

Manchester Affordable Housing Trust/Manchester Housing Authority:

Summary Initial Re-development Analysis and Plan

DRAFT FOR
REVIEW/DISCUSSION

Date – 1.21.21 initial draft

We are pleased to submit for your review the following summary of initial findings from the financial and schematic site plan exercise outlined in the contract for advisory service with the MHA/MAHT dated July 20, 2020. The properties included in this preliminary redevelopment exercise include three MHA-owned properties (Newport Park, The Plains, and Loading Place Road) and the town-owned property currently occupied by the Town's Department of Public Works located on Pleasant Street.

This scope included the creation of conceptual level site plans and outline design guidelines. This includes a review of zoning and entitlement requirements as well as a cursory septic analysis to support the site plans developed. The scope also anticipates an initial "plan of finance", or proforma budgets, that will consider development costs, operating budgets to inform commercial debt sizing and investment needs. It was anticipated that the proforma budget created would advise the development of future One Stop subsidy application models as required by the subsidy resources available and applicable.

This assessment seeks to identify and quantify proforma financial "gaps" discovered and assess the availability of, and potential for, equity or subsidy funding opportunities. The financial and architectural scopes above will ultimately inform a development plan that would be used to solicit interest and proposals from developers who would enter into an agreement with the Town to develop and finance the units proposed.

Three of the properties are state-aided public housing developments, currently owned by the Manchester Housing Authority, with annual Formula Funding operating assistance administered by the Department of Housing and Community Development (DHCD):

- Newport
- The Plains
- Loading Place Road

A third property is currently owned by the Town of Manchester-by-the-Sea.

Description of the Redevelopment Exercise:

The outline summary of process and findings resulting from the preliminary redevelopment exercise is summarized below. The summary is organized by Tasks:

1. Section 1: Summary of work to date.

Per the contract dated July 20, 2020, the PUI team has completed the following:

- **Task 1: Schematic site plans and design guideline.**

The conceptual design scope began with a due diligence phase that included a kick-off meeting, confirmation of project scope, and site visits to document existing conditions and collect documentation in advance of the preparation of base and schematic plans.

An analytical phase followed with evaluations of the physical conditions of the existing buildings at the three residential sites and DPW site envisioned in the RFP. This phase also incorporated the underlying zoning and other regulatory requirements, described below, that further informed the development potential for all of the sites.

The next task included preparation of diagrammatic site plans and buildout calculations to illustrate potential development options that will be presented to, and reviewed by, the MHA/MAHT. With that input, we developed schematic site plans and outline design guidelines for the preferred development options.

- **Task 2: Zoning and entitlement strategy**

Based on the Schematic Design work above, the team reviewed current zoning and entitlement requirements for the Town and assessed issues of timing and likely required variances. In cooperation with the Town planning office, the MAHT/MHA, we considered how best to approach introducing a potential project to the local zoning and entitlement authorities, with a particular focus on how to introduce the potential project to the public in advance of developer solicitation/selection.

From this campaign, we hope to be able to better anticipate public sentiment and concerns before a developer is selected and final plans

and specifications are drafted for public review. We believe that this process will not only show a level of transparency of process, but will also provide some level of comfort in the development community that pursuing an affordable housing project in the Town will have a greater likelihood of success.

Current zoning for the Town currently does not anticipate developments beyond traditional single family and two-family configurations such as those proposed as a result of this preliminary redevelopment exercise. As such, the zoning strategy proposed for multi-family development must anticipate either a 40B or 40R entitlement process and the development team must be able to pursue and accommodate these processes.

An important part of this concept development phase is to identify potential issues and engage residents and/or organizations that might push back on the idea of bringing new low-and-moderate income units to the marketplace. This process will give the Town and potential developers a greater sense of how a 40B or 40R project might be received, and to what level of objection or concern.

The development partner, once identified and engaged, must continue to work with the Town to think about how best to engage this group in a way that is thoughtful and non-threatening. For example, in the spirit of transparency in the process, the MHA/MAHT development team might hold a series of community meetings to present the Town's desire to increase affordable housing and gauge how this concept might be received by the residents and the community at-large.

○ **Task 3: Septic analysis and strategy.**

As part of the schematic scope above ("Schematic Design"), the architect worked with the civil engineering firm, Samiotes Consultants, to review the current septic by-laws and requirements. This assisted the architect in reconciling the unit programming anticipated under the municipal guidelines and the existing storm and sanitary infrastructure at the three MHA sites. The architect also considered the findings of the "Due Diligence and Constraints Memorandum" previously prepared for the Town with respect to the anticipated sewer infrastructure required at the DPW site. The architect and civil engineer relied exclusively on existing documentation for this analysis; no new subsurface testing was included in our proposal.

- **Task4: Project financing.**

Reflecting the Schematic Design process above, a preliminary plan of finance was established including development and operating proforma budgets, subsidy resourcing potential and a detailed description of the potential 'capital stack'. A summary of the plan, attached, was built to include:

- (a) a development budget for hard and soft costs;
- (b) an operating budget anticipating net operating income that will inform commercial debt sizing and investment needs;
- (c) summary of the resulting sources and uses; and
- (d) based on the information above, the DHCD One Stop proforma can be populated for initial review by all sources including DHCD, local resources, commercial lenders and LIHTC investors.

The summary proforma attached assumed a total of 116 units, including 80 existing and 76 new units as described in Section 3 below. The summary proforma draws from four (4) separate development models and can be adjusted to reflect a change in unit count as contemplated in the architectural summary described in Section 3(A) below.

The financing summary assumes 86 units of new units to be developed in addition to the 80 units of existing/remaining housing owned and operating by the MHA. The total development costs anticipated is estimated at approximately \$35,570,500 (\$214,280/unit in new construction and includes approximately \$40,000/units in rehabilitation to the existing units).

- **Task 5: Subsidy resourcing.**

The process of identifying subsidies – both development and operating subsidies – became evident as the modeling described above was advanced. As anticipated given the income of the population to be served, the project costs will greatly outweigh the amount of commercial debt and LIHTC resources available to a project whose

target market are households earning less than 60% (low-income) or 30% (extremely low-income) of the area median income (AMI). Based on the schematic unit count described in Section 3(A) below, we can estimate the anticipated 'gap' in financial resources in the summary plan of finance to support the development. Next, we need to reach out to subsidy providers and quasi-public lenders to strategize about how best to address the gap.

2. Section 2: Goals of the (re)development analysis exercise.

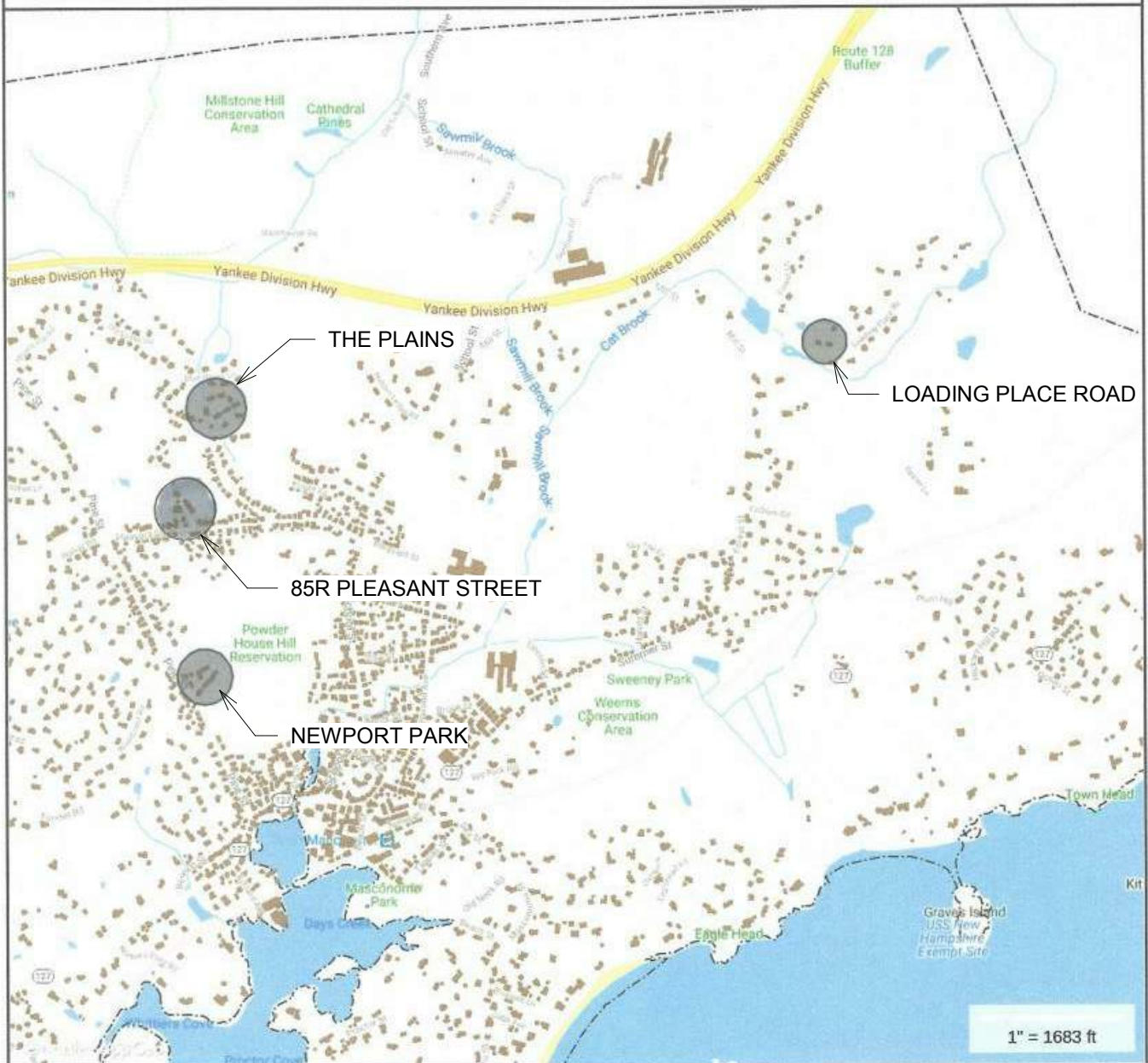
The Manchester Affordable Housing Trust (MAHT) and the Manchester Housing Authority (MHA) have joined together to consider how best to:

- (1) create a larger portfolio of housing that is affordable to residents of the Town in the middle and lower-incomes;
- (2) address the 84 units of aging state-owned public housing owned and operated by the MHA; and
- (3) execute the redevelopment strategy in the best interest of the current MHA residents and the residents of the community of Manchester-by-the-Sea as represented by the MAHT/MHA.

Together the MAHT and the MHA seek to leverage the existing PHA units and create new affordable and market rate units on underutilized land adjacent to the three PHA sites, as well as a 5.4-acre site currently-owned by the Town and used by the Dept of Public Works for truck and equipment storage.

The Tasks described above have revealed a schematic plan for redevelopment and finance to be used to further explore a full redevelopment strategy with a future development partner. The MAHT and MHA will solicit and pursue this strategy with a development partner (either not-for-profit or private development entity) to be identified and selected through a public solicitation process (pursuant to M.G.L. Chapter 30(B)). It is strongly encouraged that the MAHT and MHA maintain a leadership and administrative manner so to ensure the long-term goals above are supported and executed.

Locus Map MHA Housing Sites



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MANCHESTER HOUSING AUTHORITY

Drawing Title:
LOCUS MAP

Sketch No: 1

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Part of:



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3. Section 3: Overview of Findings.

A description of finding from the redevelopment analysis exercise is described below:

A. Architectural Site Analysis/Development Potential:

The following architectural package include a written narrative that describes the site characteristics, development potential and condition of the existing MHA buildings organized by the four development sites. In addition, the representative architectural design guidelines are depicted in a series of images that visually describe the physical building configurations.

