

Proposal Summary

2025 4% LIHTC w/ BGF Proposal Application

Affordable Housing Funding Application (AHFA)

Project Name: Kentway Apartments

Basic Project Information

Project Name:	Kentway Apartments
OHFA Project Number:	TBD
LIHTC Type:	4%
Project Address:	360 E Summit Street
Project City or Township:	Kent
Project County:	Portage
Construction Type:	Rehabilitation
Age Restriction:	Senior 55+
Funding Pool:	Non-LIHTC Rental Subsidy
Lead Developer:	Renewal Development Associates
Total Number of Units:	148
Total Number of Buildings:	9

Existing Photograph



OHFA Resource Request Requiring Board Approval

	Amount	Approval Date
HDAP: Other	\$4,000,000	
Multifamily Bonds (Inducement):	\$15,000,000	
Multifamily Bonds (Final):		
Housing Development Loan:	\$2,500,000	

Project Narrative

Kentway Apartments is an existing multifamily rental property providing 148 units of quality, affordable housing for seniors aged fifty-five and older across 9 buildings. Kentway has been well maintained since it was constructed in 1970, however, the property has not been substantially renovated in over 55 years. Many of the building systems are beyond their useful life and unit layouts are functionally obsolete. The property's owner since 1990, Family & Community Services, is partnering with Renewal Development, to recapitalize the property and preserve the long-term affordable use restrictions. The proposed rehabilitation will upgrade major building systems, install new life-safety systems and add code compliant ADA accessible units and features. The apartments will receive new kitchens, bathrooms, flooring and lighting. The common areas will be reconfigured to provide a full suite of resident amenities.

Development and Operations Team

Lead Developer	Renewal Development Associates
Co-Developer #1	Family & Community Services, Inc.
Co-Developer #2	N/A
Development Consultant	Knight Partners
LIHTC Syndicator/Investor	To Be Determined
OLIHTC Syndicator/Investor	N/A
GP/MM #1 Parent Entity	Renewal Housing Associates, LLC
GP/MM #2 Parent Entity	Family & Community Services
GP/MM #3 Parent Entity	N/A
General Contractor	Drake Construction
Architect of Record	MXA Architecture
Property Management Firm	ABC Management Company

Site Information

Site Size (Acres)	3.037
Scattered Sites?	No
Total Number of Buildings	9
Total Number of Elevator-Serviced Buildings	1
Total Parking Spaces	111
Parking Ratio (Parking Spaces per Unit)	0.8
Urban Suburban Rural (USR) Geography	Metro/Suburban
Located in a Participating Jurisdiction (PJ)?	No
Located in a Qualified Census Tract (QCT)?	Yes
Located in a Difficult Development Area (DDA)?	No
Census Tract Opportunity Index	Very Low
Census Tract Change Index	Decline

Nearby Amenities

Amenity Type	Name of Amenity	Linear Distance from Proposed Project (miles)
Grocery Store	Kent Natural Foods	0.385
Medical Clinic	Axess Pointe Community Health	0.54
Childcare Facility	KPR KIDZ CLUB AT KENT	0.53
Senior Center	Portage Senior Center	5.2
Pharmacy	CVS Pharmacy	0.29
Public Library	Kent Free Library	0.509
Public Park	Fred Fuller Park	0.901
Public School	Holden Elementary School	0.554
Public Recreation Center	Kent Recreation Center	0.531

Building Square Footage Breakdown

	Size (SF)	Pct of Total
Commercial and Fee-Driven Space		
Unrestricted/Market-Rate Unit Area		
LIHTC Unit Area	78,119	74%
Manager's Unit Area		
Common Area	16,184	15%
Support and Program Space	3,280	3%
Tenant Storage Space		
Major Vertical Penetrations (Elevator/Stairs, Etc.)	8,520	8%
Structured Parking/Garage		
Basement		
Total Square Footage of all Buildings	106,103	100%

Units by LIHTC Income Restrictions

LIHTC Income Restriction	Number of Units	Percent of Total Units
20% AMI		
30% AMI	15	10%
40% AMI		
50% AMI	56	38%
60% AMI	77	52%
70% AMI		
80% AMI		
Unrestricted Manager's		
Total Units	148	100%

