

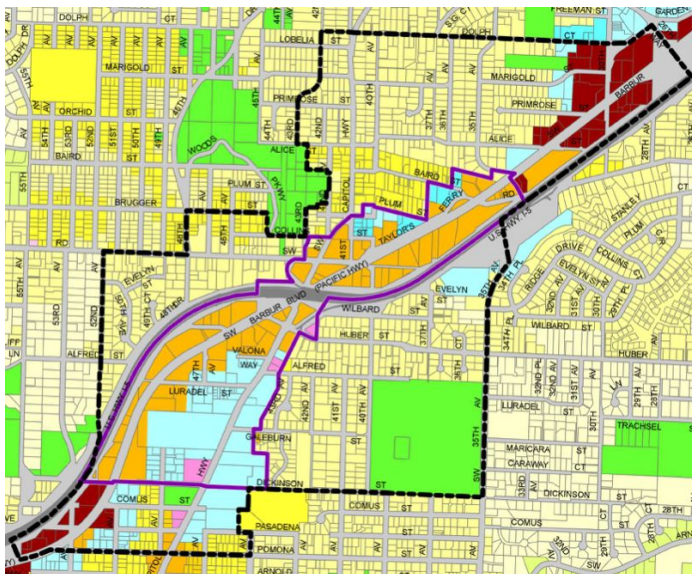
WPTC Development Feasibility Review

December 2020

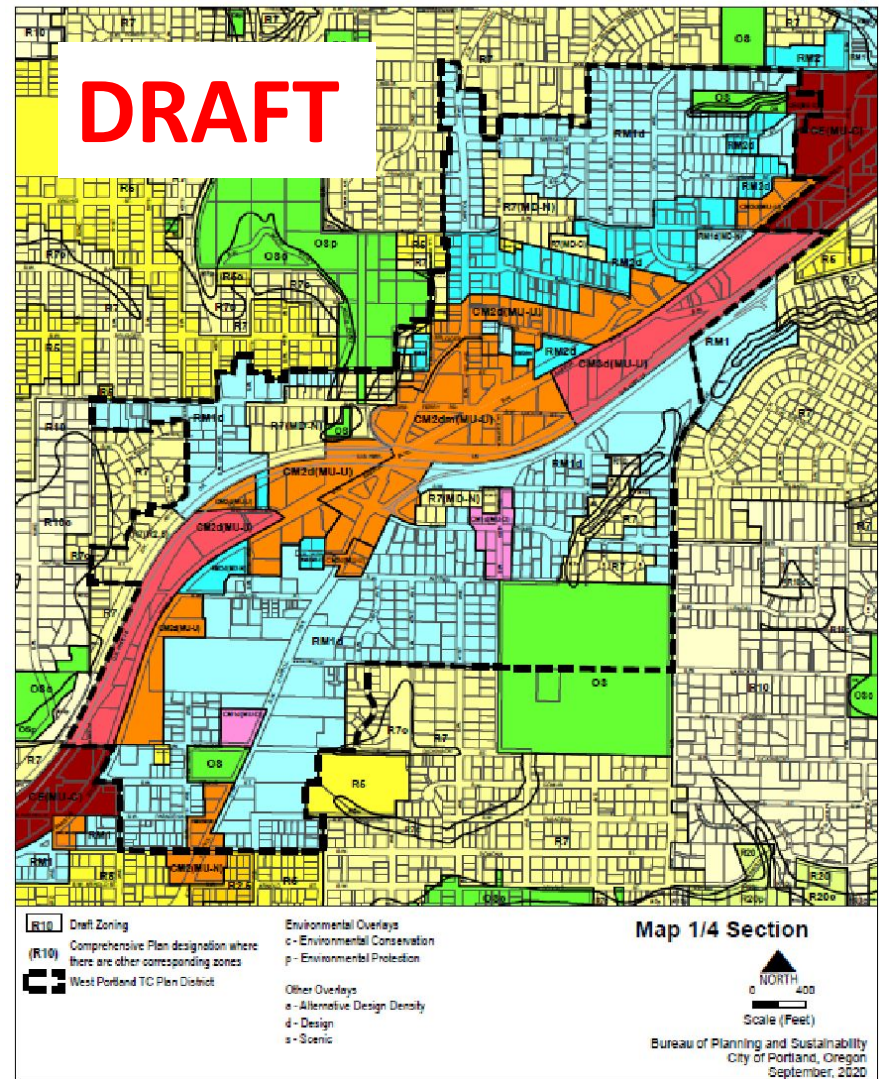
Prepared by:  **CASCADIA**
P A R T N E R S

Zoning is Part of the Equity Strategy

- Single dwelling rezoned to multi-dwelling
- Mostly keep CM2 zoning but bonus for public benefits to get to CM3 density or greater
- FAR cap on low-cost market rate apartments to discourage redevelopment
- Restricting residential uses in some mixed-use zones to encourage quality jobs



West Portland Town Center Plan District Discussion Draft Zoning



West Portland Town Center Zone Changes

QUESTION: Given Portland's housing shortage, how many new homes will this re-zoning allow for?

Within the 20 year planning horizon, **4,300** to **4,900** new homes are estimated.

Of those, approximately **480** to **1,070** are projected to be new affordable homes constructed under Portland's Inclusionary Housing regulations.

The total capacity is for **21,700** new homes as a result of the proposed zoning, though this capacity is unlikely to ever be realized in our lifetimes.

West Portland Town Center Zone Changes

QUESTION: How many acres are proposed for re-zoning from single dwelling to multi-dwelling?

134 acres proposed for rezoning from single dwelling designations (R2.5, R5, R7, or R10).

- 104 acres to RM1
- 22 acres to RM2
- 5 acres to CM2
- 3 acres to CM1

West Portland Town Center Zone Changes

QUESTION: What are comparable Town Centers?

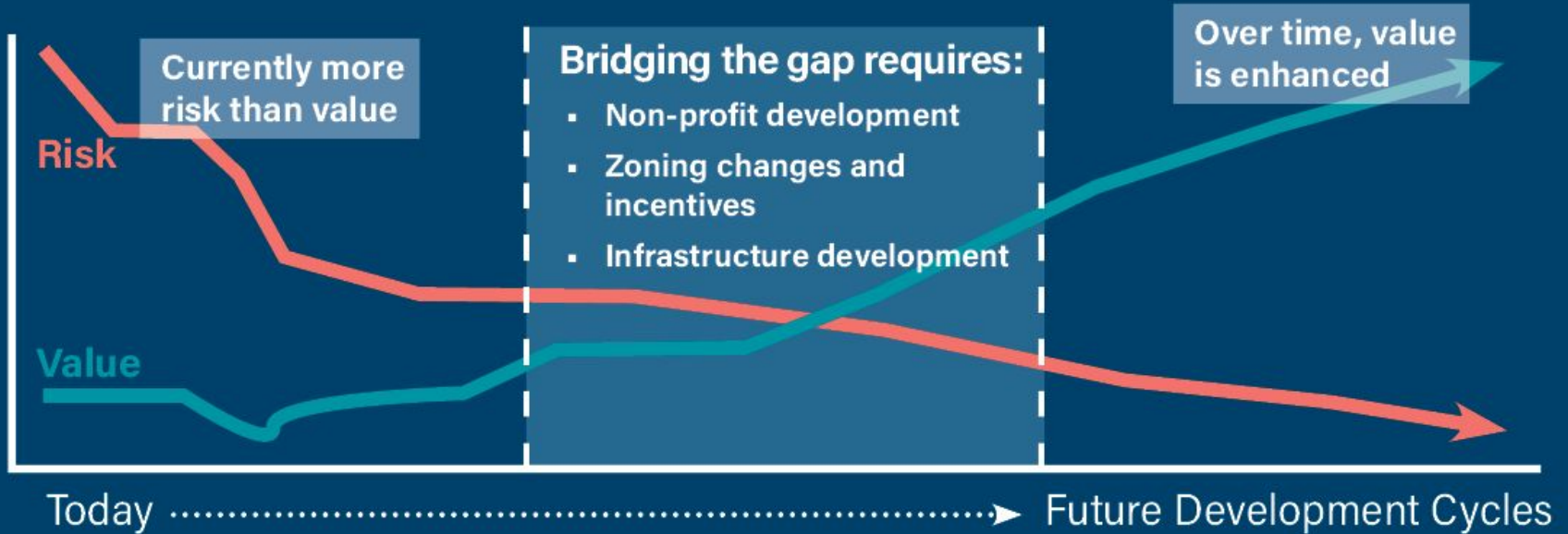
By the end of the 20 year planning horizon, the West Portland Town Center could include **11,000** to **12,100** total people and **6,200** to **6,300** total jobs.

