HOPE VI Funding
Related to Benefits and Amenities

The following components make up the development program for the Capper/Carrollsburg PUD application. The goal of the redevelopment is to produce 707 new public housing (ACC) rental units in a mixed income community. To achieve these goals, the HOPE VI financing is highly leveraged with private funding sources for both debt and equity, land sales proceeds from selling land for market rate housing and office uses and city public funding. The table which follows indicates how much of each of these sources is used and, where applicable, how much land sales proceeds are generated. Community and Supportive services have been pledged by a broad group of community partners. Each of these entities brings existing funding sources to the project to leverage the HOPE VI funding. Through the HOPE VI funded coordination of these resources, a comprehensive service package is provided without duplicating existing resources.

The HOPE VI financing is primarily used for master development and the senior housing. This is because both of these uses are at the front end of the project schedule and the HOPE VI sources are immediately available. Townhome Rental and Multifamily Rental I follow as the next phase of construction. The public housing is subsidized from proceeds of for-sale housing and market rate Multifamily Housing I, as the physical product for market rate and public housing is built at the same time. The community center, Multifamily II, and Multifamily III are all dependent on sale of the office building land, which can only occur after the senior housing in Phase I has been built.

The overall leverage created by building public housing, market rate housing, and office space, and leveraging existing resources for community programs is $424 million. Of this funding $35 million is generated from HOPE VI, $37 million is generated from land sales proceeds, $314 million is generated from private debt and equity, and $37.6 million is generated from other public funding and leverage. Each of these funding sources is critical to being able to reproduce 707 public housing units for the Capper/Carrollburg PUD.

ZONING COMMISSION
District of Columbia
CASE NO.03-13
EXHIBIT NO.54A11

Components	Blocks	Total Units	ACC-Public Housing Units	Total Cost	HOPE VI	Useof Land Sales Proceeds	Private Financing	Public Financing 1)		*Proceeds from Land Sales*
Administration, Land Development, & Community Services	All on-site and off-site			**$ 49,500,000**	$ 14,400,000	$ 2,000,000		$33,100,000		
Senior Housing I	880	162	162	**$ 17,000,000**	$ 11,000,000		$ 6,000,000			
Senior Housing II	825S	138	138	**$ 14,500,000**	$ 9,600,000		$ 4,900,000			
Townhome Rental	797, 798, 799, 824, 825, 882	120	120	**$ 16,800,000**		$ 11,500,000	$ 5,300,000			
Multifamily Rental I	767	144	60	**$ 20,300,000**		$ 4,000,000	$ 15,100,000	$ 1,200,000		*$ 1,200,000*
Multifamily Rental II	768	280	100	**$ 40,000,000**		$ 8,000,000	$ 29,200,000	$ 2,800,000		*$ 2,400,000*
Multifamily Rental III - Offsite	739	400	115	**$ 55,600,000**		$ 8,800,000	$ 46,800,000			*$ 4,300,000*
Townhome For Sale	797, 798, 799, 824, 825, 882	280		**$ 84,000,000**			$ 84,000,000			*$12,600,000*
Townhomes For Sale - Low Income	797, 798, 799, 824, 825, 882	50		**$ 7,300,000**			$ 6,800,000	$ 500,000		*$ 600,000*
Office Buildings		500,000 SF		**$ 116,000,000**			$ 116,000,000			*$16,200,000*
Community Center		15,000 SF		**$ 3,000,000**		$ 3,000,000				
Off site ACC - Kentucky Courts			12							
Total		**1,574**	**707**	**$ 424,000,000**	**$ 35,000,000**	**$ 37,300,000**	**$ 314,100,000**	**$37,600,000**		***$37,300,000***

1) Public Financing consists of $20 Million in Community Matching Sources, $17.1 Million in City Funding, and $500,000 in HPAP homeownership loans.

The funding and project allocation described on the preceding page underwrites the PUDs as they have been submitted to the Zoning Commission. The relationship between the development flexibility requested and the public benefits and project amenities which will result from approval of the project is shown in the following table:

Benefit/amenity	Value/cost	Development flexibility
		Existing zoning permits 771,017 sf of GFA for commercial use and 1,421,220 sf of GFA for residential use Proposed development includes 753,000 sf of GFA for commercial use and 2,092,081 sf of GFA for residential use Net decrease of 18,017 sf of GFA for commercial use and net increase of 670,861 sf of GFA for residential use
Housing and affordable housing: 1,645 new housing units including replacement of the 707 existing public housing units	n/a	Height to a maximum of 110 feet in the CR District for the three office buildings at 250 M Street and the 600 block of M Street and for three of the four apartment houses lining the Canal Blocks Park

Urban design and architecture: dense urban site plan maintaining the Washington grid recognizing the transition between high activity and density along the M and 2nd Streets edges and lower activity and density in the center, with architectural design guidelines to insure consistency within the overall pattern	n/a	Aggregation of project FAR and lot occupancy, with office space concentrated along M Street, high density residential along 2nd Street and townhouses and low rise apartments, including housing for seniors, in the center Side yard flexibility for lot on east side of 4th Street adjacent to St. Paul's AUMP Church
Provision of open space: clearing of approximately 2.5 acres for the new Canal Blocks Park, plus additional open space in strategic locations throughout the project	Cost of land (current assessed value = $3,774,840) plus +$460,000 from the William C. Smith Company and Capper/Carrollsburg Venture plus cost to grade and plant ($125,000) = approximately $4.3 million (see note 1)	
Uses of special value: approximately 51,000 square feet of first floor service retail, including 30,000 square feet in the office buildings and 21,000 square feet along the Canal Blocks Park	n/a	
Uses of special value: 18,000 square foot community center	$3 million	

Establishment of new rights-of-way: 6th Street and 3rd Place, the recognition of 2nd Place and L Street and the realignment of I Street	Cost of land (assessed value of $42 per square foot x 43,788 square feet) = approximately $987,000 + $105,000 for construction costs of new streets = approximately $1.1 million	
Street repair and repaving	$3.2 million	
Community and Supportive Services Programs: day care, adult literacy, computer training, health clinic	$29 million	
Employment and training opportunities: Section 3, LSDBE and First Source programs	n/a	
Total quantifiable benefits/ amenities	$40.6 million	

Note 1: The value of the land for Reservations 17 B, C and D was included because those Reservations are now known as Lot 829 in Square 767, Lot 810 in Square 768 and Lot 821 in Square 769. Those lots also include the former right-of-way of 2nd Street East now closed, and they about other lots owned by the Applicants included in the PUD. Accordingly, those lots have development rights under the present R-5-B zoning. While the ability to build on the Reservations themselves may be precluded, the lots could be subdivided into lots of record with other contiguous property and the density derived from the subject lots be realized in that manner. The Applicants therefore believe it is appropriate to count the value of the land, if developed under R-5-B zoning, as part of the public benefits/project amenities which will accrue from the PUD. If the value of the land is excluded, the value of the Applicants' contribution to the Canal Blocks Park will be approximately $485,000.