Consolidated Annual Operating Budget

Operating Line Item	Annual Amount	Annual Per Unit Amount
Potential Gross Rental Income and Fee Income	\$2,126,346	\$14,367
Potential Gross Commercial Income	\$0	\$0
Potential Gross Service Income	\$0	\$0
Vacancy Allowance (Blended) 5%	(\$106,317)	(\$718)
Effective Gross Income (EGI)	\$2,020,029	\$13,649
(Administrative Expenses)	(\$225,000)	(\$1,520)
(Property Management Fee)	(\$92,000)	(\$622)
(Owner-Paid Utility Expenses)	(\$201,000)	(\$1,358)
(Maintenance Expenses)	(\$301,000)	(\$2,034)
(Net Real Estate Taxes)	\$0	\$0
(Property and Liability Insurance)	(\$145,000)	(\$980)
(Other Insurance and Tax Expenses)	(\$61,000)	(\$412)
(Ongoing Reserve Contributions)	(\$51,800)	(\$350)
Operating Subsidy	\$0	\$0
(Total Operating Expenses)	(\$1,076,800)	(\$7,276)
Net Operating Income (EGI - Operating Expenses)	\$943,229	\$6,373

LIHTC Calculation

	Acquisition	Rehabilitation	New Construction
LIHTC Eligible Basis	\$6,920,000	\$43,260,654	
- Reductions in Eligible Basis	\$0	\$0	
= Net Eligible Basis	\$6,920,000	\$43,260,654	
Codified Basis Boost (DDA/QCT)		\$45,471,426	
Agency Discretionary Basis Boost		\$43,258,776	
Adjusted Eligible Basis	\$6,920,000	\$45,471,426	
X Applicable Fraction	100%	100%	
Qualified Basis	\$6,920,000	\$45,471,426	
30% Present Value Rate	4%	4%	
Annual LIHTC Generated	\$276,800	\$1,818,857	
Total 10-Year LIHTC Generated	\$20,956,570		
Total 10-Year LIHTC Requested	\$20,956,570		
LIHTC Equity Generated	\$17,801,105		
Equity Price	\$0.8495		

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	6	4%	6	100%
1-BR	120	81%	94	78%
2-BR	22	15%	21	95%
3-BR				
4-BR				
5-BR				
Total Units	148	100%	121	82%

Development Budget, Eligible Basis, and Cost Containment Standards

Development Costs	Amount	Per Unit Amount	LIHTC Eligible Basis
Acquisition	\$7,550,000	\$51,014	\$6,920,000
Predevelopment	\$1,323,000	\$8,939	\$1,248,000
Site Development	\$1,594,710	\$10,775	\$1,594,710
Hard Construction	\$29,601,909	\$200,013	\$29,601,909
Financing	\$3,772,647	\$25,491	\$2,191,035
Professional Fees	\$481,000	\$3,250	\$8,625,000
Developer Fee	\$8,254,000	\$55,770	\$0
OHFA and Other Fees	\$541,940	\$3,662	\$0
Capitalized Reserves	\$763,000	\$5,155	\$0
Total Development Costs (TDC)	\$53,882,206	\$364,069	\$50,180,654
LIHTC Eligible Basis as a Percent of Total Development Costs			93%

Cost Containment Standards	Project	Maximum	Variance
TDC per Unit	\$364,069	\$375,000	-3%
TDC per Gross Square Foot	\$508	\$400	27%

	Year 1	Year 15
Debt Service Coverage Ratio	1.20	1.35
OHFA Minimum DSCR	1.20	1.00

Construction Sources of Funds

Source Name	Amount	Percent of Total
Federal LIHTC Equity	\$11,417,404	21%
Construction Loan	\$15,000,000	28%
Housing Development Loan	\$2,500,000	5%
Fed. Historic Tax Credit Equity	\$7,023,236	13%
Deferred Developer Fee	\$1,954,066	4%
GP/MM Capital Contribution	\$2,350,000	4%
HDAP: Other	\$4,000,000	7%
Seller Note	\$7,500,000	14%
Interest Income	\$1,137,500	2%
Interim Income	\$1,000,000	2%
Total Construction Sources	\$53,882,206	100%

Permanent Sources of Funds

Source Name	Total	Percent of Total
Federal LIHTC Equity	\$17,801,105	33%
Permanent First Mortgage	\$11,100,000	21%
Fed. Historic Tax Credit Equity	\$7,039,535	13%
Deferred Developer Fee	\$1,954,066	4%
GP/MM Capital Contribution	\$2,350,000	4%
HDAP: Other	\$4,000,000	7%
Seller Note	\$7,500,000	14%
Interest Income	\$1,137,500	2%
Interim Income	\$1,000,000	2%
Total Permanent Sources	\$53,882,206	100%