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Advancing Equitable Economic
Development with Affordable Housing



BNY MELLON



Advancing Equitable Economic Development with Affordable Housing



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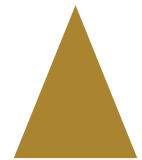
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welcome!

John Plakorus
Senior Research and Development Analyst
Colorado Housing and Finance Authority (CHFA)



about chfa

CHFA was established in 1973 by the Colorado General Assembly.



CHFA is not a state agency and does not receive and direct appropriations.

Board of Directors: **11 Members**



CHFA received authority to use bond proceeds for economic development activities in 1982.



Approximately **\$32.5B** has been raised and invested in Colorado to date.

financing the places where people live and work[®]

mission



We strengthen Colorado by investing in affordable housing and community development.

vision



Everyone in Colorado will have the opportunity for housing stability and economic prosperity.

chfa's impact in communities



Homeownership

Single family (SF)
mortgage loans

Down payment
assistance

Homebuyer education



Rental Housing

Multifamily (MF) finance

Housing Tax Credits

Compliance



Business Lending

Small business lending

Capital-access programs

NMTC



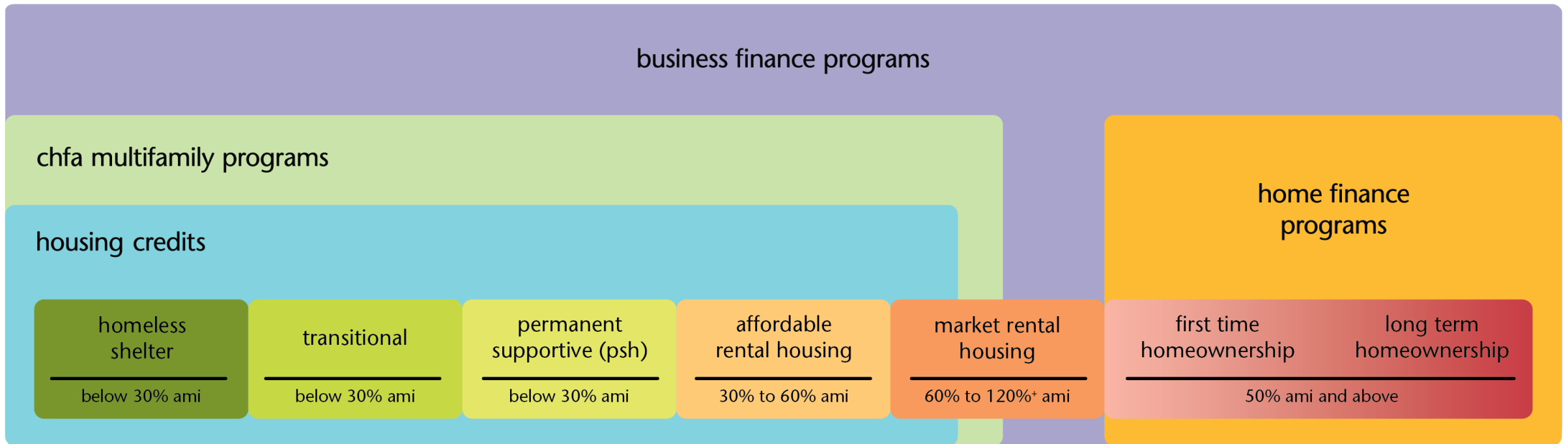
Community Partnerships

Regional community
engagement

Donations, grants,
and sponsorships

Technical assistance

housing continuum with chfa programs



chfa first look

- First look offers nonprofit partners the opportunity to purchase single family foreclosed homes
- Nonprofits register with CHFA to receive a list of foreclosures
- The list is sent to them after the foreclosure sale, and they have an opportunity to place a purchase bid. If we accept the bid, we sell the home to the non-profit partner rather than convey the home to HUD (these are FHA insured)
- Rural nonprofits may access a CHFA line of credit to assist in the purchase/rehab costs until the property is sold or able to have a bank loan (after rehab).



chfa first look

- **Denver Metro:** Elevation Community Land Trust purchase for affordable homeownership
- **Colorado Springs:** Rocky Mountain Community Land Trust purchase for affordable homeownership
- **Pueblo:** health nonprofit purchase for patient respite housing
- **San Luis Valley:** housing nonprofit purchase for affordable rental with possible rent-to-own



small-scale housing technical assistance



Rural Communities Statewide

- Housing Coalitions
- Nonprofits
- Housing Authorities
- For profits

“I learned about the needs of my community and the lack of affordable housing. I learned the income differences in what affordable housing is and what is needed in my community. I also learned about the resources to help move our project forward.”

