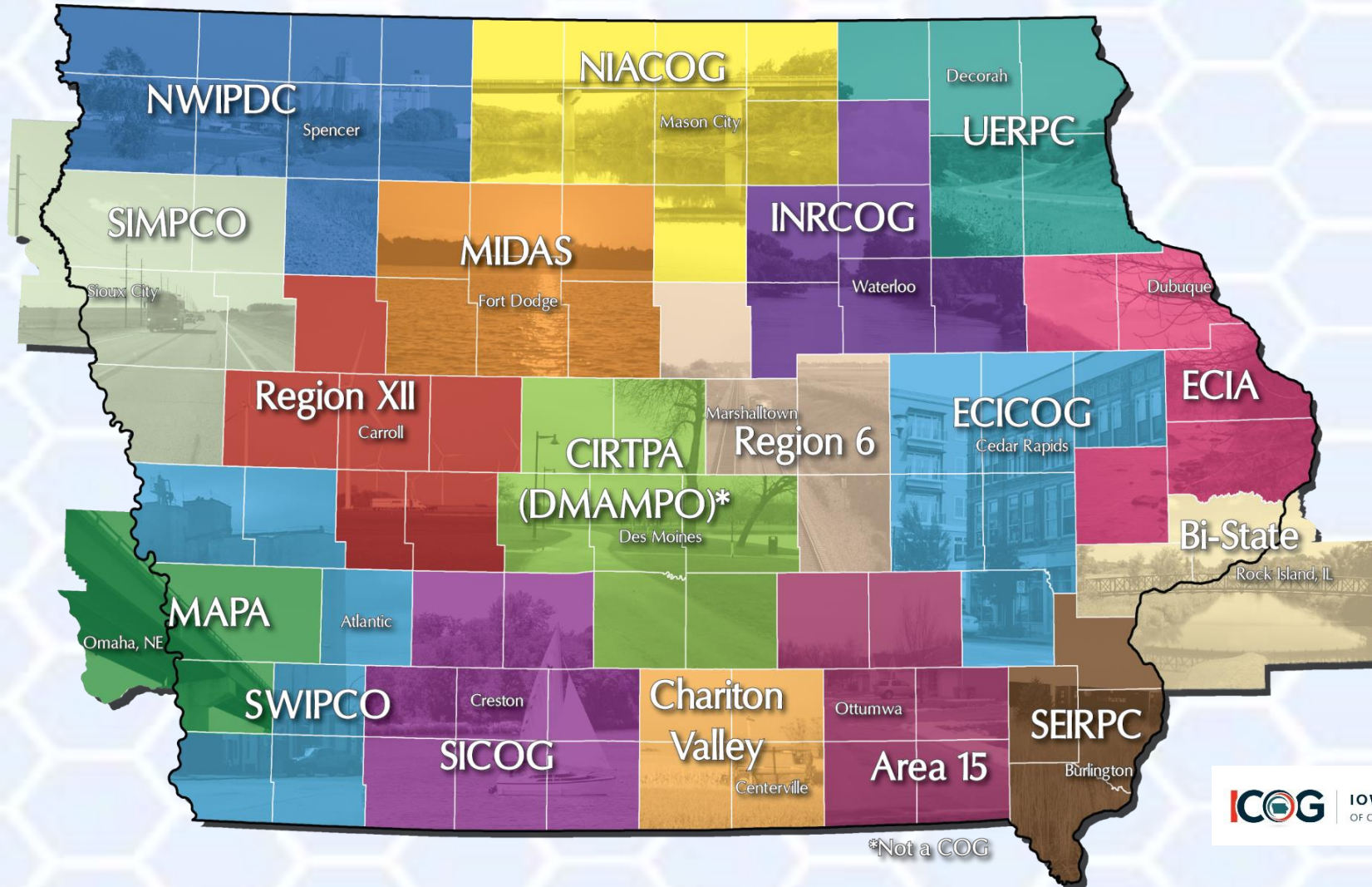




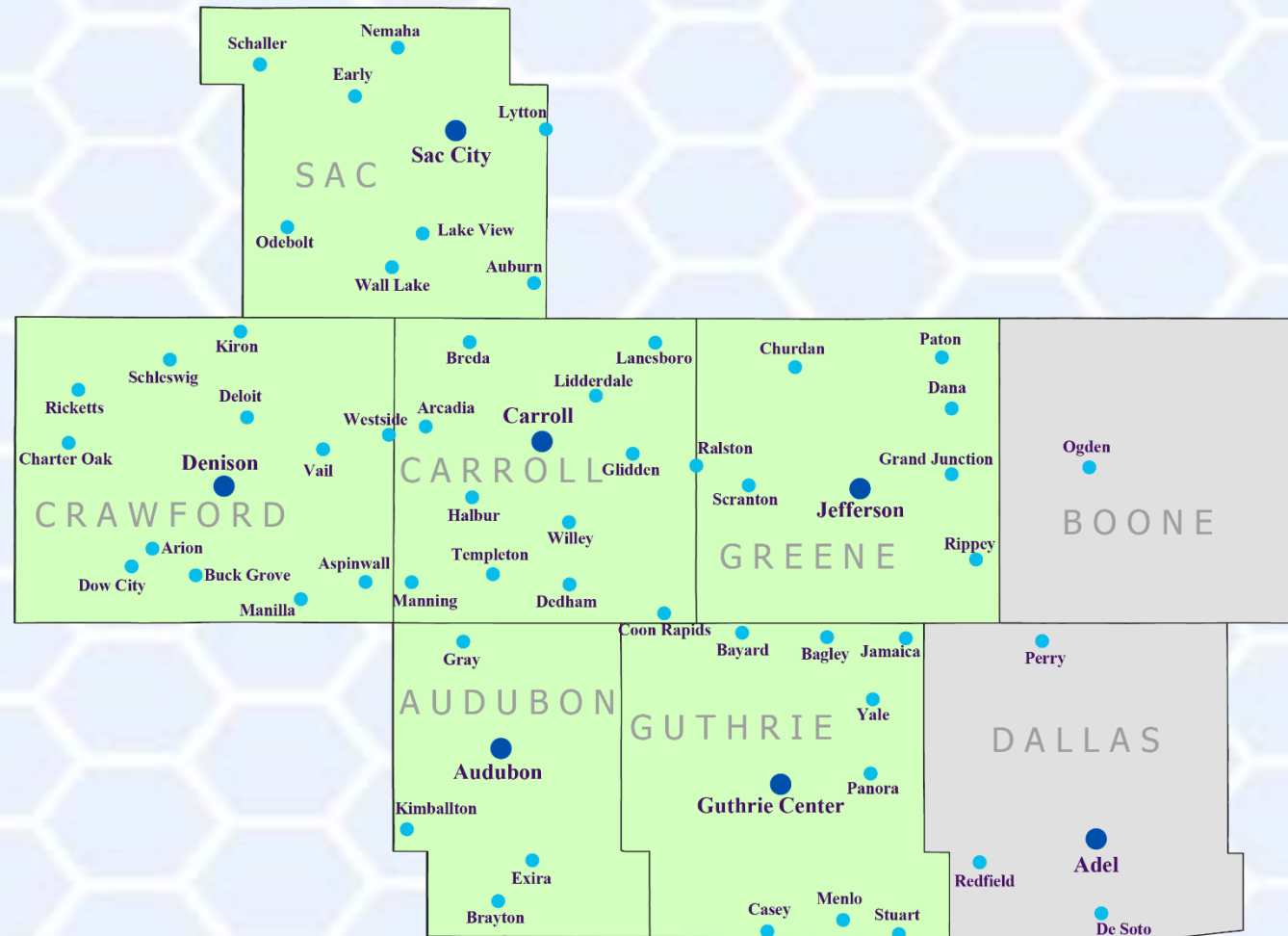
**REGION XII**  
**COUNCIL OF GOVERNMENTS**

# **SUMMIT RIDGE APARTMENTS**

October 2020



# Region XII COG Service Territory





# Housing Programs History

- First project: 1991 USDA Housing Preservation Grant  
*Established priority to build RLFs*
- HOME, CDBG, USDA, FHLB
- HIRE (earmark), LHAP (political windfall)
- Local Housing Trust Fund

# Development History

## *As a Facilitator/Financer/Administrator*

- RLF for acquisition/demolition (various cities)
- Subdivision loan (Arcadia)
- Developer loans (various)
- Neighborhood Stabilization Program (various cities)
- LIHTC Loan (Denison)
- Second story projects (various developers)

# Development History

## As a Developer

- DMACC Building Trades (COG)  
Built five homes
- Denison Schools Building Trades (COG)  
Built one home
- Denison Spec Houses (COGH Inc)  
Built two homes