This will make it similar in scale to these Town Centers:

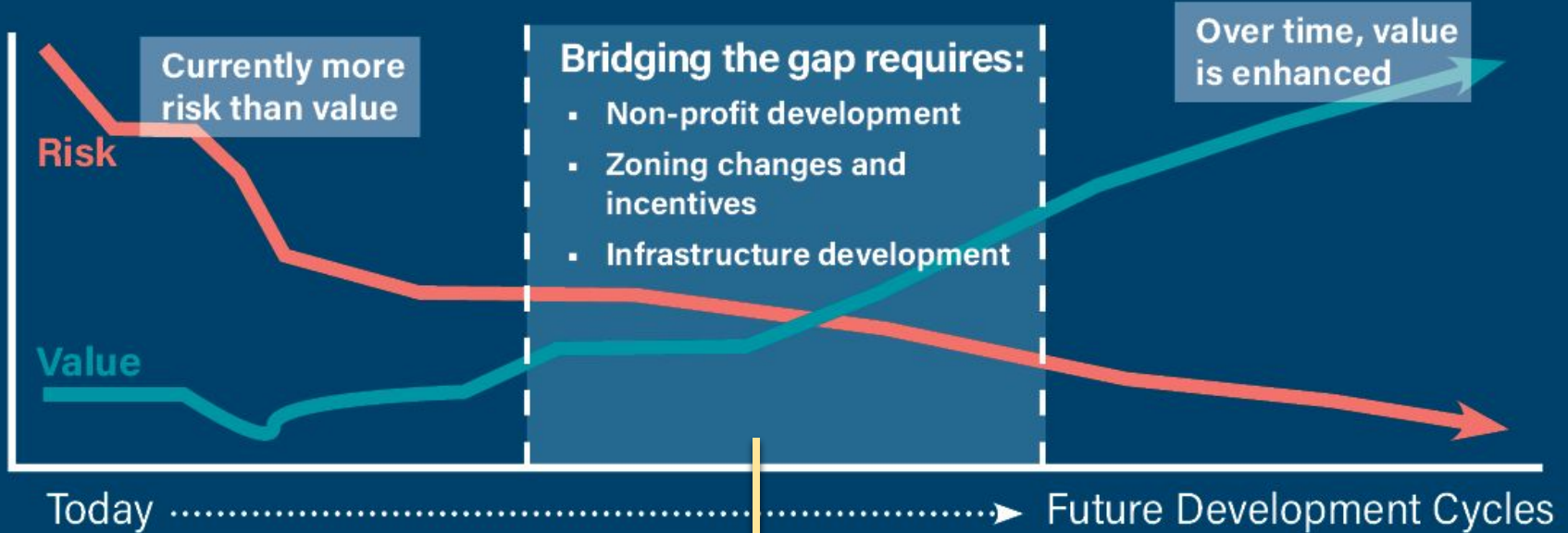
- Killingsworth/Interstate
- Powell/Creston
- NE 60th/North Tabor

Each currently has about 11,000 people living within a half mile radius of the central point of each Town Center.

TIMELINE OF PROJECT



TIMELINE OF PROJECT

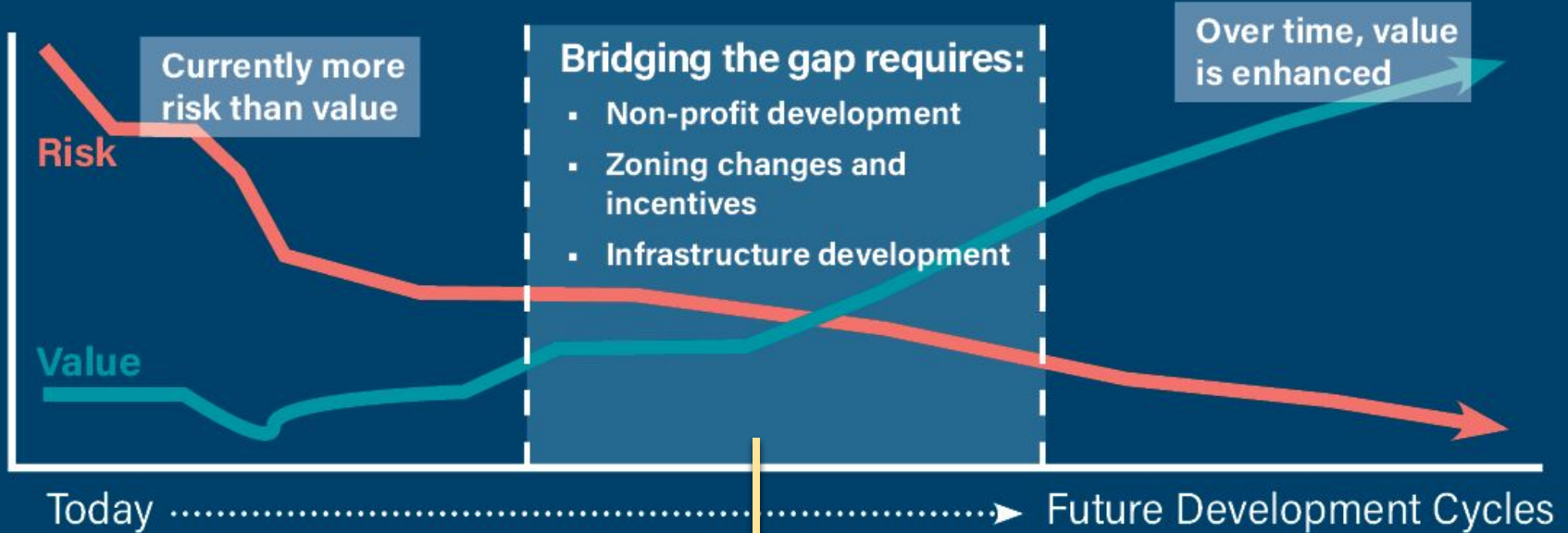


“Prime the Pump”

Non-Profit + Public Sector Role

- Rezoning with public benefits
- Land banking
- Non-profit housing with co-located accompanying commercial and human services
- Infrastructure build-out

TIMELINE OF PROJECT

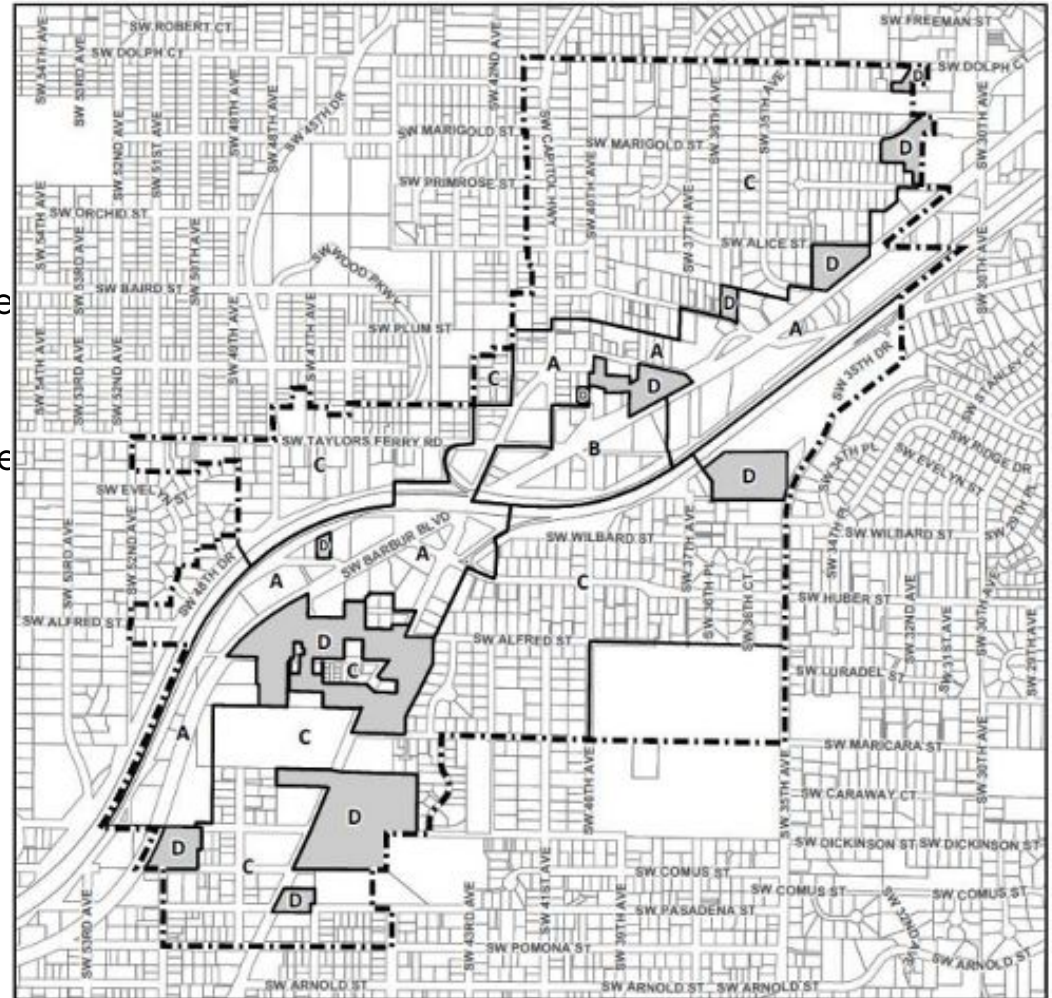


“Pave the Way”

- SDCs
- TIF
- LID formation
- LTIC
- Regional infrastructure bank

Subdistricts

- Subdistrict development standards supercede base zoning
- A - Mixed use
- B - Multi-cultural hub
- C - Single dwelling to multi-dwelling residential
 - Minimum density
 - Incentive for aggregation and development with IH
- D - Preservation
 - Cap FAR
 - Transfer FAR for affordability



