

Novogradac Journal of Tax Credits

News, Analysis and Commentary On Affordable Housing, Community Development and Renewable Energy Tax Credits

August 2010, Volume I, Issue VIII

Published by Novogradac & Company LLP

Innovative Designs Recognized by Architects, HUD

By Jennifer Dockery, Staff Writer, Novogradac & Company LLP

The American Institute of Architects (AIA) and the U.S. Department of Housing and Urban Development (HUD) presented the HUD Secretary's Housing and Community Design Awards June 10 at AIA's 2010 convention and design exposition in Miami. The annual awards honor excellence in residential housing design. This year's winners included two rental developments and two owner-occupied properties.

"These developments challenge the old ideas about how affordable housing can fit into the fabric of their surrounding communities," said HUD Secretary Shaun Donovan. "Helping to build vibrant, sustainable communities starts at the drawing board and each of these developments proves that thoughtful design can create a lasting imprint on our neighborhoods."

The four properties honored this year are Paseo Senter at Coyote Creek in San Jose, Calif.; Arbor Lofts of Lancaster, Calif.; Congo Street Initiative in Dallas, Texas; and Madrona Live/Work of Seattle, Wash.

Paseo Senter at Coyote Creek

Paseo Senter at Coyote Creek won this year's Excellence in Affordable Housing Design award, which recognizes architecture that demonstrates overall excellence in terms of design that responds to both the needs and constraints of affordable

housing. The property includes 218 affordable housing units along a pedestrian street, or "paseo." Developed by CORE Development Inc. and Charities Housing, the 100 percent affordable development features units for families earning 15 to 45 percent of the area median income (AMI). Many units are reserved for single-parent households, formerly homeless tenants and domestic violence survivors.



Photo Courtesy: Jeffrey Peters/Vantage Point Photography
Paseo Senter at Coyote Creek features wide pedestrian areas.

"For the company, it's recognition that, along with the architect, we produced a project that caught the eye. It's recognition for the transformation of the neighborhood," said Dixie Baus, the CORE Companies' affordable housing director.

continued on page 2

continued from page 1

David Baker + Associates built units along the pedestrian main street and around parking structures in the formerly isolated area of San Jose, connecting the development to the surrounding area. Entry stoops and retail-style social services, including a community room, Native American library, social worker spaces, gym, a pool featuring an automatic lift, playground and daycare center line the street. The property is also 100 percent accessible.

The CORE companies completed construction of the \$79 million property in 2008. Funding came from Centerline Capital Group, U.S. Bank, the City of San Jose, the California Department of Housing and Community Development, the Federal Home Loan Bank of San Francisco's Affordable Housing Program, the Housing Trust of Santa Clara County, Santa Clara County, the Opportunity Fund and HUD McKinney Act programs.

Arbor Lofts

Arbor Lofts won the Creating Community Connection award, which recognizes developments that incorporate housing within other community amenities for the purpose of either revitalization or planned growth. The development features 21 affordable live/work units for artists. It is the first urban infill property in Lancaster, a Los Angeles suburb of 145,000. The property includes a not-for-profit gallery, which residents curate, and an outdoor exhibit/gathering space. The development is a frequent host for farmers' markets and street fairs.



Photo Courtesy: Panic Studio LA

Arbor Lofts units feature large open spaces and ample natural light.

"It is almost incomprehensible what this project has done for this neighborhood. It has sparked more interest in art in the community while creating an outlet for resident artists to get exposure. In addition several new businesses have opened since its completion," said architect Mark K. Lahmon, of PSL Architects, the property's designer.

Novogradac Journal of Tax Credits Editorial Board

PUBLISHER

Michael J. Novogradac, CPA

MANAGING EDITOR

Alex Ruiz

EDITOR

Jane Bowar Zastrow

TECHNICAL EDITORS

Robert S. Thesman, CPA

James R. Kroger, CPA

Owen P. Gray, CPA

Thomas Boccia, CPA

Daniel J. Smith, CPA

STAFF WRITERS

Jennifer Dockery

Jennifer Hill

CONTRIBUTING WRITERS

Daniel A. Crouse

Brandi Day

Brad Elphick, CPA

Owen P. Gray, CPA

Jim Kroger, CPA

John Leith-Tetrault

Forrest David Milder

Thomas D. Morton

Charlie Rhuda, CPA

Buzz Roberts

Amanda Talbot

Stephen B. Tracy, CPA

PRODUCTION

Jesse Barredo

James Matuszak

Novogradac Journal of Tax Credits Information

Address all correspondence and
editorial submissions to:
Alex Ruiz / 415.356.8088

Address inquiries regarding
advertising opportunities to:
Emil Bagalso / 415.356.8037

Editorial material in this publication is for informational purposes only and should not be construed otherwise. Advice and interpretation regarding the low-income housing tax credit or any other material covered in this publication can only be obtained from your tax advisor.



**NOVOGRADAC
& COMPANY** LLP

CERTIFIED PUBLIC ACCOUNTANTS

© Novogradac & Company LLP
2010 All rights reserved.
ISSN 2152-646X

Reproduction of this publication in whole or in part in any form without written permission from the publisher is prohibited by law.

