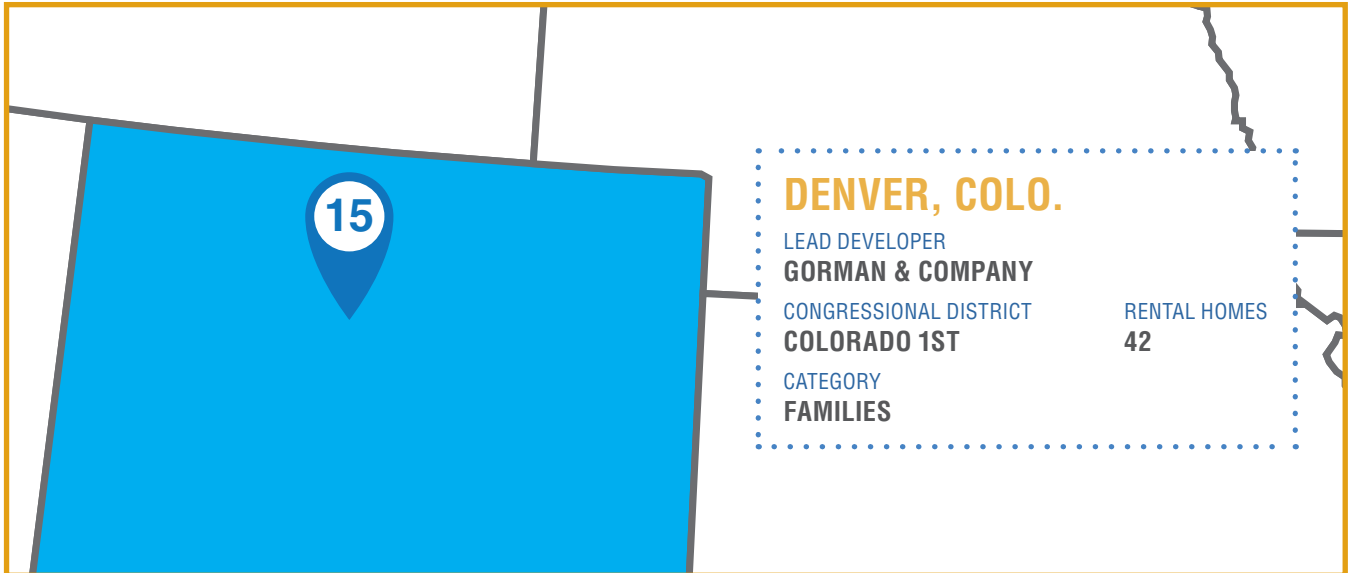




Denver Neighborhood Getting Long-Needed Affordable Housing



15

DENVER, COLO.

LEAD DEVELOPER
GORMAN & COMPANY

CONGRESSIONAL DISTRICT
COLORADO 1ST

CATEGORY
FAMILIES

RENTAL HOMES
42



Rendering: Courtesy of Workshop8

Denver Neighborhood Getting Long-Needed Affordable Housing

A Denver neighborhood that dearly needs affordable housing will get more in 2016. The Grove Street Apartments, scheduled to break ground in summer 2015, will provide 42 rental homes for households earning between 30 and 60 percent of the area median income (AMI).

“There’s an affordable housing crisis in Denver,” said Denver City Councilman Paul López, who represents the district in which Grove Street Apartments is located. “We’re on the rebound of the recession, so instead of foreclosures, you’re seeing folks being priced out of the neighborhoods they’re living in.”

Project partners said the Westwood neighborhood, where Grove Street Apartments will be located, has a 24 percent poverty rate and is in great need of strategic community reinvestment, especially in quality housing. The U.S. Census found that more than a quarter of Denver’s substandard rental homes are located in Westwood and that 78 percent of renter-occupied housing was built before 1980. That creates a particular demand for more affordable housing, as evidenced by the fact that when developer Gorman & Company conducted its

due diligence for the Grove Street Apartments, it found that nearby affordable housing properties had a 99.8 percent occupancy rate and there were waiting lists for more than 300 people.

Kimble Crangle, the Colorado market president for Gorman & Company, said his company was eager to make a difference. “We’re delighted that Gorman & Company has the opportunity to work in this neighborhood on a project that will be catalytic for the community revitalization effort,” said Crangle.

Grove Street Apartments, financed largely through low-income housing tax credits (LIHTCs) is on the former site of a mobile home park and motel that were demolished years ago. Rental homes will come with mini blinds,

resilient flooring, full kitchens with a dishwasher and microwave, a washer-and-dryer hookup, central air conditioning and heating, and ceiling fans. Shared amenities will include a community room, picnic area, play area, elevator and fitness center.

Grove Street Apartments will not only provide an affordable housing option to Westwood residents, but will grant them access to a range of services. Mi Casa Resource Center, a local nonprofit dedicated to advancing the economic success of Latino and working families through programs and supportive services, will occupy 20,000 square feet of ground-floor space. “We saw an opportunity to not only add high-quality housing, but high-quality services through our partnership with Mi Casa,” said Crangle.

By moving into Grove Street Apartments, Mi Casa will be more accessible to the families it serves because of its proximity to the apartments and the demographics of Southwest Denver, said Christine Márquez-Hudson, Mi Casa’s executive director and chief executive officer. Márquez-Hudson says Mi Casa plans to bring its comprehensive economic center services and partnerships to the

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FINANCING			
<ul style="list-style-type: none"> \$9.2 million in LIHTCs equity \$2.5 million in tax-increment financing from Denver Urban Renewal Authority (DURA) 			

area, providing small business development, career training, financial literacy, home ownership education, GED test preparation, English as a second language (ESL) classes, legal assistance and technology classes. “These services will contribute to the economic advancement of low-income families, as well as the local economy,” said Márquez-Hudson.

Grove Street Apartments received an award of \$915,504 in annual 9 percent LIHTCs from the Colorado Housing Finance Authority (CHFA), which was significant in a very competitive era. Jerilynn Martinez, CHFA spokeswoman, said the state housing authority was authorized to award \$12 million in LIHTCs for the 2014 funding rounds and received requests for more than \$42 million in LIHTCs. “The demand is something that speaks to the

critical role that the LIHTC plays and what [LIHTC] developments have done,” said Martinez. “It is an important resource in ensuring that affordable housing gets built and preserved. Not only in Colorado, but nationwide.”

Denver officials see Grove Street Apartments as a key piece to the affordable housing and community development puzzle. Mark Tompkins, the Denver Urban Renewal Authority (DURA) deputy director, said financing such visible, mixed-use developments as Grove Street Apartments will encourage further investment in the area. “Putting a multistory building on the edge of a six-lane road is going to be pretty significant,” Tomkins said. “It’ll provide activity within that stretch of the corridor.”

Derek Woodbury, the communications director for

the Denver Office of Economic Development (OED), wrote a letter in support of the property’s LIHTC application. He said that OED and the city are focused on revitalizing the Westwood neighborhood and that other planned or recently completed investments in the area include a mobile home park that will be turned into 185 affordable rental homes, a fresh food distribution center, an early childhood educational center and a city park.

Combining those with the Grove Street Apartments gives a neighborhood that has been sorely in need of affordable housing some reasons for optimism. The use of the LIHTC, combined with other developments in the region, creates benefits for residents and a neighborhood that is grateful for the help. ❖