Plan District Boundary
Subdistricts A, B, and C
Subdistrict D

NORTH
0 600 1,200

Testing Development Feasibility

Proposed Zone District Changes

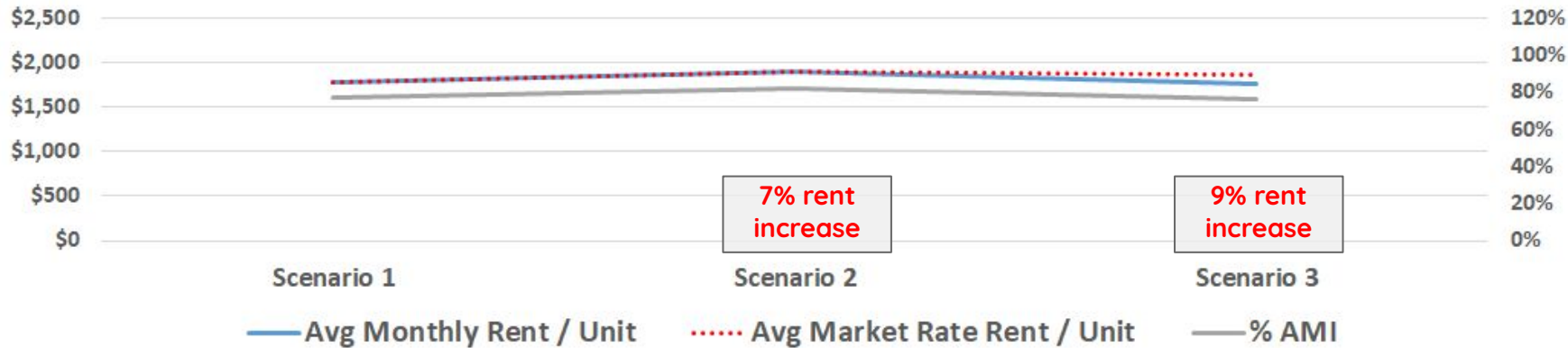
RM1 Bonus Structure

	Base Allowance	Option 1		Option 2*		Max Bonus
		Inclusionary Housing	Deeper Housing Affordability	Three-Bedroom Units	Visitable Units	
Additional Requirement	-	<ul style="list-style-type: none"> Provide 20% of units at 80% AMI or 10% of units at 60% AMI 	<ul style="list-style-type: none"> Provide 50% of units at 60% AMI 	<ul style="list-style-type: none"> Provide 50% of units with 3-bedrooms at no more than 100% AMI 	<ul style="list-style-type: none"> Provide 25% of units built to Type A or Type C standards 	-
Maximum FAR Provided	1	0.5 (1.5 Total)	1 (2 Total)	0.25 (1.25 Total)	0.25 (1.25 Total)	2 (Option 1) 1.5 (Option 2)
Maximum Height Provided	35'	-	10' (and extra 10% building coverage)	-	-	45'

*Three-bedroom unit and visitable units bonuses cannot stack on top of inclusionary housing bonus

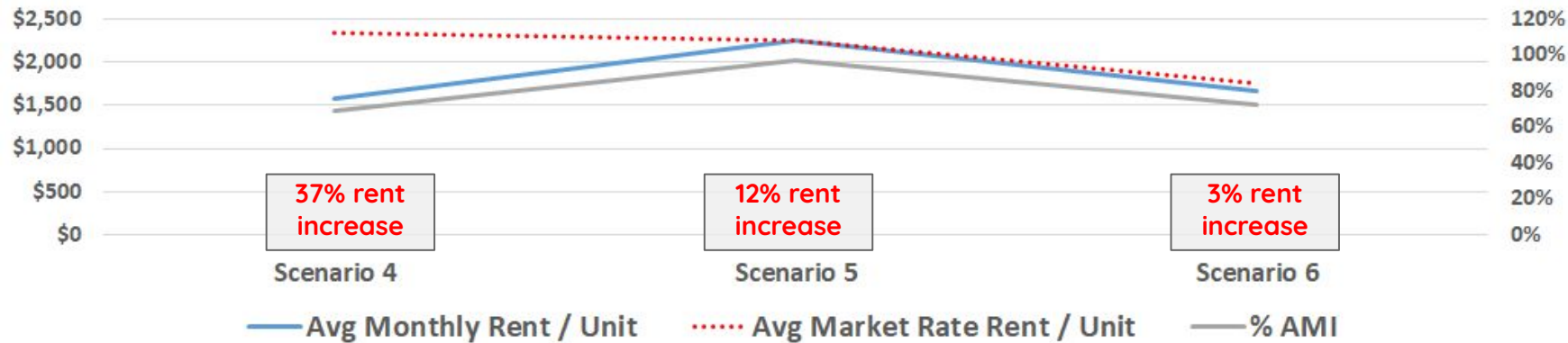
**Sites with 15,000 sq ft with IH are granted 1.75 FAR and 10' additional height

RM-1 Scenario Comparison (IRR Constant)



	Scenario 1: Base Allowance	Scenario 2: Higher Rents	Scenario 3: Inclusionary Housing Bonus
Average Monthly Rent per Unit (% AMI)	\$1,776 (77.1%)	\$1,893 (82.2%)	\$1,754 (76.2%)
Average Market Rate Rent / Unit (% AMI)	\$1,776 (77.1%)	\$1,893 (82.2%)	\$1,867 (81%)
% Designated Affordable Units	0%	0%	20%
IRR	10.9%	12.0%	12.0%

RM-1 Scenario Comparison (IRR Constant)



	Scenario 4: Deeper Housing Affordability	Scenario 5: 3-Bedroom + Visitable Units	Scenario 6: IH Bonus + 15,000 sq ft Site Aggregation Bonus
Average Monthly Rent per Unit (% AMI)	\$1,577 (68.5%)	\$2,240 (97.3%)	\$1,672 (72.6%)
Average Market Rate Rent / Unit (% AMI)	\$2,328 (101%)	\$2,240 (97.3%)	\$1,758 (76.3%)
% Designated Affordable Units	50%	0%	20%
IRR	12.0%	12.0%	12.0%

RM-1 Key Findings

Scenario 1: Base Allowance

- Rents from market study do not deliver 12% IRR given hard cost assumptions

Scenario 2: Higher Rents

- Rents need to be raised **7%** across all unit types in order to reach 12% IRR

Scenario 3: Inclusionary Housing Bonus

- Rents for 1-bedroom and 2-bedroom units need to be raised **9%** above predicted market values in order to reach 12% IRR
- No real incentive to for-profit developers to utilize this bonus

RM-1 Key Findings

Scenario 4: Deeper Housing Affordability

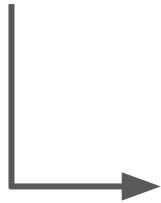
- Rents for 1-bedroom and 2-bedroom units need to be raised **37%** above predicted market values in order to reach 12% IRR
- No real incentive to for-profit developers to utilize this bonus

Scenario 5: 3-Bedroom + Visitable Units

- Rents for studio, 1-bedroom and 2-bedroom units need to be raised **17%** above predicted market values in order to reach 12% IRR
- No real incentive to for-profit developers to utilize this bonus

Scenario 6: IH Bonus + 15,000 sq ft Site Aggregation Bonus

- Rents for market rate studio, 1-bedroom and 2-bedroom units need to be raised **3%** above predicted market values in order to reach 12% IRR
- Performs the best out of all bonus scenarios, but still requires above market rents to pencil



- The site aggregation bonus is envisioned for lots that can be combined to be over 15,000 sq ft
- Despite requiring minor increases in rents above forecasted market values, this bonus option provides a substantial increase in the number of units that could be built

How Frontage Costs Pencil in RM-1

- Can RM-1 sites carry the financial burden of frontage improvement costs?
 - Close to being feasible today, future market strength will help
 - Low market rents are a larger problem
 - Waiving transportation SDCs when frontage improvement is required of developer could help to close the pro forma gap
- Often, this is seen as a test of *proportionality*:
 - Is the cost burden of the frontage improvement proportional to the impact of the development?
- Yet, this overlooks the larger problem:
 - Even if a frontage improvement for a single development pencils, it will only result in the construction of a *sidewalk to nowhere*
 - We must instead be focusing on how to advance equity by constructing a complete area-wide *sidewalk network*

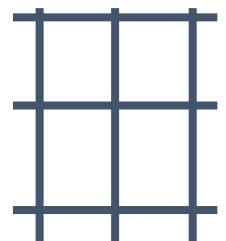


Bottom line: how to make a sidewalk to nowhere pencil isn't the problem we should be seeking to solve!

