



# Youngtown Workforce Housing Town Council Presentation

April 20<sup>th</sup>, 2023

# ABOUT US

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- Ulysses Development Group (“UDG”) was founded in 2021 and is a mission-driven developer, preserver, and owner of workforce housing nationwide
- UDG’s principals and development staff have considerable experience in attainable housing and development, on an institutional and national scale
- UDG maintains a strong organizational balance sheet with a high level of liquidity, to effectively fund ongoing development activities taking place across the organization’s development pipeline
- UDG has extensive and deep relationships with lenders, financial partners, and tax credit equity investors
- By leveraging these existing relationships, UDG can efficiently source capital for the acquisition and construction of affordable housing on a national scale
- UDG has developed close working relationships with housing authorities, non-profits, and governmental agencies nationwide

# OUR NEW CONSTRUCTION COMMUNITIES

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- UDG has several new construction communities that have either already broken ground or are projected to close by Q1 2024 in the following cities & states:
  - Phoenix, Arizona
  - Reno, Nevada
  - Castle Rock, Colorado
  - Parker, Colorado





# RIDGE

*At Sun Valley*

Reno, NV



- Ridge at Sun Valley is a 195-unit development located in Reno, NV
- Construction commenced in January 2023 Units will be restricted to 60% AMI and will be delivered in 2024-25
- USBank is providing federal LIHTC equity and construction financing
- Stonehenge is providing State LIHTC equity
- Citibank is providing permanent financing
- The State of Nevada is providing \$28.5 million of Home Means Nevada Initiative financing

# THE MEADOWMARK

Castle Rock, CO

- Meadowmark Apartments is a 200-unit senior development located in Castle Rock, CO, and broke ground in April 2023
- Units will be restricted to 30-70% AMI and will be delivered in 2025
- UMB and BOK provided federal LIHTC equity through Raymond James and construction financing
- Berkadia is providing Freddie Mac permanent debt
- The State of Colorado Housing Board has committed \$6 million of subordinate financing to the development
- Douglas County Housing Partnership provided \$35 million of private activity bonds and is serving as a Special Limited Partner on the development





# HARVEST HILL

Broomfield, CO

- Harvest Hill Apartments is a 152-unit family development located in Broomfield County, located ¼ mile from RTD's Broomfield Station, with access to downtown Denver and Boulder
- All entitlements will be in-place in April 2023 and UDG will be submitting the development to CHFA's 2023 STC round
- Units will be restricted to families earning 30-60% AMI
- Broomfield's new housing authority, the Broomfield Housing Alliance, will serve as Special Limited Partner and will commit financial resources
- UDG worked with City, County, and Local Leaders to successfully rezone the property for workforce multifamily housing
- Groundbreaking is anticipated for Q1 2024



# Osprey Sound Apartments

Orlando, FL

- Osprey Sound Apartments is a potential 294-unit senior development in Orlando, FL
- UDG has worked with the community and county leadership over the past 18 months to undertake a master comprehensive plan amendment and rezoning in Orange County, as well as undertake significant environmental work to receive wetland impact permits from the County and State
- The development received an FHFC bond inducement in early 2022







# SALT RIVER FLATS

Phoenix, AZ

- Salt River Flats is a 192-unit development located in Phoenix, AZ and broke ground in October 2022. Units are restricted to 60% AMI and will be delivered in 2024.
- Enterprise provided LIHTC equity
- Pacific Western Bank provided construction and permanent financing
- Maricopa County committed \$3 million of ARPA funds and the State committed \$2 million of State Housing Trust Funds to support the development





# 12th Street Apartments

Phoenix, AZ

- 12th Street Apartments is a 126-unit family development located in Phoenix, AZ and is scheduled to break ground in Q3 2023
- Units will be restricted to 60% AMI and will be delivered in 2025
- The State of Arizona has committed \$4.2 million of State Funds to the development, as well as an additional \$3.8 million of HOME funding
- The City of Phoenix and Maricopa County are also currently assessing providing additional subordinate financing
- UDG is currently sourcing LIHTC equity and construction / permanent debt



