

## Project Information

The project, known as Tefft Meadows Apartments, is located in the Village of Marcellus, Onondaga County, 8 Paul Street, 13108. The project is an affordable senior housing project that will include 60 one-bedroom units to serve adults 62 and older. The project has entered into an agreement with PACE CNY to provide services to any eligible household in order to allow residents to age in place. The agreement is included as Attachment A along with a description of services. Services are funded by Medicaid/Medicare. The project has applied for Project Based Vouchers to provide rent subsidies for 18 units. The project will be required to request and undergo a Subsidy Layering Review. Correspondence with HUD indicates that NYSHCR is the agency to perform the SLR. The project will serve households from 30% AMI up to 60% AMI. The project is located in a quiet, residential setting.

## Project Design and Scope of Work

Tefft Meadows Apartments will include new construction of 60 one-bedroom units on a single site of land. The project will be designed using an aging in place model concept and include construction of a single two-story 57,645 (+/-) square foot, 60 one bedroom (average 730 square feet each), 100% residential building with a centrally located elevator. The project does not include a superintendent unit. The project will include 6 units (10%) that are accessible to households with a mobility impairment and 3 units (4%) for individuals with a hearing and vision impairment. ARISE has entered into a service and referral agreement for the 6 accessible units and the three hearing and vision units. The remaining 51 units are designed to be easily adaptable to allow residents to age in place. Design features that promote an aging in place model include: a centrally located elevator, handrails on both sides of the hallway, roll in showers and grab bars in all units, easily adjustable/removable cabinetry, wide hallways and doorways, non-slip surfaces, lever handles, improved lighting, no step entries, contrasting colors and finishes for greater depth, Call for Aid system, trash room door openers and a plan to provide a variety of services to the residents. The design also includes a community room and a multi-purpose room where exercise classes, fall prevention workshops and other wellness activities can be held. Amenities in the senior building will include: community room, common laundry facilities, trash rooms on each floor, building wide Wi-fi, manager and support service offices, outdoor patio and seating spaces, and PACE CNY will provide a variety of social, health and wellness, medical, and transportation services for the residents.

Heat, air conditioning and water are included; the tenant pays their own electric. Cable, internet, and phone hookups will be installed in each apartment and building wide Wi-Fi is being installed as part of the project. Broadband internet will be available to the tenants. There will be sixty-nine (69) open parking spaces on site, available only to the tenants, their visitors, and project staff. There will be three EV charging stations. It is anticipated that fewer than 50% of the senior residents will own cars.

Tefft Meadows Apartments will be constructed of wood frame with cement board factory finish siding, wood frame floor system, epdm roofing system over code compliant rigid insulation with a standing seam metal roof and poured concrete slab on-grade foundation. The project will be energy efficient, include all energy star appliances and will meet the optional NYSEDA New Construction-Housing Program 30% threshold (Carbon Neutral & Health) requirements in addition to the other mandatory criteria funders require. The project has engaged Sustainable Comfort, a RESNET certified energy consultant, to assist with meeting the energy criteria. The project will meet all the benchmarking requirements of funders. The project will be smoke free. Smoking will only be permitted in designated smoking areas that meet the requirements of the smoking rules of NYSHCR and any other funding sources/green criteria requirements for the project. A passive radon mitigation system and integrated pest management system will be installed per current

guidelines. Materials and finish selections were chosen based on durability, marketability, energy efficiency and with the needs of the population in mind to promote efficiency in management costs.

### **Site Information**

The site is a 6.5-acre parcel of land on an old lumber yard that is currently owned by 8 Paul Street, LLC. There are seven existing buildings on the site, plus a garage, that will require demolition. An asbestos survey was engaged from Churchill Environmental and the report has been shared with the design and construction teams. Nine Mile Creek borders the site to the east. Site control by the applicant (Christopher Community) is established by a Purchase Option that is good until December 30, 2022. The option may also be extended as agreed upon by both parties. Site acquisition will be paid for through LIHTC equity. There are no deed restrictions. Legal title will be transferred to a To Be Created HDFC who will pass beneficial ownership rights to a To Be Created L.P. Site acquisition will be paid for using funds from LIHTC equity. All necessary zoning and public approvals have been granted by the Village of Marcellus including Site Plan approval and approval of the SWPPP plan. There were no zone changes required for the project. A use variance was granted by the Zoning Board for a reduction of 21 parking spaces. A Phase I Environmental Site Assessment was conducted by C&S Engineering and did identify recognized environmental conditions at the proposed site, so a Phase II was conducted. Recommendations include managing historic fill material (HFM) per local, state, and federal regulations and to develop a Soil Management Plan for any HFM to remain on site. More information is outlined in Exhibit E-3 of the application. Kenney Geotechnical Engineering was engaged to provide geotechnical investigation for the proposed project site. Field work was performed in early December 2021. The report has been shared with the design and construction teams. The project will be subject to NEPA review and is aware of FHTF site prohibitions. The project received a letter of no effect from SHPO.

The site shows a proposed 20-foot-wide walkway easement that extends from Paul St. to Tefft Meadows' property line adjacent to the creek. The Village requested this during discussions about the project and how it could be connected to the Village in a wholistic way. The easement would provide the Village the right of way to extend the existing Creek walk through the property and connect with Paul St. at the Village's expense. The Onondaga County Planning Board also made the recommendation upon review of plans that "Given the proximity to community assets such as the Marcellus Free Library and the Nine Mile Creek, the applicant is encouraged to consider connections between the property and these assets, potentially collaborating with Upper Crown Landing Apartments." The easement will provide a more community-oriented project.

