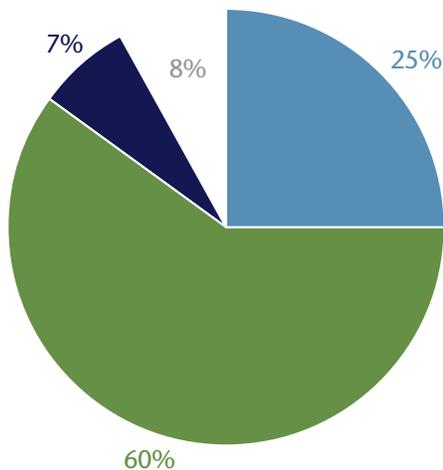
9% federal credit



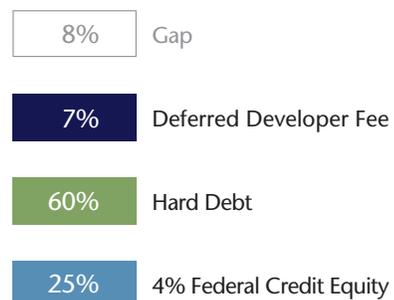
9% lihtc deals funding sources



4% federal credit



4% lihtc deals funding sources



affordable housing need

There are 2.1 million households in Colorado¹. Thirty-six percent are renters². Nearly half are cost-burdened, spending more than 30 percent of their gross household income on housing. Twenty-four percent of renter households are severely cost-burdened, spending more than 50 percent of their gross annual income on rent. These roughly 170,000 renter households are commonly referred to as “housing insecure.”

colorado renters

50% cost-burdened	24%
35 to 49.9% cost-burdened	16%
30 to 34.9% cost-burdened	9%
not cost-burdened	51%

2015 acs 5 year estimate data set²

The median rent for an apartment in Colorado is \$1,267.18.³ A two-person Colorado household would need to earn \$50,587, or 86 percent Area Median Income (AMI), in order to afford the median rent without being cost-burdened, or spending more than 30 percent of their income on housing. While certain markets have greater housing affordability, such as Grand Junction and Pueblo, these communities also face higher unemployment rates when compared to the rest of the state.⁴

region	median rent q2	q2 2015	% increase	household income needed to afford	ami needed to afford	vacancy q2
Boulder/Broomfield	\$1,439.00	\$1,398.00	2.9%	\$57,560	76%	5.9%
Colorado Springs	\$976.42	\$867.00	12.6%	\$39,057	69%	5.0%
Denver Metro	\$1,324.00	\$1,225.00	8.1%	\$52,960	83%	5.4%
Fort Collins/Loveland	\$1,286.86	\$1,249.00	3.0%	\$51,474	82%	2.9%
Grand Junction	\$564.18	\$559.00	0.9%	\$22,567	47%	2.6%
Greeley	\$980.28	\$891.00	10.0%	\$39,211	71%	3.5%
Pueblo	\$599.46	\$577.00	3.9%	\$23,978	50%	2.1%
Statewide	\$1,265.00	\$1,165.00	8.6%	\$50,600	86%	5.2%

* AMI is 2 person AMI for 2016

1 Colorado State Demography Office, 2015

2 U.S. Census American Community Survey, 2015

3 Colorado Division of Housing Apartment Rent and Vacancy Survey, Second Quarter 2016

4 Colorado Department of Labor and Employment

affordable housing need

In 2016, a household comprised of two full-time workers earning minimum wage would have earned 64 percent AMI.¹ Colorado's median rent is out-of-reach for this household. Even with the state-passed minimum wage increase that will begin to take effect in 2017, that same two-person household will still be unable to afford the median apartment in Colorado—earning only 74 percent AMI.¹ In addition, the median income of retired workers relying only social security benefits is 31 percent AMI, or \$16,176 annually.¹ The median income of a Colorado disabled individual earning only Social Security is only \$13,992 or 27 percent AMI.¹ These Coloradans reflect the growing demand for affordable housing across the state.

