



March 30, 2011

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# Collins Circle NMUH Extended Tax Exemption Application

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**Submitted to:**

Portland Housing Bureau  
421 SW 6th Avenue, Suite 500  
Portland, OR 97204

**Submitted by:**

RSGF Collins Circle LLC  
c/o Jonathan Rose Companies, LLC  
551 Fifth Avenue, 23rd Floor  
New York, NY 10176



## Collins Circle Retrofit Team

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**Owner:** RSGF Collins Circle LLC (an affiliate of Jonathan Rose Companies)

**Property Manager:** Guardian Management LLC

**Project Architect:** SERA Architects

**MEP Engineer:** PAE Consulting Engineers

**Contractor:** B&G Builders, Inc.

## Overview: New Ownership at Collins Circle

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On December 30th, 2010, Collins Circle was acquired by RSGF Collins Circle LLC, an affiliate of the Rose Smart Growth Investment Fund, a pioneering investment vehicle created by Jonathan Rose Companies as the first fund in the country to focus exclusively on acquiring and “greening” transit-accessible assets.

For over 20 years, Jonathan Rose Companies has invested in, developed, and project-managed real estate that provides social, environmental, and economic benefits. The firm takes an integrated, multidisciplinary approach to understanding buildings, neighborhoods, cities, and regions as complex, interdependent systems. This approach is key to achieving transformative change through projects that support the health of their surrounding communities. Our goal is to help metropolitan regions become more resilient, competitive and equitable.

Rose invested in Collins Circle as part of its broader initiative to acquire, preserve and green existing affordable housing. Rose is committed to ‘non-displacement’ investment strategies, and firmly believes that investing in the greening of existing affordable housing stock presents the opportunity for lasting benefits for residents and neighborhoods.

As its first acquisition in the Portland market, Rose is leveraging its deep experience to make Collins Circle a model for the green preservation of a mixed-income, transit-oriented asset. In order to meet the high standards set by innovative green thinkers in the Portland market, Rose has assembled an interdisciplinary local architect, engineer, general contractor and building manager to craft a targeted, impactful green capital investment and operating plan. The intent of this plan is not only to add value for Collins Circle’s residents, but also to engage the broader community and the City of Portland in the green transformation of this building.

In conjunction with these efforts, RSGF Collins Circle LLC is applying for an extension of its New Multiple-Unit Housing (NMUH) Tax Exemption. As the supporting schedules indicate, this Exemption is essential to preserving and enhancing the project’s existing public benefits while creating a replicable, model green retrofit that aligns with Portland’s wider efforts to combat climate change through innovations in the built environment.

### Project Experience

Nationally, Rose is working with other cities and municipalities to create new green affordable housing and retrofit critical existing affordable stock. In each of its projects, Rose focuses on ways to foster strong communities within their buildings and in surrounding neighborhoods. The following provides some examples of our work (project summary sheets attached as well).

In New York City, Rose is developing and investing in a range projects:

**Via Verde:** Co-developers Phipps Houses and Jonathan Rose Companies, in



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partnership with Dattner Architects and Grimshaw, are creating a new approach to green and healthy urban living in the South Bronx with Via Verde / The Green Way, the winning response to the New Housing New York Legacy Competition. The 1.5 acre site in the South Bronx is located in the Melrose neighborhood with access to mass transit and other urban amenities.

The mixed-use project serves a range of income levels by providing 151 rental apartments affordable to low-income households and 71 co-ops affordable to middle-income households. The diversity of unit layouts includes simplexes, innovative duplex units, and live-work units with a first floor 'work' space.

Via Verde's stepped form is inspired by the integration of nature and city. At the heart of the project is a dynamic garden that serves as the organizing architectural element and spiritual identity for the community. The connected green rooftops of low-rise town homes, a mid-rise duplex building, and a 20-story tower will be used to harvest rainwater, grow fruits and vegetables, and provide open space for residents. Other amenities that contribute to the project's theme of healthy living include; open air courtyards; a health education and wellness center proposed to be operated by Montefiore Medical Center, health oriented retail space; a fitness center; and bicycle storage areas.

Via Verde is designed to exceed LEED Gold standards for environmentally responsible and energy-efficient design. The project will utilize low-tech strategies like cross ventilation, solar shading, and smart material choices, as well as planted green roofs, photovoltaic panels, high-efficiency mechanical systems, and energy-conserving appliances.

