

# Middle Income Housing: Three Models

High Subsidy: Breckenridge (High Land and Const Cost) 100-110% AMI

Low Subsidy: Minneapolis (low const, low land, high rents) 60%-110% AMI- Partner with For Profit

No Subsidy: Denver Townhouse (BTR model, low const cost, high rent- 100% AMI)

# Breckinridge DEAL HIGHLIGHTS: High Cost / High Subsidy

54 units

Households up to 120% AMI

Long-term Ground Lease with Town

400 % Density Bonus

State grants for infrastructure

Forgivable Town Gap Loan



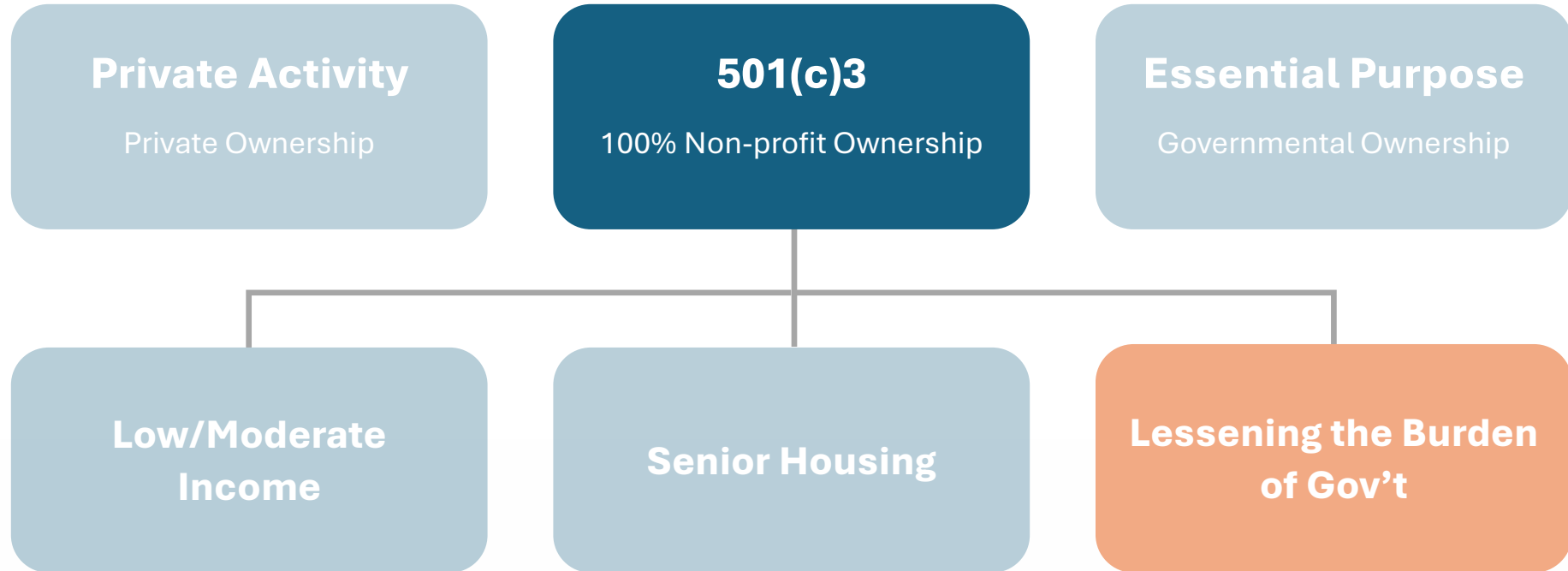
# 501(c)(3) bonds

- **80% -120% AMI**
- **– The NHPF: AA- investment grade credit rating behind the Bonds**

100% LTV	1.15 DCR
10 Years, Interest only	4.5% rate
Construction to Perm	Recourse

- Provided 22%-39% More Proceeds

# 602 GALENA BOND USE



**SOURCES**

	Total	Per Unit
501(c)3 Bonds	17,885,890	331,220
Reinvestment Income	503,187	9,318
Town of Frisco Gap Loan	8,100,000	150,000
State Infrastructure grants	4,000,000	74,074
<b>TOTAL</b>	<b>30,489,077</b>	<b>564,612</b>

# LESSENING THE BURDEN OF GOVERNMENT: ACTIONS TAKEN – 602 GALENA

1

Taken specific action to define and alleviate a specific problem

- **Summit County** Housing Needs Assessment IDs  $\leq$  120% AMI
- **State of Colorado** created multiple programs: MIHA, MI tax credit, MI hsg equity fund
- **City of Frisco** took multiple actions: zoning reforms and economic incentives

2

Satisfy one of many allowable burdens

- **Workforce Housing**
- Blight / slum elimination
- Environmental remediation
- Municipal employee housing
- Etc.

3

Taken economically valuable action

- **Summit County** and **Frisco** leasing site to NHPF for 1/year
- **Frisco** density bonus – site capacity  $\uparrow$  400%
- **Frisco** contributed 8M in gap financing
- **State** contributed 2M for site related infrastructure
- Tax abatement – MIHA is SLP

# The Duet, Mn: low subsidy



Designated AMIs	# Units	% Units
60%	43	20%
80%	39	18%
100%	91	42%
120%	19	9%
Affordable, Unrestricted	18	8%
Market	5	2%

### Partnership with For Profit

- Brought site control
- Entitlements
- 50% Plans
  
- Managing / guaranteeing  
Construction and Lease up
- Getting 80% of development fee
- 20% of cashflow and backend  
through B Bond

SOURCES		per Unit
A Bonds	65,913,524	306,575
TIF Bonds	4,527,904	21,060
Taxable Tail	5,050,000	23,488
B Bond	1,218,205	5,666
City of Hopkins	5,392,000	25,079
Reinv. Income	2,855,079	13,279
Energy Rebates	75,000	349
<b>Total Sources</b>	<b>85,031,712</b>	<b>395,496</b>

No Subsidy: Townhouses  
501 C3 Bonds and tax abatement



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