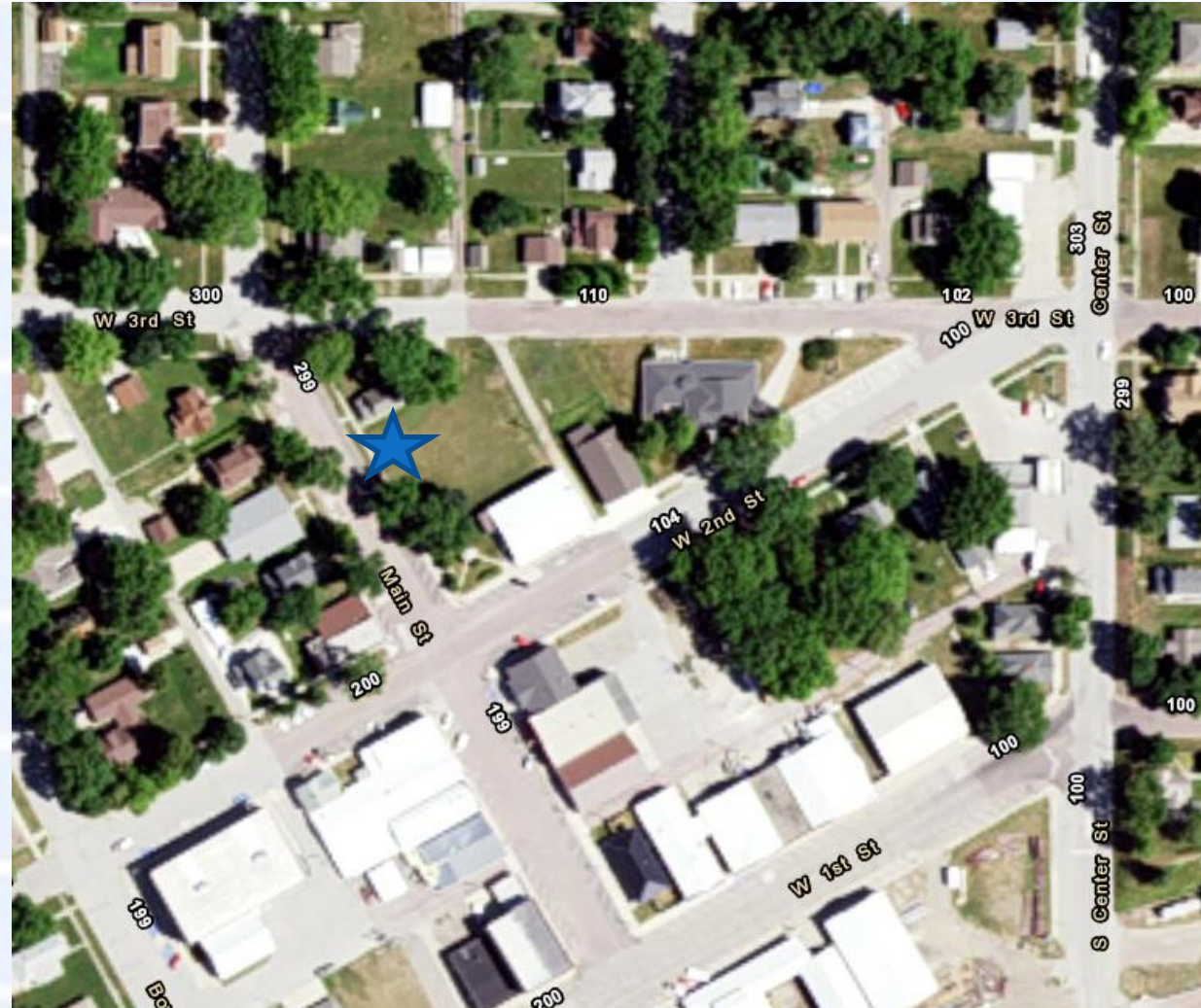
# Leaping off Summit Ridge

- Diversification/sustainability discussion internally about building and owning “something”
- Concern of losing money/creating an albatross
- Nervous about being a landlord
- Where to invest?
- Found our nerve.... We think...





# Project Location – Wall Lake, 2017





# How We Got to “Yes”

- Free land
- City cooperation
- Location of the land
- Partnership with Twilight Acres
- Seniors are easiest/entry drug for rental



# Indicators for our “Yes” - Location





# Piecing Together Funding

- FHLB (grant)
- HOME (0% loan)
- Tax credits (state)
- Housing trust fund (grant)
- Equity
- Tax Abatement (code)





# Other Factors

- Drilling down in the pro-forma
  - Rents collected
  - Client incomes
  - Vacancy rate
  - Anticipating all costs
- Property taxes
- Clearing the lot
- Sweating out the bid process
- Investing here versus another town
- Risk & the board
- Maintenance
- Section 8

# Groundbreaking – September 2018





# Duplex Unit Construction





# Duplex Unit - Complete





# Triplex Unit Complete – April 2020



# Lessons Learned

- Plan to carry the project financially (grants lag)
- Plan to spend money in places you didn't anticipate (old foundations, utility issues, items missed in the plans, etc.)
- Maintain close conversations with funders (they want to help make the project successful)
- Old ladies don't like spiders
- Good PR and excitement doesn't always equal renters
- These projects are not money-makers but a good service.



# What's Coming Up in Development?

1. Jefferson Single-Family
2. Glidden Duplexes
3. Homes for Iowa
4. ???



# Questions?

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