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[2006-07 Affordable Housing and](#)

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**READERS' CHOICE AWARD
GREEN FINALIST**

Gish Goes Green and Gold

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BY DANA ENFINGER

SAN JOSE, CALIF. - Gish Apartments has achieved an honor that no other multifamily development in California—affordable or not—can claim. Its green building elements have earned Leadership in Energy and Environmental Design (LEED) for Homes gold certification from the U.S. Green Building Council. A number of multifamily buildings have a certified or silver honor, but not gold.

"Our whole portfolio is green," said Jeff Oberdorfer, executive director for First Community Housing, a nonprofit affordable housing developer based in San Jose. "We don't do a green project once in a while. Everything we do is green."

Gish Apartments is located on the former site of a gas station. "We look for brownfield sites that are difficult to develop because we can get them for a better price than a market-rate developer," said Oberdorfer. "Of course, the fact that it is across the street from a light-rail station for our clients was a tremendous bonus."

All tenants receive an Eco Pass, an annual transit pass for use on bus and light-rail systems in Santa Clara County. All residents who live in First Community Housing developments receive this free transit pass.

The passes do more than just reduce users' carbon footprints. Thirteen of the 35 units are set aside for residents with developmental disabilities. Since many of these folks don't drive, a complimentary transit pass makes it easier to get to appointments and visit friends and family. In addition to its location, other green elements include locally sourced materials, energy-efficient lighting, appliances, and windows, and a rooftop photovoltaic system that provides 30 percent of the electricity for all common areas. The fact that the building also features a 7-Eleven store on the ground floor means that residents don't need to get in their cars if they need some orange juice. They just take an elevator. The developer had the general contractor arrange for lumber to be pre-cut at the lumberyard, rather than doing a lot of the cutting and fitting work at the site. This reduced construction waste by 75 percent.

The genesis of the project came when the 7-Eleven owner approached First Community Housing to find out how he could get residential units built atop the 7-Eleven. "We have become known for doing mixed-use affordable housing, and this was an opportunity to develop on an infill site that we couldn't pass up," said Oberdorfer. Now a nail salon also occupies space on the ground floor.

The \$16.3 million development includes a mix of studios and one- and two-bedroom units. All are affordable for households earning up to 50 percent of the area median income.

Hard construction costs amounted to about \$10.7 million and include \$10 million from tax-exempt bonds, as well as \$1.7 million from the sale of low-income housing tax credit equity (Apollo Equity Partners, now known as RBC Capital Markets, was the syndicator), a \$2.3 million loan from the city of San Jose, and general partner equity. Permanent financing includes \$2.6 million in tax-exempt bonds and a \$2.4 million loan from the city of San Jose. Investor equity totaled \$5.8 million.