Incomplete



Complete



Mixed Use Building Scale driven by Public Benefits

BASE



TIER 1



Inclusionary Housing
Affordable units



TIER 2



Community Services

Affordable units

+

CHOOSE 1 OR MORE, EACH ADDS
10 FEET OF BONUS HEIGHT

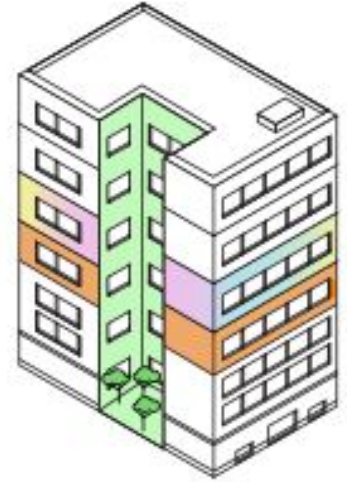
Affordable
commercial space

Community services
or daycare

Preservation of
affordable units
on another site



TIER 3



Space for Green

Affordable units

+

Community services
AT LEAST ONE TIER 2 OPTION

+

Outdoor space

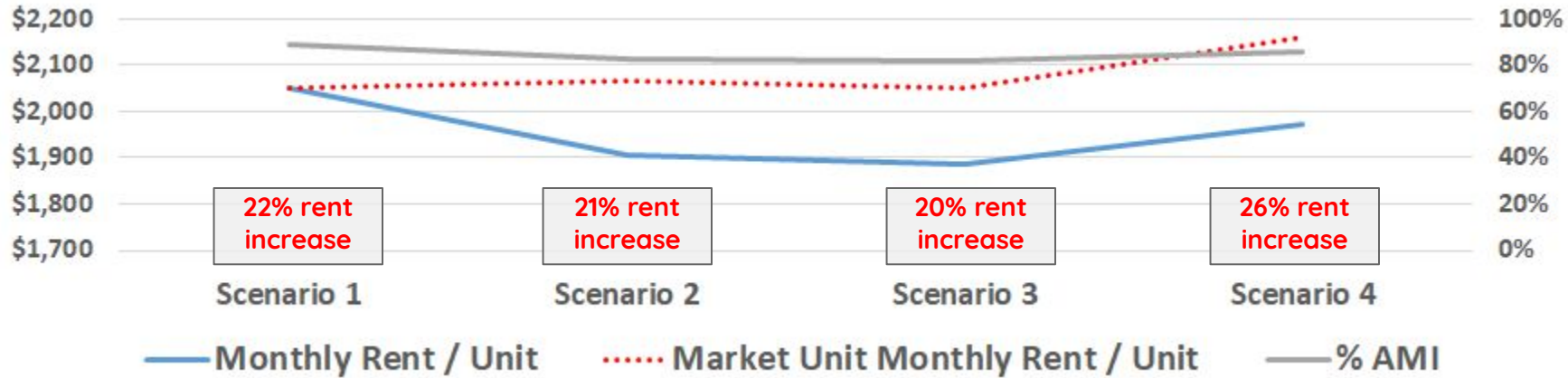
CM-2 Bonus Structure

	Base Allowance	Tier 1	Tier 2 (Community Bonus)			Tier 3 (Nature Bonus)		Max Bonus
		Inclusionary Housing	Preserve MF as Affordable Housing	Affordable Commercial Space ¹	Daycare and Community Service	Open Space	Tree Preservation	
Additional Requirement	-	<ul style="list-style-type: none"> Provide 20% of units at 80% AMI or 10% of units at 60% AMI Required before other bonuses 	<ul style="list-style-type: none"> Transfer of development rights 	<ul style="list-style-type: none"> Required for projects >10,000 sq ft commercial space 	<ul style="list-style-type: none"> Must include a Daycare or Community Service use 	<ul style="list-style-type: none"> Two other bonuses required before utilizing this bonus 15% landscaping needed 	<ul style="list-style-type: none"> Depends on number of trees and diameter of trunk 	-
Maximum FAR Provided	2.5	1.5	Up to 3	2 sq ft for each sq ft affordable commercial space provided	2 sq ft for each sq ft Daycare or Community Service use provided	None	1	5.5 ²
Maximum Height Provided	45'	10'	10'	10'	10'	10'	None	95'

1. Applies in all areas with commercial/mixed use zoning except Employment Focus Area

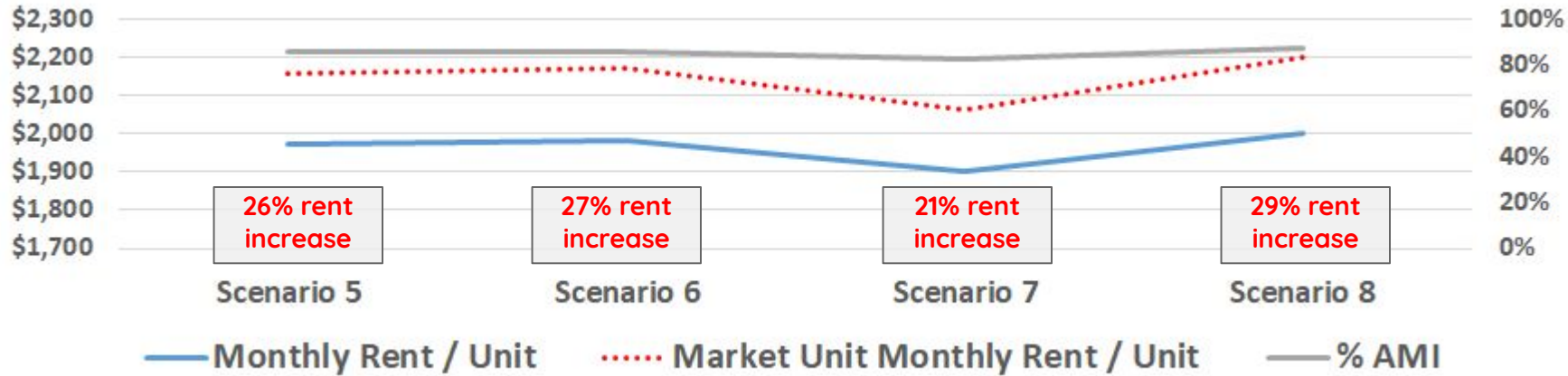
2. Some items not counted towards maximum FAR (structured parking and indoor bicycle parking, indoor rec space, community meeting rooms / event spaces)

CM-2 Scenario Comparison (IRR Constant)



	Scenario 1: 19 Unit Building	Scenario 2: Base (IH)	Scenario 3: Base (IH) + TDR	Scenario 4: Base (IH) + Affordable Commercial
Average Monthly Rent per Unit (% AMI)	\$2,050 (89%)	\$1,904 (83%)	\$1,887 (82%)	\$1,974 (86%)
Average Market Rate Rent / Unit (% AMI)	\$2,050 (89%)	\$2,065 (90%)	\$2,050 (89%)	\$2,159 (94%)
% Designated Affordable Units	0%	20%	20%	20%
IRR	12%	12.0%	12.0%	12.0%

CM-2 Scenario Comparison (IRR Constant)



	Scenario 5: Base (IH) + Daycare	Scenario 6: Base (IH) + Affordable Commercial + Open Space	Scenario 7: Base (IH) + Tree Preservation	Scenario 8: Max FAR Bonus
Average Monthly Rent per Unit (% AMI)	\$1,974 (86%)	\$1,983 (86%)	\$1,904 (83%)	\$2,003 (87%)
Average Market Rate Rent / Unit (% AMI)	\$2,159 (94%)	\$2,174 (94%)	\$2,065 (90%)	\$2,202 (96%)
% Designated Affordable Units	20%	20%	20%	20%
IRR	12%	12.0%	12.0%	12.0%

CM-2 Key Findings

Scenario 1: 19-unit building	<ul style="list-style-type: none">● Rents need to be raised 22% for all unit types in order to reach 12% IRR
Scenario 2: Base (Inclusionary Housing)	<ul style="list-style-type: none">● Rents need to be raised 21% for all market rate units in order to reach 12% IRR,● Can't utilize full 4 FAR without tuck under/structured/underground parking - better to compromise maximum FAR bonus and provide surface parking● Max physical FAR with height cap at 55 feet: 3.78 with surface parking
Scenario 3: IH + TDR	<ul style="list-style-type: none">● Rents need to be raised 20% for all non-affordable unit types in order to reach 12% IRR● Can't utilize full 5.5 FAR without tuck under/structured/underground parking - better to compromise maximum FAR bonus and provide surface parking● Max physical FAR with height cap at 65' (with 10' bonus): 4.23 with surface parking
Scenario 4: IH + Affordable Commercial	<ul style="list-style-type: none">● Rents need to be raised 26% for all market rate units in order to reach 12% IRR,● Can't utilize full 4.59 FAR without tuck under/structured/underground parking - better to compromise maximum FAR bonus and provide surface parking● Max physical FAR height cap at 65' (with 10' bonus): 3.81 with surface parking● No real incentive to pursue - less pain to pursue IH● Even with retail rents above market - still doesn't pay for construction

CM-2 Key Findings

Scenario 5: IH + Daycare

- Rents need to be raised **26%** for all market rate units in order to reach 12% IRR
- Can't utilize full 4.59 FAR without tuck under/structured/underground parking - better to compromise maximum FAR bonus and provide surface parking
- Max physical FAR with height cap at 65' (with 10' bonus): 3.81 with surface parking

Scenario 6: IH + Affordable Commercial + Open Space

- Rents need to be raised **27%** for all market rate units in order to reach 12% IRR
- Can't utilize full 4.54 FAR without tuck under/structured/underground parking - better to compromise maximum FAR bonus and provide surface parking
- Max physical FAR with height cap at 75' (with 20' bonus): 3.52 with surface parking

Scenario 7: IH + Tree Preservation

- Rents need to be raised **21%** for all market rate units in order to reach 12% IRR
- Can't utilize full 5 FAR without tuck under/structured/underground parking - better to compromise maximum FAR bonus and provide surface parking
- Max physical FAR with height cap at 55': 3.78 with surface parking

Scenario 8: Max FAR Bonus

- Rents need to be raised **29%** for all market rate units in order to reach 12% IRR
- Can't utilize full 5.5 FAR without tuck under/structured/underground parking - better to compromise maximum FAR bonus and provide surface parking
- Max physical FAR with height cap at 95' (with 40' bonus): 3.81 with surface parking