# OUR OPERATING COMMUNITIES

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UDG has also acquired and is working to rehabilitate several properties in various states (described below):

1. Bell Ridge Phase I, Pace, Florida – (122 units) UDG acquired the property in December 2021, changed management agent, and commenced a capital improvement plan. Upon permanent financing UDG will extend affordability for 35 years



2. Citrus Glen, Orlando, Florida – (272 units) UDG acquired the property in October 2021 and has a financing award from Florida Housing Finance Corporation (FHFC) for a \$40,000 per unit (\$10.9mm) renovation. UDG is committing to extend affordability for 40 years upon start of renovation



# OUR OPERATING COMMUNITIES

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3. Orchard Walk, Decatur, Georgia – (204 units) UDG acquired the property in October 2022. UDG purchased the asset from an owner that was failing to invest in the property. UDG replaced the manager and is investing over \$500,000 of our own capital into improving the facilities, grounds and security.

4. Kings Point, Aurora Village, and University Plaza, Colorado – UDG acquired the portfolio in March 2022 from a family who could no longer operate the property appropriately. UDG brought in institutional management, is undertaking a capital improvement plan and worked with HUD to extend affordability by 20 years.





# OUR OPERATING COMMUNITIES

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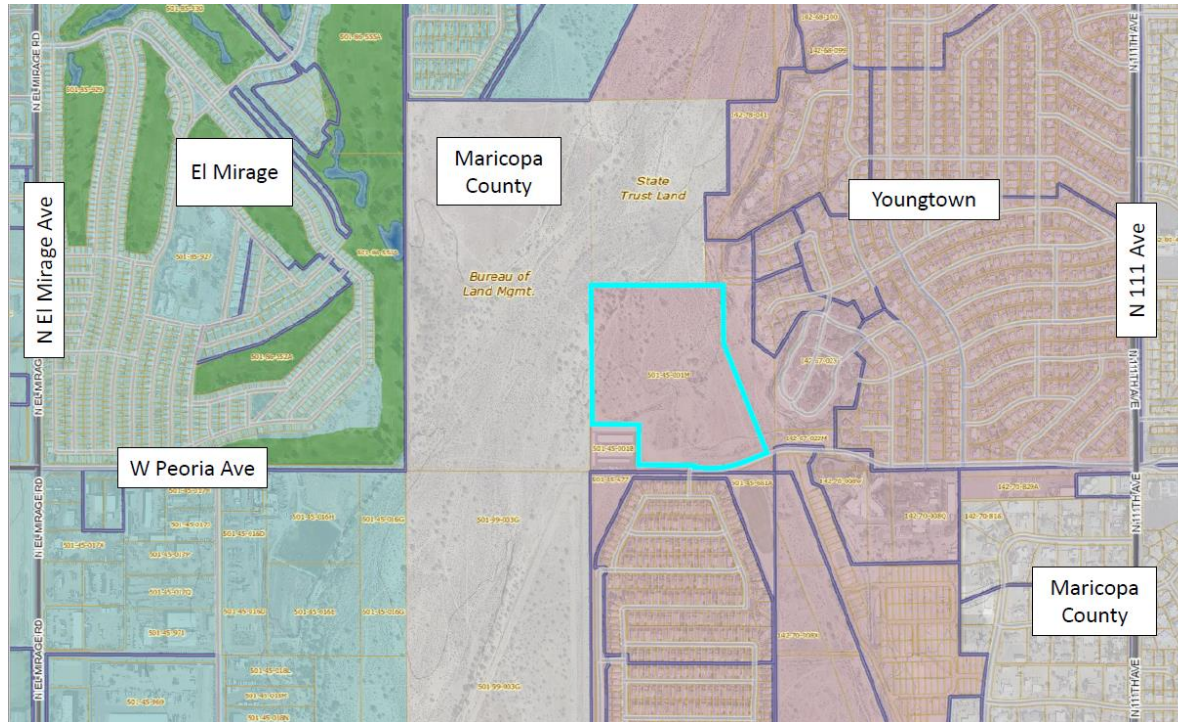
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# YOUNGTOWN WORKFORCE DEVELOPMENT