**135th Street:** Jonathan Rose Companies' West 135th Street project in historic Harlem (a 198-unit, Section 8 multifamily asset from its original Rose Smart Growth Investment Fund) exemplifies the benefits of affordable housing green retrofits.

As a result of Jonathan Rose Companies' expertise, the project was selected as the first property in the country to receive money from the U.S. Department of Housing and Urban Development's Green Retrofit Program. The renovation of this fully occupied property (which is being completed with tenants in place) has garnered recognition from numerous sources, including the White House Council on Environmental Quality, as a national model for the greening and preservation of affordable housing. When the renovation is completed in early 2011, the property is projected to be 35% more energy efficient.

**Tapestry:** The joint venture team of Jonathan Rose Companies and Lettice Construction Corporation developed Tapestry, a 12-story gateway residential building located at 245 East 124th street at the foot of the RFK Bridge in Manhattan. The first residents moved into Tapestry in June 2010.

The 185-unit 50/30/20 mixed-income, rental building features 50% of the

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apartments set aside for market-rate tenants; 30% of the apartments set aside for middle-income tenants with rents set at 130% of the area median income (AMI); and 20% of the apartments set aside for low-income tenants earning below 50% of AMI. Financing has been arranged through a combination of credit enhanced tax exempt bonds, Low Income Housing Tax Credits, and additional subsidized mortgage financing through the New York City Housing Development Corporation (HDC) and the New York City Department of Housing Preservation and Development (HPD). The project also features nearly 8,000 square feet of ground-floor retail space.

Tapestry conserves energy and supports the health of its residential community by adhering to environmentally responsible development standards. Designed to LEED Gold certification standards, Tapestry is participating in both Enterprise Green Communities and NYSERDA's Multifamily Performance Program.

The building features energy efficient architectural design features such as green roofs, rainwater harvesting systems, efficient mechanical systems, ENERGY STAR-rated appliances and fixtures, low- or no-VOC paints and primers, and formaldehyde-free materials to enhance indoor air quality.

In New Mexico:

**Silver Gardens:** Silver Gardens is a mixed-income affordable housing rental development that will provide new, much needed low-cost housing options to residents of downtown Albuquerque. The Silver Gardens development, of which this project is the Second Phase, is a key ingredient of the master plan created by Jonathan Rose Companies affiliate Romero Rose for the redevelopment of two and one-half vacant city blocks across from Albuquerque's newly renovated Alvarado Transportation Center. Silver Gardens will complement two other components of the development plan: Elements, a for-sale townhome cluster, and Green Commons, a commercial development.

Silver Gardens will serve the widest tenant income mix possible, ranging from market-rate to very-low-income and previously homeless tenants. Romero Rose has joined forces with a nonprofit social services provider, the Supportive Housing Coalition of New Mexico, Inc., as co-developer and co-owner of the project. Our partnership supports local nonprofit capacity and ensures that the right services will be provided to those tenants needing various forms of training, assistance and support.

Silver Gardens' award-winning design features a four-story U-shaped building that wraps around a 15,011 square foot courtyard offering native drought tolerant landscaping and a contemplative element designed by a Native American artist. Green features of Silver Gardens include rainwater collection for recycling of water and wind and solar energy elements to supplement the building's environmentally responsible energy efficiency program. Silver Gardens is designed to achieve a LEED® Platinum certification. Silver Gardens is the first affordable housing



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project in the United States to conduct a carbon offset transaction, selling over 500 tons of CO<sub>2</sub> equivalent to the Enterprise Green Communities offset fund.

In Seattle:

**Yesler Terrace:** In 2010, Jonathan Rose Companies was selected as part of the master planning team for Yesler Terrace, a large-scale redevelopment of an aging public housing site for the Seattle Housing Authority. Jonathan Rose Companies is working to with a design team led by GGLO, a Seattle-based architecture firm; Building Changes, a nonprofit organization working to end homelessness; and SvR, a civil engineering and landscape architecture firm.

At Yesler Terrace, Jonathan Rose Companies is using its experience as a developer and planner to help formulate a redevelopment plan that accomplishes the Housing Authority's goals for sustainability and economic viability. The firm is also assisting with an application for funding from the HUD Choice Neighborhoods program.

