



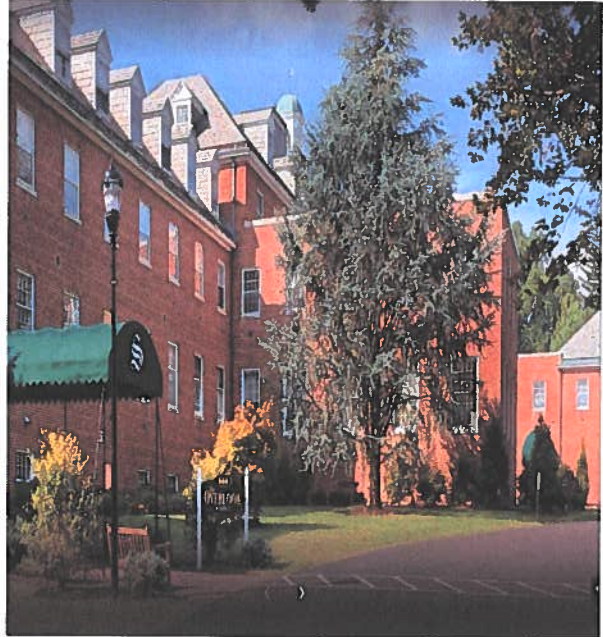
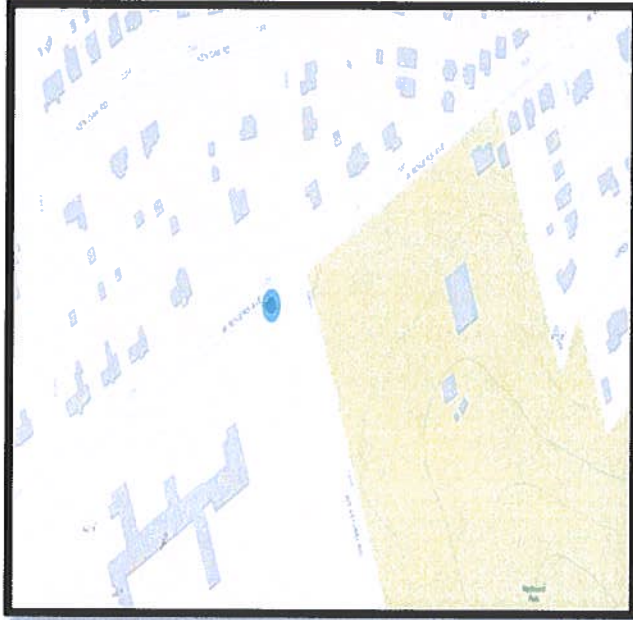
**STAFF SUMMARY & RECOMMENDATION**

**THE HOMESTEAD BUILDING AT SPRINGWELL SENIOR LIVING COMMUNITY**

LOCATION: 2209/2211 WEST ROGERS AVENUE

NEIGHBORHOOD: MT. WASHINGTON

<http://www.springwellseniorliving.com/>



CONSTRUCTION:

NEW CONSTRUCTION

**UNIT DESCRIPTION**

UNIT DESCRIPTION	Count	Average Market Rent
Total Units	99	
Efficiency/Studios	-	
1 Bedroom	75	\$1638
2 Bedroom	24	\$2485

**AFFORDABILITY DETERMINATION**

20 units would qualify as Inclusionary Units based on the Law's requirement that 20 percent of all units be offered as affordable. Six of these units would be available to households earning 30% of the Area Median Income (AMI), 5 units would be made available to households earning 60% of the AMI, 5 units would be made available to households earning 80% of the AMI and 4 units would be made available to households earning 100% of the AMI.

The total cost to the City to make all 20 units affordable would be \$3.2 million. However, based on the Law's Investment Threshold requirements, only 1-bedroom units offered to households earning 100% of the AMI are eligible to be offered as affordable. The total cost to the City to make these 1-bedroom units affordable would be \$27,217.

### STAFF RECOMMENDATION

While the analysis determined that three units met the Investment Threshold requirements, DHCD does not believe that the additional fees required would make the units affordable. The project offers apartments to seniors who are 62 years or older. Residents pay a monthly fee ranging from \$3,850 to \$5,190 depending on the size of a unit. For the purposes of this analysis, the owner prorated the portion of these fees that would constitute rent. An updated analysis was completed to reflect the inclusion of the total monthly fee schedule. Based on the updated analysis, DHCD recommends that it is unlikely that the required inclusionary housing units are affordable.