Newport Park

Site Characteristics

The property is a three-acre lot located in a residential district. It has an irregular configuration with two separate frontages on Pine Street. It contains five residential buildings, dating from 1964 with a total of 32 one-bedroom units. The developed area is relatively flat and has a single vehicular access from Pine Street with surface parking. The undeveloped area is a wooded area of about one acre. It has a relatively steep topography with slopes ranging from 7% to 18%. The site is served by all utilities from Pine Street.

Development Potential

A portion of the undeveloped land can accommodate new construction of up to 24 one and two-bedroom units but it must be adapted to the sloping topography. Vehicular access would likely be through the existing driveway to avoid the pronounced slopes that exist at the undeveloped western frontage. Required zoning setbacks are moderate and can be easily accommodated. No wetlands were noted on the available site plans. A zoning relief will be required (40B or 40R) would be needed for parking because zoning requires 1.5 parking spaces per unit. For the 18 units currently proposed, this would mean adding 27 new spaces.

Existing Buildings

The five existing buildings are two-story, wood framed structures with one-bedroom flats on both levels, accessed by common stairs and corridors.

There are no elevators in the buildings. The buildings are in fair condition but require some capital investment to address deferred maintenance. To address this work, we have included \$40,000/unit in the proposed development financial proforma.

Potential redevelopment of the buildings is constrained by the physical configuration of the existing means of egress. The floor plates are subdivided into small, separate areas by the layout of egress stairs and corridors making it difficult to expand horizontally.

Conversion of some units into two-bedroom apartments by expansion toward the rear is possible in three of the five buildings, but this would require adding a second bathroom because the existing bathroom is accessed through the existing bedroom. Expansion to the sides is possible for some of the buildings but it is limited by the proximity of the adjacent buildings. Any large-scale reconfiguration would require upgrading the existing buildings to meet current code requirements for means of egress, structure, MEP/FP and energy conservation, which would be cost prohibitive.

See architectural summary attached.

MHA Newport Park Site Map 2



Property Information

Property ID 42 0 1
 Location 0 NEWPORT PK
 Owner MANCHESTER HOUSING AUTHORITY



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NEWPORT PARK

Drawing Title:
 SITE MAP, AERIAL

Sketch No: SK-1.1

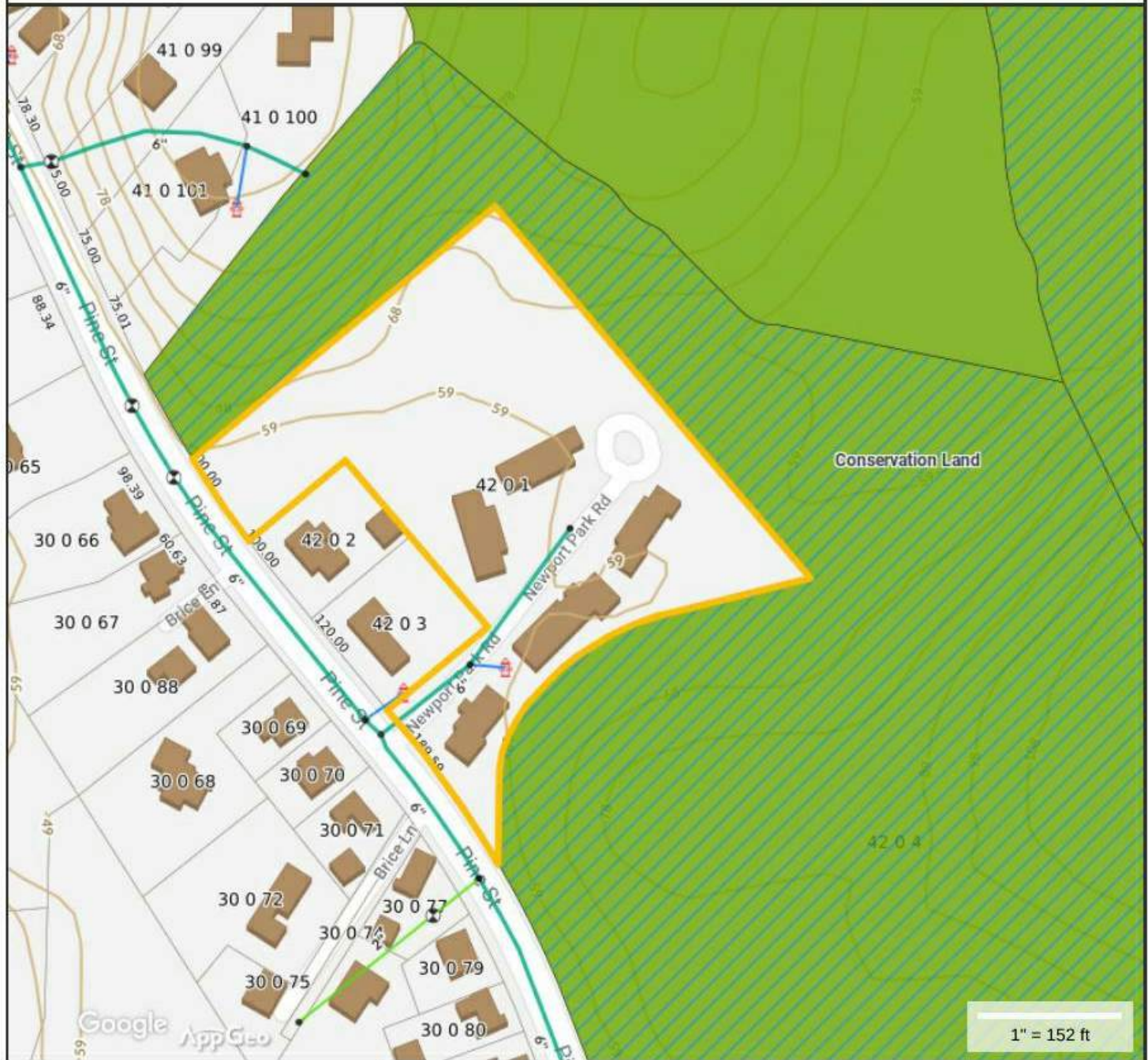
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Newport Park Site Plan Map 1



Property Information

Property ID 42 0 1
Location 0 NEWPORT PK
Owner MANCHESTER HOUSING AUTHORITY



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NEWPORT PARK

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① Site Plan - SK-1 Existing
1" = 100'-0"

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NEWPORT PARK

Drawing Title:

EXISTING SITE PLAN

Sketch No: SK-1.3

Scale:
1" = 100'-0"

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2 Site Plan - SK-1
1" = 100'-0"

NEWPORT PARK NEW DEVELOPMENT

BUILDING TYPE	ATTACHED 1 or 2 STORY
UNIT TYPE	1 & 2 BEDROOM
UNIT SIZE	1BR 650 SF; 2BR 900 SF
NO. UNITS W/1FLOOR	8-1BR + 4-2BR = 12 DU
NO. UNITS W/2 FLOORS	16-1BR + 8-2BR = 24 DU
BUILDOUT W/1 FLOOR	8,800
BUILDOUT W/2 FLOORS	17,600



PROPOSED NEW
BUILDINGS



EXISTING BUILDINGS

NEWPORT PARK
SITE AREA: 3.0 ACRES



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NEWPORT PARK

Drawing Title:

CONCEPTUAL SITE PLAN

Sketch No: SK-1.4

Scale:
As indicated

Drawn by:
ZG

Checked by:
AC

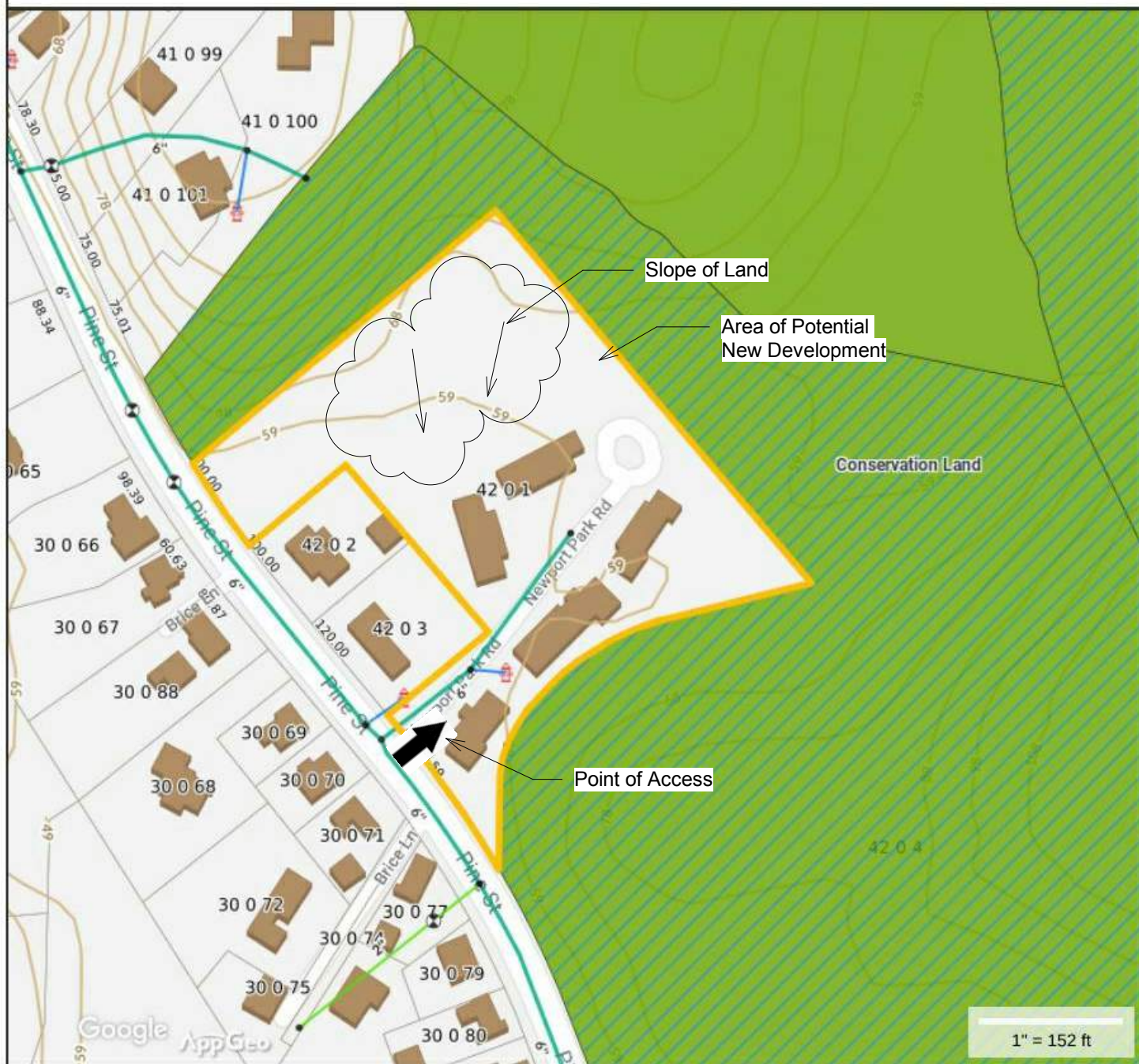
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Newport Park Site Plan Map 1



Property Information

Property ID 42 0 1
 Location 0 NEWPORT PK
 Owner MANCHESTER HOUSING AUTHORITY



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NEWPORT PARK

Drawing Title:

SITE DIAGRAM

Sketch No: SK-1.5

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Example of a single-family row house model.



Example of a multi-level row house model.