# SITE OVERVIEW

- The site is located at the NWC of W Peoria Avenue and N 115<sup>th</sup> Drive
- The site totals approximately 28.86 acres and is currently zoned for Rural District
  - Our goal is to undergo a Major General Plan Amendment and rezone the site to R-1 with a Planned Area Development (“PAD”) Overlay, which will allow for a multi-family development





# SITE OVERVIEW

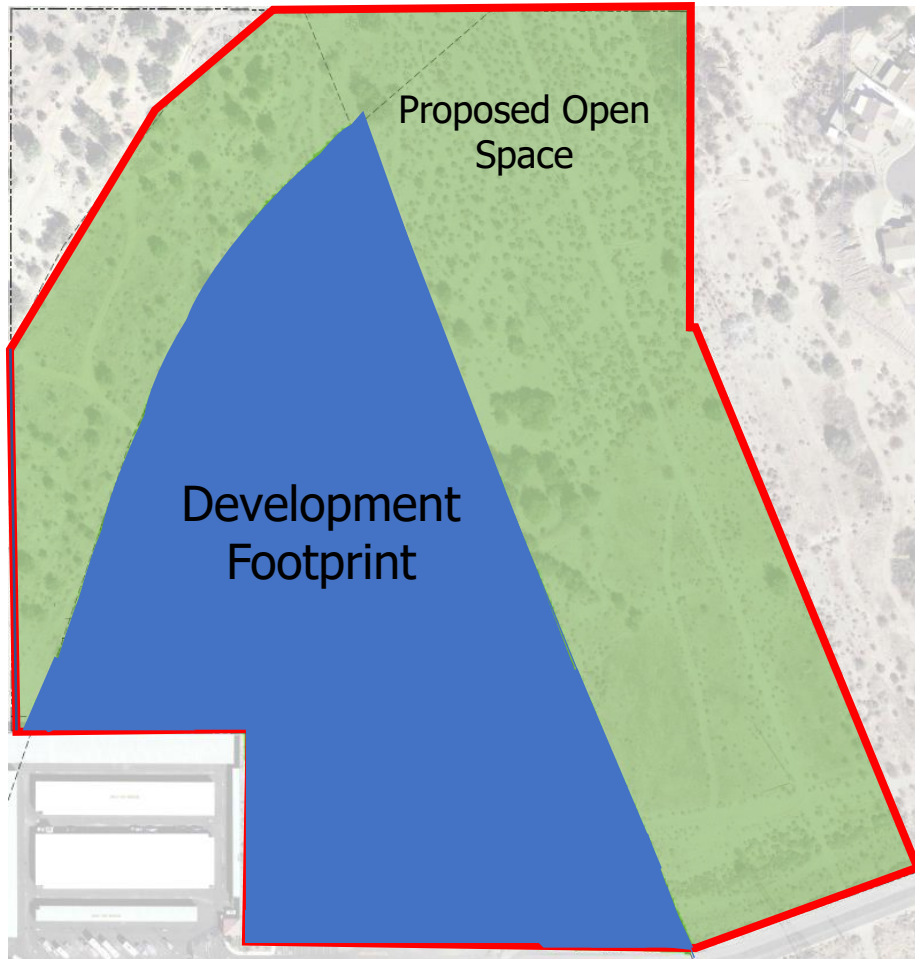
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- The full development site is approximately 28 acres, as outlined in the shaded green area on the left

# SITE OVERVIEW

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- The blue area represents the proposed development footprint of approximately 15 acres
- UDG proposes that the space in green remain as open space in connection with the planned regional park