## Method and Approach

Residential buildings in the U.S. account for 22% of the nation's total energy consumption and an estimated 18% of carbon emissions, while homeowners and renters spend \$201.84 billion on energy annually (with \$30.23 billion attributable to the multifamily housing sector). With these enormous energy costs, it is clear that retrofitting our existing housing stock has the potential for lasting economic, environmental, and social benefits.

Rose firmly believes that successful green renovations require a comprehensive, holistic approach based on physical and quantitative due diligence and analysis. Greening strategies must be tailored and appropriate to existing asset conditions. Our approach is best called "practical green", meaning that it relies on existing and proven technologies to reduce greenhouse gas emissions, provide healthier living environments, and revitalize existing communities. After a capital improvement program, on-going repairs or individual system changes must be understood in the context of the entire building's operation patterns. This requires measuring and understanding building system performance.

Rose leverages an integrated design process to identify high-leverage, low-cost strategies, with an emphasis on the building envelope, including insulation, windows, roof and façade; lighting retrofits and installation of motion sensor switching; water fixture replacements; and efficiency retrofits to the heating, ventilation and cooling systems.

Still, merely investing capital in a building is not enough. Rose believes that tenant participation plays a crucial role in operating a truly green building. Rose is committed to making sure building staff, from property administrators to engineers

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are properly trained in green building operations. Similarly, Rose works with its building managers on the ground to educate tenants about opportunities to integrate green practices into daily behaviors. Creating and reinforcing such feedback loops is critical to realizing the full potential of capital invested in green improvements.

Working closely with its on-site property managers, Rose aims to relay information on resource usage to tenants monthly (even real-time in some instances), then provide education on ways to cut down on wasteful behavior and in some cases incentivize tenant efficiency.

Furthermore, third-party verification of green improvements is critical. Rose evaluates the performance of its assets in terms of ongoing resource efficiency and community engagement as well as financial returns. Working with a third-party consultant, Bright Power, the Fund is currently rolling out energy-tracking technology for its entire portfolio that will measure building energy usage on a weather and regionally normalized basis.

This holistic approach to capital improvements and operations, incorporating the physical and social elements of a building, allows Rose to focus on continuous improvement in its assets.



## Collins Circle: Public Benefits

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*The following features of Collins Circle meet the NMUH public benefit requirements as defined by City Code Chapter 3.104.040 Paragraph D. Numbering corresponds to this section of the City Code.*

### 1. Open Spaces Available to the General Public

Collins Circle's landscaped front garden provides a visual public amenity at the SW Columbia Street entrance. As described in this application, ownership plans to better utilize this area to host community events.

### 3. LEED Silver Certification

Ownership is committed to green construction, operations, and maintenance practices. Working with a local design and construction team, Ownership is pursuing LEED certification for existing buildings. With its full capital and operations plans, ownership hopes to achieve LEED Gold Certification for the building.

### 6. Affordability

While NMUH only requires 25% of units to be affordable at 80% MFI, Collins Circle has 42% of its units affordable for families earning 60% AMI or less.

### 7. Additional Public Benefits

The following sections of this application outline the additional public benefits for which ownership plans to utilize an extended tax exemption.



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*Collins Circle's new ownership plans to add value through its capital improvement and operations plans. These additional public benefits are outlined below.*

### **I. Maintaining High-Quality, Long-Term Mixed-Income Housing**

Since its development, the Collins Circle's tax exemption has been essential in generating enough net operating income to provide for repairs and general upkeep. Now a ten-year-old building, with increased operating expenses and utility costs, a tax abatement is still necessary to keep the property in good condition and provide for ongoing programs to further the social and environmental benefits of the property.

Collins Circle has a long-term use agreement to maintain at least 52 of its 124 units as affordable housing for households earning 60% AMI or less, and the new ownership is contractually and philosophically committed to fulfilling this agreement. With this affordability firmly in place, the math that was used to secure the property's original tax abatement still applies today.

When the building first applied for the tax exemption in 1999 (pre-development), it was projected that in its first year Collins Circle would generate net operating income of \$905,349, growing to \$1,133,628 in its 10th year. In actuality, in its 10th year of operations (2010), Collins Circle generated net operating income of \$702,788. The decrease from projected income is largely due to higher required operating expenses and slower-than-expected market-rate rent growth.