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NEWPORT PARK

Drawing Title:

IMAGES

Sketch No: **SK-1.6**

Scale:

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Example of a 2-story row house configuration.



Example of two-story duplex configuration. -



Example of 2-story row-house conguration.

The Plains

Site Characteristics

The property is a 3.2-acre lot located in a residential district. It has a very irregular configuration with a narrow frontage on Old Essex Road. The site contains six residential buildings dating from 1975 with a total of 48 one-bedroom units. There is also a Community Building and a small maintenance building. The developed area is relatively flat and has a single vehicular access from Old Essex Road. The buildings face an oval shaped vehicular driveway that has surface parking bays and surrounds a central green space. There is a small, undeveloped area on the northeast end of the site, behind the community building. It is a wooded area of about one-half acre that has a sloping topography with slopes ranging from 3% to 13%. The site is served by all utilities from Old Essex Road.

Development Potential

The existing single story community building and office could be replaced by a larger mixed-use structure that would include community room(s) and office spaces as well as up to 26 one and two-bedroom units. The new building will include an elevator and will meet all required building and energy codes. A new building would extend into the sloping terrain with a partial first floor and larger floor plates on the upper levels. In a 4-story configuration, the building could provide up to 26 one and two-bedroom units. Required zoning setbacks are moderate and can be easily accommodated at this location. No wetlands were noted on the available site plans. The main factor that limits the size of a new building is the zoning regulations that limit the height to two stories. Zoning relief would be required for a three-or-four story building. Zoning relief would also be required for parking because zoning requires 1.5 parking spaces per unit, which would mean adding 39 new spaces.

Existing Buildings

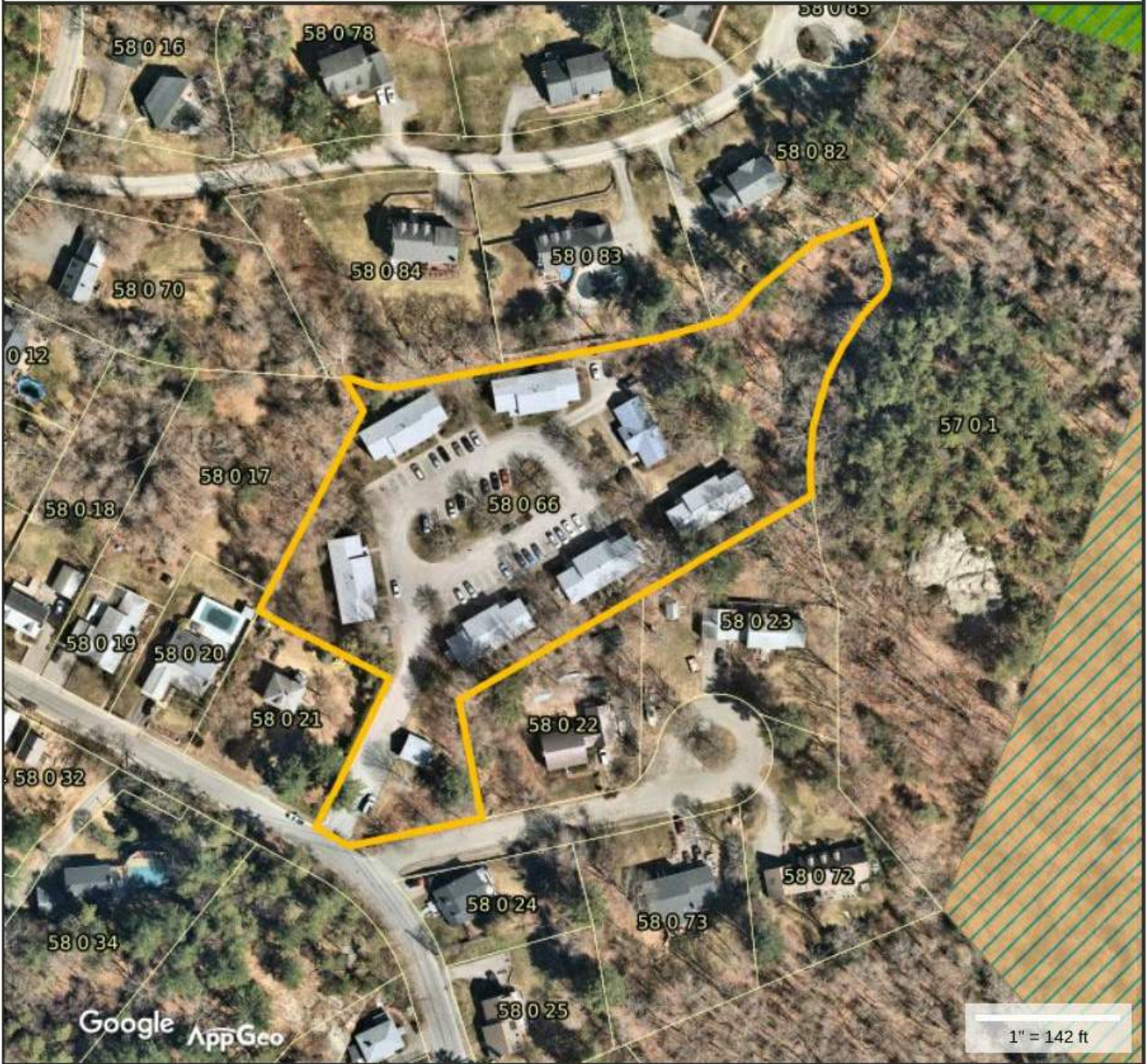
The six existing residential buildings are two-story, wood framed structures with one-bedroom flats on both levels, accessed by common stairs and corridors. The unit bathrooms are located on the second floor which is an accessibility issue for many residents. The buildings do not currently have elevators. The buildings are in fair condition but require some capital investment to address deferred maintenance. To address this work, we have included \$40,000/unit in the proposed development financial proforma.

Floor plans of the existing buildings were not available for review. Based on a site visit and the building typology, we believe that potential redevelopment of the existing structures would be constrained by the configuration of the existing means of egress and the unit layouts. The floor plates are subdivided into small, separate areas by the location of egress stairs, which makes it difficult to expand units horizontally.

Conversion of some units into two-bedroom apartments by expansion toward the rear is possible in one of the six buildings, but the 20-foot rear yard setback requirement makes this unfeasible for the other five buildings. Lateral expansion at the ends of the buildings is possible. Like the units at Newport Place, any large-scale reconfiguration would require upgrading the existing buildings to meet current code requirements for means of egress, structure, MEP/FP and energy conservation, which would be cost prohibitive.

See architectural summary attached.

MHA The Plains Site Map 2



Property Information

Property ID 58 0 66
 Location 0 THE PLAINS
 Owner MANCHESTER HOUSING AUTHORITY



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THE PLAINS

Drawing Title:
 SITE MAP, AERIAL

Sketch No: SK-2.1

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MHA The Plains Site Plan Map 1



Property Information

Property ID 58 0 66
 Location 0 THE PLAINS
 Owner MANCHESTER HOUSING AUTHORITY



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THE PLAINS

Drawing Title:

SITE MAP, DRAWING

Sketch No: SK-2.2

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1 Site Plan - SK-2 Existing
1" = 100'-0"

MANCHESTER HOUSING AUTHORITY

THE PLAINS

Drawing Title:

EXISTING SITE PLAN

Sketch No: SK-2.3

Scale:
1" = 100'-0"

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1 Site Plan - SK-2
1" = 100'-0"

THE PLAINS NEW DEVELOPMENT

BUILDING TYPE	3 OR 4 STORY MULTIFAMILY + COMMUNITY
UNIT TYPE	1 & 2 BEDROOM
UNIT SIZE	1BR 650 SF; 2BR 900 SF
NO. UNITS W/3 FLOORS	10-1BR + 8-2BR = 18 DU
NO. UNITS W/4 FLOORS	14-1BR + 12-2BR = 26 DU
COMMUNITY ROOM	2500 SF
BUILDOUT W/3 FLOORS	18,630
BUILDOUT W/4 FLOORS	25,760

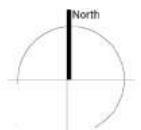


PROPOSED NEW
BUILDINGS



EXISTING BUILDINGS

THE PLAINS
SITE AREA: 3.2 ACRES



MANCHESTER HOUSING AUTHORITY

THE PLAINS

Drawing Title:

CONCEPTUAL SITE PLAN

Sketch No: SK-2.4

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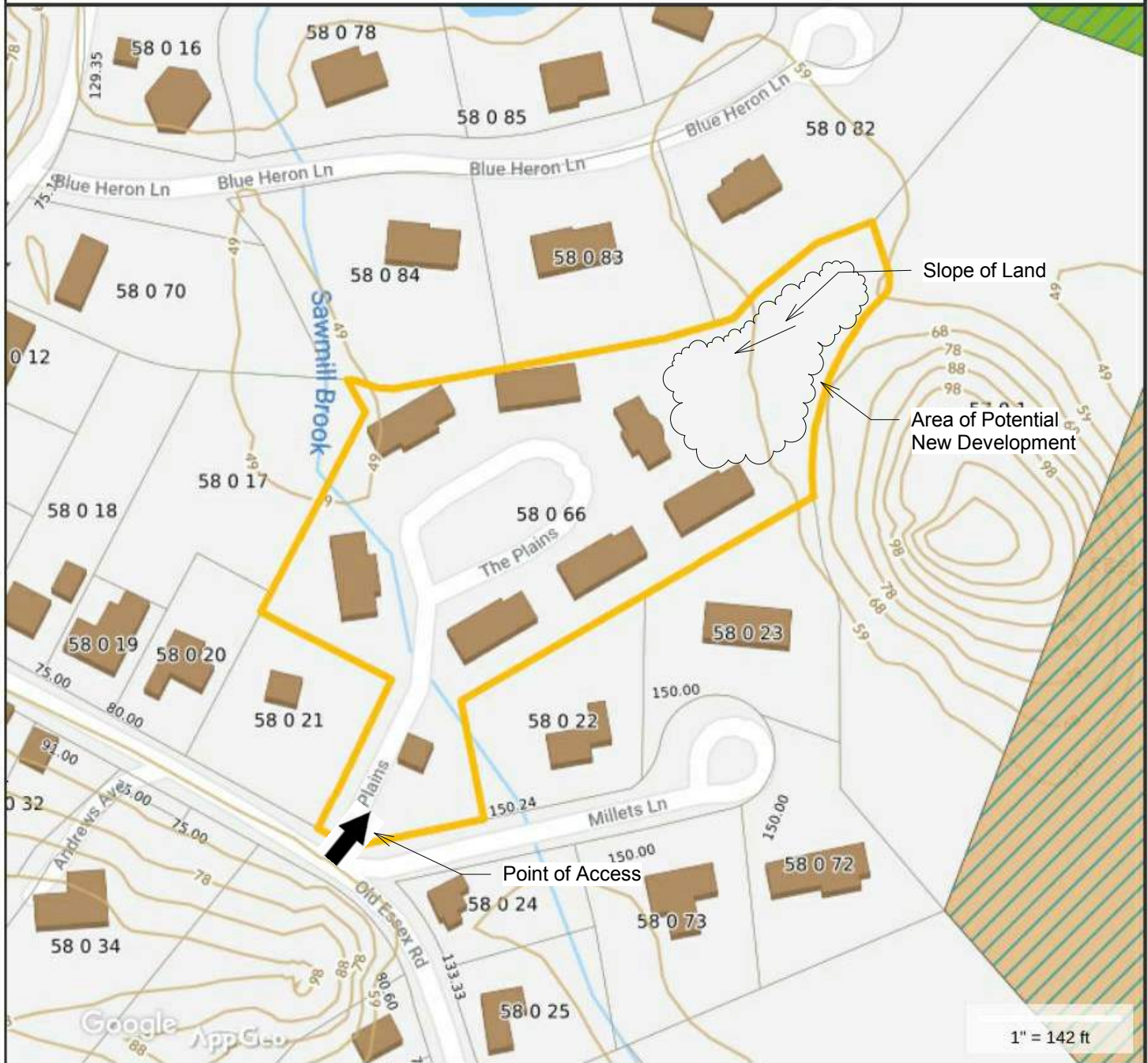
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MHA The Plains Site Plan Map 1



Property Information

Property ID 58 0 66
Location 0 THE PLAINS
Owner MANCHESTER HOUSING AUTHORITY



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THE PLAINS

Drawing Title:
SITE DIAGRAM

Sketch No: SK-2.5

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Example of mixed-use 3-story multifamily configuration.



