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+
INSIDE
The Top
Developers and
Owners

BUILDING STRONG

Caleb Roope and
The Pacific Cos.
top this year's
AHF 50



The Pacific Cos. and Northwest Integrity Housing opened the first permanent supportive housing development in Idaho last year. Pictured are Caleb Roope (front), president and CEO of The Pacific Cos., with residents of New Path Community Housing in Boise.



STRONG AND STEADY

by **CHRISTINE SERLIN**
photo by **DEBORAH HARDEE**

Marking two decades, The Pacific Cos. hits record highs in 2018

For The Pacific Cos., 2018 was a year of milestones. The Eagle, Idaho-based developer celebrated two decades in the affordable housing industry and had the most unit starts and completions in its history, topping the AHF 50 Developers list.

“Over the past 20 years, we’ve really tried to focus on sustainable, gradual growth. We never set out to be the biggest and best at anything, just to live in a commitment to do our best,” says president and CEO Caleb Roope. “The benefit of this steady approach has been an ability to more easily adapt to changing times, like recessions and tax reform, because we aren’t focused on achieving lofty goals or

taking on more than we can reasonably handle.”

In 2018, the firm started construction on 15 affordable housing developments with 2,501 units and completed 14 developments with over 1,300 units.

Roope credits strong partnerships with both developers and capital providers for achieving this record volume.

“From a strategy perspective, our continued commitment to partnerships with other developers really paid off. I’ve always appreciated the partnership approach, especially with nonprofit organizations, because they bring their special capabilities to the effort,” he says. “I also give great credit to our capital providers. ... We could not have closed the projects we did this past year without early and frequent engagement with them.”

Citi Community Capital is one of the lenders that has worked with The Pacific Cos. for over 15 years. “Creating affordable housing is Caleb’s and The Pacific Cos.’ top mission. It’s the passion, it’s the drive, and it’s the work ethic that I value in Caleb and his team,” says Mike Hemmens, managing director at Citi.

Brenda Champy, senior vice president and director of acquisitions at syndicator Boston Capital, also credits The Pacific Cos. for its early involvement and problem-solving on transactions.

“Caleb is a true partner at every level,” she says. “He’s very transparent.”

Hometown Impact

While The Pacific Cos. does the majority of its work in California, it also helped achieve a major milestone for its home state of Idaho in 2018.

It co-developed, with Northwest Integrity Housing, the state’s first permanent supportive housing development for the chronically homeless. The 40-unit New Path Community Housing, just under 10 miles from The Pacific Cos.’ headquarters, opened its doors in Boise in November.

“What attracted me most to doing this project was the tremendous will across a broad spectrum of stakeholders to get something done for the local homeless population,” Roope says. “We were fortunate enough to come into a process where the state housing agency, city, county, housing authority, service providers, homeless advocates, nonprofit organizations, and local hospitals had already demonstrated a commitment to facilitate and fund a project.”

Just months after opening, the Housing First development is having a positive impact on residents.

“The last time I had a home was 11 years ago,” says a resident named Troy.

After receiving the keys to his apartment on Dec. 14, he says he stood there for at least 45 minutes. “It was a lot to take in. I’m dumbfounded that I’m not homeless anymore,” he adds. “I’m moving up.”

It’s also been beneficial for resident Dalan, who moved in on Nov. 30 after living in his truck with his dog, Dusty, for many years in several states. “It’s helping to get my life back in order,” he says.

The Pacific Cos. and Northwest Integrity Housing also are partnering with Thomas Development Co. on the 134-unit Adare Manor across the street from New Path Community Housing. The 100% affordable development is under construction on a city-owned parcel and will be available to families this fall.

Forward Focus

While Roope doesn’t expect to repeat last year’s production numbers, he anticipates moving forward on approximately 15 new construction projects in Alaska, California, and Idaho this year.

In a move to deal with rising construction costs and lengthy building processes, The Pacific Cos. is building a modular factory that will be fully operational in April 2020 in nearby Nampa, Idaho. He anticipates modular building will help reduce construction costs by 10% to 30% and shave 25% off of schedules.

“I never wanted to be in the modular manufacturing business. It has truly been born out of a tremendous frustration with the seemingly never-ending and rapid cost escalations coupled with construction schedules that continue to grow longer with each year,” Roope says.

To diversify the factory away from sole dependence on The Pacific Cos., it plans to build for other affordable housing developers throughout the West, including those who have co-invested in the plant.

As the company has evolved and grown over the past two decades, so, too, has Roope’s view of his work. In the early years of his career, he says he was mainly focused on earning a living to care for his family and enjoying the work.

“While the first two reasons still motivate me, I see our work as more of an opportunity to help people—help low-income families and seniors live a better life, help lenders and investors deploy capital and fulfill their missions, help local governments build better communities, and the list goes on,” he says. “This is the real privilege of the work we do.” **AHF**

THE PACIFIC COS. BY THE NUMBERS

Founded: 1998

States the firm serves: 13

(Alaska, Arizona, California, Connecticut, Hawaii, Idaho, Montana, Nevada, New Mexico, North Dakota, Oregon, Washington, and Wyoming)

Number of employees: 58

Affordable units developed: 12,411

Affordable housing units owned: 12,538

Market-rate units developed: 1,092

Charter schools developed: 8

Commercial projects developed: 6