With its current level of income, the tax abatement is critical in order to remain solvent while preserving affordability and providing a high quality of building operations at Collins Circle.

### **II. Model for greening of existing mixed-income housing**

The cost savings from the extended tax exemption will also allow ownership to pursue a "greening" program for the building, which will include practical base building improvements and as well as a fully realized green operations plan. While Jonathan Rose Companies' practice is to own and operate its buildings in an environmentally responsible way, the depth and breadth of its greening strategy on each building depends on the payback of its capital investments. As the projected cash flow for the property shows, Collins Circle is operating on a lean budget. In order to achieve the greening goals outlined in this application, a tax exemption is critical in providing adequate cash flow to cover operating expenses and a return on upfront capital outlays.

During the acquisition of Collins Circle, Jonathan Rose Companies engaged with SERA Architects, a leading Portland architecture, planning, and design firm that has vast experience with green retrofits. SERA led a study of Collins Circle in conjunction with B&G Builders to analyze building systems and opportunities for



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green improvements and efficiency gains. This analysis has produced some initial estimates about the costs and benefits of potential retrofit scope items. The estimates are still under review and require some additional diligence to determine final costs.

The extended NMUH tax exemption would allow ownership to pursue a meaningful amount of green retrofit work and deliver a building that is projected to achieve LEED Gold Certification. The general scope of work at this point is attached to this application. Some highlights include:

- Lighting efficiency upgrades with occupancy sensors where appropriate
- HVAC upgrades to improve efficiency and ventilation
- Solar thermal hot water system
- Improved piping insulation
- Painting and re-carpeting with environmentally friendly materials
- Green specifications for unit turnover

The ownership of Collins Circle is committed to operating and maintaining the property in adherence with Jonathan Rose Companies' green standards. At all of its properties, Jonathan Rose Companies' mission is to create healthier living and working environments, while promoting resource efficiency. At Collins Circle, ownership is employing a third-party property manager, Guardian Management. Guardian is an experienced manager of affordable and market-rate housing in Portland, and they have developed their own standards for green management and training of employees. Jonathan Rose Companies and Guardian have worked together to set up a plan for green management practices at Collins Circle. The plan focuses on four major components of green building management: Energy Usage and Efficiency, Green Materials and Practices, Bringing Green into Daily Management Habits, and Promoting Awareness and Encouraging Green Behavior.

#### *Energy Usage and Efficiency:*

In addition to the capital improvements described above, the success of a green building depends on regular upkeep of systems. This involves performing annual preventative maintenance inspections on major building equipment; establishing a routine for testing and fine-tuning light fixtures and occupancy sensors; regularly checking for and sealing leaky ducts (which can account for 25%-30% of energy losses in HVAC systems); inspecting and replacing air filters; and instituting a regimen for temperature settings in all common spaces. While Collins Circle has been a well-run property, the new owners see an opportunity for efficiency gains through a rigorous maintenance program. An important component of longer-term efficiency is also tracking utility usage. Energy tracking plans at Collins Circle are detailed below.

#### *Green Materials and Practices:*

In order to encourage healthy living and reduce harmful waste at the property, Jonathan Rose Companies and Guardian Management will use green products and materials where possible at Collins Circle:

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- Recycled and recyclable carpets
  - Recycled-content flooring
  - Low-VOC paints and glues
  - Renewable materials
  - Low-flow fixtures
  - Low E-Glass to increase day-lighting and energy conservation
  - Environmentally friendly cleaning products
  - Furniture and fixtures built with recycled woods and products

Working with SERA Architects, ownership will also develop green unit turnover specifications. This will give property management specific guidelines for material choices, paints, and construction practices as they prepare units for new tenants.

The use of green materials and cleaning products will extend to housing units, common areas, landscaping, parking garage, and management offices. Building management will also supply tenants with refillable bottles of green cleaning products for personal use.

*Bringing Green into Daily Management Habits:*

The owners will work with Guardian Management to ensure that property staff members develop green habits and remain aware of their working environment on a daily basis. This includes maintaining a green property office by going paperless when possible, using recycled paper and office supplies, recycling waste in offices and common areas, and following building practices for efficient use of lighting and temperature controls.

