



NOVOGRADAC

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Dealmakers and Rising Stars



Is it Time for HUD to Settle on a Consistent Method to Determine the Income Limits Cap?

Affordable housing development and preservation would benefit from stability.

Rising Stars 2023: Inspiration Comes in Many Forms

Hear from up-and-coming affordable housing and community development leaders.

2023 Novogradac Journal of Tax Credits Award Winners

Recognizing excellence in LIHTC, NMTC and HTC developments.

3 Questions Answered by HUD's 2023 Income Limits Release

Light shed on methodologies, cap limits and effects on specific areas. Other key questions remain.

Developments of Distinction Award Winners Benefit Tenants Across Nation

BRAD STANHOPE, SENIOR EDITOR, NOVOGRADAC

California seniors who formerly experienced homelessness, a variety of residents in Virginia and even Afghan refugees in Colorado are the beneficiaries of properties that earned 2023 Novogradac Journal of Tax Credit Developments of Distinction Awards, honoring properties that strive for excellence in affordable housing.

The awards go to developers of properties financed by low-income housing tax credits (LIHTCs) or with U.S. Department of Housing and Urban Development (HUD) funding. Winners will be honored at the Novogradac 2023 Housing Tax Credit and Bonds Conference, Sept. 28-29 in New Orleans.

“These are extraordinary properties that are great examples of how the LIHTC and HUD funding are used to benefit tenants across America,” said Rebecca Arthur, chair of the conference. “We’re impressed every year by the range of properties that are nominated for these awards and the creativity used to address the needs of the residents.”

The 2023 winners:

Metropolitan Community Impact: Church Hill Phase 2B

The redevelopment of a former historically Black high school site into a vibrant community in Richmond, Virginia, resulted in 130 mixed-income family apartments, 90 senior apartments and 36 for-sale homes, thanks to LIHTC equity. Developer **The Community Builders** and partner **Richmond Redevelopment and Housing Authority** helped complete the 45-unit fourth and final rental phase of the landmark Church Hill North/Armstrong

Renaissance—the phase called Church Hill Phase 2B—in a previously underserved community of Richmond.



Image: Courtesy of Torti Gallas + Partners Inc. and Brian Tomaino
The \$60 million multphase redevelopment of the Church Hill North/Armstrong Renaissance in Richmond, Virginia, wrapped up with Church Hill Phase 2B, the fourth phase. The property won the Novogradac Journal of Tax Credits Developments of Distinction Award for metropolitan community impact.

The institutional history of segregation, disenfranchisement and disinvestment in Richmond led to questions about whether a property like Church Hill North/Armstrong Renaissance could be completed. For the fourth phase, Red Stone Equity Partners contributed \$3.6 million in 4% LIHTC equity to a \$10.5 million renovation, which developed the vacant Armstrong site and removed a large and empty former school building as part of an ongoing revitalization of the neighborhood. It was another part of a “build-first” strategy that allows residents to remain in their apartments until the new units are ready.

The overall \$60 million multiphase development leveraged a long mix of financial sources, including 9% and 4% twin financing. Financing was provided by Virginia Housing, Virginia Department of Housing and Community Development, the city of Richmond, FHLBank Atlanta, Richmond Redevelopment and Housing Authority, RBC Capital and Red Stone Equity Partners. It is a crucial part of Richmond's overall strategy to revitalize areas and serves as a catalyst for adjacent community and economic development activities.

Family Housing: Academy Place Apartments

Fifty low-income families—including four refugee families from Afghanistan—have new homes, thanks to the construction of Academy Place Apartments in Broomfield, Colorado. Developer **Summit Housing Group** built Academy Place, which includes supportive services at no cost to residents. Those services include health and wellness services, financial literacy classes and job training workshops. The energy-efficient development also includes high-quality common area amenities and Energy Star-rated appliances. Academy Place Apartments has a close relationship with the Broomfield Afghan Refugee Task Force, providing resources and services to the refugee families as they learn to thrive and develop new roots in the community.



Image: Courtesy of Hunt Capital Partners
Extensive services and a relationship with the Broomfield Afghan Refugee Task Force will help residents at Academy Place Apartments in Broomfield, Colorado, including four families from Afghanistan. The property earned a Novogradac Journal of Tax Credits Developments of Distinction Award for family housing.

Apartments in Academy Place are for households earning up to 30%, 40% 50% and 60% of the area median income (AMI) and the property is within

a mile of essential services, job opportunities and schools. Hunt Capital Partners Tax Credit Fund 37 provided \$11.4 million in LIHTC equity for the development.