Example of mixed-use 4-story multifamily configuration.

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THE PLAINS

Drawing Title:

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Sketch No: SK-2.6

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Landing Place Road

Site Characteristics

The property is a 3.2-acre lot located in a residential district. It has extensive frontage on Landing Place Road and a topography that slopes in two directions, along its length and breadth. There is a single vehicular driveway that provides access to the two existing detached two-family buildings that date from 1988. There are two undeveloped areas, a large area on the west and a smaller one on the east end of the site. Both of these areas are wooded and have sloping topography with slopes ranging from 5% to 13%. The site is served by utilities from the Street but has no connection to the municipal sewer system. Each of the two buildings is served by a septic sewer system, one of which is not working properly. For the purpose of this study, we have assumed that the existing four units will be demolished and replaced.

Development Potential

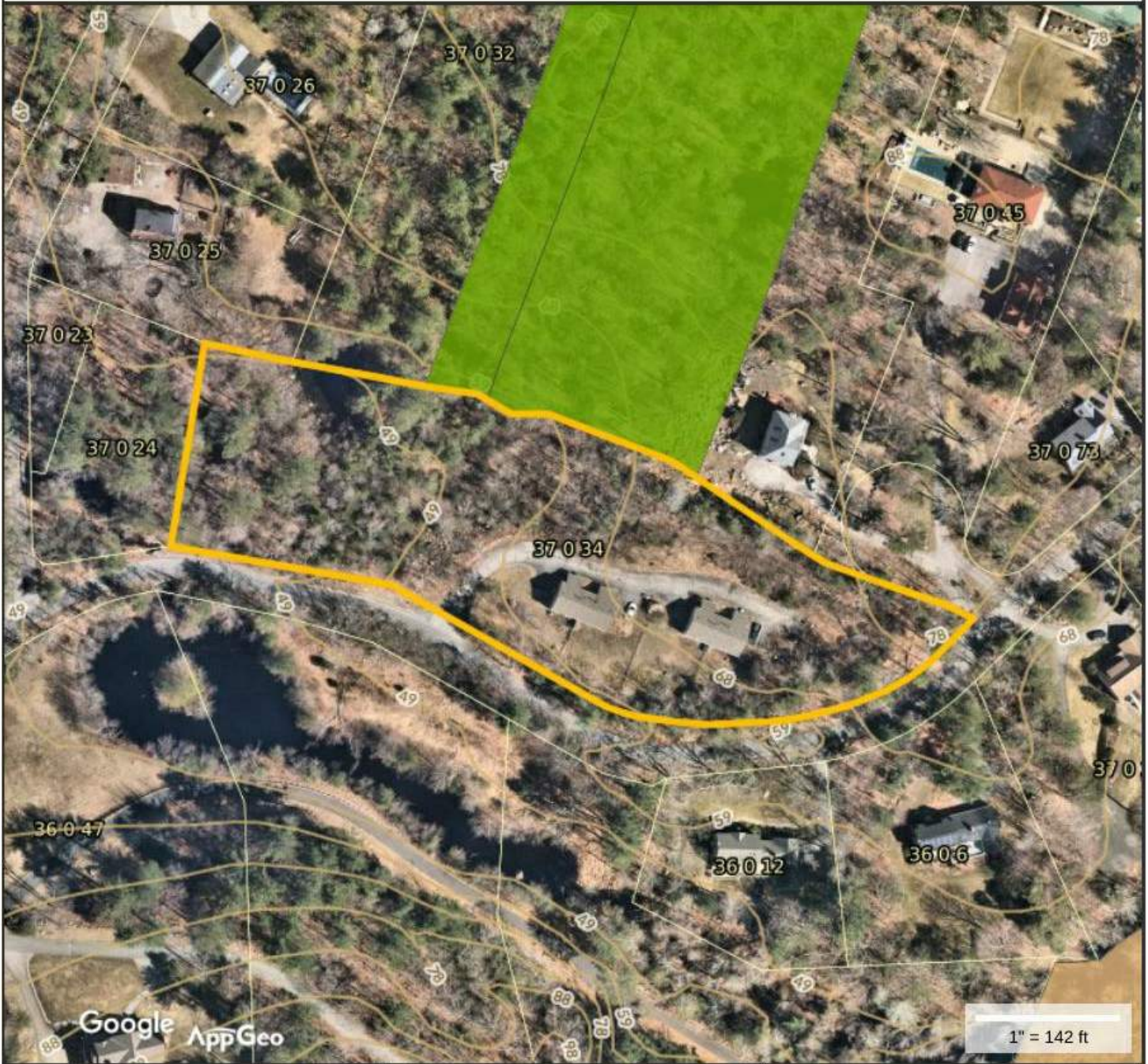
The site is large enough to hold six attached 2-family buildings similar to the existing ones for a total of 12 new units. The existing buildings would be demolished. Small, detached duplex structures such as these are appropriate for this site because they can be more easily adapted to the sloping terrain, whereas a larger multifamily building would require extensive earthwork and foundations as well as earthwork and retaining walls to create level parking areas. No information on wetlands was available, but the site map shows a small pond at the west end of the site. A wetlands survey should be performed to establish potential restrictions to the buildable area of the site.

Existing Buildings

The two existing residential structures are attached two family buildings with a total of four units. They are two-story, wood framed structures with 3-bedroom units that were built in 1988. The maintenance superintendent reported that buildings are in poor condition and are not worth saving.

See architectural summary attached.

MHA Loading Place Road Site Plan Map 2



Property Information

Property ID 37 0 34
 Location 2 4 LOADING PLACE RD
 Owner MANCHESTER HOUSING AUTHORITY



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LOADING PLACE ROAD

Drawing Title:
 SITE MAP, AERIAL

Sketch No: SK-3.1

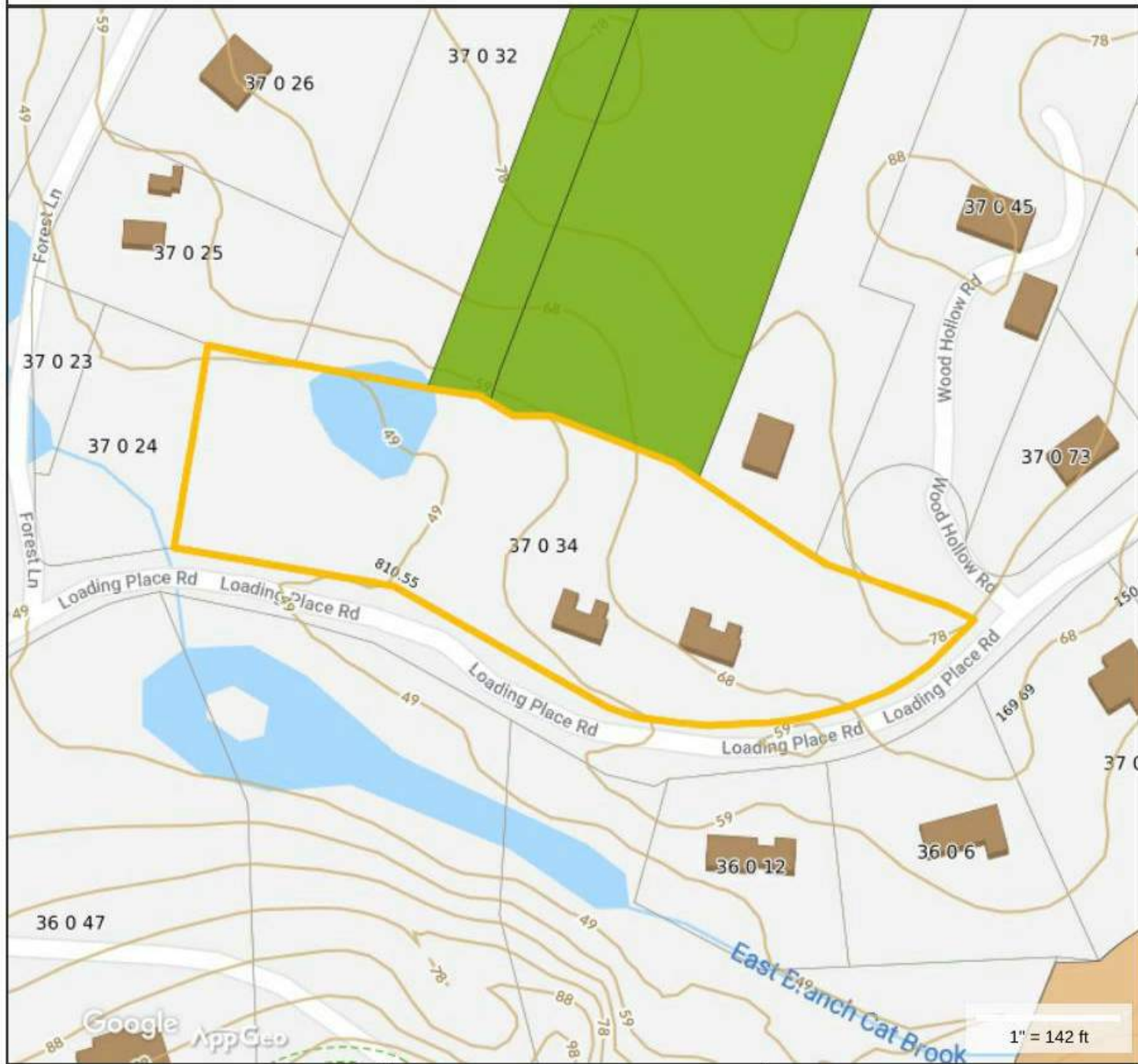
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MHA Loading Place Road Site Plan Map 1



Property Information

Property ID 37 0 34
 Location 2 4 LOADING PLACE RD
 Owner MANCHESTER HOUSING AUTHORITY



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LOADING PLACE ROAD

Drawing Title:

SITE MAP, DRAWING

Sketch No: SK-3.2

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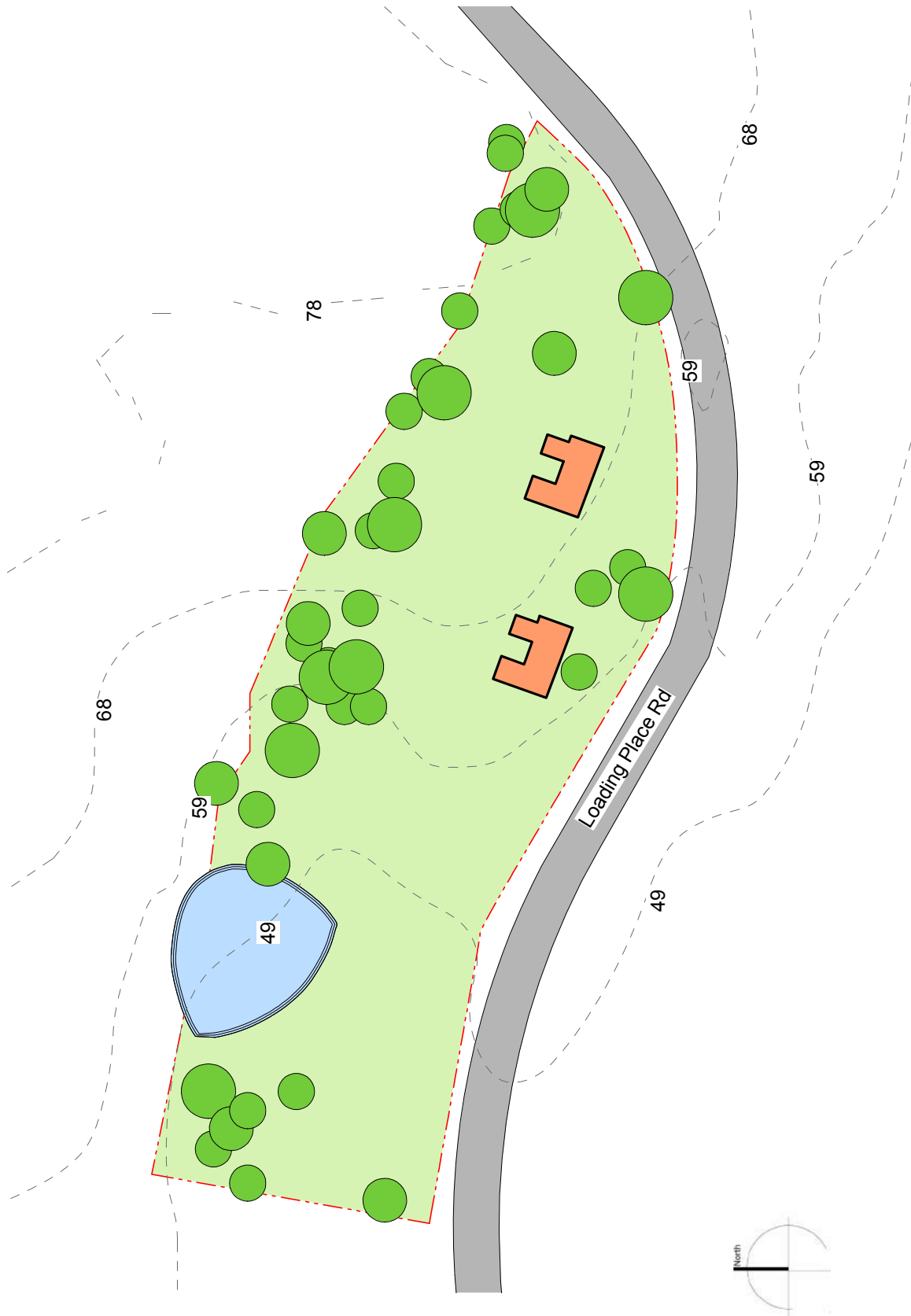
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1 Site Plan - SK-3 Existing
1" = 100'-0"

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LOADING PLACE ROAD

Drawing Title:

EXISTING SITE PLAN

Sketch No: SK-3.3

Scale:
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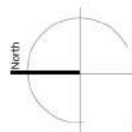
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LOADING PLACE ROAD
SITE AREA : 3.2 ACRES



LOADING PLACE RD. NEW DEVELOPMENT

BUILDING TYPE	DETACHED 2-FAMILY 2
UNIT TYPE	STORY + GARAGE
UNIT SIZE	2 & 3 BEDROOM
NO. UNITS	2BR 1000 SF; 3BR 1300 SF
BUILDOUT	6-2BR + 6-3BR = 12 DU 13,800

 PROPOSED NEW BUILDINGS

1 Site Plan - SK-3
1" = 100'-0"

MANCHESTER HOUSING AUTHORITY

LOADING PLACE ROAD

Drawing Title:

CONCEPTUAL SITE PLAN

Sketch No: SK-3.4

Scale:
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Drawn by:
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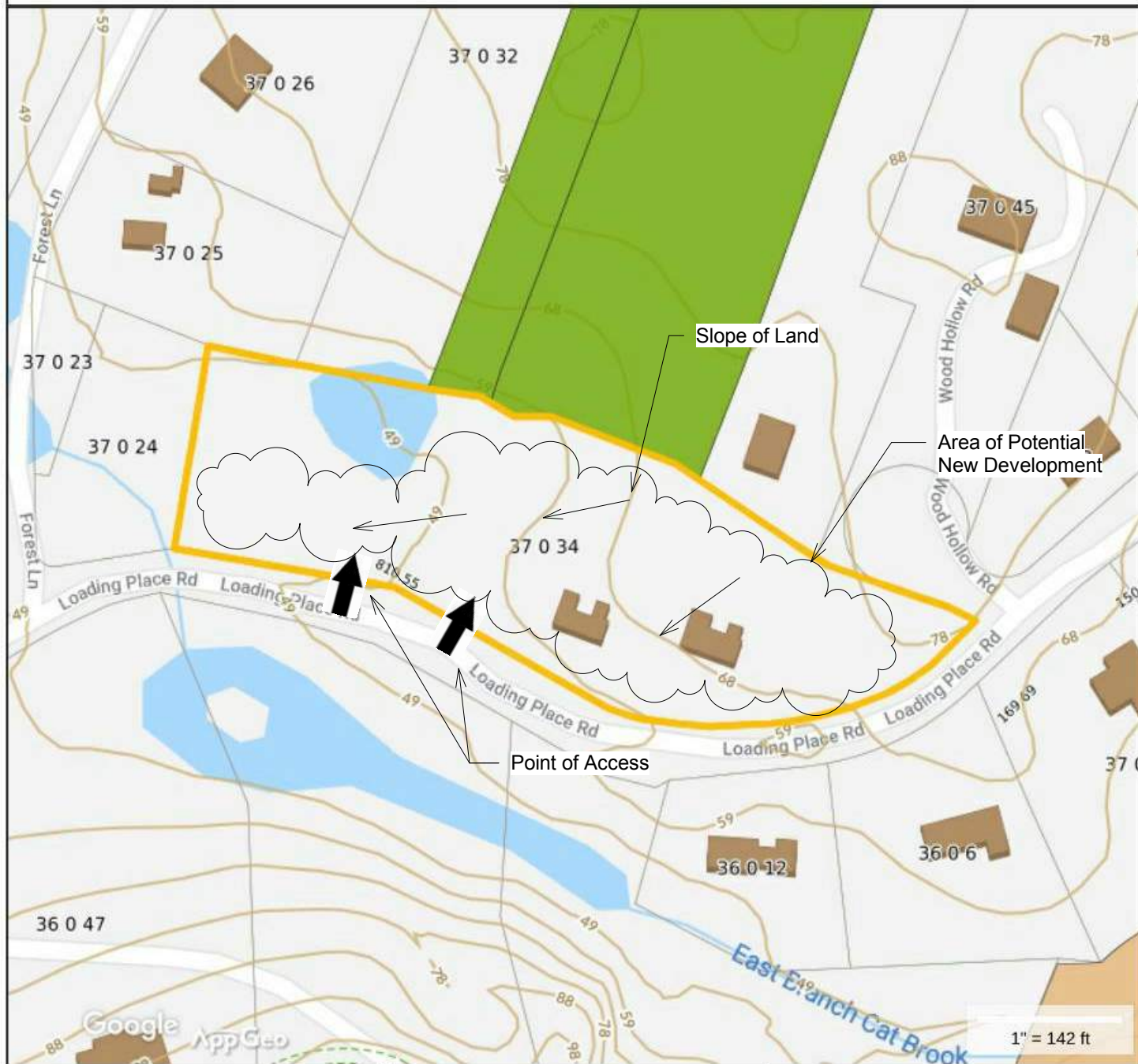
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MHA Loading Place Road Site Plan Map 1



Property Information

Property ID 37 0 34
Location 2 4 LOADING PLACE RD
Owner MANCHESTER HOUSING AUTHORITY



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LOADING PLACE ROAD

Drawing Title:

SITE DIAGRAM

Sketch No: SK-3.5

Scale:

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BOSTON, MA 02114



Example of 2-story duplex configuration.



Example of 2-story duplex configuration.

MANCHESTER HOUSING AUTHORITY

LOADING PLACE ROAD

Drawing Title:

IMAGES

Sketch No: SK-3.6

Scale:

Drawn by:
ZG

Checked by:
AC

Date:
01/20/21

Part of:



DHK ARCHITECTS, INC
54 CANAL STREET
SUITE 200
BOSTON, MA 02114

85R Pleasant Street (DPW site)

Site Characteristics

The property is 5.4-acre lot located in a residential district. It has a roughly rectangular configuration with only one frontage on Pleasant Street. The southeast half of the site is occupied by the DPW and contains several structures that house DPW operations and equipment. This developed area is flat and has a single vehicular access from Pine Street and an extensive paved area used for vehicular circulation and parking. The undeveloped area is a wooded area of about one acre. It has slopes ranging from 14% to 50%. The site is served by utilities from Pleasant Street and has sanitary and storm water connections to mains in Pleasant Street.

Development Potential

The developed land can accommodate new residential construction for approximately 30 attached townhouse type units with new roadways and common green space, without impinging on the area restricted by wetlands protections. Vehicular access would be through new roadways from Pleasant Street. Required zoning setbacks are moderate and can be easily accommodated. The entire northwest part of the site cannot be developed due to the 100-foot no-build wetlands boundary. This area can be maintained as a natural resource and can be used for recreational purposes. The change in use to residential will require new utility infrastructure within the site designed to meet the residential demand for all services including a storm water management and infiltration system. The municipal water, sanitary and storm sewer mains in Pleasant Street have sufficient capacity to handle the additional loads from the proposed 30-unit development.

It is important to point out that 30-units is only financially feasible if the Town is able to “donate” the property at no cost. If the Town needs to be re-imbursed for the land, the unit count would need to increase significantly which may not be architectural feasible at 2-stories. This is a trade-off that the Town will need to consider.

Existing Buildings

The existing structures are not suitable for adaptive reuse as residential buildings and would need to be demolished along with existing surface site improvements.

See architectural summary attached.



SCALE: 1"=300'
SOURCE: MASSGIS
ONLINE MAP VIEWER

PROJECT:

EXHIBIT B
AERIAL MAP
— FOR —
85R PLEASANT STREET
TOWN OF MANCHESTER-BY-THE-SEA
ESSEX COUNTY
MASSACHUSETTS



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ENGINEERING

SITE CIVIL AND CONSULTING ENGINEERING
LAND SURVEYING PROGRAM MANAGEMENT LANDSCAPE ARCHITECTURE
SUSTAINABLE DESIGN PERMITTING SERVICES TRANSPORTATION SERVICES

- | | | | |
|-----------------------|-----------------------|---------------------|-----------------|
| ◆ UPSTATE NEW YORK | ◆ SOUTHERN NEW JERSEY | ◆ BALTIMORE, MD | ◆ CHARLOTTE, NC |
| ◆ NEW ENGLAND | ◆ PHILADELPHIA, PA | ◆ SOUTHERN MARYLAND | ◆ ATLANTA, GA |
| ◆ BOSTON, MA | ◆ PITTSBURGH, PA | ◆ NORTHERN VIRGINIA | ◆ TAMPA, FL |
| ◆ NEW YORK, NY | ◆ CINCINNATI, OH | ◆ CENTRAL VIRGINIA | ◆ SOUTH FLORIDA |
| ◆ NEW YORK METRO | ◆ SOUTHEASTERN PA | ◆ BALTIMORE, MD | ◆ DALLAS, TX |
| ◆ NORTHERN NEW JERSEY | ◆ BEAVERCREEK, OH | ◆ WASHINGTON, DC | |

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85R PLEASANT STREET

Drawing Title:

SITE MAP, AERIAL

Sketch No: SK-4.1

Scale:

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ZG

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Date:
01/20/21

Part of:



DHK ARCHITECTS, INC
54 CANAL STREET
SUITE 200
BOSTON, MA 02114



SCALE: 1"=300'
SOURCE: MASSGIS
ONLINE MAP VIEWER

PROJECT:

EXHIBIT D
TOWN OF MANCHESTER-BY-THE-SEA
CONSERVATION LAND
FOR
85R PLEASANT STREET
TOWN OF MANCHESTER-BY-THE-SEA
ESSEX COUNTY
MASSACHUSETTS



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| • NEW YORK METRO | • SOUTHEASTERN, PA | • RALEIGH, NC | • DALLAS, TX |
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85R PLEASANT STREET

Drawing Title:

SITE MAP, DRAWING

Sketch No: SK-4.2

Scale:

Drawn by:
ZG

Checked by:
AC

Date:
01/20/21

Part of:



DHK ARCHITECTS, INC
54 CANAL STREET
SUITE 200
BOSTON, MA 02114



SCALE: 1"=300'
SOURCE: MASSGIS
ONLINE MAP VIEWER

PROJECT:

EXHIBIT C
WETLAND AREAS - MAPPED AND
UNMAPPED
— FOR —
85R PLEASANT STREET
TOWN OF MANCHESTER-BY-THE-SEA
ESSEX COUNTY
MASSACHUSETTS



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SUSTAINABLE DESIGN PERMITTING SERVICES TRANSPORTATION SERVICES

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◆ NEW ENGLAND	◆ PHILADELPHIA, PA	◆ SOUTHERN MARYLAND	◆ ATLANTA, GA
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◆ NEW YORK, NY	◆ LEHIGH VALLEY, PA	◆ CENTRAL VIRGINIA	◆ SOUTH FLORIDA
◆ NEW YORK METRO	◆ SOUTHEASTERN PA	◆ RALEIGH, NC	◆ DALLAS, TX
◆ NORTHERN NEW JERSEY	◆ NEWBORTH BEACH, DE	◆ WASHINGTON, DC	

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85R PLEASANT STREET

Drawing Title:
WETLANDS MAP

Sketch No: **SK-4.3**

Scale:	Drawn by:	Checked by:	Date:
	ZG	AC	01/20/21


Part of:



DHK ARCHITECTS, INC
54 CANAL STREET
SUITE 200
BOSTON, MA 02114



1 Site Plan - SK-4 Existing
1 : 1440

MANCHESTER HOUSING AUTHORITY				85R PLEASANT STREET			DHK ARCHITECTS, INC 54 CANAL STREET SUITE 200 BOSTON, MA 02114
Drawing Title: EXISTING SITE PLAN				Sketch No: SK-4.4			
Scale: 1 : 1440	Drawn by: ZG	Checked by: AC	Date: 01/20/21	Part of:			



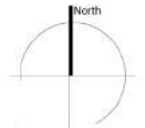
**85R PLEASANT ST.
NEW DEVELOPMENT**

BUILDING TYPE	TWO STORY TOWNHOUSE
UNIT TYPE	2 & 3 BEDROOM
UNIT SIZE	2BR 1300 SF; 3BR 1500 SF
NO. UNITS	15-2BR + 15-3BR = 30 DU
BUILDOUT	42,000



PROPOSED NEW
BUILDINGS

85R PLEASANT STREET
SITE AREA : 5.4 ACRES



MANCHESTER HOUSING AUTHORITY

85R PLEASANT STREET

Drawing Title:

CONCEPTUAL SITE PLAN

Sketch No: SK-4.5

Scale:
As indicated

Drawn by:
ZG

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AC

Date:
01/20/21

Part of:



DHK ARCHITECTS, INC
54 CANAL STREET
SUITE 200
BOSTON, MA 02114



SCALE: 1"=300'
SOURCE: MASSGIS
ONLINE MAP VIEWER

PROJECT:

EXHIBIT D
TOWN OF MANCHESTER-BY-THE-SEA
CONSERVATION LAND
FOR
85R PLEASANT STREET
TOWN OF MANCHESTER-BY-THE-SEA
ESSEX COUNTY
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| • NEW YORK, NY | • CENTRAL VALLEY, PA | • CENTRAL VIRGINIA | • SOUTH FLORIDA |
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85R PLEASANT STREET

Drawing Title:

SITE DIAGRAM

Sketch No: SK-4.6

Scale:

Drawn by:
ZG

Checked by:
AC

Date:
01/20/21


Part of:

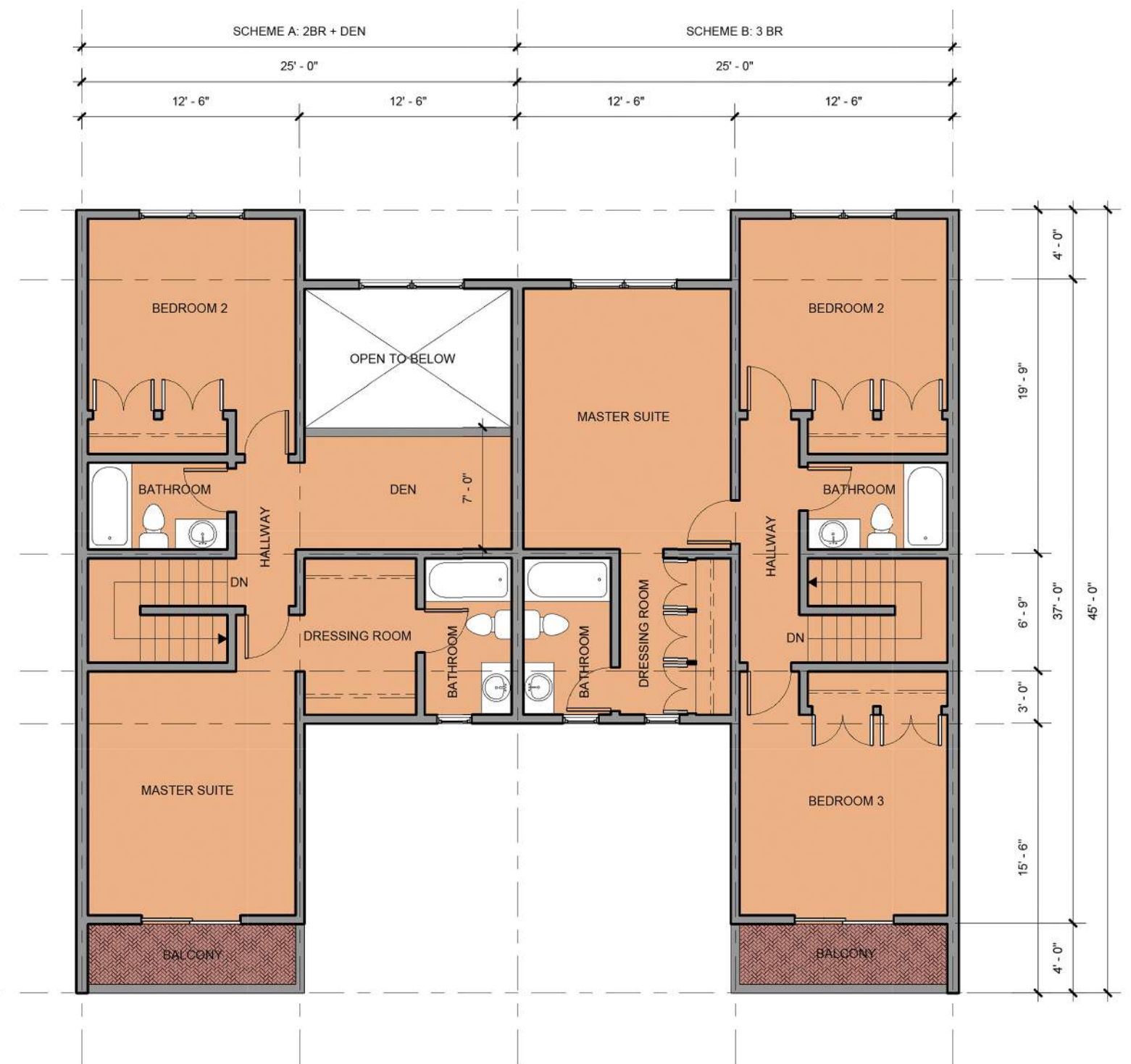
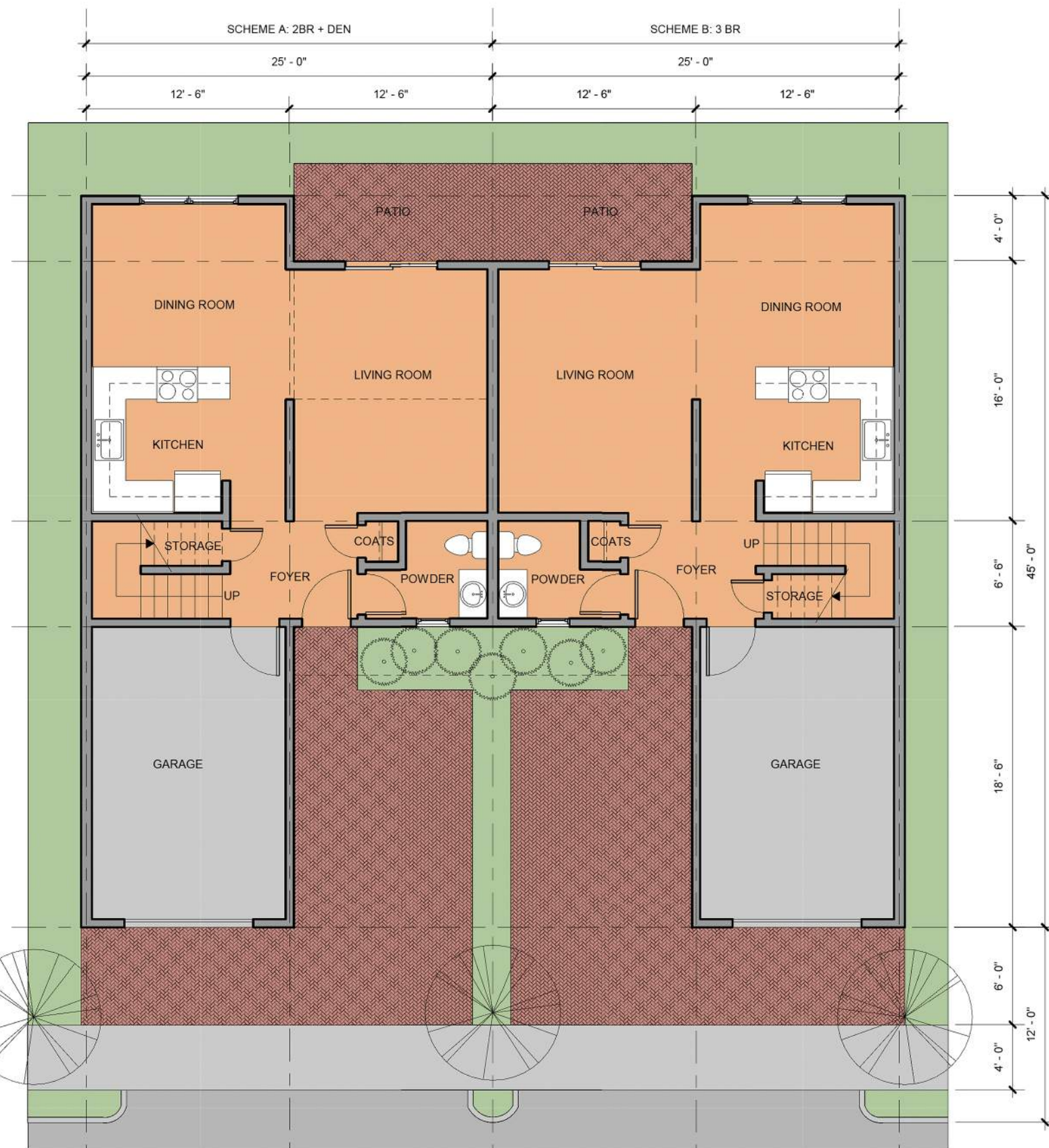


DHK ARCHITECTS, INC
54 CANAL STREET
SUITE 200
BOSTON, MA 02114

Examples of two-story duplex configuration for market rate units.