*Promoting Awareness and Encouraging Green Behavior:*

Jonathan Rose Companies recognizes that a building is only as green as its occupants, and the firm is actively pursuing strategies to influence positive behavior changes in its buildings. This process starts with a property-specific Green Living Guide, which will give residents information on a variety of green lifestyle choices including environmentally friendly products and strategies to conserve household energy usage through efficient use of Collins Circle's heating and cooling systems.

At Collins Circle, ownership will adapt a variety of programs to encourage green living in ways that respond to the building and the needs of its residents. These can include:

- Posting permanent signage and sending out email blasts with green living tips
- Encouraging the use of stairs (rather than elevators) through signage and improved lighting
- Setting up resident programs like a carpool and an exchange of household goods through building website and/or resident bulletin board
- Providing reusable bags for groceries and other shopping



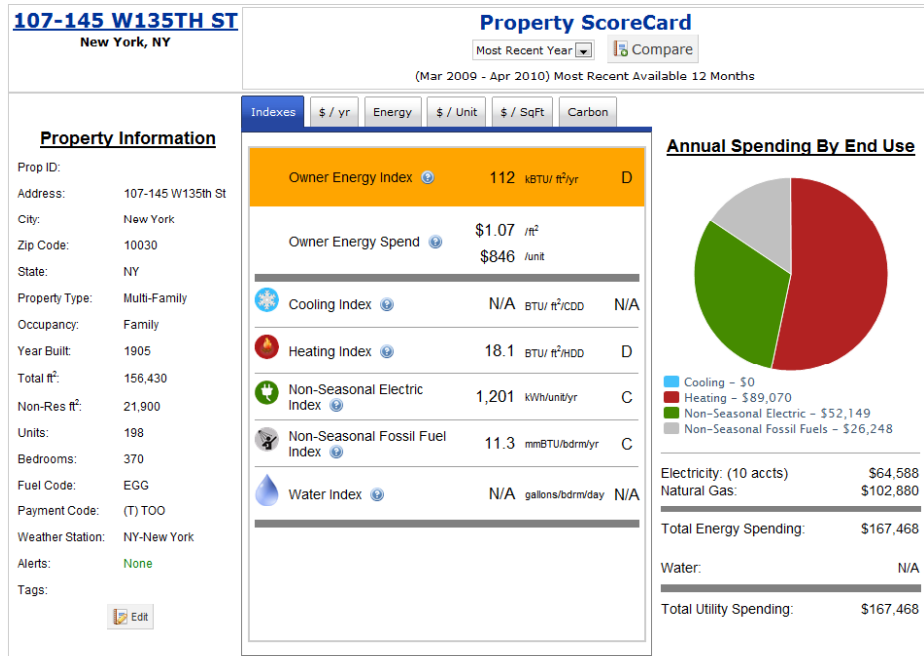
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- Connecting residents to local organic food producers/delivery services
  - Providing coupons to vendors of green products
  - Exploring bulk purchasing of transit passes from TriMet (typically available for employers)
  - Providing a parking space in the garage for Zip Car or other car-sharing program

### **III. Tracking and Reporting on Resource Efficiency**

A key to operating a green building and effecting behavioral change is tracking and reporting on resource usage. In one study by a property owner in New York, simply providing tenants with real-time access to their electrical usage led to a 10% reduction in consumption. At Collins Circle, ownership plans to roll out a measurement tool called EnergyScoreCards, developed by Bright Power, a third-party consultant. EnergyScoreCards collects and analyzes utility data, then generates a detailed energy benchmark for a property to gauge performance, comparing the property to similar assets. EnergyScoreCards allows ownership to track efficiency progress as green capital improvements and operational changes are made at the property. Energy efficiency is also translated into common metrics like “carbon footprint” for reporting purposes.

At Collins Circle, ownership plans to communicate the results to tenants so that they feel connected to the performance of the building overall. If possible, it can also be effective to track utility usage on a unit-by-unit basis. This can help to identify specific problem areas, and can be a way to incentivize tenant behavior through competition. In other projects, Jonathan Rose Companies has reported tenant-by-tenant or floor-by-floor energy usage (with permission) to motivate people to be more efficient. Ownership plans to explore this strategy at Collins Circle and provide rewards for tenant efficiency gains – for residents with the lowest or most improved level of energy usage, ownership may pay for utility bills, offer coupons to local restaurants, and other incentives.

