

## Proposal Summary

**2025 9% LIHTC AHFA Proposal Application**

Affordable Housing Funding Application (AHFA)

Project Name: HUB 27 Senior Lofts

### Basic Project Information

Project Name:	HUB 27 Senior Lofts
OHFA Project Number:	TBD
LIHTC Type:	9%
Project Address:	2500 W 27th Street
Project City or Township:	Cleveland-Elyria, OH MSA
Project County:	Cuyahoga
Construction Type:	New Construction
Age Restriction:	Senior 55+
Funding Pool:	New Affordability - Senior
Lead Developer:	St. Mary Development Corporation
Total Number of Units:	64
Total Number of Buildings:	1

### Project Rendering



### OHFA Resource Request Requiring Board Approval

	Amount	Approval Date
Housing Development Loan:	\$1,750,000	

### Project Narrative

Hub 27 Senior will provide 67 units of affordable senior housing in Cleveland OH. The development will offer one- and two-bedroom apartments available to households earning 30%, 50%, 60% and 70% of the Area Median Income. Each unit will provide Energy Star rated appliances, including range, refrigerator, dishwasher and washer/dryer. All units will have central air conditioning. The community will provide a fitness center, a community room with kitchenette, a business center with computers, key fob controlled access and an outdoor pavilion with covered and uncovered seating. The site is in a mixed-use area of Western Cleveland, providing access to grocery stores, pharmacies and healthcare facilities. The site is near key transportation routes and has ample access to public transportation.

### Set Asides Sought

Set Aside Type	Sought?
Community Housing Development Organization:	No
Community Impact Strategic Initiative:	Yes
Appalachian County:	Ineligible Pool
Transformative Economic Development:	Ineligible Pool
Refugee Resettlement Agency Partnership:	Ineligible Pool
USDA Rural Development Subsidy Preservation:	Ineligible Pool
Balance of State or Small Continuum of Care:	Ineligible Pool

### Competitive Scoring: New Affordability - Senior Pool

Competitive Criterion	Maximum Score	Developer Self-Score
Areas of Opportunity and Revitalization	10	9
Building Amenities	15	15
Discount to Market Rent	5	5
Proximity to Amenities	16	16
Experienced Service Coordinator	4	4
Annual LIHTC Request per LIHTC Unit	10	10
<b>Total</b>	<b>60</b>	<b>59</b>

### Development and Operations Team

Lead Developer	St. Mary Development Corporation
Co-Developer #1	N/A
Co-Developer #2	N/A
Development Consultant	N/A
LIHTC Syndicator/Investor	Key Community Development Corp.
OLIHTC Syndicator/Investor	N/A
GP/MM #1 Parent Entity	St. Mary Development Corporation
GP/MM #2 Parent Entity	N/A
GP/MM #3 Parent Entity	N/A
General Contractor	Ruscilli Construction Co. LLC
Architect of Record	BDCL Architects, PC
Property Management Firm	Pivotal Management LLC

### Site Information

Site Size (Acres)	1.69
Scattered Sites?	No
Total Number of Buildings	1
Total Number of Elevator-Serviced Buildings	1
Total Parking Spaces	71
Parking Ratio (Parking Spaces per Unit)	1.1
Urban Suburban Rural (USR) Geography	Central City
Located in a Participating Jurisdiction (PJ)?	Yes
Located in a Qualified Census Tract (QCT)?	Yes
Located in a Difficult Development Area (DDA)?	No
Census Tract Opportunity Index	Very High
Census Tract Change Index	Growth

### Nearby Amenities

Amenity Type	Name of Amenity	Linear Distance from Proposed Project (miles)
Grocery Store	Save A Lot	<0.5
Medical Clinic	Ohio City Health Center	<1
Childcare Facility		
Senior Center		
Pharmacy	Walgreens	<0.7
Public Library	Cleveland Public Library	<0.65
Public Park	Lincoln Park	<0.3
Public School	Paul L Dunbar Elementary	<0.3
Public Recreation Center	Roberto Clemente Park	<0.6

### Building Square Footage Breakdown

	Size (SF)	Pct of Total
Commercial and Fee-Driven Space		
Unrestricted/Market-Rate Unit Area		
LIHTC Unit Area	45,560	77%
Manager's Unit Area		
Common Area	8,474	14%
Support and Program Space	2,096	4%
Tenant Storage Space		
Major Vertical Penetrations (Elevator/Stairs, Etc.)	2,670	5%
Structured Parking/Garage		
Basement		
<b>Total Square Footage of all Buildings</b>	<b>58,800</b>	<b>100%</b>

**Units by LIHTC Income Restrictions**

LIHTC Income Restriction	Number of Units	Percent of Total Units
20% AMI		
30% AMI	7	11%
40% AMI		
50% AMI	6	9%
60% AMI	28	44%
70% AMI	23	36%
80% AMI		
Unrestricted		
Manager's		
<b>Total Units</b>	<b>64</b>	<b>100%</b>