MANCHESTER HOUSING AUTHORITY				85R PLEASANT STREET			DHK ARCHITECTS, INC 54 CANAL STREET SUITE 200 BOSTON, MA 02114
Drawing Title: IMAGE				Sketch No: SK-4.7			
Scale:	Drawn by: ZG	Checked by: AC	Date: 01/20/21	Part of:			



SCHEME A 2BR + DEN		SCHEME B 3BR	
Garage	224.5 sf	Garage	225.0 sf
First Flr.	612.5 sf	First Flr.	612.5 sf
Second Flr.	775.0 sf	Second Flr.	837.5 sf
	1,612.0 sf		1,675.0 sf

B. Proposed housing programs.

Based on the site plans described above, the following is a summary of units proposed to be included in the project:

	Existing Units:	New proposed:	Potential total:
Newport Park:	32 1 BRs	12 1-BRs + 6 2-BRs	50 units (State PH)
The Plains:	48 1 BRs	14 1-BRs + 12 2-BRs	74 units (State PH)
Loading Place Rd	4 3 BRs	8 (net new) 2/3 BRs (4 2-BRs + 4 3-BRs)	12 units (State PH)
Pleasant Street	0	30 2/3 BRs	30 (Private – market or mixed)
	84	82	166 (136 State PH + 30 Market/Mixed)

C. Zoning Analysis.

SITE: NEWPORT PARK	CURRENT ZONING	PROPOSED DEVELOPMENT	COMPLIANCE STATUS
Zoning District	Single Residence B/ Residence D		
Primary Uses Residence B/Residence D	Single family/2Family w/special permit	Attached Row Houses, 18 units	Relief required/40B or 40R
Max Building Height	2-1/2 stories	One or two stories	OK
Minimum lot size Residence B/Residence D	15000/6000	130,680	OK
Maximum lot coverage, buildings Residence B/D	20%/35%	15.4%	OK

Maximum lot coverage, buildings + impervious Residence B/D	40%/50%	25.4%	OK
Minimum lot width, Residence B//Residence D	60'/50'	85'	OK
Minimum lot frontage Residence B//Residence D	75'/60'	285'	OK
Minimum front setback Residence B//Residence D	20'/10'	25' existing, permitted	OK
Minimum side setback Residence B//Residence D	15'/10'	50'	OK
Minimum rear setback Residence B//Residence D	20'/10'	20'	OK
On Site Parking Spaces, Residential	1.5/DU = 27 new needed	15 new	Relief required/40B or 40R
SITE: THE PLAINS	CURRENT ZONING	PROPOSED DEVELOPMENT	COMPLIANCE STATUS
Zoning District	Single Residence B/ Residence A		
Primary Uses Residence B/Residence A	Single family/Single family	Multi family	Relief required/40B or 40R
Max Building Height	2-1/2 stories	3 or 4 stories	Relief required/40B or 40R
Minimum lot size Residence B/Residence A	15000/22,500	143,312	OK
Maximum lot coverage, buildings Residence A/D	20%/35%	17.8%	OK

Maximum lot coverage, buildings + impervious Residence A/D	15%/30%	40.1%	Relief required/40B or 40R
Minimum lot width, Residence B/Residence A	60'/125'	73' existing	OK
Minimum lot frontage Residence B/Residence A	75'/150'	175' existing	OK
Minimum front setback Residence B/Residence A	20'/30'	100' existing	OK
Minimum side setback Residence B/Residence A	15'/20'	10' existing/50'proposed	OK
Minimum rear setback Residence B/Residence A	20'/40'	60' existing/90' proposed	OK
On Site Parking Spaces, Residential	1.5/DU = 39 needed	10 new	Relief required/40B or 40R

SITE: LOADING PLACE ROAD	CURRENT ZONING	PROPOSED DEVELOPMENT	COMPLIANCE STATUS
Zoning District	Single Residence A		
Primary Uses	Single family	6 two-family buildings, 12 units	Relief required/40B or 40R
Max Building Height	2-1/2 stories	2 stories	OK
Minimum lot size	22,500	138,927	OK
Maximum lot coverage, buildings	15%	5.4%	OK
Maximum lot coverage, buildings + impervious	30%	10%	OK
Minimum lot width	125'	795 existing	OK
Minimum lot frontage	150'	630' existing	OK

Minimum front setback	30'	30'	OK
Minimum side setback	20'	40'	OK
Minimum rear setback	40'	75'	OK
On Site Parking Spaces, Residential	1.5/DU = 18 needed	24 new	OK

SITE: 85R PLEASANT STREET	CURRENT ZONING	PROPOSED DEVELOPMENT	COMPLIANCE STATUS
Zoning District	Single Residence B/ Residence D		
Primary Uses	Single family/2Family w/special permit	Attached single family, 30 units	Relief required/40B or 40R
Max Building Height	2-1/2 stories	2 stories	OK
Minimum lot size	15000/6000	236,531	OK
Maximum lot coverage, buildings Residence B/D	20%/35%	10%	OK
Maximum lot coverage, buildings + impervious Residence B/D	40%/50%	17%	OK
Minimum lot width, Residence B//Residence D	60'/50'	250'	OK
Minimum lot frontage Residence B//Residence D	75'/60'	45'	Relief required/40B or 40R
Minimum front setback Residence B//Residence D	20'/10'	100'	OK
Minimum side setback Residence B//Residence D	15'/10'	15'	OK

Minimum rear setback Residence B//Residence D	20'/10'	520'	OK
On Site Parking Spaces, Residential	1.5/DU = 45 needed	30 new	Relief required/40B or 40R

D. Architectural Development Guideline

The guidelines tabulated below are intended to establish a development program that responds to the goals and priorities set out by MAH and MAHT for the four development sites. The implementation of the guidelines would ensure that developer responses to an RFP are compatible with the missions of MAH/MAHT, their financial goals and the neighborhood contexts. The proposed density and building typology for each site is compatible with the existing public housing on the sites, with the surrounding neighborhood context, the topography and the existing infrastructure. At the same time, the guidelines provide sufficient flexibility for developers to deliver attractive housing solutions that respond to the market conditions.

	Newport Park	The Plains	Loading Place Rd.	85R Pleasant St.
Program				
Proposed Uses	Attached single family & multifamily	Multifamily & Community Room	Two family detached	Attached single family & multifamily
Density	12-24 additional Do's	18-26 additional DU's	12 new DU's	30 additional DU's
Unit Distribution	67% 1BR; 33% 2BR	54% 1BR; 46% 2BR	50% 2BR; 50% 3BR	50% 2BR; 50% 3BR
Site Design				
Incremental Site Occupation	6%	5%	7%	11%
Incremental FAR	0.12	0.18	0.10	0.18
Building Height	1-2 stories	3 or 4 stories	2 stories	2 stories

Setbacks	Front: n/a; Side: 15'; Rear 20'	Front: n/a; Side: 20'; Rear 40'	Front: 30'; Side: 120'; Rear 40'	Side: 15'; Rear 20'
Parking	1.5/DU	1.5/DU	1.5/DU	1.5/DU
Building Design				
Building Typology	Row house	Double loaded corridor	Townhouse	Attached Townhouse
Unit Size	1BR 650/2BR 900 net SF	1BR 650/2BR 900 net SF	2BR 1100 net SF 3BR 1300 net SF	2BR 1250 net SF 3BR 1400 net SF
Massing	2 stories	3 or 4 stories	2 stories	2 stories
Scale	Compatible with existing buildings on site	Compatible with existing buildings on site	Compatible with surrounding residential context	Compatible with surrounding residential context
Exterior Expression	Materials and detailing shall complement existing buildings	Materials and detailing shall complement existing buildings	Materials and detailing shall complement existing residential context	Materials and detailing shall complement existing residential context
Sustainability Goals	LEED Silver or equivalent	LEED Silver or equivalent	LEED Silver or equivalent	LEED Silver or equivalent
Code Compliance	IBCC current version	IBCC current version	IBCC current version	IBCC current version

E. Proforma Financial Summary.

The proforma summary attached illustrates the outputs generated from four separate proforma models. These data address the feasibility of (re)developing the three existing MHA units (84 total units) plus the creation of 82-units of (net) new housing to be financed using a combination of 9% low-income housing tax credits (LIHTC) and additional resources such as cash flow and deferred developer fee. These models are set up to provide on-going analysis as variables are changed, such as the number of units, and financing and construction cost assumptions.

Addition variable/assumptions to be considered include:

- Acquisition value of the Pleasant Street site;
- The value of additional density at all four sites;
- Finalize the estimated cost to address rehab of the existing units;
- Assuming DHCD State-owned PHA financing model, we need to share these findings/analyses with DHCD's Office of Public Housing and consider how best to address raising the funds needed to rehab the 80 existing units at Newport Park and The Plains.

The summary attached, represents the high-level data derived from four individual proforma models created to analyze this development strategy. It is not a static document is meant only to provide a snap-shot of a mixed-finance strategy that assumes a single developer will develop all four properties simultaneously. Three of the buildings (Newport, The Plains and Loading Place Road) assume affordable mixed-use financing include 9%Low Income Housing Tax Credits (LIHTC), permanent debt and deferred developer fee. Additional public subsidies are not assumed in keeping with the recent DHCD "State-Aided Housing Mixed-Income Community Demonstration program" per Public Housing Notice 2015-29.

Under this scenario, the proforma summary averages out the total development costs to estimate the project gap in funding. To address this gap, we looked at available cash flow thrown-off by the private market units.

If we assume that 50% of the cash flow generated across all four projects over a 20-year period, the average annual cash flow per unit is just under \$20,000 per unit. These funds could be used to service debt to, for example, a line-of credit against operations (20-year term, or 10-year renewable). At a rate of 5% APR, this could conceivably underwrite \$3MM in additional long-term debt. Given that the summary analysis indicates a \$2.3MM gap, this may be one way to address this gap.

Certainly, much more due diligence will be required by the development partner and their lenders/funders, this access to un-restricted market-rate cash flow is clearly an advantage here and should be explored further. It is suggested that these models be shared with the new development partner once identified to be further refined, confirming all cost assumptions at the time the development partner is admitted.

It is also important to point out that any work done at the three MHA sites will need to address the Prevailing Wage Requirements required by the Commonwealth. This could add a premium to construction costs which may make the project unfeasible without some form of public subsidy. This should be considered in consultation with DHCD's Office of Public Housing to ensure that all state-mandated costs are considered.

4. **Next Steps: Solicitation of a Development Partner.** Based on the goals and findings above, the MAHT/MHA should solicit and invite proposals from qualified development entities to further explore the feasibility of the proposed redevelopment plan. Once selected, the developer will perform additional physical and financial due diligence to confirm or alter the redevelopment plan as required to achieve the plan of finance proposed.
 - o **Solicit Developer Interest.** Reach out to potential interested developers, including those who have shown interest in the past to get initial feedback on the Redevelopment Plan summary provided below. This process is done for informational purposes only to help us get feedback from the marketplace and those interested in exploring the effort further with the Trust and DHCD.

