

Ulysses Development Group

Youngtown Council Meeting

February 2nd, 2023



L – R: UDG Partners Yoni Gruskin and Connor Larr; Maricopa County Chairman Bill Gates; Phoenix Mayor Kate Gallego; Councilmember Carlos Garcia; ADOH Asst Deputy Director Ruby Dhillon-Williams

INTRODUCTION

- Ulysses Development Group LLC (“UDG”) is a Denver-based developer of workforce and affordable housing nationwide, capitalizing on current dynamics in the national housing market
- UDG’s staff has considerable development experience on an institutional and national scale



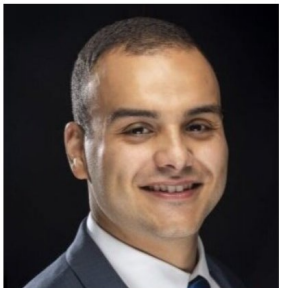
Yoni Gruskin, Managing Partner

Yoni Gruskin is the managing partner of UDG. Prior to founding UDG, Yoni was a founder and partner at Lincoln Avenue Capital, a nationally prominent owner and developer of affordable housing. Under Yoni’s leadership, he helped oversee the acquisition and preservation of over 11,000 affordable housing units. Prior to that, Yoni had experience at the Related Companies and Citigroup in New York City. Yoni is a Denver native and graduate of the University of Pennsylvania.



Connor Larr, Partner

Connor Larr is a partner of UDG. Prior to helping Yoni found UDG, Connor served as a vice president at the Related Companies in New York City, overseeing all aspects of ground-up development across various asset classes in and around the NYC metro area, totaling over \$4 billion in development and acquisitions. Prior to his time at Related, Connor started his career at Citigroup. Connor is a graduate of Johns Hopkins University.

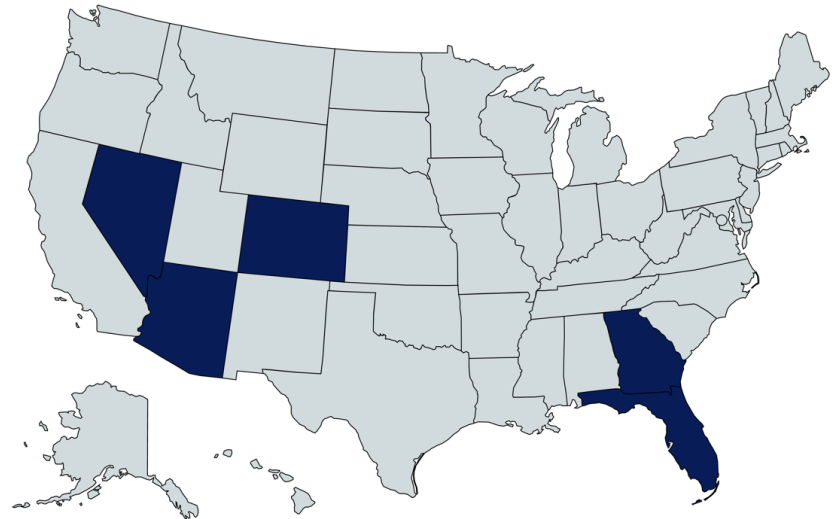


Ahmed Abdelhameed, Senior Associate

Ahmed Abdelhameed is a Senior Associate at UDG. Prior to joining UDG, Ahmed worked for Dominion and Denver-based Zocalo Community Development, having been responsible for the acquisition and construction of over 1,900 units totaling \$350 million in development costs.