job types and median wages¹

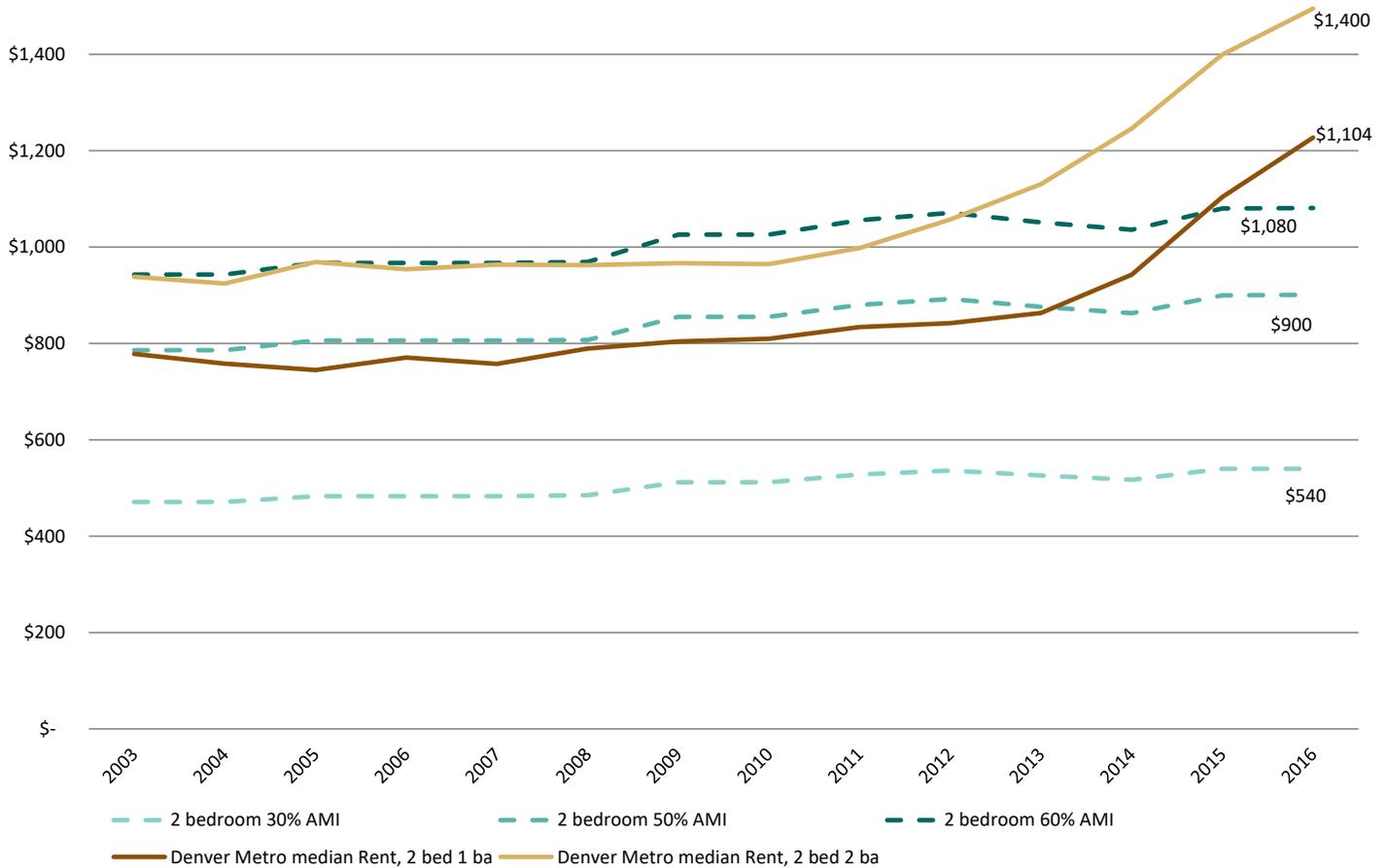
job type	median wage	% ami
Disabled worker on Social Security only	\$13,992	27% AMI
Retired worker on Social Security only	\$16,176	31% AMI
Food Service	\$21,193	41% AMI
Personal Care Aides	\$22,106	43% AMI
Hotel, Motel, and Desk Clerks	\$24,076	47% AMI
Childcare Workers	\$25,065	48% AMI
Farmworkers, Farm, Ranch, and Agricultural	\$25,701	50% AMI
Firefighter: Entry Level	\$29,628	57% AMI
Electrician: Entry Level	\$30,942	59% AMI
Secretary/Administrative	\$36,693	70% AMI
Middle School Teacher: Entry Level	\$37,540	72% AMI
Police Officer: Entry Level	\$47,336	90% AMI
Middle School Teacher: Median	\$48,489	93% AMI
Electrician: Median	\$48,555	93% AMI
Firefighter: Median	\$50,546	96% AMI
Registered Nurse: Entry Level	\$52,943	101% AMI
Police Officer: Median	\$65,967	126% AMI
Registered Nurse: Median	\$69,995	134% AMI

¹ Occupational Employment Statistics Program, May 2015

affordable housing need

Only five years ago, the median rent in the Denver metro area was \$852, and affordable to a household income of \$34,100 or 60 percent AMI.¹ The rapid acceleration of rents as compared to wages has placed significant pressure on low and moderate income renter households, as well as increased demand for the affordable housing stock available. Likewise, as for-sale housing costs have escalated, the median income needed to afford a home in Colorado has risen 128 percent AMI.² Renters unable to afford market rents and/or market homeownership find themselves caught in a quagmire.

**Denver Metro market rate median rent (2 bedroom)
compared to LIHTC rents Q1 2003-Q1 2016**



The state LIHTC program has helped CHFA better meet the needs of communities seeking affordable housing for their residents. Demand for the state LIHTC remains strong. In 2016, 26 applications were received for state LIHTC seeking a combined total of \$20.6 million in state and \$21.4 million in federal 4 percent credit. Likewise, requests for the federal 9 percent credit out-paced availability by 3 to 1. Due to restrictions on resource availability, CHFA was able to support developments, or 36 percent, of the total number of state and federal LIHTC applications received. CHFA anticipates a similar quantity of state LIHTC applications in 2017.

¹ Apartment Association of Metro Denver, Denver Metro Apartment Vacancy and Rent Survey, Second Quarter 2016
² Colorado Association of Realtors, November 2016

what is chfa?

CHFA's mission is to strengthen Colorado by investing in affordable housing and community development. We offer loan programs and homebuyer education to support responsible homeownership. We provide loans and tax credits to developers of affordable rental housing, so all Coloradans may have access to a place to call home; and we help business owners access the capital they need to grow and support jobs.

CHFA is self-funded. We are not a state agency. CHFA's operating revenues come from loan and investment income, program administration fees, loan servicing, and gains on sales of loans. CHFA receives no direct tax appropriations, and its net revenues are reinvested in its programs and used to support bond ratings. This document was designed and printed in house without the use of state general fund dollars.

CHFA's work revitalizes neighborhoods and creates jobs. We are proud to invest in Colorado's success. Visit www.chfainfo.com for more information.

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on the cover (left to right)

Rendering of Fifty Eight Hundred courtesy of Sprocket-Design Build, Inc.

Rendering of Palo Park Community courtesy of Vantage Point Imagery

Rendering of Village on Horsetooth courtesy of Oz Architects

Rendering of Alameda View Apartments courtesy of Sprocket-Design Build, Inc.

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