# PROPOSED DEVELOPMENT PLAN



- This site plan reflects 312 total units across 13 garden-style residential buildings with amenities including a clubhouse, pool, fitness center, business center, children's play area, and surface parking
- The 12 eastern acres of the site shaded in light green will be left as open space and developed in connection with the new regional park planned by the Town
- Additionally, UDG has been working closely with Town Staff to undergo site access and roadway improvements



# PROPOSED DEVELOPMENT PLAN

- Ulysses is contemplating approximately 312 workforce housing units, developed in two phases
  - The units will be spread across 13 garden-style residential buildings
  - Amenities will include a clubhouse, pool, fitness center, business center, children’s play area, surface parking and direct pedestrian access to the Town’s planned regional park along the eastern property line
- Units are anticipated to be set aside for individuals earning up to 80% of AMI, with an average AMI of 60% across the development. The final AMI set-asides will be determined prior to financial closing.
- Below is the unit mix, for each of the two phases:

PRO FORMA - PHASE I				
Bedrooms	Bathrooms	Mix %	Units	SF
1.0	1.0	28%	54	655
2.0	2.0	44%	84	906
3.0	2.0	19%	36	1,160
4.0	2.0	9%	18	1,358
<b>TOTAL</b>		<b>100%</b>	<b>192</b>	

PRO FORMA - PHASE II				
Bedrooms	Bathrooms	Mix %	Units	SF
1.0	1.0	10%	12	655
2.0	2.0	45%	54	906
3.0	2.0	35%	42	1,160
4.0	2.0	10%	12	1,358
<b>TOTAL</b>		<b>100%</b>	<b>120</b>	

# PROPOSED DEVELOPMENT PLAN

- Below are two tables outlining the maximum income levels and allowable rents for each unit type
  - These figures are for 2022 and are based on HUD methodology
  - UDG anticipates units being restricted at levels between 40-80% AMI, but will average to no more than 60% across all units

AMI & INCOME LIMITS			
Bedrooms	Bathrooms	Area Median Income (AMI)	Upper Income Limit
1.0	1.0	40%	26,520
2.0	2.0	40%	31,800
3.0	2.0	40%	36,740
4.0	2.0	40%	41,000
1.0	1.0	50%	33,150
2.0	2.0	50%	39,750
3.0	2.0	50%	45,925
4.0	2.0	50%	51,250
1.0	1.0	60%	39,780
2.0	2.0	60%	47,700
3.0	2.0	60%	55,110
4.0	2.0	60%	61,500
1.0	1.0	70%	46,410
2.0	2.0	70%	55,650
3.0	2.0	70%	64,295
4.0	2.0	70%	71,750
1.0	1.0	80%	53,040
2.0	2.0	80%	63,600
3.0	2.0	80%	73,480
4.0	2.0	80%	82,000

AMI & LIHTC RENT LEVELS			
Bedrooms	Bathrooms	Area Median Income (AMI)	LIHTC Rents
1.0	1.0	40%	663
2.0	2.0	40%	795
3.0	2.0	40%	918
4.0	2.0	40%	1,025
1.0	1.0	50%	828
2.0	2.0	50%	993
3.0	2.0	50%	1,148
4.0	2.0	50%	1,281
1.0	1.0	60%	994
2.0	2.0	60%	1,192
3.0	2.0	60%	1,377
4.0	2.0	60%	1,537
1.0	1.0	70%	1,160
2.0	2.0	70%	1,391
3.0	2.0	70%	1,607
4.0	2.0	70%	1,793
1.0	1.0	80%	1,326
2.0	2.0	80%	1,590
3.0	2.0	80%	1,837
4.0	2.0	80%	2,050