**Consolidated Annual Operating Budget**

Operating Line Item	Annual Amount	Annual Per Unit Amount
Potential Gross Rental Income and Fee Income	\$755,616	\$11,807
Potential Gross Commercial Income	\$0	\$0
Potential Gross Service Income	\$0	\$0
Vacancy Allowance (Blended) 7%	(\$52,893)	(\$826)
<b>Effective Gross Income (EGI)</b>	<b>\$702,723</b>	<b>\$10,980</b>
(Administrative Expenses)	(\$96,000)	(\$1,500)
(Property Management Fee)	(\$36,007)	(\$563)
(Owner-Paid Utility Expenses)	(\$53,760)	(\$840)
(Maintenance Expenses)	(\$109,000)	(\$1,703)
(Net Real Estate Taxes)	(\$5,040)	(\$79)
(Property and Liability Insurance)	(\$41,500)	(\$648)
(Other Insurance and Tax Expenses)	\$0	\$0
(Ongoing Reserve Contributions)	(\$25,600)	(\$400)
Operating Subsidy	\$0	\$0
<b>(Total Operating Expenses)</b>	<b>(\$366,907)</b>	<b>(\$5,733)</b>
<b>Net Operating Income (EGI - Operating Expenses)</b>	<b>\$335,816</b>	<b>\$5,247</b>

**LIHTC Calculation**

	Acquisition	Rehabilitation	New Construction
LIHTC Eligible Basis			\$18,227,762
- Reductions in Eligible Basis			\$0
= Net Eligible Basis			\$18,227,762
Codified Basis Boost (DDA/QCT)			\$23,696,091
Agency Discretionary Basis Boost			\$23,696,091
Adjusted Eligible Basis			\$23,696,091
X Applicable Fraction			100%
Qualified Basis			\$23,696,091
70% Present Value Rate			9%
<b>Annual LIHTC Generated</b>			<b>\$2,132,648</b>
Total 10-Year LIHTC Generated	\$21,326,482		
Total 10-Year LIHTC Requested	\$15,997,760		
LIHTC Equity Generated	\$14,238,006		
Equity Price	\$0.8901		

**Units by Bedroom Type and Rental Subsidy**

Bedroom Type	Number of Units	Percent of Total Units	Units with Rental Subsidy	Percent of Total Units Subsidized
Studio				
1-BR	50	78%	0	0%
2-BR	14	22%	0	0%
3-BR				
4-BR				
5-BR				
<b>Total Units</b>	<b>64</b>	<b>100%</b>	<b>0</b>	<b>0%</b>

**Development Budget, Eligible Basis, and Cost Containment Standards**

Development Costs	Amount	Per Unit Amount	LIHTC Eligible Basis
Acquisition	\$1,210,000	\$18,906	\$0
Predevelopment	\$845,068	\$13,204	\$770,657
Site Development	\$1,385,600	\$21,650	\$1,385,600
Hard Construction	\$11,875,100	\$185,548	\$11,875,100
Financing	\$1,542,348	\$24,099	\$1,041,405
Professional Fees	\$275,000	\$4,297	\$155,000
Developer Fee	\$3,000,000	\$46,875	\$3,000,000
OHFA and Other Fees	\$269,187	\$4,206	\$0
Capitalized Reserves	\$340,000	\$5,313	\$0
<b>Total Development Costs (TDC)</b>	<b>\$20,742,303</b>	<b>\$324,098</b>	<b>\$18,227,762</b>
LIHTC Eligible Basis as a Percent of Total Development Costs			88%

  

Cost Containment Standards	Project	Maximum	Variance
TDC per Unit	\$324,098	\$361,268	-10%
TDC per Gross Square Foot	\$353	\$378	-7%

**Maximum Permanent Debt Sizing**

	Max Loan for Stabilized Y1	Max Loan to Stabilized Y15
Net Operating Income (NOI)	\$335,816	\$335,816
Debt Service Coverage Ratio	1.20	1.00
NOI Available for Debt Service	\$279,847	\$335,816
Interest Rate	7.00%	7.00%
Amortization Period (Years)	40	40
Loan Term (Years)	17	17
<b>Maximum Perm Loan Amount</b>	<b>\$3,752,715</b>	<b>\$4,503,258</b>
Actual Perm Loan Amount	\$3,475,000	
Amount Variance	(\$277,715)	
Percent Variance	-7.4%	

  

	Year 1	Year 15
Debt Service Coverage Ratio	1.20	1.31
OHFA Minimum DSCR	1.20	1.00

**Construction Sources of Funds**

Source Name	Amount	Percent of Total
Federal LIHTC Equity	\$4,288,006	21%
Construction Loan	\$11,900,000	57%
Housing Development Loan	\$1,750,000	8%
Deferred Developer Fee	\$1,151,449	6%
Local funding	\$1,652,848	8%
<b>Total Construction Sources</b>	<b>\$20,742,303</b>	<b>100%</b>

**Permanent Sources of Funds**

Source Name	Total	Percent of Total
Federal LIHTC Equity	\$14,238,006	69%
Permanent First Mortgage	\$2,850,000	14%
Permanent Second Mortgage	\$625,000	3%
Deferred Developer Fee	\$1,087,218	5%
GP/MM Capital Contribution	\$289,231	1%
Local Funding	\$1,652,848	8%
<b>Total Permanent Sources</b>	<b>\$20,742,303</b>	<b>100%</b>