

Demonstrated Housing Need & Results

Fifteenth Street Apartments is the transformation of a three-story historic school building into a 36-unit development targeting veterans and persons with disabilities in Dubuque, Iowa. Using data and information from city officials and local service providers, the development team identified a critical shortage of accessible affordable housing in the area for this target population and went to work on finding a solution. Part of the answer was the development of this thoughtfully-designed property. According to census data, Dubuque is home to 3,422 veterans and nearly 7,700 persons with disabilities, making up 7 and 13 percent of the city's population, respectively.

Dubuque renters in general are paying too much of their income toward rent – about 49 percent are considered housing cost burdened – and veterans and persons with disabilities face even greater challenges. More than 300 veterans have incomes below the poverty line and nearly 1,100 also have a disability. Many veterans also have needs that require specialized services to help them cope with struggles unique to them including PTSD, traumatic brain injuries and substance abuse, among others. Of the disabled population only 26 percent are employed and approximately 26 percent have incomes below the poverty line. Additionally, persons with disabilities are less likely to be employed and more likely to have incomes below the poverty line than their non-disabled neighbors. They are also burdened by limited availability of accessible elevator-served housing options in Dubuque. All this supports the need for affordable, accessible housing targeted to veterans and persons with disabilities

To meet that need, the owner built Fifteenth Street Apartments, a fully occupied development consisting of 20 one- and 16 two-bedroom apartments. Residents enjoy amenities such as onsite services coordinator, property management, and maintenance staff, along with a community room, library, computer lab, and tenant storage. The fully-integrated mixed-income development offers 4 market-rate and 32 LIHTC units affordable to households earning at or below 30, 40, 50 and 60 percent of Area Median Income. Of the tenant population 8 are veterans, 13 are persons with a disability, and 4 are formerly homeless. The owner and manager built strong connections with disability and veteran service providers in the community to address individual needs and maintain tenant referral and services links to the building. Fifteenth Street Apartments is more than just a house, it's a home for its residents. It's a way out of overpriced housing or homelessness and a way into stable, safe housing where they can focus on taking care of themselves and achieving their goals.

Innovation

Fifteenth Street Apartments was wholeheartedly welcomed by the community and is the culmination of many innovative approaches to meeting a local need. It combines high-quality design, creativity, and supportive services in a historic Dubuque neighborhood. On the building side, the project is the adaptive reuse of a former religious school originally built in 1950. Approximately 20 years ago the church sold the school to a nonprofit to use as office and social service delivery space. The nonprofit outgrew the site due to challenges with the layout, environmental issues (asbestos), and aging building systems, though the building structure remained sound and of historic importance to the city. The innovative conversion of the old school building into Fifteenth Street Apartments benefited the local community in many ways: an underutilized existing building was repurposed and kept on the city's tax rolls; a nonprofit service provider was able to move to a more suitable location and the city retained a

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local employer; the asbestos contamination was remediated while retaining a building that contributes to the local historic district. Instead of a demolished building, residents of Dubuque found a new home.

As part of its mission, Full Circle Communities dedicates a portion of money earned from developer fees and rent collection to pay for on-site services to residents including employment assistance/job training, financial education, and counseling. Local partner Four Oaks Family and Children's Services provides services at no extra cost to the residents. Service Coordinator staff works with each resident to create a plan to help them reach their goals and track progress. Four Oaks supplements the owner's funding by connecting residents to outside organizations and services that can be billed to Medicaid and other funding sources. The addition of services to a progressive management philosophy helps residents achieve and maintain stable housing, understanding that it takes more than just a rent payment to achieve long-term housing success.

Effective Use of Resources

Full Circle leveraged Low Income Housing Tax Credits from IFA and effectively attracted and layered multiple funding sources to finance the deal. To start, the \$504,179 LIHTC award (\$4,411,125 in equity) is one of eight sources that make up the total budget. Approximately 15% of the funding comes from non-IFA or traditional debt sources. The project also benefits from a sales tax rebate from IEDA for goods purchased in Iowa.

Compared to the other developments in the 2017 IFA LIHTC awardee class, Fifteenth Street Apartments has lower LIHTC per unit and total development costs per unit amounts than the average. However, the development has a higher ratio of construction costs to total development costs than the average. This means that the owner effectively used less funding to accomplish more results compared to the other projects funded that year.

The project is sustainable long-term and does not rely on any ongoing operating support. It is underwritten to support itself for a minimum of 30 years and since it does not rely on additional government funding it is not impacted by changes in funding levels or priorities. The project has had an immediate impact on the local community and helped solve the housing needs for veterans and persons with disabilities.

Replication

While Fifteenth Street Apartments is a unique project, a similar housing development could be replicated across many communities, especially those with historic neighborhoods with underutilized institutional or other non-residential buildings. The main components that would help make the development successful in other locations include strong alliances with local service organizations to help build support and consensus around the need for the housing, partnerships with local agencies that can provide supportive services on-site to help tenants remain stably housed, and a collaborative design effort to efficiently repurpose an underutilized space.