The completion of Academy Place Apartments helps move Broomfield closer to reducing the 1,286-unit affordable rental gap for renters earning less than \$20,000 per year.

Preservation of Existing Affordable Rental Housing: Lake Anne House

An aging, functionally obsolete 1970s-era senior housing property in Reston, Virginia, was demolished and Lake Anne House—a 240-apartment property for residents with incomes at or below 60% of the AMI—was built on land adjacent to the old building. **Enterprise Community Development Fellowship Square Foundation**, to develop the new building, which was built with 100% of the apartments universally designed and Energy Star- and EarthCraft-compliant. The property includes a new management office, resident service office, wellness center, social hall, arts-and-crafts room, resident lounge and large outdoor patio. The new steel-and-concrete building overlooks historic Reston and Lake Anne village in an area near retail and recreational opportunities.



Image: Courtesy of Martice Tucker
Lake Anne House is a 240-apartment property in Reston, Virginia, that is the redevelopment of an aging senior property. The new construction was done while residents stayed in their old apartments.

The redevelopment began in 2015, when nonprofit senior housing operator Fellowship Square Foundation issued a request for proposal for the redevelopment. Enterprise Community Development was awarded development rights and partnered with Fellowship to build the new facility on an underused portion of existing property. This development plan allowed existing residents to remain in their old apartments while the new building was built next door.

The development required a complex mix of financial resources and was completed in May 2022. Financing was provided by Virginia Housing, Capital One, Fairfax County and the state of Virginia.

Special Needs Population: River City Senior Apartments

River City Senior Apartments in Petaluma, California, provides much-needed affordable housing for vulnerable seniors in the area, thanks to the work of developer **PEP Housing**. Thirty-four of the 54 apartments at River City Senior Apartments include residents who were experiencing homelessness before moving into the new property on the Petaluma River. Nineteen of those residents are veterans.



Image: Courtesy of PEP Housing
Developer PEP Housing built the 54-apartment River City Senior Apartments in Petaluma, California. Thirty-four apartments include residents who were experiencing homelessness and now have extensive services.

River City Senior Apartments tenants can enjoy a walking trail, a dog run and a community center

with a wellness center, classroom, kitchen and computer lab. The development began in 2006 with the acquisition of the land, and developers overcame a combination of hurdles that included building during the COVID-19 pandemic, rising costs and labor shortages. Those challenges added importance to the \$16 million in LIHTC equity provided by investor Merritt Community Capital Corporation.

Administrators at River City Senior Apartments have had to navigate teaching some residents how to use a washer and dryer and how to live in a community. Smoking in the apartments for a nonsmoking campus was an issue that led to smoking cessation classes, as well as other classes with remote technology for those residents uncomfortable being around others. River City Senior Apartments are changing lives for the most vulnerable seniors.

Rural Community Impact: Senseny Place

Seniors in Winchester, Virginia, have a new option for housing with the opening of Senseny Place, a 63-apartment, four-story property developed by **Wesley Housing** for households earning between 30% and 80% of the AMI.



Image: Courtesy of Cedar Grove Photography LLC Nancy Hart Schrock
Senseny Place in Winchester, Virginia, will provide 63 homes for seniors. The property includes a brick-and-cement panel facade inspired by the Episcopal tradition.

The property offers 43 one-bedroom apartments and 20 two-bedroom apartments. Eleven units are further assisted with HUD project rental assistance contracts

or project-based subsidies. Residents at Senseny Place have free in-unit and common-area Wi-Fi, a community room, an exercise room, laundry facilities, a wellness center, a community garden and surface parking. The property pays homage to its faith-based roots—it was formerly St. Paul’s on-the-Hill Episcopal Church—with craftsman style and a brick-and-cement panel façade inspired by the Episcopal tradition.

The apartments were quickly leased up, with the average resident being 69 years old with an income of less than \$27,000 annually. Truist provided \$9.1 million in LIHTC equity. ❖

HONORABLE MENTIONS

- ◆ **Metropolitan Community Impact:** Rindge Commons Development, Cambridge, Massachusetts (Developer: Just A Start).
- ◆ **Preservation of Existing Affordable Housing:** Rosefield Village, Alameda, California (Developer: Island City Development).
- ◆ **Special Needs Population:** Market Heights Apartments, LP, Norfolk, Virginia (Developer: Lawson).
- ◆ **Rural Community Impact:** Lakeshore Family Homes LP, Lake Providence, Louisiana (Developer: Knight Development).

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