-Lupine Luna community project sponsor

“The TA was fantastic and helped us evaluate our childcare center, a critical element of the project.”

-Fuel & Iron community project sponsor

“They helped out a great deal and made changes as issues arose with the project to match what we needed.

Even after our time has ended with the program, we have been able to reach out for advice and have a sounding board.”

-La Puente community project sponsor



eligible projects

For profit, nonprofit, local government, community collaborative

30 units or less

For rent or for sale

New construction, acquisition/rehab, or preservation

Meets defined community affordable housing need

At least 75% of units serve 120% AMI or less; 20% serve 80% or less

middle-income access program

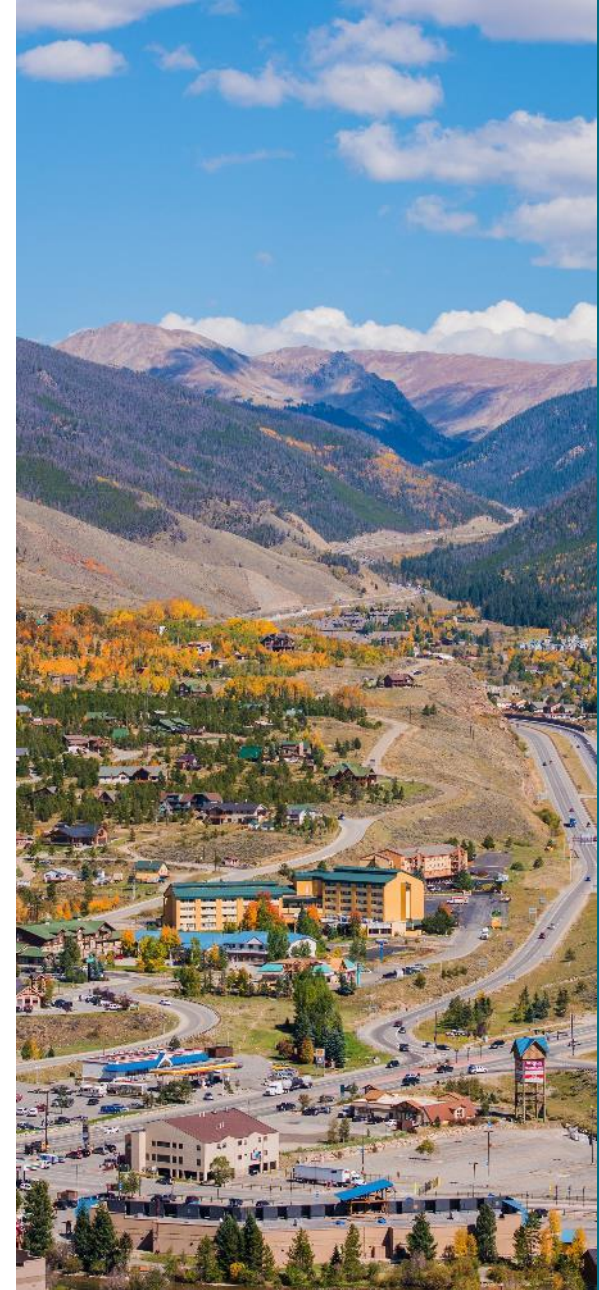
- The Middle-income Access Program (MIAP) addresses the middle income workforce
- Incomes too high for Housing Credit units but often overburdened by market rents.
- Typically comprised of renters whose income is between 80% and 120% Area Median Income (AMI).
- Eligible Activities:
 - Property acquisition, new construction, and rehabilitation
 - Construction and permanent gap financing
 - MIAP gap funds are leveraged with private sector equity and traditional construction financing
 - 15 year maximum loan term



