



Tracy Wheeler <wheelert@reno.gov>

Proposals for the TRC

1 message

Hilary Lopez <hilary@praxisreno.com>

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To: Tracy Wheeler <wheelert@reno.gov>

Cc: Dane Hillyard <daneo@me.com>, Jim Zaccheo <jimzaccheo@yahoo.com>, "kdainty@integraprop.com"

<kdainty@integraprop.com>, Matthew Fleming <mfleming@nnch.org>, "daytonassoc@gmail.com"

<daytonassoc@gmail.com>, Chip Hobson <hobsonc@sbcglobal.net>, Eric Novak <eric@praxisreno.com>, John Carlisi

<jacarlisi@gmail.com>, DAVID COLE <HQ@cmhctx.org>

Tracy:

Per the TRC's request, attached please find revised funding requests for the listed projects. I was asked to submit these, along with the below information, on behalf of the applicants copied on this email. As also requested by the TRC, the group arrived at these funding amounts/scenarios collectively and the reduced requests are reflective of everyone's desire for the HOME Consortium to support as many of these important projects as possible.

You'll note that the group provided two potential proposals to the TRC. The first proposal provides a minimum of \$50,000 to each bond project in accordance with the minimum funding amount indicated on the application. The second proposal reduces the amount of funds awarded to bond projects to \$10,000, exceeding the \$1,000 per assisted unit minimum stated in the HOME Consortium Standard Operating Policies and Procedures. The resulting extra funds in this scenario 1) boost the amount for Orovada Seniors closer to its original funding request and 2) would create a small set aside of funds for off-cycle bond projects. With the 4% tax credit rate now fixed at 4 percent, the submitted bond projects are able to substantially reduce their requests as they only need a small amount of HOME funds to access the property tax exemption. The on-going property tax exemption is necessary for the financial viability of the bond projects.

Further, an off-cycle set aside is important because, while the current HOME funding cycle aligns well with the 9% LIHTC application, the once-a-year cycle makes it difficult for many bond projects to move forward within the timeframes needed for land sellers, investors, and lenders. This, ultimately, results in less new or preserved affordable housing for our region at a time when it is increasingly needed. In the first funding scenario, we are requesting that the TRC recommend creating this set aside and using any newly received program income after this funding cycle and prior to the next funding cycle, up to \$100,000, for this set aside. While we understand that the TRC will need to further discuss the process for accessing set aside funds at a future meeting, creating and identifying funding for the set aside now and getting the Director's approval at least allows a mechanism for the set aside to begin prior to the next funding cycle.

Additionally, as discussed in prior hearings, the 2018 Consolidated Appropriations Act (P.L. 115-141) increased the amount of 9% Low Income Housing Credits available to states each year by 12.5% for years 2018 through 2021. This has enabled the Nevada Housing Division to fund additional projects in recent years. Providing HOME funding to Orovada Senior Apartments and Truckee Heights allows both projects to submit competitive applications to NHD for 9% tax credits and gives Washoe County the rare opportunity to get two developments funded while still enabling the Consortium to meet its CHDO set aside requirements.

We look forward to further discussing the revised funding requests with the TRC at the upcoming hearing and working with the group to find ways, both now and for the future, to support the creation and preservation of as many housing units as possible. We appreciate the opportunity to submit the attached and be involved participants in this process.

Respectfully,

Silver Sage Manor, GreenStreet, Commonwealth, NNCH, and Integra



Proposed Funding for TRC from Applicants.xlsx

11K

Reduced funding requests to the TRC

Project*	Requested	Proposal #1	Proposal #2
Orovada	\$ 1,500,000	\$ 1,285,004	\$ 1,435,004
Truckee Heights	\$ 2,100,000	\$ 211,409	\$ 211,409
Spanish Springs	\$ 250,000	\$ 50,000	\$ 10,000
Washington and Vine	\$ 100,000	\$ 50,000	\$ 10,000
Pinewood Terrace	\$ 185,000	\$ 50,000	\$ 10,000
Centennial Park	\$ 185,000	\$ 50,000	\$ 10,000
Attivare	\$ 250,000	\$ 50,000	\$ 10,000
Off-Cycle Bond Project Set Aside**	\$ -	See Note	\$ 50,000
Rental Assistance	\$ 598,468	\$ 598,468	\$ 598,468
<i>Total</i>	\$ 5,168,468	\$ 2,344,881	\$ 2,344,881
<i>Total Available</i>	\$ 2,344,881	\$ 2,344,881	\$ 2,344,881
Difference	\$ (2,823,587)	\$ -	\$ -

*Ridge House indicated they will be withdrawing their application this round to allow other projects to proceed.

**Set aside funded through program income as it becomes available up to \$100,000