Novogradac Journal of Tax Credits Advisory Board

LOW-INCOME HOUSING TAX CREDITS

Bud Clarke	BOSTON FINANCIAL INVESTMENT MANAGEMENT
Jana Cohen Barbe	SONNENSCHN NATH & ROSENTHAL LLP
Tom Dixon	BOSTON CAPITAL
Valerie White	STANDARD & POOR'S CORPORATION
Rick Edson	HOUSING CAPITAL ADVISORS INC.
Richard Gerwitz	CITI COMMUNITY CAPITAL
Rochelle Lento	DYKEMA GOSSETT PLLC
John Lisella	U.S. BANCORP COMMUNITY DEV. CORP.
Phillip Melton	GRANDBRIDGE REAL ESTATE CAPITAL
Thomas Morton	PILLSBURY WINTHROP SHAW PITTMAN LLP
Stephen Ryan	COX, CASTLE & NICHOLSON LLP
Arnold Schuster	SONNENSCHN NATH & ROSENTHAL LLP
Rob Wasserman	U.S. BANCORP COMMUNITY DEV. CORP.

PROPERTY COMPLIANCE

Rose Guerrero	CALIFORNIA TAX CREDIT ALLOCATION COMMITTEE
Sharon Jackman	SIG SERVICES LLC
Michael Kotin	KAY KAY REALTY
Patricia Murphy	TEXAS DEPT. OF HOUSING & COMM. AFFAIRS
Mardi Roberts	WASHINGTON STATE HOUSING FINANCE COMMISSION
Michael Snowdon	MCA HOUSING PARTNERS
Gianna Solari	SOLARI ENTERPRISES
Ruth Theobald Probst	THEOPRO COMPLIANCE & CONSULT. INC.
Kimberly Taylor	HOUSING DEVELOPMENT CENTER

HOUSING AND URBAN DEVELOPMENT

Sheldon Schreiber	PEPPER HAMILTON LLP
Monica Sussman	NIXON PEABODY LLP

NEW MARKETS TAX CREDITS

Frank Altman	COMMUNITY REINVESTMENT FUND
Bruce Bonjour	PERKINS COIE LLC
Neil Kimmelfield	LANE POWELL
Scott Lindquist	SONNENSCHN NATH & ROSENTHAL LLP
Ruth Sparrow	FUTURES UNLIMITED LAW PC
Herb Stevens	NIXON PEABODY LLP
Mary Tingerthal	HOUSING PARTNERSHIP NETWORK
Tom Tracy	HUNTER CHASE & COMPANY
Joseph Wesolowski	ENTERPRISE COMMUNITY INVESTMENT INC.

HISTORIC TAX CREDITS

Don Holm	FARRIS BOBANGO BRANAN PLC
John Leith-Tetrault	NATIONAL TRUST COMM. INVESTMENT CORP.
Bill MacRostie	MACROSTIE HISTORIC ADVISORS LLC
Donna Rodney	BRYAN CAVE LLP
John Tess	HERITAGE CONSULTING GROUP

RENEWABLE ENERGY TAX CREDITS

Ed Feo	MILBANK, TWEED, HADLEY & MCCLOY LLP
Michael Hall	BORREGO SOLAR SYSTEMS
Jim Howard	DUDLEY VENTURES

continued from page 2

Developed by North Downtown Renewal LP, each unit contains four bedrooms and is affordable for families earning up to 60 percent AMI. The nearly \$10 million development opened in 2009. It received low-income housing tax credit and American Recovery and Reinvestment Act funding.

“When a program and budget require a high efficiency building, as is usually the case in affordable housing, it is ever so important to marry the programmatic needs, materials and methods of construction with the site and context in an innovative way without excess or forcing preconceived ideas or styles. The innovation occurs in the resolution of these elements. As each project is unique so is the solution to the problem,” Lahmon said of designing affordable housing.

Madrona Live/Work and Congo Street Initiative

HUD also recognized owner-occupied properties in Seattle and Dallas.

Madrona Live/Work won the Alan J. Rothman Award for Housing Accessibility, which recognizes properties that demonstrate excellence in improving housing accessibility for people with disabilities. Tyler Engle Architects redesigned an early 1900s storefront into a fully-accessible unit for a Seattle couple.

Congo Street Initiative won the Community-Informed Design award, which recognizes design that supports physical communities as they rebuild social structures and relationships that have been weakened by out-migration, disinvestment and the isolation of inner-city areas. The building community WORKSHOP is restoring and/or reconstructing six homes in a distressed Dallas neighborhood. After residents expressed their desire to stay in the neighborhood during renovations, the group, which specializes in designing housing in lower-income areas, found temporary homes in which families could stay during construction.

HUD's secretary and AIA's Housing and Custom Residential Committee Knowledge Community have collaborated on the awards since 2000. The Secretary's Housing and Community Design Awards are one of four awards that the secretary presents to properties and individuals each year for their work in moderate- and low-income communities. ❖

This article first appeared in the August 2010 issue of the Novogradac Journal of Tax Credits.

© Novogradac & Company LLP 2010 - All Rights Reserved

Notice pursuant to IRS regulations: Any U.S. federal tax advice contained in this article is not intended to be used, and cannot be used, by any taxpayer for the purpose of avoiding penalties under the Internal Revenue

continued on page 4

continued from page 3

Code; nor is any such advice intended to be used to support the promotion or marketing of a transaction. Any advice expressed in this article is limited to the federal tax issues addressed in it. Additional issues may exist outside the limited scope of any advice provided – any such advice does not consider or provide a conclusion with respect to any additional issues. Taxpayers contemplating undertaking a transaction should seek advice based on their particular circumstances.

This editorial material is for informational purposes only and should not be construed otherwise. Advice and interpretation regarding property compliance or any other material covered in this article can only be obtained from your tax advisor. For further information visit www.novoco.com.