

## STAFF SUMMARY & RECOMMENDATION

### ANTHEM HOUSE II

LOCATION: 1430 LAWRENCE STREET  
NEIGHBORHOOD: RIVERSIDE NEIGHBORHOODS  
<https://www.anthemhouse.com>



CONSTRUCTION: NEW CONSTRUCTION

#### UNIT DESCRIPTION

Total Units	-	52	Average Market Rent
Efficiency/Studios	-	36	\$1607
1 Bedroom-		0	
2 Bedroom-		16	\$2457

#### AFFORDABILITY DETERMINATION

11 units would qualify as Inclusionary Units based on the Law's requirements that 20% of all units be offered as affordable. Three of the units would be available to households earning 30% of the Area Median Income (AMI), 3 units would be available to households earning 60% of AMI, 3 units would be made available to households earning 80% of AMI and 2 units would be made available to households earning 100% of AMI.

The total cost to the City to make all 11 units affordable would be \$2.01 million. The analysis indicates that one required efficiency unit for a household earning 100% of the AMI would qualify as an affordable unit under the Investment Threshold requirements.

**STAFF RECOMMENDATION**

Staff recommends that DHCD work with the developer to determine which of the options to make units available is the most feasible and to report its findings back to the board.

## Inclusionary Housing Calculation

### Anthem House II

#### Income Limits (Inflated over time)

Size	30% AMI	60% AMI	80% AMI	100%AMI
Efficiency (1 Person)	\$ 21,200	\$ 42,400	\$ 56,600	\$ 70,700
1-Bedroom (1.5 Person)	\$ 22,700	\$ 45,500	\$ 60,600	\$ 75,800
2-Bedroom (3 person)	\$ 27,300	\$ 54,500	\$ 72,700	\$ 90,900
3-Bedroom (4.5 Person)	\$ 31,500	\$ 63,000	\$ 84,000	\$ 105,000

#### Affordability Standards (Inflated over time)

Calculation of Affordability at 2B-3(b)(1-4)

Max Rent = 1/12 x 30% of Max income by Tier

Size	30% AMI	60% AMI	80% AMI	100%AMI
Efficiency	\$ 530	\$ 1,060	\$ 1,415	\$ 1,768
1-Bedroom	\$ 568	\$ 1,138	\$ 1,515	\$ 1,895
2-Bedroom	\$ 683	\$ 1,363	\$ 1,818	\$ 2,273
3-Bedroom	\$ 788	\$ 1,575	\$ 2,100	\$ 2,625

#### Total Units in Building by Bedroom Size

Req. % each Tier	30%	25%	25%	20%	
Size	30% AMI	60% AMI	80% AMI	100%AMI	Total
Efficiency	10.8	9	9	7.2	36
1-Bedroom	0	0	0	0	0
2-Bedroom	4.8	4	4	3.2	16
3-Bedroom	0	0	0	0	0
<b>Total</b>	<b>15.6</b>	<b>13</b>	<b>13</b>	<b>10.4</b>	<b>52</b>

#### Total Required IH Units

Req % of Total	20% Major Public Subsidy				
	30% AMI	60% AMI	80% AMI	100%AMI	Total
Efficiency	2	2	2	1	7
1-Bedroom	0	0	0	0	0
2-Bedroom	1	1	1	1	4
3-Bedroom	0	0	0	0	0
<b>Total</b>	<b>3</b>	<b>3</b>	<b>3</b>	<b>2</b>	<b>11</b>

Unit counts are rounded to produce whole units

**Project Rents**

Size	30% AMI	60% AMI	80% AMI	100%AMI
Efficiency	\$ 1,607	\$ 1,607	\$ 1,607	\$ 1,607
1-Bedroom	\$ -	\$ -	\$ -	\$ -
2-Bedroom	\$ 2,456	\$ 2,456	\$ 2,456	\$ 2,456
3-Bedroom	\$ -	\$ -	\$ -	\$ -

**Per Unit Subsidy per month - Initial Year**

Size	30% AMI	60% AMI	80% AMI	100%AMI
Efficiency	\$ 1,077	\$ 547	\$ 192	\$ -
1-Bedroom	\$ -	\$ -	\$ -	\$ -
2-Bedroom	\$ 1,774	\$ 1,094	\$ 639	\$ 184
3-Bedroom	\$ -	\$ -	\$ -	\$ -

**Lifetime Subsidy Per Unit**

Size	30% AMI	60% AMI	80% AMI	100%AMI
Efficiency	\$ 262,291	\$ 153,435	\$ 80,523	\$ 17,024
1-Bedroom	\$ -	\$ -	\$ -	\$ -
2-Bedroom	\$ 427,050	\$ 287,387	\$ 193,936	\$ 100,485
3-Bedroom	\$ -	\$ -	\$ -	\$ -

Threshold Limit (by Income Tier)	30% AMI	60% AMI	80% AMI	100%AMI
	\$ 125,000	\$ 100,000	\$ 50,000	\$ 25,000

Highlighted Cells are OVER threshold limit - SHALL exempt by statute at 2B-21(f)(3)

**Total Project Subsidy by Unit Type**

Size	30% AMI	60% AMI	80% AMI	100%AMI	Total
Efficiency			\$ 161,046	\$ 17,024	\$ 178,069
1-Bedroom			\$ -	\$ -	\$ -
2-Bedroom			\$ -	\$ 100,485	\$ 100,485
3-Bedroom			\$ -	\$ -	\$ -
<b>Total</b>			<b>\$ 161,045.88</b>	<b>\$ 117,508.38</b>	<b>\$ 278,554</b>

**Total Cost of Full Compliance      \$                    278,554    Initial Year Dollars**  
**Total Cost of Full Compliance      \$                    278,554    Current Year Dollars**