At Jonathan Rose Companies’ 135th Street project, the firm is using EnergyScoreCards to track resource efficiency before and after its green retrofit program. The system will help the owners measure the effectiveness of building upgrades and continually monitor building performance for any unexpected building system inefficiencies going forward. The owners also plan to display EnergyScoreCards results on a screen in the building’s management office for tenants and community members to view.



135th Street: Pre-Retrofit EnergyScoreCards Dashboard from Bright Power, Inc.

#### IV. Neighborhood Engagement

In all of its work, Jonathan Rose Companies values the vital connections among tenants, buildings, and their surrounding neighborhoods. In its mission to “repair the fabric of communities,” the firm looks for opportunities to engage local stakeholders and help to improve community resources.

Jonathan Rose Companies is currently involved in several projects in the Northwest and hopes to build its relationship with Portland. The firm is interested in ways to strengthen its ties to the community and enhance Collins Circle’s social, environmental, and economic public benefits. Ownership and Guardian Management are in the process of developing a neighborhood engagement strategy that includes the following:

*Enhance use of common spaces for events*

Collins Circle features a landscaped courtyard as well as a gym/community room. To this point, these areas have not been utilized for resident or public events. Ownership plans to organize regular resident get-togethers to create a greater sense of community in the building, and look for opportunities to host meetings and events for neighborhood groups.



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*Encourage use of building as a venue for creative local products.*

Ownership has already had discussions with consultants about incorporating and promoting local artisan products at Collins Circle. There is a potential opportunity to showcase the work of local artists throughout the building, and ownership is interested in connecting with the adjacent Oregon Culinary Institute (where many residents take courses) to host tasting events. Ownership will also work to connect residents with local services and businesses through the building's website, bulletin board, and other collateral provided upon move-in.

An example of this kind of creative neighborhood engagement was at Jonathan Rose Companies' Tapestry Project in Harlem, NY. When construction was completed in June 2010, the owners worked with a local arts organization to turn the building's then vacant ground-floor commercial area into an arts exhibition and event space. The space hosted gallery nights and allowed local artists to display and sell their work. The space also featured educational art-related programming and workshops for children.



*Tapestry: No Longer Empty Community Arts Program in Retail Space*

*Design programs to engage neighboring institutions*

Working with the Portland Housing Bureau and Guardian Management, ownership will reinforce connections neighborhood stakeholders. This will involve programs to help neighbors take advantage of the building's resources and vice versa. For example, ownership will reach out to Lincoln High School, Portland State University, and other educational organizations to seek out opportunities for students to learn about green building philosophy, technology, and operation. Also, ownership plans to sponsor community service events, encouraging residents to connect with and give back to their neighborhood, including its schools and parks.

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*Promote green jobs*

In all of its work at Collins Circle, ownership will employ management personnel, maintenance personnel, and contractors who operate with environmental impacts in mind and are aware of the building's green goals. This will involve supporting the ongoing "green job training" of building staff. Ownership will also support efforts to use the building as a laboratory for training local construction, development, property management, and design students and workers.

For example, at the Joseph Vance Building in Seattle, a LEED EB Gold retrofit of a historic office buildings, Jonathan Rose Companies engaged CleanScapes, a company dedicated to providing sustainable streetscape maintenance and waste management services. CleanScapes hires employees from social service organizations where possible, and provides training in green maintenance practices. CleanScapes helps at-risk populations while making the Vance Building's neighborhood cleaner and more sustainable.



# Jonathan Rose Companies Project Profiles

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# Via Verde / The Green Way

## Bronx, New York

### Firm Role

Co-Developer with Phipps Houses

### Project Profile

New construction of 222 mixed-income residential units / 9,500 sf of retail and community facility space / 40,000 sf green roofs and open space for residents

### Project Team

Architects: Dattner Architects,  
Grimshaw Architects  
Landscape Architect: Lee Weintraub  
Contractor: Lettice Construction Corp.

