

AMITY STATION NEGOTIATION QUESTIONS AND RESPONSES (Draft, 3/19/19)

Council Subcommittee and staff posed the following questions following the negotiating meeting on March 8th, 2019, and worked with the applicant, CA Ventures, to develop responses.

Council Question 1: Show physical context of proposed building in more detail, especially regarding relationship to homes in Northside.

Staff Response 1: Staff relayed this request to CA Ventures, who is working on additional 3D modeling.

Council Question 2: What is the distance from back of proposed Amity building to the nearest residential units?

Staff Response 2: Staff relayed this request to CA Ventures, who is working on additional graphics.

Council Question 3: Include an additional \$400k-\$500k for neighborhood benefits for Scenarios 2 and 3.

Staff Response 3: Staff relayed this request to CA Ventures, who included funds for a Northside Community Outreach Fund, with differing amounts depending on the scenario (see Attachment 3).

Council Question 4: Run scenarios 2 and 3 with all of the affordable units at 60% AMI.

Staff Response 4: Staff relayed this request to CA Ventures, who developed several new scenarios (see Attachment 3).

Council Question 5: Run scenarios 2 and 3 with some of the affordable units at 60% AMI, and some at 80% AMI.

Staff Response 5: Staff relayed this request to CA Ventures, who developed several new scenarios with affordable units at 70% AMI (see Attachment 3).

Council Question 6: Provide some public green space; run scenarios 2 and 3 with this added.

Council Question 6: Staff relayed this request to CA Ventures.

Council Question 7: What are some options for addressing access to P.H. Craig's property?

Council Question 7: Staff relayed this request to CA Ventures and also is doing some research with the help of the Town surveyor.

Council Question 8: Explain how income qualification, placement, and enforcement would work for affordable units

Staff Response 8: It is our recommendation that the Property Management entity partnering with the developer would be responsible for verifying income eligibility to ensure they are providing housing to tenants at the agreed upon affordability level. Following the model used in other Town projects with an affordable component, such as the Graduate, the developer would enter into an Affordable Housing Performance Agreement with the Town that documents their commitment to perform these tasks and the reporting requirements expected for the developer to demonstrate compliance with the affordable housing plan.

Council Question 9: How would parking costs (\$100/mo./space) affect affordability?

Staff Response 9: Affordable housing is defined as housing that allows families to pay no more than 30 percent of their income on housing costs, inclusive of rent, utilities, and other associated costs such as parking. Therefore, the combination of affordable housing and parking should not exceed the income limit calculations provided by HUD for various affordability levels and household sizes (see attached)

Council Question 10: Have we confirmed compliance for the base scenario with the West Rosemary Development guidelines for features other than height?

Staff Response 10: Staff has requested data from CA Ventures on the building square footage

Council Question 11: I believe that a rezoning for the R-3 portion of the site was/is required. What was the approximate square footage of the base case and approximately how much additional square footage over the base zoning did the base case need? What is the square footage of their most recent proposal and how much square footage over what is allowed by current zoning will be needed for their current proposal?

Staff Response 11: Staff has requested data on the building square footage

Council Question 12: The footprint of the proposed building seems quite large. How does it compare with the three residential buildings mentioned above and how does it compare with the Berkshire (exclusive of the parking structure).

Staff Response 12: Staff has created a table to answer this question (see Attachment #3).

Council Question 13: Do we have any idea as to whether the building could be economically viable at, say, 25-35 percent smaller, understanding there would be a concomitant reduction in affordable units?

Staff Response 13: Staff posed this question to CA Ventures.

Council Question 14: Are there any obvious architectural alternatives that would render the building more open to the neighborhood, also allow public open/green space, and make it less intrusive into the Northside neighborhood?

Staff Response 14: Staff posed this question to CA Ventures.

Staff Question 15: Why is the estimated cost of affordable units at 60% AMI \$150k per unit? David estimated this as being \$120k/unit. Please clarify and show calculation.

CA Ventures Response 14: David Laube said that there would be a cap rate impact, which we incorporated to arrive at \$150K per unit.

Staff Question 16: Scenarios 4 and 5 list the value of a density bonus as \$34k/unit, compared with the \$46k estimated previously. Please clarify and show calculation.

CA Ventures Response 14: David Laube said that there would be a cap rate impact, which we incorporated and which shifts the value of the market rate units to \$34K each.

- a. 80% AMI (no impact to cap rate @ 5.5%) - \$46K
- b. 70% AMI (cap rate of 5.65%) - \$40K
- c. 60% AMI (cap rate of 5.75%) - \$34K