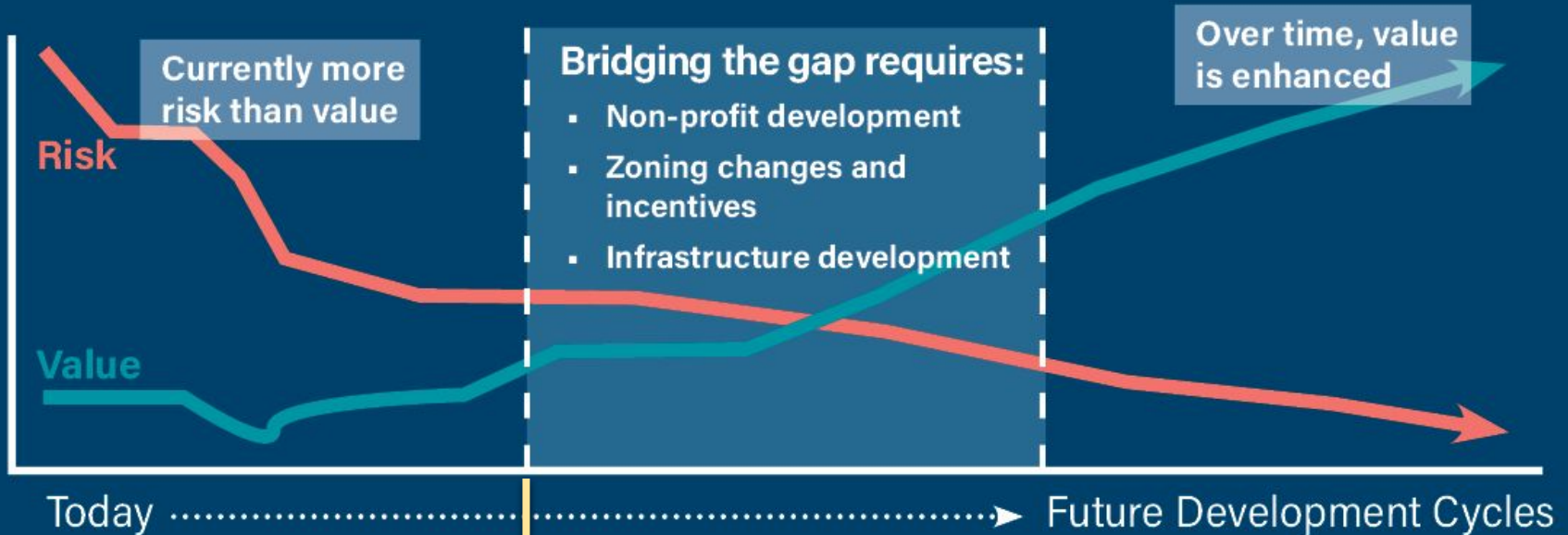
Keys to Providing Affordable Commercial

- Regulating the size of commercial space is an effective way to provide affordability
 - Smaller spaces are more affordable
 - A smaller space is more critical than a lower rent per square foot as a pathway to entrepreneurship for startups
- Requirement is for developers to provide a warm shell in a small space
 - Low interest loans for tenant improvements is critical to helping BIPOC startups
- Developers understand value of having active ground floor space as a part of a project
 - Expectation is that retail rents are written off and not critical to a pro forma anyway
 - The value is the amenity and its contribution towards placemaking



Given current risk and lack of value in WPTC, there is consensus that the zoning reward structure is more challenging than rewarding; with improvements to the area this risk-to-reward ratio could change.

TIMELINE OF PROJECT



Active participation increases development feasibility

- Prime the pump
- Pave the way

Feasibility for mixed-use bonus structure increases over time

- Inclusionary housing
- Transfer of development rights
- Providing affordable commercial
- Providing daycare
- Providing open space
- Tree preservation

Thoughts?

...on WPTC and Proposed Zoning Changes

Developer Feedback

Thoughts on WPTC and Proposed Zoning Changes

Developers Round Table: Things We Heard

Why isn't development happening in WPTC?

- Area is not transit centered, lower walkscore
- Potential mismatch between values of the place and regulatory environment

Feedback on Proposed Bonus Structure (RM1, CM2)

- Inclusionary housing is a tough hurdle, currently more restricting than incentivizing
- Additional incentives like tax abatements should be explored
- Regulate commercial sizes instead of rents to ensure affordability
- Consider waiving SDCs for the first wave of development in order to “prime the pump” for future development
- Consider giving developers a better than neutral SDC credit for providing open space / public space
- General consensus that the proposed zoning reward structure is more challenging than rewarding
 - Achieving bonuses requires major increases in rent to make up for additional development costs
 - Not much incentive to go beyond base currently

Under the Hood

Pro Forma Analysis

RM1 Analysis

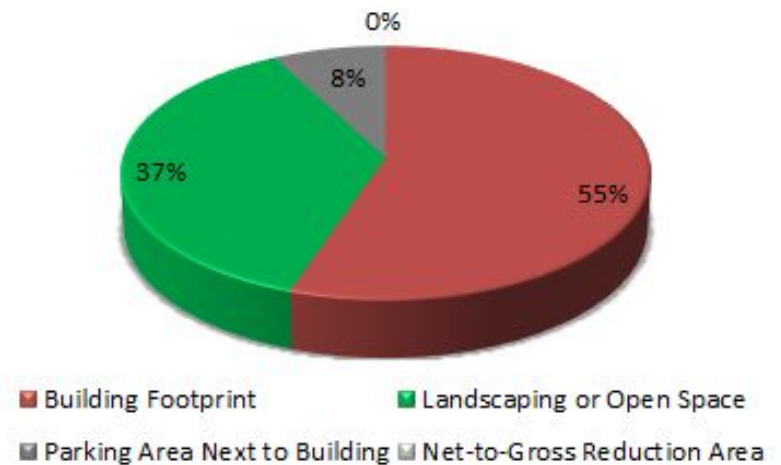
RM-1 | 3 to 4 Multi-family Building (Base Scenario)

Occupancy Type: **Rental**

Development Program:

Lot Area (sq ft)	8,200
Building Height (stories)	3.5
Number of Units	11
Average Unit Size (sq ft)	643
Number of Parking Spaces	3
Floor Area Ratio	1.0
Monthly Rent per Sq ft	\$2.61

Site Layout



	% of Units in Building	Number of Units	\$ / sq ft	Rent / Month	MFI Affordability
Studio	40%	4	\$3.08	\$1,529	95%
1 Bedroom	30%	3	\$2.51	\$1,598	77%
2 Bedroom	30%	3	\$2.08	\$2,026	85%

(Scenario 1)

RM-1 | 3 to 4 Multi-family Building (Base Scenario)

Occupancy Type: **Rental**

SDCs and Fees:

System Development Charges		
Parks		\$69,655
Sewer		\$64,049
Transportation		\$29,360
Water		\$15,311
	Sub-Total	\$178,376
Permit Fees		
	Sub-Total	\$28,672
	Total	\$207,049

Street Frontage Costs

Private Costs	\$35,588
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Financial Summary:

Residential Construction Costs / sq ft	\$166
Average Monthly Rent	\$1,776
Total Construction Cost	\$2,265,574
IRR (Unleveraged)	10.9%

(Scenario 1)

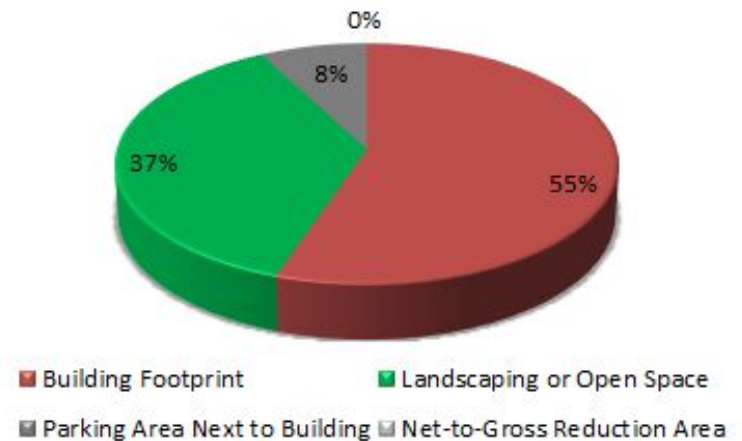
RM-1 | 3 to 4 Multi-family Building (Higher Rents)

Occupancy Type: **Rental**

Development Program:

Lot Area (sq ft)	8,200
Building Height (stories)	3.5
Number of Units	11
Average Unit Size (sq ft)	643
Number of Parking Spaces	3
Floor Area Ratio	1.0
Monthly Rent per Sq ft	\$2.79

Site Layout



	% of Units in Building	Number of Units	\$ / sq ft	Rent / Month	MFI Affordability
Studio	40%	4	\$3.29	\$1,628	101%
1 Bedroom	30%	3	\$2.68	\$1,702	82%
2 Bedroom	30%	3	\$2.22	\$2,160	90%

(Scenario 2)

RM-1 | 3 to 4 Multi-family Building (Higher Rents)

Occupancy Type: **Rental**

SDCs and Fees:

System Development Charges		
Parks		\$69,655
Sewer		\$64,049
Transportation		\$29,360
Water		\$15,311
	Sub-Total	\$178,376
Permit Fees		
	Sub-Total	\$28,672
	Total	\$207,049

Street Frontage Costs

Private Costs	\$35,588
---------------	----------

Financial Summary:

Residential Construction Costs / sq ft	\$166
Average Monthly Rent	\$1,892
Total Construction Cost	\$2,265,574
IRR (Unleveraged)	12.0%

(Scenario 2)

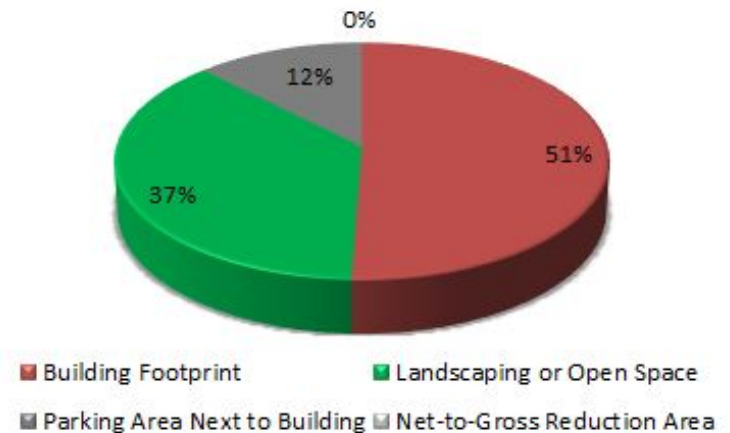
RM-1 | 3 to 4 Multi-family Building (IH Bonus)