### Total Project Size / Budget

294,000 square feet / \$100 million

### Completion

2012

### Financing Sources

NYC Housing Development Corporation (HDC)  
NYC Dept. of Housing Preservation and Development (HPD)  
JPMorgan Chase Community Development Corporation  
Richman Housing Resources, LLC  
Housing Partnership Development Corporation (HPDC)  
NYS Affordable Housing Corporation (AHC)  
NYS Dept. of Environmental Conservation (NYSDEC)  
NYS Division of Housing and Community Renewal (DHCR)  
NYS Research and Energy Development Authority (NYSERDA)  
State of NY Mortgage Agency (SONYMA)  
Federal Home Loan Bank of NY  
HSBC Bank  
The Calvert Foundation



Co-developers Phipps Houses and Jonathan Rose Companies, in partnership with Dattner Architects and Grimshaw, are creating a new approach to green and healthy urban living in the South Bronx with Via Verde / The Green Way, the winning response to the New Housing New York Legacy Competition. The 1.5 acre site in the South Bronx is located in the Melrose neighborhood with access to mass transit and other urban amenities.

The mixed-use project serves a range of income levels by providing 151 rental apartments affordable to low-income households and 71 co-ops affordable to middle-income households. The diversity of unit layouts includes simplexes, innovative duplex units, and live-work units with a first floor 'work' space.

Via Verde's stepped form is inspired by the integration of nature and city. At the heart of the project is a dynamic garden that serves as the organizing architectural element and spiritual identity for the community. The connected green rooftops of low-rise town homes, a mid-rise duplex building, and a 20-story tower will be used to harvest rainwater, grow fruits and vegetables, and provide open space for residents. Other amenities that contribute to the project's theme of healthy living include; open air courtyards; a health education and wellness center proposed to be operated by Montefiore Medical Center, health oriented retail space; a fitness center; and bicycle storage areas.

Via Verde is designed to exceed LEED Gold standards for environmentally responsible and energy-efficient design. The project will utilize low-tech strategies like cross ventilation, solar shading, and smart material choices, as well as planted green roofs, photovoltaic panels, high-efficiency mechanical systems, and energy-conserving appliances.



# 107-145 West 135th Street

Harlem, New York

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**Fund Role**

100% owner

**Project Profile**

Preservation and greening of 100% affordable section 8 housing

Property Manager: Phipps Houses

**Total Project Size / Budget**

159,000 square feet of residential  
3,960 square feet of retail /  
\$49.9 million

**Financing Sources**

NYC HDC tax-exempt bonds  
NYC Dept. of Housing Preservation  
and Development second  
mortgage  
HUD Green Retrofit Program loan  
Low Income Housing Tax Credits  
syndicated through Enterprise  
Community Partners

**Completion**

2010

In December 2008, Rose Smart Growth Investment Fund I, L.P. acquired 198 units of affordable housing and approximately 3,960 square feet of ground floor retail at 107-145 West 135th Street in New York's Harlem neighborhood. The property consists of 10 neighboring six-story elevator buildings. It was refinanced in December 2009 to provide funding for property renovations.

The property is located directly across the street from the historic Harlem YMCA and in close proximity to the New York Public Library's Schomburg Center for Research in Black Culture, Harlem Hospital and a MTA 2/3 Subway station.

The Fund has rehabilitated the property with a green capital investment program to create an apartment community that is more energy efficient and healthier for residents while preserving much needed affordable housing for the community.

The scope of the multi-million dollar capital improvement program consisted of unit renovations and base building improvements focused on improving energy efficiency, enhancing tenants' quality of life, and improving indoor air quality. The project was the first in the nation to benefit from the U.S. Department of Housing and Urban Development (HUD)'s Green Retrofit Program using federal stimulus funds. Additional renovation funding was provided by the New York City Department of Housing Preservation and Development (HPD). The Fund utilized Enterprise's Green Communities Criteria and is pursuing a LEED rating for the property.

In mid-2009, the Fund worked with HUD to obtain a 15-year contract renewal to preserve the affordability of the project long-term.



# Tapestry

## Harlem, New York



### Fund Role

Developer/Co-Owner with Lettire Construction Corp.

### Project Profile

New construction of 185 mixed-income residential units, ground-floor retail, and indoor parking

### Project Team

Architects: MHG Architects and Pei, Cobb Freed & Partners  
Landscape Architect: Abel Bainson Butz  
Contractor: Lettire Construction Corp.