## Inclusionary Housing Calculation

### The Homestead Building at Springwell Senior Living Community

#### 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%
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Size	30% AMI	60% AMI	80% AMI	100%AMI	Total
Efficiency	0	0	0	0	0
1-Bedroom	22.5	18.75	18.75	15	75
2-Bedroom	7.2	6	6	4.8	24
3-Bedroom	0	0	0	0	0
<b>Total</b>	<b>29.7</b>	<b>24.75</b>	<b>24.75</b>	<b>19.8</b>	<b>99</b>

#### Total Required IH Units

Req % of Total	20% Major Public Subsidy			
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	30% AMI	60% AMI	80% AMI	100%AMI	Total
Efficiency	0	0	0	0	0
1-Bedroom	5	4	4	3	16
2-Bedroom	1	1	1	1	4
3-Bedroom	0	0	0	0	0
<b>Total</b>	<b>6</b>	<b>5</b>	<b>5</b>	<b>4</b>	<b>20</b>

Unit counts are rounded to produce whole units

#### Project Rents

Size	30% AMI	60% AMI	80% AMI	100%AMI
Efficiency	\$ -	\$ -	\$ -	\$ -
1-Bedroom	\$ 1,638	\$ 1,638	\$ 1,638	\$ 1,638
2-Bedroom	\$ 2,485	\$ 2,485	\$ 2,485	\$ 2,485
3-Bedroom	\$ -	\$ -	\$ -	\$ -

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

Size	30% AMI	60% AMI	80% AMI	100%AMI
Efficiency	\$ -	\$ -	\$ -	\$ -
1-Bedroom	\$ 1,071	\$ 501	\$ 123	\$ -
2-Bedroom	\$ 1,803	\$ 1,123	\$ 668	\$ 213
3-Bedroom	\$ -	\$ -	\$ -	\$ -

**Lifetime Subsidy Per Unit**

Size	30% AMI	60% AMI	80% AMI	100%AMI
Efficiency	\$ -	\$ -	\$ -	\$ -
1-Bedroom	\$ 261,748	\$ 144,677	\$ 67,144	\$ 9,072
2-Bedroom	\$ 433,748	\$ 294,085	\$ 200,634	\$ 107,183
3-Bedroom	\$ -	\$ -	\$ -	\$ -
Threshold Limit (by Income Tier)	\$ 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			\$ -	\$ -	\$ -
1-Bedroom	\$ 45		\$ 268,575	\$ 27,217	\$ 295,837
2-Bedroom				\$ 107,183	\$ 107,183
3-Bedroom			\$ -	\$ -	\$ -
<b>Total</b>			\$ 268,575.43	\$ 134,399.41	\$ 403,020

**Total Cost of Full Compliance      \$                    403,020    Initial Year Dollars**  
**Total Cost of Full Compliance      \$                    403,020    Current Year Dollars**

The Homestead Building - Independent Living  
Springwell Senior Living Community

Type of Residence	# of Units	Average Monthly Fee (*)	Breakout of Monthly Fee by Services (*)										Total of All Svcs Excl Rent	
			Dining	Utilities	Hskpg	Front Desk	Security	Activities	Trans	Net "Rent"				
Efficiency / Studio	0	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
1 Bedroom / 1 Bath	19	\$ 4,850	\$ 1,249	\$ 294	\$ 278	\$ 262	\$ 250	\$ 171	\$ 53	\$ 1,294	\$ 2,556	\$ 2,556		
1 Bedroom / 1.5 Baths	43	\$ 4,190	\$ 1,249	\$ 294	\$ 278	\$ 262	\$ 250	\$ 171	\$ 53	\$ 1,634	\$ 2,556	\$ 2,556		
1 Bedroom & Den / 1.5 Baths	13	\$ 4,540	\$ 1,249	\$ 294	\$ 278	\$ 262	\$ 250	\$ 171	\$ 53	\$ 1,984	\$ 2,556	\$ 2,556		
2 Bedroom / 2 Baths	12	\$ 4,890	\$ 1,249	\$ 294	\$ 278	\$ 262	\$ 250	\$ 171	\$ 53	\$ 2,334	\$ 2,556	\$ 2,556		
2 Bedroom / 2 Baths (Corner)	12	\$ 5,190	\$ 1,249	\$ 294	\$ 278	\$ 262	\$ 250	\$ 171	\$ 53	\$ 2,634	\$ 2,556	\$ 2,556		
	99													

(\*) The monthly fee is inclusive of all services noted in this spreadsheet. Services are not offered a la carte but are broken down here for purposes of analysis.