ACTIVE PURSUITS

- UDG is active in markets with a pressing need for new, quality affordable housing, including Denver, Phoenix, Orlando, and Reno
- UDG currently has seven sites under contract in Orlando, Phoenix, Reno, and Denver representing approximately 1,400 units of new LIHTC development
- In addition to new unit pursuits, UDG has acquired 782 LIHTC units in Florida and Colorado and is currently under construction on 192 LIHTC units in Phoenix and 195 LIHTC units in Reno, Nevada



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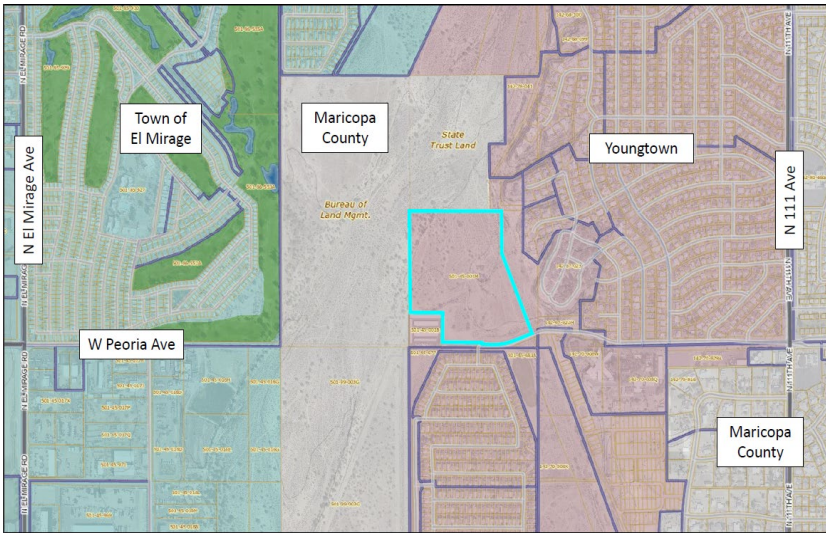
PHOENIX EXPERIENCE

- On September 14th, 2022, UDG closed on its first new construction development in Phoenix, called Salt River Flats
- Salt River Flats consists of 192 workforce units. All units are set at or below 60% Area Median Income (AMI). These are units specifically designed to accommodate middle-income workers whose household earnings are between \$30,000 to \$62,000
 - For example, the affordable rent for a 2-Bedroom unit would be \$1,192 per month
- The Arizona Department of Housing (ADOH) and Maricopa County are important partners who provided funding to make these workforce homes feasible



SITE OVERVIEW

- The site is located at the NWC of W Peoria Avenue and N Nofs Dr
- 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



PROJECT PROGRAM

- 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 West 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
- Below is the unit mix and maximum income levels / allowable rents that can be charged
 - These incomes are the maximum a resident can make and qualify, but individuals making less can still qualify so long as they meet all criteria
 - These figures are for 2022 and increase annually – we expect these numbers to be higher by the time this development would begin lease-up

UNIT MIX		
Bedrooms	Bathrooms	Units
1.0	1.0	66
2.0	2.0	138
3.0	2.0	78
4.0	2.0	30
TOTAL		312

AMI & INCOME LIMITS / RENT LEVELS				
Area Median Income (AMI)	Upper Income Limit	Restricted Rents	Market Rate Rents	Rent Difference
60%	39,780	994	1,541	547
60%	47,700	1,192	1,900	708
60%	55,110	1,377	2,200	823
60%	61,500	1,537	2,445	908
80%	53,040	1,326	1,541	215
80%	63,600	1,590	1,900	310
80%	73,390	1,837	2,200	363
80%	82,000	2,050	2,445	395

WHAT IS WORKFORCE / AFFORDABLE HOUSING?

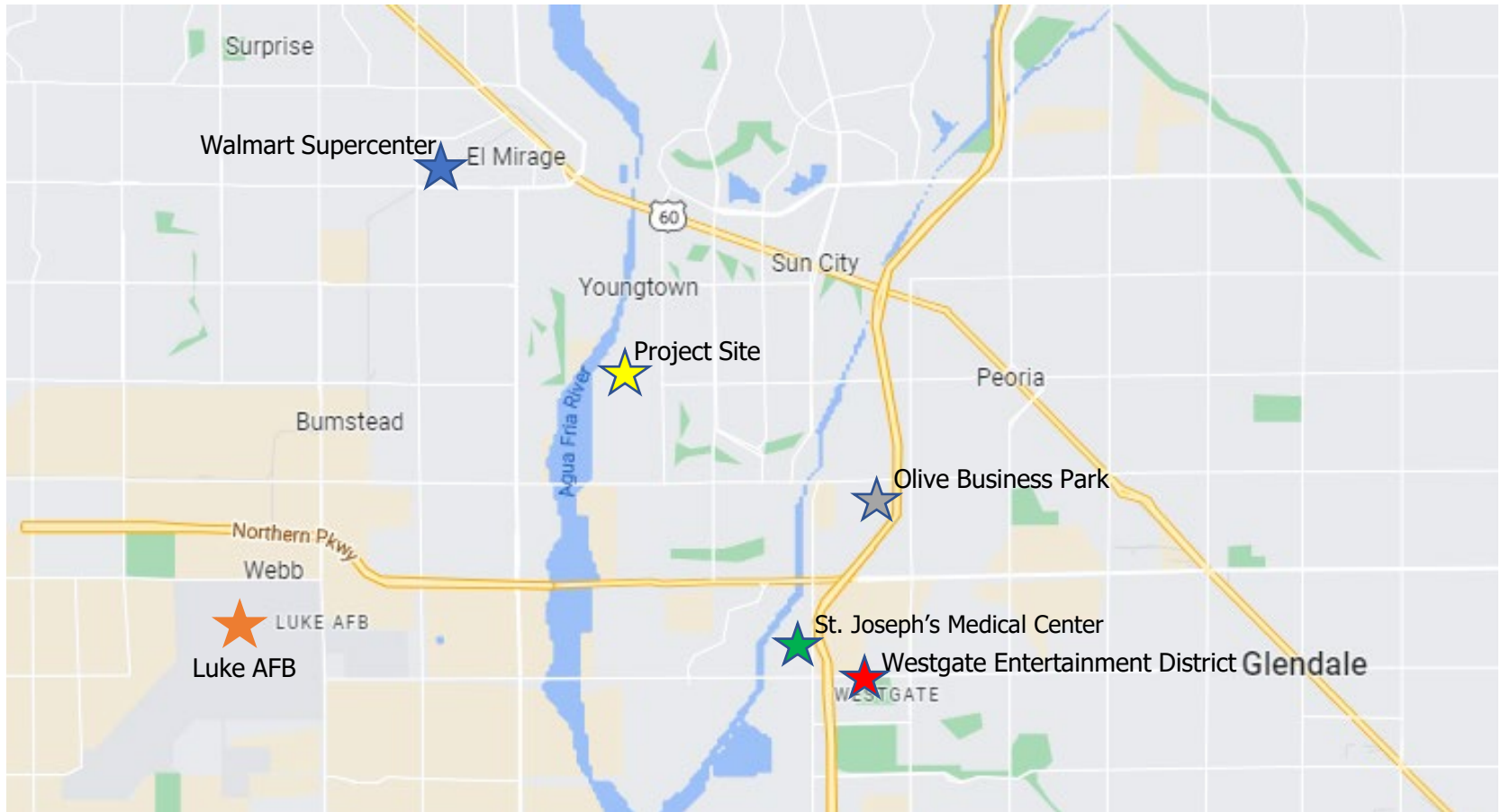
- Income Restricted
 - This is housing intended for middle-income workers that provide the foundation for local businesses who cannot afford high-end housing
 - These workers must make 2.5x the monthly rent and pay their full rent each month like any conventional multifamily community
- Who would live 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

WHY WORKFORCE / AFFORDABLE HOUSING?

- Arizona ranks as the 4th worst state for affordable housing
 - There are only 26 affordable/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?



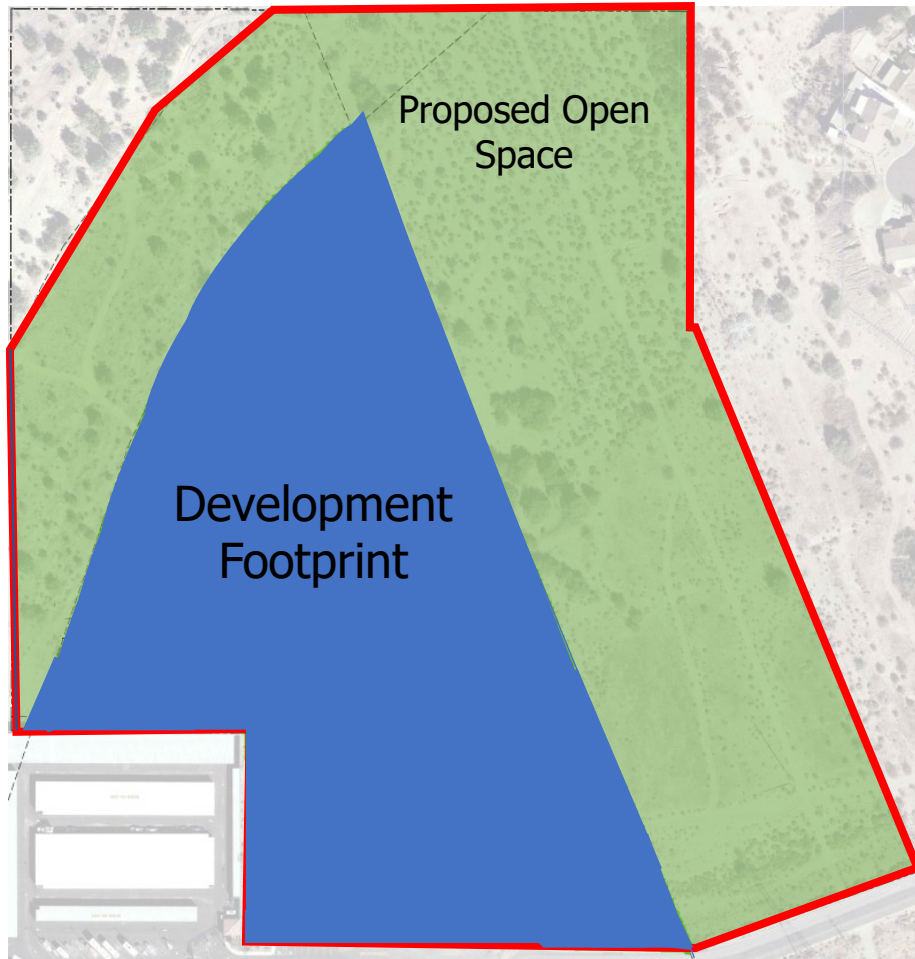
- Youngtown is well-situated in the West Valley, making it a prime location to provide one solution to the ongoing housing challenges in the region, while also ensuring Youngtown's economic competitiveness going forward.

SITE OVERVIEW



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

SITE OVERVIEW



- 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

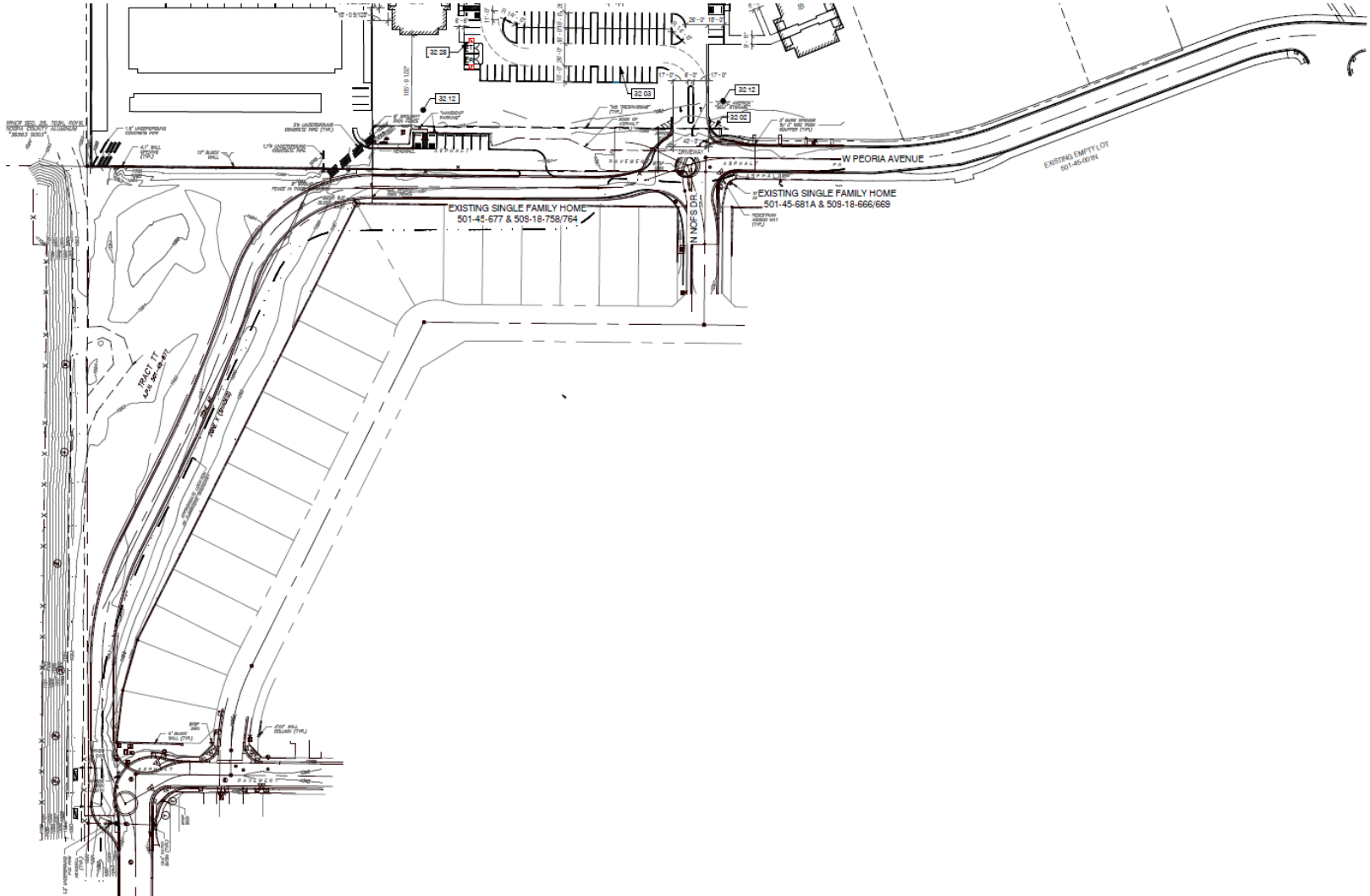


- This site plan reflects the 13 garden-style residential buildings and a clubhouse with amenities
- The eastern portion of the site shaded in light green will be left as open space and developed in connection with new regional park planned by the Town
- UDG has coordinated with Kimley Horn to ensure site planning efforts do not conflict with the planned regional park

PROJECT BENEFITS

- Parks & Open Space
 - UDG is committed to working with Town leadership to evaluate options for making a portion of our site available for the planned park and coordinate with the construction of the regional park improvements
- Traffic
 - UDG is committed to working with Town leadership, the adjacent storage facility, and the Agua Fria Ranch HOA to improve site access and Peoria Avenue including:
 - ✓ Access improvements to the proposed development, the storage facility, and the HOA
 - ✓ The rerouting of traffic around the HOA on a newly-constructed “wrap road” which will also provide significantly improved access for emergency vehicles

PROPOSED PEORIA AVE EXTENSION



CONCLUSION

- We believe this project will enhance Youngtown's economic competitiveness and bridge the considerable gap for affordable housing, on both a state and local level
- Due to the nature of the site and developable area, this project will also 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 affordable housing for the region
- 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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