### Total Project Size / Budget

219,312 square feet / \$65.8 million

### Completion

2010

### Financing Sources

NYC HDC Mixed-Income Housing Program (50/30/20) Tax Exempt Bond Financing  
NYC HDC Second Mortgage  
NYC Dept. of Housing Preservation and Development PLP Program  
NYC Dept. of Housing Preservation and Development Land Disposition  
Low-income Housing Tax Credit Equity  
Green Communities Grant  
NYSERDA MPP Grant

The joint venture team of Jonathan Rose Companies and Lettire Construction Corporation developed Tapestry, a 12-story gateway residential building located at 245 East 124th street at the foot of the RFK Bridge in Manhattan. The Rose Smart Growth Investment Fund I, L.P. has purchased a 33% member interest in Rose 124th Street LLC, a 50% owner of the project. The first residents moved into Tapestry in June 2010.

The 185-unit 50/30/20 mixed-income, rental building features 50% of the apartments set aside for market-rate tenants; 30% of the apartments set aside for middle-income tenants with rents set at 130% of the area median income (AMI); and 20% of the apartments set aside for low-income tenants earning below 50% of AMI. Financing has been arranged through a combination of credit enhanced tax exempt bonds, Low Income Housing Tax Credits, and additional subsidized mortgage financing through the New York City Housing Development Corporation (HDC) and the New York City Department of Housing Preservation and Development (HPD). The project also features nearly 8,000 square feet of ground-floor retail space.

Tapestry conserves energy and supports the health of its residential community by adhering to environmentally responsible development standards. Designed to LEED Gold certification standards, Tapestry is participating in both Enterprise Green Communities and NYSERDA's Multifamily Performance Program.

The building features energy efficient architectural design features such as green roofs, rainwater harvesting systems, efficient mechanical systems, ENERGY STAR-rated appliances and fixtures, low- or no-VOC paints and primers, and formaldehyde-free materials to enhance indoor air quality.

Tapestry is part of the 125th Street Corridor Rezoning, a multi-agency effort to infuse the area with cultural, retail, entertainment, and residential uses.



# Silver Gardens Apartments - Phase II

## Albuquerque, New Mexico



### Firm Role

Co-developer, co-owner with the Supportive Housing Coalition of New Mexico

### Project Profile

New construction of 4-story, mixed income, green affordable housing rental development

### Project Team

Architect: Claudio Vigil Architects of Albuquerque and Oz Architecture of Denver  
Urban Planner: Calthorpe Associates  
Contractor: Gerald Martin General Contractor  
Owner: Silver Gardens II, LLC  
Co-Developers: Affiliates of Romero Rose LLC and Supportive Housing Coalition of New Mexico, Inc.

### Total Development Size / Budget

49,964 square feet / \$8.8 million

### Completion

December, 2011

### Financing Sources

Low Income Housing Tax Credit Equity  
City of Albuquerque Workforce Housing Trust Fund  
Home Depot Foundation  
FHA-Insured Loans  
Los Alamos National Bank  
NM Mortgage Finance Authority  
Federal Home Loan Bank of Dallas  
Enterprise Green Communities Offset Fund

Silver Gardens is a mixed-income affordable housing rental development that will provide new, much needed low-cost housing options to residents of downtown Albuquerque. The Silver Gardens development, of which this project is the Second Phase, is a key ingredient of the master plan created by Jonathan Rose Companies affiliate Romero Rose for the redevelopment of two and one-half vacant city blocks across from Albuquerque's newly renovated Alvarado Transportation Center. Silver Gardens will complement two other components of the development plan: Elements, a for-sale townhome cluster, and Green Commons, a commercial development.

Silver Gardens will serve the widest tenant income mix possible, ranging from market-rate to very-low-income and previously homeless tenants. Romero Rose has joined forces with a nonprofit social services provider, the Supportive Housing Coalition of New Mexico, Inc., as co-developer and co-owner of the project. Our partnership supports local nonprofit capacity and ensures that the right services will be provided to those tenants needing various forms of training, assistance and support.

Silver Gardens' award-winning design features a four-story U-shaped building that wraps around a 15,011 square foot courtyard offering native drought tolerant landscaping and a contemplative element designed by a Native American artist.

Green features of Silver Gardens include rainwater collection for recycling of water and wind and solar energy elements to supplement the building's environmentally responsible energy efficiency program. Silver Gardens is designed to achieve a LEED® Platinum certification. Silver Gardens is the first affordable housing project in the United States to conduct a carbon offset transaction, selling over 500 tons of CO<sub>2</sub> equivalent to the Enterprise Green Communities offset fund.