middle-income access program

Smith Ranch Workforce Housing – Silverthorne

- 70 units
- 80 to 120% AMI
- These units will be available to Summit County employees who works at least 30 hours per week in Summit County as a first priority





new markets
tax credits



- A mixed-use community comprised of low-income housing and Clínica Tepeyac, a Federally Qualified Health Center (FQHC)
- Includes 24,500 sq/ft for Clínica Tepeyac on the ground floor of the building, and 7,150 sq/ft for a fresh food tenant.
- Construction of 150 LIHTC housing units at 2121 East 48th Avenue, Denver
- 150 units for families; serving families between 30% and 80% AMI – 9% LIHTC
- 7,000 square feet for a fresh food retail grocery store

clínica tepeyac





thank you!

John Plakorus

Senior Research and Development Analyst

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Advancing Equitable Economic Development with Affordable Housing



Kate Ferguson

Director of Multifamily Housing
California Housing Finance Agency



Advancing Equitable Economic Development with Affordable Housing

Kate Ferguson

Director Multifamily Programs

June 20, 2023



Introduction to CalHFA

- Established 1975 – State’s AH Lender and Issuer
 - Single Family Consumer Loans
 - LT Permanent Multi-Family Financing
- Self Sustaining – no State General Fund \$ to cover overhead
- Governing Board of Directors representing Governor, State Senate and Legislature
- Most recent fiscal year MF Division Issued \$1B+ in TEBs for Construction of new AH
- One of 4 housing Agencies in CA
 - Sister Agency – Department of Housing and Community Development or HCD
 - Provides federal and state funded subsidies
 - Also serves as the State’s Housing Policy ARM
 - 2 under the Umbrella of the State Treasurers Office - Manage allocation of both TEBs and LIHTC



Mixed Income Program

- Purpose to develop a spectrum of affordability project by project.
- Program requires minimum 40% spread between lowest AMIs and highest in any project.
- Greater economic sustainability and community development opportunities.
- Focus on true readiness, cost control, and subsidy efficiency.
- Subsidy Loans for new construction projects to serve a mix of incomes from 30-120% AMI.
- Used in combination with TEBs and 4% LIHTC. Not used with other state subsidy (state tax credits excluded).
- MIP Program not intended to compete with other programs providing resources to developments targeting only 50% AMI and below.



Outcomes

- Projected FYE 6/30/23 estimates total new unit production for Multifamily estimated at 4300 with MIP being responsible for approximately 50% of these units every year.
- Development Cost Savings of \$100M/unit (average)
- Generally, less subsidy layers to the capital stack
- Quicker to construction loan close by 3-6 months
- Time from commitment to close 14.8 months (vs. 23.6 months for comparable projects)
- 9,684 New Units Created Since 2019 (average 58% AMI) – 59 projects



Project Highlight: Mirasol Village

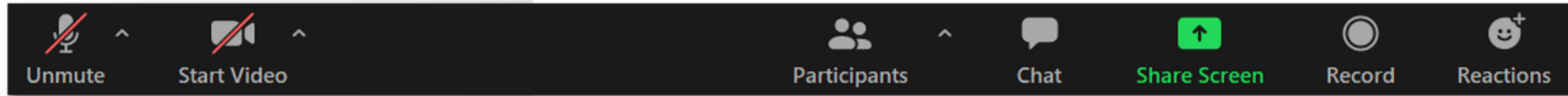
Transformation of a 218-unit 1940's Era public housing complex that was obsolete, isolated, with severe physical needs, into the catalyst for redevelopment of 22 acres into 489 new affordable, workforce, and market-rate units without displacing existing tenants.





Discussion

Audience Questions



**Submit your questions by
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Equitable Lending Learning Series: Fund Capitalization

June 27, 2023 // 1:00 PM - 4:00 PM Eastern

CDFA Tribal Finance Webinar Series: Food System Financing on Tribal Lands

July 11, 2023 // 2:00 PM - 3:30 PM Eastern

CDFA // BNY Mellon Development Finance Webcast Series: Driving Investment in Main Street Redevelopment

July 18, 2023 // 2:00 PM - 3:00 PM Eastern

CDFA Virtual Summer School

August 7-15, 2023 // Daily 12:00 PM - 5:00 PM Eastern

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