



Andrew Adkins Update

City Council
January 23, 2018

Financial Model: Construction

DEVELOPMENT PROGRAM	SCENARIO B [Revised Concept 1: 60 ARHA units onsite]	SCENARIO C [ARHA units onsite + 31 set-aside units]	SCENARIO D [76 ARHA units in 5-story bldg onsite + 14 set-aside units]	SCENARIO G [76 ARHA units in 5-story bldg onsite + 31 set-aside units]
ON SITE				
ARHA Replacement Units	60	60	76	76
Set-aside Units Affordable @ 60% AMI	0	31	14	31
Workforce Units @ AMI tbd	0	0	0	0
Market-Rate Units	511	480	481	464
OFF SITE				
ARHA Replacement Units	30	30	14	14
ARHA PROCEEDS (REVENUE - TOTAL REPLACEMENT COST)	\$8.5 M [\$4.9 M - \$11.2 M]	\$6.9 M [\$3.4 M - \$9.4 M]	\$6.5 M [\$2.7 M - \$9.1 M]	\$5.6 M [\$1.9 M - \$8.1 M]

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Financial Model: Cash Flow

Rent Levels without Subsidies	60 ARHA Units On Site			
	Scenario 60-A	Scenario 60-B	Scenario 60-C	Scenario 60-D
20% AMI	11	0	-	7
30% AMI	9	17	-	13
40% AMI	20	-	6	10
50% AMI	20	13	24	15
60% AMI	-	30	30	15
Total:	60	60	60	60
Net Operating Income*	\$118,020	\$322,920	\$409,728	\$217,872
Debt service coverage ratio	0.65	1.79	2.27	1.21

Rent Levels without Subsidies	76 ARHA Units On Site			
	Scenario 76-A	Scenario 76-B	Scenario 76-C	Scenario 76-D
20% AMI	14	-	-	9
30% AMI	11	22	-	17
40% AMI	25	-	7	12
50% AMI	26	16	31	19
60% AMI	-	38	38	19
Total:	76	76	76	76
Net Operating Income*	\$154,252	\$412,156	\$523,780	\$275,752
Debt service coverage ratio	0.67	1.80	2.29	1.21

**Cash flow available after ARHA seller note repayment*

Concept Plan April 2017



ARHA-CRC January 18 Proposal

	April '17	Jan '18
FAR	2.88	2.97
Market Rate Units	539	525
On-Site ARHA Units	60	76
Off-site ARHA Units	30	14
On-site Workforce Units	0	14

ARHA Replacement Units: maximize affordability while remaining feasible and sustainable (max: 60% AMI)

Workforce Units: 80% AMI, accept vouchers

Open Issues

- Refinement of affordability concept
- Project design/architecture
- Open space concept, street function
- Shared amenities
- Plan for relocation of existing residents
- Timing for identification and acquisition of offsite replacement units
- Braddock Fund contributions

Timing

- Concept II
- CDD/MPA by June
- DSUP early fall
- Tax Credit deadline – Feb/March 2019