Occupancy Type: **Rental**

Development Program:

Lot Area (sq ft)	8,200
Building Height (stories)	3.5
Number of Units	16
Average Unit Size (sq ft)	643
Number of Parking Spaces	4
Floor Area Ratio	1.50
Monthly Rent per Sq ft	\$2.73

Site Layout



	% of Units in Building	Number of Units	\$ / sq ft	Rent / Month	MFI Affordability
Affordable St	20%	3	\$2.78	\$1,289	80%
Studio	20%	3	\$3.36	\$1,559	97%
1 Bedroom	30%	5	\$2.74	\$1,635	95%
2 Bedroom	30%	5	\$2.27	\$2,101	101%

(Scenario 3)

RM-1 | 3 to 4 Multi-family Building (IH Bonus)

Occupancy Type: **Rental**

SDCs and Fees:

System Development Charges	
Parks	\$105,273
Sewer	\$95,902
Transportation	\$44,373
Water	\$15,311
Sub-Total	\$260,859
Permit Fees	
Sub-Total	\$40,252
Total	\$301,111

Street Frontage Costs

Private Costs \$35,588

Financial Summary:

Residential Construction Costs / sq ft	\$166
Average Monthly Rent	\$1,754
Total Construction Cost	\$3,177,314
IRR (Unleveraged)	12.0%

(Scenario 3)

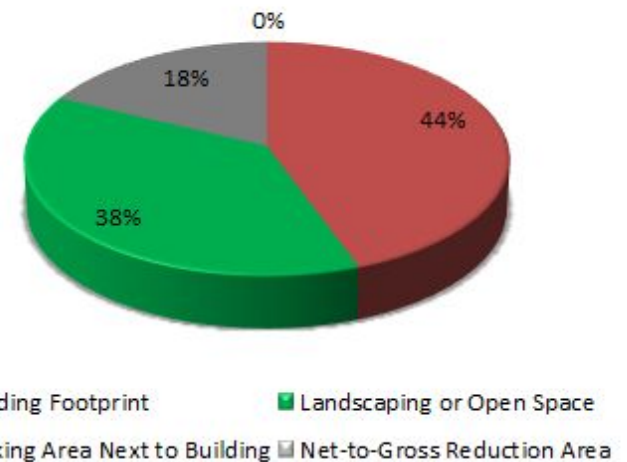
RM-1 | 3 to 4 Multi-family Building (Max Bonus)

Occupancy Type: **Rental**

Site Layout

Development Program:

Lot Area (sq ft)	8,200
Building Height (stories)	4.5
Number of Units	23
Average Unit Size (sq ft)	596
Number of Parking Spaces	6
Floor Area Ratio	2.00
Monthly Rent per Sq ft	\$2.65



	% of Units in Building	Number of Units	\$ / sq ft	Rent / Month	MFI Affordability
Affordable St	50%	12	\$2.08	\$967	60%
Studio	0%	0	\$4.21	\$1,953	121%
1 Bedroom	30%	7	\$3.43	\$2,048	119%
2 Bedroom	20%	5	\$2.84	\$2,633	127%

(Scenario 4)

RM-1 | 3 to 4 Multi-family Building (Max Bonus)

Occupancy Type: **Rental**

SDCs and Fees:

System Development Charges	
Parks	\$151,299
Sewer	\$137,050
Transportation	\$63,774
Water	\$15,311
Sub-Total	\$367,434
Permit Fees	
Sub-Total	\$52,230
Total	\$419,664

Street Frontage Costs

Private Costs \$35,588

Financial Summary:

Residential Construction Costs / sq ft	\$166
Average Monthly Rent	\$1,577
Total Construction Cost	\$4,108,099
IRR (Unleveraged)	12.0%

(Scenario 4)

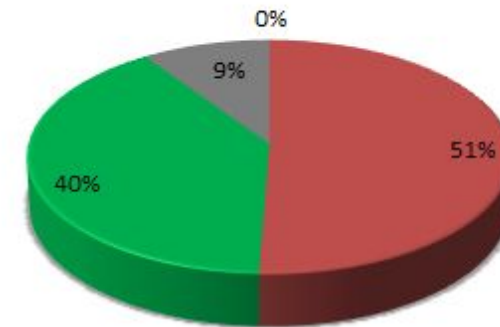
RM-1 | 3 to 4 Multi-family Building (3-Bedroom + Visitable Units)

Occupancy Type: **Rental**

Site Layout

Development Program:

Lot Area (sq ft)	8,200
Building Height (stories)	3.5
Number of Units	12
Average Unit Size (sq ft)	837
Number of Parking Spaces	3
Floor Area Ratio	1.5
Monthly Rent per Sq ft	\$2.68



■ Building Footprint
 ■ Landscaping or Open Space
■ Parking Area Next to Building
 ■ Net-to-Gross Reduction Area

	% of Units in Building	Number of Units	\$ / sq ft	Rent / Month	MFI Affordability
Studio	20%	2	\$3.61	\$1,677	104%
1 Bedroom	20%	2	\$2.95	\$1,758	102%
2 Bedroom	10%	1	\$2.44	\$2,260	109%
3 Bedroom	50%	6	\$2.25	\$2,394	100%

(Scenario 5)

RM-1 | 3 to 4 Multi-family Building (3-Bedroom + Visitable Units)

Occupancy Type: **Rental**

SDCs and Fees:

System Development Charges		
Parks		\$80,813
Sewer		\$73,971
Transportation		\$34,063
Water		\$15,311
	Sub-Total	\$204,158
Permit Fees		
	Sub-Total	\$39,022
	Total	\$243,180

Street Frontage Costs

Private Costs	\$35,588
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Financial Summary:

Residential Construction Costs / sq ft	\$166
Average Monthly Rent	\$2,240
Total Construction Cost	\$3,111,162
IRR (Unleveraged)	12.0%

(Scenario 5)

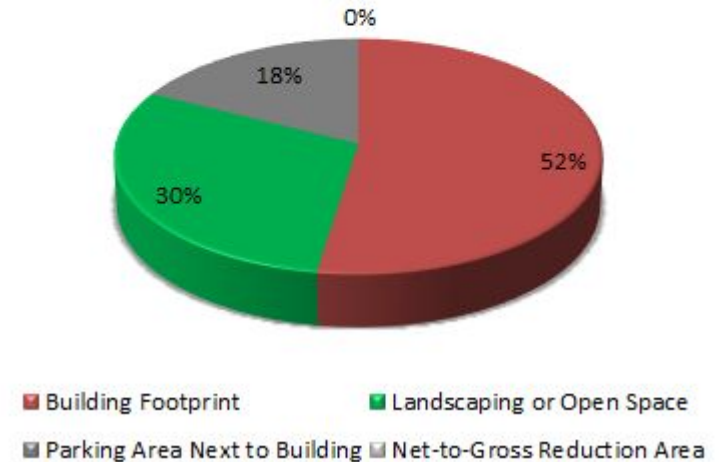
RM-1 | 3 to 4 Multi-family Building (IH Bonus + Site Aggregation)

Occupancy Type: **Rental**

Development Program:

Lot Area (sq ft)	15,000
Building Height (stories)	4.5
Number of Units	42
Average Unit Size (sq ft)	643
Number of Parking Spaces	11
Floor Area Ratio	2.1
Monthly Rent per Sq ft	\$2.60

Site Layout



	% of Units in Building	Number of Units	\$ / sq ft	Rent / Month	MFI Affordability
Affordable Studio	20%	8	\$2.78	\$1,289	80%
Studio	20%	8	\$3.16	\$1,468	91%
1 Bedroom	30%	13	\$2.58	\$1,539	89%
2 Bedroom	30%	13	\$2.14	\$1,978	95%

(Scenario 6)

RM-1 | 3 to 4 Multi-family Building (IH Bonus + Site Aggregation)

Occupancy Type: **Rental**

SDCs and Fees:

System Development Charges	
Parks	\$272,864
Sewer	\$247,078
Transportation	\$115,014
Water	\$15,311
Sub-Total	\$650,268
Permit Fees	
Sub-Total	\$94,736
Total	\$745,004

Street Frontage Costs

Private Costs \$65,100

Financial Summary:

Residential Construction Costs / sq ft	\$166
Average Monthly Rent	\$1,672
Total Construction Cost	\$7,841,579
IRR (Unleveraged)	12.0%

(Scenario 6)

CM2 Analysis

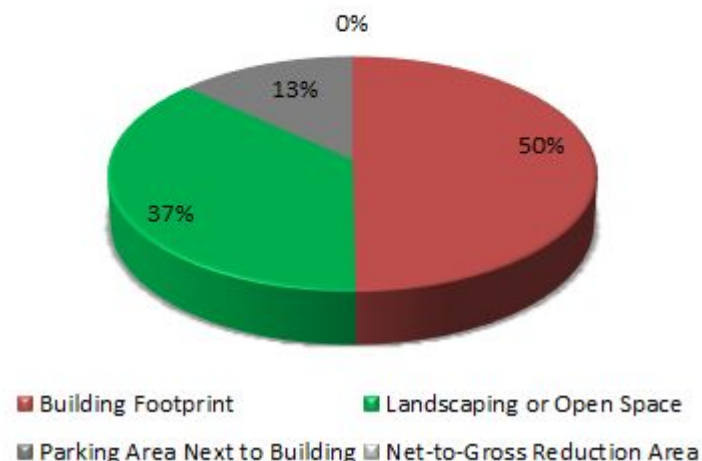
CM-2 | 3 to 4 Multi-family Building (19-unit building)