# WHAT IS WORKFORCE HOUSING?



# WHAT IS WORKFORCE HOUSING?

- Income Restricted
  - This is housing intended for middle-income workers that provide the foundation for local businesses who cannot afford high-end housing
    - These workers must make 2.5x the monthly rent and pay their full rent each month like any luxury/market-rate multifamily community
- Who would live here?
  - First Responders
  - Luke AFB
  - Law Enforcement
  - Healthcare Workers
  - Teachers
  - Local Business Workers
  - Owners & Employees

Sun City Salaries		
Ambulance Paramedic	Police Officer	Firefighter
\$ 46,709	\$ 60,600	\$ 61,660
Certified Nursing Assistant	Irrigation Technician	EMT
\$ 45,914	\$ 43,827	\$ 36,151
Maricopa County Average Salaries		
Dispatcher	Food Services Worker	Deputy Sherrif
\$ 41,600	\$ 42,806	\$ 60,320
Maricopa Unified School District Teacher Average Salaries		
Physical Education Teacher	Kindergarten Teacher	Middle School Teacher
\$ 38,620	\$ 43,560	\$ 44,150

# WORKFORCE HOUSING CLARIFICATIONS

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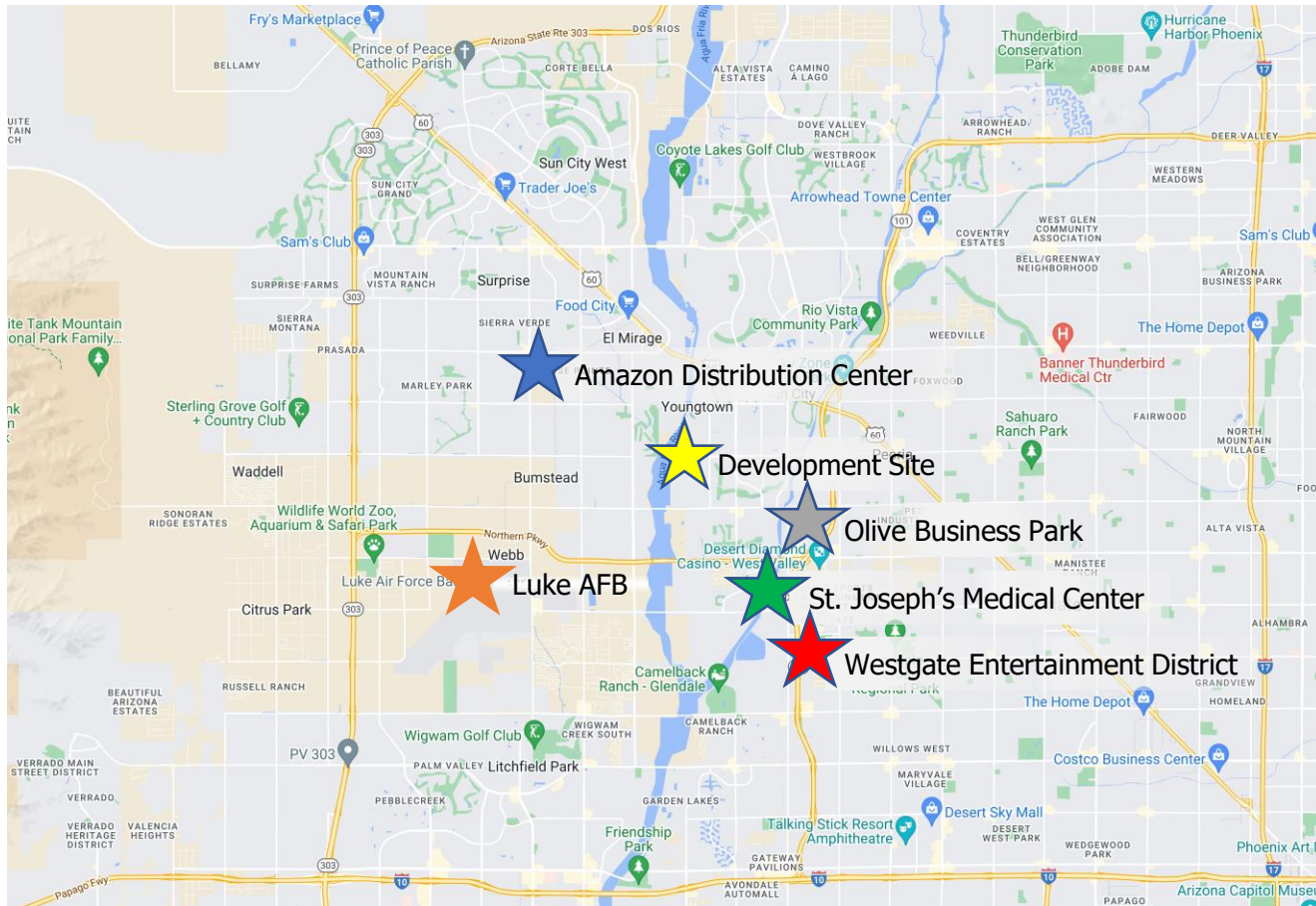
- Workforce housing is **not** the same as Section 8 and is not funded by taxpayer dollars
  - Section 8 development ended in 1983
  - Attainable housing utilizes the sale of tax credits and is financed through capital markets in the private sector
- Qualifying to live at an affordable property requires a more thorough background, income, and credit check than a mortgage
- The government does **not** subsidize resident rent
  - Residents must pay the full rent of the unit and must earn at least 2.5x the monthly rent
- The proposed development will reduce current vagrancy and prevent future vagrancy on site
  - UDG will be including security features on the site which will improve safety and security throughout Youngtown
- Multifamily developments typically generate less traffic than a single-family community of similar size, according to traffic engineering models
  - UDG will be contributing to necessary infrastructure to support the housing community and its neighbors