Solicitation and selection of a development partner will be subject to their response to the Development Partner RFP. For analysis purposes, we are keeping with the basic strategy/structure of the DHCD program

launched in 2015, entitled Public Housing Mixed-Income Community Demonstration Program, which provides planning and pre-development funding to Local Housing Authorities (LHAs). The program solicited proposals from LHA's and their development partners on a rolling basis, it is unclear if the program will continue in 2021 but suggest that the MAHT/MHA team pursue this strategy further with DHCD and the new development partner.

Based on discussions with DHCD, we are encouraged to pursue using this report and Preliminary Development Plan as the basis for developer solicitation. To demonstrate the financial feasibility and cost-effectiveness of a program that does not rely on existing affordable housing resources and instead leverages the resources generated by development of new moderate and market-rate housing to buttress the operating needs of the current LHA development.

In an effort to ascertain developer interest and feedback, we have informally reached out to the following affordable housing developers:

- CHA
- Harbor Lights
- Northshore CDC

These discussions informed us as to continued interest in pursuing the project now that more analysis (physical and financial) has been performed to confirm feasibility. While anyone is entitled to respond to the public RFP, the MAHT/MHA team may want to reach out of other non-profit developers who may not be aware of the opportunity.

- **Release the Developer RFP.** Under M.G.L., Ch 30B regulations for procurement of public land, the MAHT/MHA should solicit interest from the developers above as well as additional developers. The Preliminary Redevelopment Plan described herein, should be included in the RFP solicitation; however, it should be clear that significant additional due diligence (and creativity) must be deployed before a team is assembled and applications for funding are made.
- **Select a Development Partner.** Once a qualified developer is identified and selected, the team should work to advance the redevelopment plan (including additional due diligence such as confirmation of total

unit count/s.f. and a full plan of finance), in advance of developing a formal proposal to DHCD. It is encouraged that DHCD be kept abreast of the changes in program, costs, additional funding needs as the development plan unfolds.

It will be important for the MAHT/MHA team to remain actively involved in the development of the final development plan and provide assistance through the zoning relief and entitlement process. It is anticipated that zoning must be pursued under M.G.L. Ch 40B or 40R (Smart Growth) as current zoning does not contemplate multi-family housing at this time. There is currently a draft bylaw pending in the Town that might provide relief for senior housing but it is unclear when/if that might be passed and the development team should contemplate Ch. 40B or 40R.

By Property: 9% LIHTC + subsidies (operating and capital)

Newport Park			
Unit Program Proposed			
1 Bedroom Units			12
2 Bedroom Units			6
			18
SF - 1 Bedroom units	650		7,800
SF - 2 Bedroom units	900		5,400
Circulation			(7,500)
TOTAL S.F.			13,200
Rent target:	# Units:		
1 Bedroom (60%)	4	\$	1,088
1 Bedroom (30% S8) - FMR	2	\$	1,924
2 Bedroom (60%)	2	\$	1,160
2 Bedroom (30% S8) - FMR	0		2,336

Financing Assumptions

Interest Rate	5.5%	
Amortization	40 Years	
Max Loan-to-Value	85%	
Valuation cap rate	7.0%	
Debt Service Coverage req.	1.15	
Annual rental inflation factor	1.03	
# of years to completion	3	
Est. Property Value		\$ 500,893
Total Development Cost/per unit		\$ 438,029
Subsidy Required (non-public)		\$ (1,291,874)

Proforma Summary

Rental Income	3 yrs inflated	\$ 115,969
Ave. rent/units	New units	\$ 537
Other income (laundry)		\$ 400
Less Vacancy	5%	\$ (5,306)
Gross Residential Income		\$ 111,063
Operating Expenses (Op Ex, PUPY)		\$ 9,500
Net Operating Income		\$ 35,063
Amount Remaining for Debt		\$ 30,489
Cash Flow		\$ 4,573

Sources + Uses

Sources:		
Perm. Debt	LTV constrained	\$ 1,040,690
LIHTC Equity	9% LIHTC	\$ 6,368,066
Deferred Developer Fee	Min. 25%	\$ 206,250
		\$ 7,615,006
Uses:		
Acquisition	Transfer to Non-profit	\$ 1
Direct Construction: New Units		\$ 5,537,251
Direct Construction: Rehab Exist.	Rehab Existing units	\$ 1,280,000
Soft Costs		\$ 810,968
Financing Costs		\$ 324,599
Reserves		\$ 129,061
Developer Fee		\$ 825,000
		\$ 8,906,880

Surplus/(gap)	\$ (1,291,874)
---------------	----------------

9% LIHTC + subsidies (operating and capital)

The Plains			
Unit Program Proposed			
1 Bedroom Units			14
2 Bedroom Units			12
			26
Community Rooms			2,500
SF - 1 Bedroom units	650		9,100
SF - 2 Bedroom units	900		10,800
Circulation	13%		3,360
TOTAL S.F.			25,760
Rent target:	# Units:		
1 Bedroom (60%)	8	\$	1,088
1 Bedroom (30% S8) - FMR	2	\$	1,924
2 Bedroom (60%)	6	\$	1,232
2 Bedroom (30% S8) - FMR	2		2,336

Financing Assumptions

Interest Rate	5.5%	
Amortization	40 Years	
Max Loan-to-Value	85%	
Valuation cap rate	7.0%	
Debt Service Coverage req.	1.15	
Annual rental inflation factor	1.03	
# of years to completion	3	
Est. Property Value		\$ 1,300,627
Total Development Cost/per unit		\$ 423,351
Subsidy Required (non-public)		\$ (2,558,953)

Proforma Summary

Rental Income	3 yrs inflated	\$ 264,235
Ave. rent/units	New units	\$ 847
Other income (laundry)		\$ 900
Less Vacancy	5%	\$ (12,091)
Gross Residential Income		\$ 253,044
Operating Expenses (Op Ex, PUPY)		\$ 9,500
Net Operating Income		\$ 91,044
Amount Remaining for Debt		\$ 79,169
Cash Flow		\$ 11,875

Sources + Uses

Sources:		
Perm. Debt	LTV constrained	\$ 1,105,533
LIHTC Equity	9% LIHTC	\$ 6,368,066
Deferred Developer Fee	Min. 25%	\$ 168,750
		\$ 7,642,349
Uses:		
Acquisition	Transfer to Non-profit	\$ 1
Direct Construction: New Units		\$ 6,211,846
Direct Construction: Rehab Exist.	Rehab Existing units	\$ 1,920,000
Soft Costs		\$ 910,853
Financing Costs		\$ 356,718
Reserves		\$ 126,884
Developer Fee		\$ 675,000
		\$ 10,201,302

Surplus/(gap)	\$ (2,558,953)
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9% LIHTC + subsidies (operating and capital)

Loading Place Road			
Unit Program Proposed			
2 Bedroom Units			6
3 Bedroom Units			6
			12
SF - 2 Bedroom units	1000		6,000
SF - 3 Bedroom units	1300		7,800
Circulation			-
TOTAL S.F.			13,800
Rent target:	# Units:		
2 Bedroom (60%)	4	\$	1,160
2 Bedroom (30% S8) - FMR	2	\$	2,336
3 Bedroom (60%)		\$	1,612
3 Bedroom (30% S8) - FMR	0		2,906

Financing Assumptions

Interest Rate	5.5%	
Amortization	40 Years	
Max Loan-to-Value	85%	
Valuation cap rate	7.0%	
Debt Service Coverage req.	1.15	
Annual rental inflation factor	1.03	
# of years to completion	3	
Est. Property Value		\$ 790,487
Total Development Cost/per unit		\$ 416,486
Subsidy Required (non-public)		\$ (501,441)

Proforma Summary

Rental Income	3 yrs inflated	\$ 176,825
Ave. rent/units	New units	\$ 1,228
Other income (laundry)		\$ 600
Less Vacancy	5%	\$ (8,091)
Gross Residential Income		\$ 169,334
Operating Expenses (Op Ex, PUPY)		\$ 9,500
Net Operating Income		\$ 55,334
Amount Remaining for Debt		\$ 48,117
Cash Flow		\$ 7,217

Sources + Uses

Sources:		
Perm. Debt	LTV constrained	\$ 671,914
LIHTC Equity	9% LIHTC	\$ 4,245,378
Deferred Developer Fee	Min. 25%	\$ 150,000
		\$ 5,067,292
Uses:		
Acquisition	Transfer to Non-profit	\$ 1
Direct Construction: New Units		\$ 3,922,703
Direct Construction: Rehab Exist.	Rehab Existing units	\$ -
Soft Costs		\$ 765,011
Financing Costs		\$ 195,760
Reserves		\$ 85,258
Developer Fee		\$ 600,000
		\$ 5,568,733

Surplus/(gap)	\$ (501,441)
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100% Market Rate

Pleasant Street			
Unit Program Proposed			
2 Bedroom Units			15
3 Bedroom Units			15
			30
SF - 2 Bedroom units	1300		19,500
SF - 3 Bedroom units	1500		22,500
Circulation			-
TOTAL S.F.			42,000
Rent target:	# Units:		
2 Bedroom (Market)	15	\$	2,900
Rent/s.f.		\$	2.23
3 Bedroom (Market)	15	\$	3,500
Rent/s.f.			2.33

Financing Assumptions

Interest Rate	5.5%	
Amortization	30 Years	
Max Loan-to-Value	80%	
Valuation cap rate	7.0%	
Debt Service Coverage req.	1.20	
Annual rental inflation factor	1.03	
# of years to completion	3	
Est. Property Value		\$ 13,616,879
Total Development Cost/per unit		\$ 386,372
Subsidy Required (non-public)		\$ (1,254,551)

Proforma Summary

Rental Income	3 yrs inflated	\$ 1,258,822
Ave. rent/units	New units	\$ 3,497
Other income (laundry)		
Less Vacancy	7%	\$ (80,640)
Gross Residential Income		\$ 1,178,182
Operating Expenses (Op Ex, PUPY)		\$ 7,500
Net Operating Income		\$ 953,182
Amount Remaining for Debt		\$ 794,318
Cash Flow		\$ 158,864

Sources + Uses

Sources:		
Perm. Debt	LTV constrained	\$ 10,893,503
LIHTC Equity	9% LIHTC	
Deferred Developer Fee	Min. 25%	\$ -
		\$ 10,893,503
Uses:		
Acquisition	Assumes no acq. Cost	
Direct Construction: New Units		\$ 9,618,233
Direct Construction: Rehab Exist.	Rehab Existing units	\$ -
Soft Costs		\$ 1,159,531
Financing Costs		\$ 430,131
Reserves		\$ 520,159
Developer Fee		\$ 420,000
		\$ 12,148,054

Surplus/(gap)	\$ (1,254,551)
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Totals/Averages	
	47
	39
	86
SF - 2 Bedroom units	42,400
SF - 3 Bedroom units	46,500
Circulation	(4,140)
TOTAL S.F.	94,760
Rent target:	
2 Bedroom (Market)	
Rent/s.f.	
3 Bedroom (Market)	
Rent/s.f.	

Interest Rate	5.5%
Amortization	30/40 years
Max Loan-to-Value	85%/80%
Valuation cap rate	7.0%
Debt Service Coverage req.	1.15/1.20
Annual rental inflation factor	1.03
# of years to completion	3
Est. Property Value	\$ 16,208,886
Total Development Cost/per unit	\$ 425,955
Subsidy Required (non-public)	\$ (4,352,268)

Total all units

Ave. subsidies units/unit

Total subsidies required

	1,815,851
Ave. rent/units	871
	(106,128)
	1,711,623
	1,134,623
	952,093
	158,864

Total all units

Ave. subsidized units - inflated

Total all units

Total all units

Total all units

Total all units

Amount potentially available for HA subsidy

	525,000
	31,218,150
	If 40 units, acq = \$337,000
	per unit
	\$40,000.00
	861,362
	2,520,000
	36,824,969

Total across all 4 projects

Requires add'l subsidies

221,837.16