Occupancy Type: **Rental**

Development Program:

Lot Area (sq ft)	9,000
Building Height (stories)	4.0
Number of Units	19
Average Unit Size (sq ft)	643
Number of Parking Spaces	5
Floor Area Ratio	1.6
Monthly Rent per Sq ft	\$3.19

Site Layout



	% of Units in Building	Number of Units	\$ / sq ft	Rent / Month	MFI Affordability
Studio	40%	8	\$3.77	\$1,747	108%
1 Bedroom	30%	6	\$3.07	\$1,832	106%
2 Bedroom	30%	6	\$2.54	\$2,355	114%

(Scenario 1)

CM-2 | 3 to 4 Multi-family Building (19-unit building)

Occupancy Type: **Rental**

SDCs and Fees:

System Development Charges		
Parks		\$122,848
Sewer		\$111,742
Transportation		\$51,781
Water		\$15,311
	Sub-Total	\$301,682
Permit Fees		
	Sub-Total	\$45,965
	Total	\$347,648

Street Frontage Costs

Private Costs	\$39,060
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Financial Summary:

Residential Construction Costs / sq ft	\$206
Average Monthly Rent	\$2,050
Total Construction Cost	\$4,338,460
IRR (Unleveraged)	12.0%

(Scenario 1)

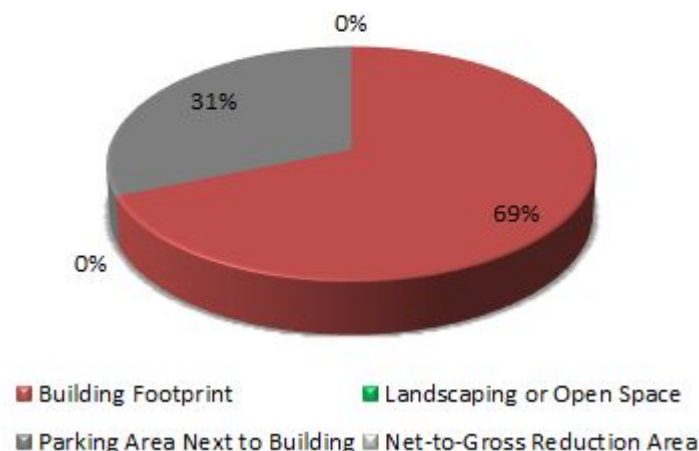
CM-2 | 3 to 4 Multi-family Building (IH)

Occupancy Type: **Rental**

Development Program:

Lot Area (sq ft)	9,000
Building Height (stories)	5.5
Number of Units	45
Average Unit Size (sq ft)	643
Number of Parking Spaces	11
Floor Area Ratio	3.8
Monthly Rent per Sq ft	\$2.96

Site Layout



	% of Units in Building	Number of Units	\$ / sq ft	Rent / Month	MFI Affordability
Affordable St	20%	9	\$2.78	\$1,289	80%
Studio	20%	9	\$3.72	\$1,724	107%
1 Bedroom	30%	14	\$3.03	\$1,808	105%
2 Bedroom	30%	14	\$2.51	\$2,323	112%

(Scenario 2)

CM-2 | 3 to 4 Multi-family Building (IH)

Occupancy Type: **Rental**

SDCs and Fees:

System Development Charges		
Parks		\$291,337
Sewer		\$263,234
Transportation		\$122,801
Water		\$15,311
	Sub-Total	\$692,683
Permit Fees		
	Sub-Total	\$100,742
	Total	\$793,425

Street Frontage Costs

Private Costs	\$39,060
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Financial Summary:

Residential Construction Costs / sq ft	\$206
Average Monthly Rent	\$1,904
Total Construction Cost	\$9,540,679
IRR (Unleveraged)	12.0%

(Scenario 2)

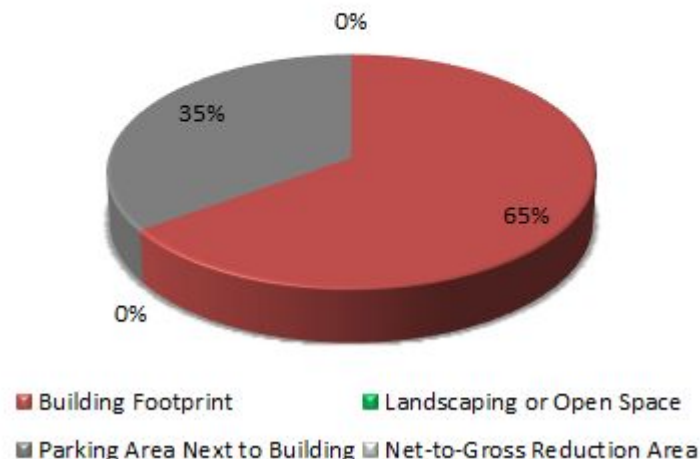
CM-2 | 3 to 4 Multi-family Building (IH + TDR)

Occupancy Type: **Rental**

Development Program:

Lot Area (sq ft)	9,000
Building Height (stories)	6.5
Number of Units	50
Average Unit Size (sq ft)	643
Number of Parking Spaces	13
Floor Area Ratio	4.2
Monthly Rent per Sq ft	\$2.94

Site Layout



	% of Units in Building	Number of Units	\$ / sq ft	Rent / Month	MFI Affordability
Affordable St	20%	10	\$2.78	\$1,289	80%
Studio	20%	10	\$3.68	\$1,710	106%
1 Bedroom	30%	15	\$3.00	\$1,793	104%
2 Bedroom	30%	15	\$2.49	\$2,304	111%

(Scenario 3)

CM-2 | 3 to 4 Multi-family Building (IH + TDR)

Occupancy Type: **Rental**

SDCs and Fees:

System Development Charges	
Parks	\$325,791
Sewer	\$294,046
Transportation	\$137,323
Water	\$15,311
Sub-Total	\$772,471
Permit Fees	
Sub-Total	\$111,943
Total	\$884,414

Street Frontage Costs

Private Costs	\$39,060
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Financial Summary:

Residential Construction Costs / sq ft	\$206
Average Monthly Rent	\$1,890
Total Construction Cost	\$10,609,501
IRR (Unleveraged)	12.0%

(Scenario 3)

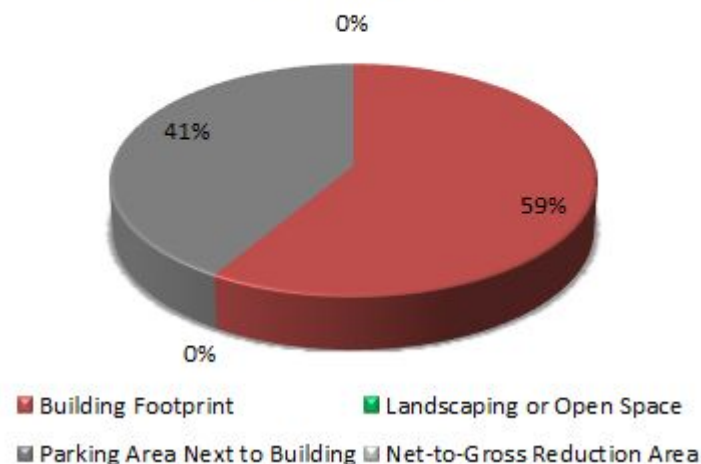
CM-2 | 3 to 4 Multi-family Building (IH + Affordable Commercial)

Occupancy Type: **Rental**

Development Program:

Lot Area (sq ft)	9,000
Building Height (stories)	6.5
Number of Units	38
Average Unit Size (sq ft)	643
Number of Parking Spaces	15
Floor Area Ratio	3.8
Monthly Rent per Sq ft	\$3.07

Site Layout



	% of Units in Building	Number of Units	\$ / sq ft	Rent / Month	MFI Affordability
Affordable St	20%	8	\$2.78	\$1,289	80%
Studio	20%	8	\$3.89	\$1,803	112%
1 Bedroom	30%	12	\$3.17	\$1,890	110%
2 Bedroom	30%	12	\$2.62	\$2,430	117%

(Scenario 4)

CM-2 | 3 to 4 Multi-family Building (IH + Affordable Commercial)

Occupancy Type: **Rental**

SDCs and Fees:

System Development Charges	
Parks	\$248,613
Sewer	\$225,025
Transportation	\$104,793
Water	\$15,311
Sub-Total	\$593,742

Permit Fees	
Sub-Total	\$99,254

Total \$692,996

Street Frontage Costs

Private Costs \$39,060

Financial Summary:

Residential Construction Costs / sq ft	\$206
Average Monthly Rent	\$1,974
Total Construction Cost	\$9,453,546
IRR (Unleveraged)	12.0%

(Scenario 4)