# WHY WORKFORCE HOUSING?

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- Arizona ranks as the 4<sup>th</sup> worst state for attainable housing
  - There are only 26 workforce/available rentals for every 100 middle-income households
- With 200 new residents per day moving to Maricopa County and 50% of jobs in Arizona paying less than \$15 per hour, market rate units have become unaffordable for many
  - Approximately 31% of Maricopa County residents are rent burdened, which is defined as households devoting more than 30% of income to housing costs
- Specifically in the West Valley, the average per unit rent is \$1,526, with a year-over-year increase of 21.9%
  - The median household income in the West Valley is \$63,528, meaning that the average household is paying 30% of their income towards housing costs
  - As the average per unit rent continues to increase year over year, the number of cost-burdened households will rise

# WHY YOUNGTOWN?



- Youngtown is well-situated in the West Valley, making it a prime location to provide one solution to the ongoing housing challenges in the region, while also ensuring Youngtown's economic competitiveness going forward.

# COMMUNITY BENEFITS

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- Parks & Open Space
  - UDG is committed to working with Town leadership to evaluate options for making a significant portion (approximately 12 acres) of our site available for the planned park and coordinate with the construction of the regional park improvement
- Traffic & Parking
  - UDG is committed to working with Town leadership, the adjacent storage facility, and the Agua Fria Ranch HOA to improve access and Peoria Avenue including:
    - Access improvements to the proposed development, the storage facility, and the HOA
    - The rerouting of current and future traffic around the HOA on a newly-constructed “wrap road” which will also provide significantly improved access for emergency vehicles
- Security
  - UDG will prioritize safety and security to deter vagrancy along the Agua Fria River
    - The property will include security cameras and patrol, perimeter walls, and other security features to ensure the safety of the residents and neighbors



# ON-SITE PARKING

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- UDG will meet or exceed all parking requirements by maximizing continuous and widespread parking throughout the site
  - A total of 512 parking spaces will be provided, which includes 62 guest spaces, 28 spaces that are ADA compliant, and an additional 10' x 30' loading zone.
  - Overall, the development provides 1.64 parking spaces per unit (including guest spaces)
- The table below shows the proposed development parking space requirements:

Youngtown Proposed Development		
Bedrooms	Multiplier	Total Spaces
1.0	1.5	66
2.0	1.5	207
3.0	2	117
4.0	2	60
Guest	N/A	62
<b>TOTAL</b>		<b>512</b>

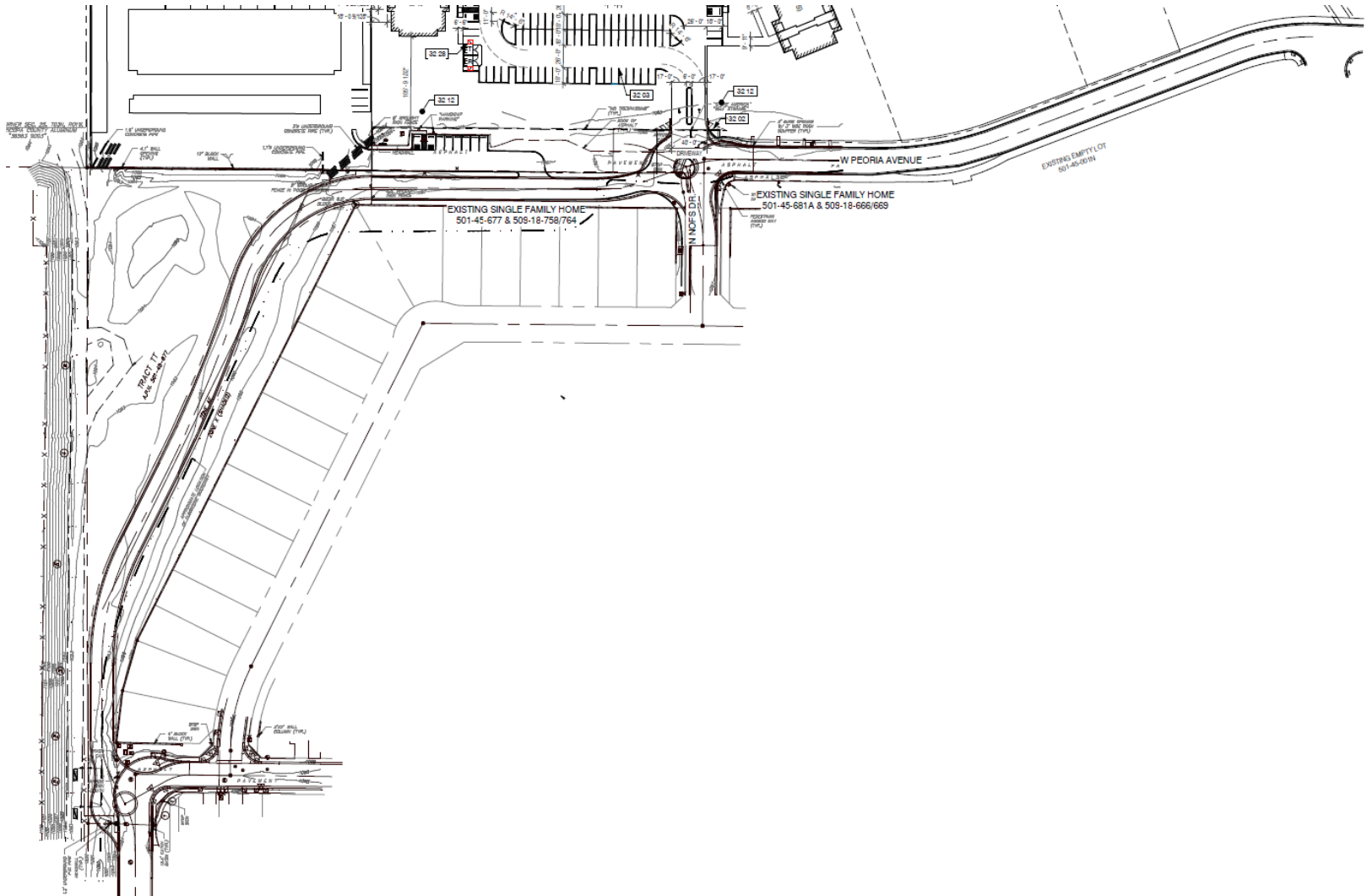
- There were also developments in the Phoenix/Glendale area that were approved with parking requirements lower than the standard, including:
  - Glendale, AZ – Centerline at Glendale (368 Units – Gorman & Company) – Glendale’s development standard requirement was 689 spaces, but the development was approved for a total of 488 spaces (1.32 parking spaces per unit)
- Additionally, a 2020 study in Denver, Colorado found that income-restricted properties in the city provide (on-average) 50% more parking than is used by residents

# PROPOSED ROUDABOUT & WRAP ROAD DESIGN

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- The neighborhood's current design does not adequately meet daily and emergency traffic flows
- As part of the development, we are currently pursuing two major off-site improvements to enhance the traffic flow along Peoria Avenue:
  1. Adding a roundabout at the intersection of Nofs Dr and Peoria Ave to improve access to the neighboring developments
  2. Construction of a Wrap Road that will redirect traffic from inside Agua Fria Ranch to alongside the West side of Agua Fria Ranch
- Primary reasons for these improvements include:
  - Provide a convenient entrance to our community
  - Provide a new, accessible entrance to Agua Fria Ranch
  - Prevent existing traffic and traffic from new development (including LGI Homes and UDG) from cutting through Agua Fria Ranch

# PROPOSED PEORIA AVE WRAP ROAD EXTENSION



# WRAP ROAD: TRAFFIC & NOISE CONSIDERATIONS

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- A new wrap road will take traffic currently cutting through Agua Fria Ranch off the HOA's streets, reducing neighborhood noise and increasing road safety
- The wrap road will also serve as a new southbound route for traffic from communities under construction, such as Ridgeview, a neighboring development of 125 single-family detached houses from LGI Homes, and UDG's proposed workforce community
- Multifamily developments typically generate fewer vehicle trips than single family home developments.
  - For example, on weekdays single-family detached homes such as those in the nearby Ridgeview community, tend to make on average 40% more automobile trips than a multifamily unit in the proposed development, according to traffic engineering model standards
- We are reviewing existing traffic counts and anticipate gathering new traffic counts for current cut-through traffic and will determine how much cut-through traffic the wrap road will eliminate
- Noise
  - UDG will prioritize noise attenuation along the wrap road to ensure the houses along the road don't experience significant noise increases
    - Wrap road will be lower than the existing ground
    - Speed control, landscaping, or the construction of an additional wall/sound barrier fencing, with minimal impact on existing view corridors
    - UDG can also undertake acoustical testing for current levels of traffic through Agua Fria Ranch and projected noise levels for traffic on the wrap road

# NEXT STEPS

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- We are continuing with the design of traffic curbs and modeling to optimize access and mitigate traffic flows, particularly for current cut-through traffic and emergency vehicles
- We are working with our civil engineer and the Town for a more refined noise mitigation proposal, in addition to what we have gathered already
- We anticipate having updated site plan and wrap road design after today and future discussions with the Town



# CONCLUSION

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- This development will create safe workforce housing, enhancing Youngtown's economic competitiveness and bridge the considerable gap for attainable housing, on both a state and local level.
- The construction of a continuous perimeter wall surrounding the property, in conjunction with security cameras and proper lighting will create a strong deterrent for vagrancy and crime
- Due to the nature of the site and developable area, this community will improve the availability of community open space, further improving the lifestyle and quality of life for residents, and pioneer the path forward for quality, sustainable workforce housing for the region
- UDG will prioritize alleviation of traffic and noise within the Agua Fria Ranch community
- We are committed to open, transparent and productive dialogue with Town leadership and the community to ensure alignment of our goals and values.

FOR MORE INFORMATION, PLEASE CONTACT:



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