### **Project location and market information**

The project is located at 8 Paul Street in the Village of Marcellus. The surrounding area is a mix of residential neighborhood and local businesses. Route 174 is the North/South transportation corridor through the Village of Marcellus. The site is located across the street from CS Driver Middle School and KC Heffernan Elementary School and is located just over ½ mile from North Street (174), a major corridor that offers restaurants, a grocery store, post office, gas station, medical offices, and other services. The project is within a short walking distance to Marcellus Free Library. PACE CNY has entered into an agreement to provide services to eligible residents. PACE will provide services and/or access to service coordination, home aides, personal care attendants, skilled nursing, nutrition services, palliative care, wellness activities (coordinated in the building's wellness room), adult day program, social day program, outpatient therapy services and transportation to medical appointments, grocery stores, pharmacies, retail stores, banks and entertainment venues.

The estimated overall capture rate for the project in 2022 is 6.1% and penetration rate is 3.0% according to a housing market study performed by Asterhill Research Company. In 2022 there is an estimated demand for 1,006 rental units.

Among comparable properties, occupancy rates have averaged 100% for the past 6-12 months with zero vacancies furthering the evidence that there is an unmet demand. Affordability in the PMA is also a concern as 39% of renters are considered overburdened (paying more than 30% of their income in rent). It is projected that the senior population within the PMA will increase by 18% through 2030. Within the Village and Town of Marcellus only two senior housing projects exist: Nine Mile Landing (28 units) and Upper Crown Landing (24 units) both built before 2001.

Christopher Community has experience with developing and managing senior housing in Onondaga County. Christopher Community developed and currently manages 29 senior housing projects in Onondaga County. Harborbrook Apartments is the most recent senior housing project built in 2018. Harborbrook is a 60 unit building with 20 ESSHI units set aside for frail elderly and persons with physical disabilities and/or TBI who are currently, or within the past 12 months were, residents of a nursing home and who have Medicaid insurance.

### **Project Financing Information:**

This application requests an allocation of LIHTC, SLIHC, and Federal Housing Trust Fund (FHTF) funds from HCR to complete the financing package. Construction will be financed by a \$11,920,000 loan, \$4,675,575 in LIHTC equity paid during construction, \$995,800 in SLIHC equity paid during construction, and \$1,896,351 in deferred development fees, reserves and working capital costs. The project's permanent financing sources include \$11,573,400 in LIHTC equity, \$2,432,000 in SLIHC equity, \$4,042,296 in FHTF, a \$240,000 NYSERDA grant, a \$1,163,200 permanent loan, and \$36,830 in deferred developer's fee. The project is currently negotiating a PILOT between the Town of Marcellus, Village of Marcellus, Marcellus School District, and Onondaga County. The project has entered into an agreement with PACE CNY to provide services to households that qualify. PACE receives Medicaid funding to fund the support services.

**Development Team:** Christopher Community, Inc. as the not-for-profit applicant, developer, owner and management agent will be responsible for completing all key project development tasks, including site acquisition, construction supervision, loan closings, organizational filings, marketing, rent-up, and operations management. Byrne, Costello & Pickard will provide legal representation to the project and will complete all loan closings, acquisition and organizational filings. Rich and Gardner Construction will serve as GC for the project and will enter a fixed price contract. SWBR Architects will serve as the architect for the project. Sustainable Comfort will be the energy consultant and HERS rater for the project. Christopher Community as management agent will conduct marketing, rent-up and operations management.

**Ownership and partnership Structure:** Christopher Community, Inc., the not-for-profit sponsor of the project, will create a to be named New York Housing Development Fund Company to hold the legal title to the property. Christopher will be the sole Member of the HDFC. Christopher will also form a New York Limited Partnership, which will hold the beneficial interest in the property.

Christopher will also form a to be named Management, Inc., a New York business corporation and wholly owned subsidiary of Christopher, to serve as the sole General Partner of the Partnership. The equity investor will serve as the Limited Partner of the Partnership.

### **Development Timeline**

The project has received all necessary approvals including Site Plan approval and approval of the SWPPP plan. The project will apply for the SPDES permit and building permit once awarded funding and environmental clearance has been granted. Upon successful receipt of a funding award, the project will close on construction financing within 6 months of award. It is anticipated that construction will begin in Spring 2023. The construction period is 16 months with construction anticipated to be complete in Summer 2024. Rent up conference will be held 120 days prior to construction completion.

Development cost risk is minimized by careful project planning completed by a very experienced development team. Construction risk is minimized by requiring payment and performance bonds, a 10% retention on all requisitions and the use of an experienced architect and General Contractor. Operating expenses have been carefully budgeted based on comparable projects managed by Christopher Community and by estimates specifically addressed to this project. Christopher Community manages over 50 senior housing projects and 20 family housing projects, many with supportive housing units, and does not anticipate any operating issues based on the rent structure and operating budget prepared for this project. Any operating issues will be reviewed and evaluated by the management team and expenses will be covered by an existing warranty, a maintenance contract that is in place, the operating reserve or the operating guarantee.