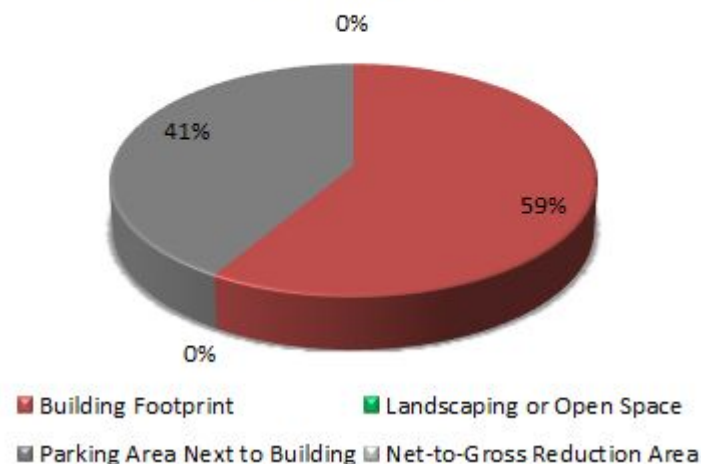
CM-2 | 3 to 4 Multi-family Building (IH + Daycare)

Occupancy Type: **Rental**

Development Program:

Lot Area (sq ft)	9,000
Building Height (stories)	6.5
Number of Units	38
Average Unit Size (sq ft)	643
Number of Parking Spaces	15
Floor Area Ratio	3.8
Monthly Rent per Sq ft	\$3.07

Site Layout



	% of Units in Building	Number of Units	\$ / sq ft	Rent / Month	MFI Affordability
Affordable St	20%	8	\$2.78	\$1,289	80%
Studio	20%	8	\$3.89	\$1,803	112%
1 Bedroom	30%	12	\$3.17	\$1,890	110%
2 Bedroom	30%	12	\$2.62	\$2,430	117%

(Scenario 5)

CM-2 | 3 to 4 Multi-family Building (IH + Daycare)

Occupancy Type: **Rental**

SDCs and Fees:

System Development Charges		
Parks		\$248,613
Sewer		\$225,025
Transportation		\$104,793
Water		\$15,311
	Sub-Total	\$593,742
Permit Fees		
	Sub-Total	\$99,254
	Total	\$692,996

Street Frontage Costs

Private Costs	\$39,060
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Financial Summary:

Residential Construction Costs / sq ft	\$206
Average Monthly Rent	\$1,974
Total Construction Cost	\$9,453,546
IRR (Unleveraged)	12.0%

(Scenario 5)

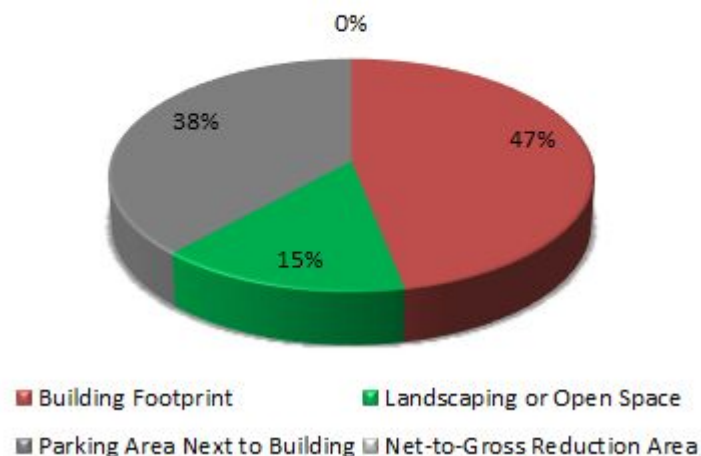
CM-2 | 3 to 4 Multi-family Building (IH + Affordable Commercial + Open Space)

Occupancy Type: **Rental**

Development Program:

Lot Area (sq ft)	9,000
Building Height (stories)	7.5
Number of Units	35
Average Unit Size (sq ft)	643
Number of Parking Spaces	14
Floor Area Ratio	3.5
Monthly Rent per Sq ft	\$3.09

Site Layout



	% of Units in Building	Number of Units	\$ / sq ft	Rent / Month	MFI Affordability
Affordable St	20%	7	\$2.78	\$1,289	80%
Studio	20%	7	\$3.91	\$1,815	113%
1 Bedroom	30%	11	\$3.19	\$1,903	110%
2 Bedroom	30%	11	\$2.64	\$2,446	118%

(Scenario 6)

CM-2 | 3 to 4 Multi-family Building (IH + Affordable Commercial + Open Space)

Occupancy Type: **Rental**

SDCs and Fees:

System Development Charges		
Parks		\$229,252
Sewer		\$207,382
Transportation		\$96,631
Water		\$15,311
	Sub-Total	\$548,576
Permit Fees		
	Sub-Total	\$91,993
	Total	\$640,569

Street Frontage Costs

Private Costs	\$39,060
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Financial Summary:

Residential Construction Costs / sq ft	\$206
Average Monthly Rent	\$1,983
Total Construction Cost	\$8,766,482
IRR (Unleveraged)	12.0%

(Scenario 6)

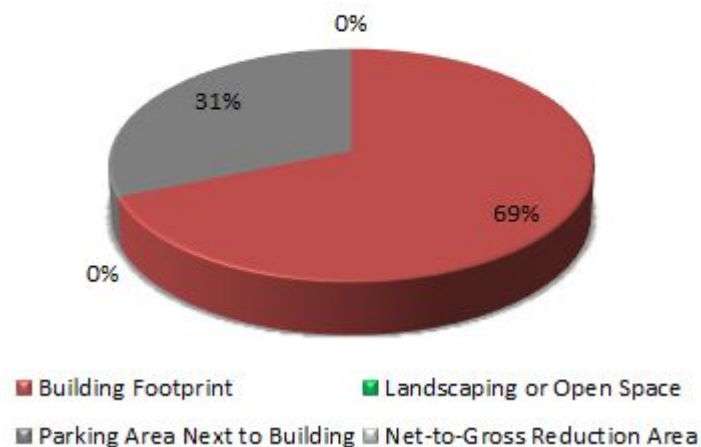
CM-2 | 3 to 4 Multi-family Building (IH + Tree Preservation TDR)

Occupancy Type: **Rental**

Development Program:

Lot Area (sq ft)	9,000
Building Height (stories)	5.5
Number of Units	45
Average Unit Size (sq ft)	643
Number of Parking Spaces	11
Floor Area Ratio	3.8
Monthly Rent per Sq ft	\$2.96

Site Layout



	% of Units in Building	Number of Units	\$ / sq ft	Rent / Month	MFI Affordability
Affordable St	20%	9	\$2.78	\$1,289	80%
Studio	20%	9	\$3.72	\$1,724	107%
1 Bedroom	30%	14	\$3.03	\$1,808	105%
2 Bedroom	30%	14	\$2.51	\$2,323	112%

(Scenario 7)

CM-2 | 3 to 4 Multi-family Building (IH + Tree Preservation TDR)

Occupancy Type: **Rental**

SDCs and Fees:

System Development Charges		
Parks		\$291,337
Sewer		\$263,234
Transportation		\$122,801
Water		\$15,311
	Sub-Total	\$692,683
Permit Fees		
	Sub-Total	\$100,742
	Total	\$793,425

Street Frontage Costs

Private Costs	\$39,060
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Financial Summary:

Residential Construction Costs / sq ft	\$206
Average Monthly Rent	\$1,904
Total Construction Cost	\$9,540,679
IRR (Unleveraged)	12.0%

(Scenario 7)

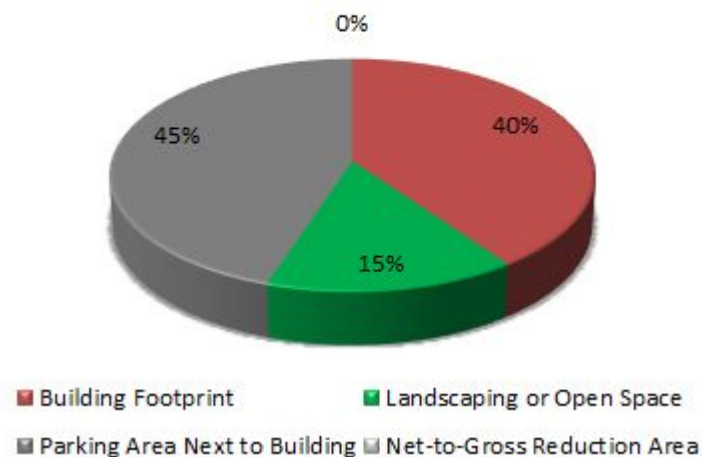
CM-2 | 3 to 4 Multi-family Building (Max FAR Scenario)

Occupancy Type: **Rental**

Development Program:

Lot Area (sq ft)	9,000
Building Height (stories)	9.5
Number of Units	36
Average Unit Size (sq ft)	643
Number of Parking Spaces	16
Floor Area Ratio	3.8
Monthly Rent per Sq ft	\$3.12

Site Layout



	% of Units in Building	Number of Units	\$ / sq ft	Rent / Month	MFI Affordability
Affordable St	20%	7	\$2.78	\$1,289	80%
Studio	20%	7	\$3.96	\$1,839	114%
1 Bedroom	30%	11	\$3.23	\$1,928	112%
2 Bedroom	30%	11	\$2.68	\$2,478	120%

(Scenario 8)

CM-2 | 3 to 4 Multi-family Building (Max FAR Scenario)

Occupancy Type: **Rental**

SDCs and Fees:

System Development Charges		
Parks		\$231,709
Sewer		\$209,580
Transportation		\$97,667
Water		\$15,311
	Sub-Total	\$554,267
Permit Fees		
	Sub-Total	\$98,309
	Total	\$652,576

Street Frontage Costs

Private Costs	\$39,060
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Financial Summary:

Residential Construction Costs / sq ft	\$206
Average Monthly Rent	\$2,003
Total Construction Cost	\$9,393,524
IRR (Unleveraged)	12.0%

(Scenario 8)

WPTC Development Feasibility Review

December 2020

Prepared by:

