

CHAPIN BENEFITS PACKAGE

COMMUNITY BENEFITS:

CBE Development Opportunities: currently DHCD does not require any CBE participation in Low Income Housing Tax Credit deals if built exclusively with private financing per the most recent Qualified Allocation Plan; this is due to the Federal nature of the Low Income Housing Tax Credit Program. In fact, at least four (4) of the projects/teams selected for reservations of 2009 LIHTC by the Department did not have any CBE/LSDBE development partners. However per our PUD submission we are committed to the 35% participation goal of local CBE firms.

The Applicant will enter into a Memorandum of Understanding with the D.C. Department of Small and Local Development in order to achieve, at a minimum, the goal of 35% participation by small, local, and disadvantaged businesses in the contracted development costs for the design, development, construction, maintenance, and security for the project to be created as a result of the PUD. This memorandum contributes significantly to the District's goal of ensuring adequate opportunities for small and local businesses to participate in development projects throughout the City. It should be noted that both partners in the development are certified business enterprises.

Total CBE Eligible Costs*	11,179,624
Proposed CBE percentage:	35%
Minimum Revenues to CBE firms:	3,912,868

By our commitment to expending a minimum of 35% of the total eligible project costs on goods and services provided by CBE firms, we estimate that CBE's will receive at minimum **\$3,900,000** in revenues from this development. By law, CBE firms must be located and do business in the District and thus pay their local income taxes to the DC government. Note that CBE eligible costs do not include land, interest, reserves, utilities and reserves.

Mentoring/Apprenticeship Opportunities for Local Youth: Another benefit is our commitment to provide access to jobs for local youth in the immediate community. Currently neither DC statute nor any financing mechanisms considered require providing opportunities for local at risk youth however we are cognizant of providing opportunities hence our reasoning for partnering with Mentor Works 2.

MW2 is a community-based non-profit 501(c)(3) organization dedicated to transforming the lives of at-risk, inner-city youth through a mentoring program that matches vetted, trained adults with youth in need and offers a safe location for tutoring, mentoring, and social engagement. Through weekly community dialogue with parents, youth, local police, and community leaders, MW2 assesses the needs of the Shaw/Columbia Heights neighborhood and creates specific youth mentoring programs to address these needs. The Applicant proposes to partner with MW2 to provide an opportunity for youth participating in MW2's programs to follow the PUD process from design and development to completion of construction. This is similar to MW2's partnership with the D.C. Department of Parks and recreation, wherein MW2 youth participants, staff, mentors, community members and volunteers teamed up to transform the Parkview Recreation Center into a safe and inviting arena for youth to congregate and get much needed support. Through that project, MW2 mentored youth in several conceptual areas, including: (1) the care and sustenance of the environment, (2) program planning, (3) collaborative teamwork, and (4) pride in personal investment in community improvement. Upon completion of the Project, the Applicant will continue to work with MW2 and to provide a location for MW2 volunteers to provide regular after-school homework help and tutoring in the community space within the PUD.

RESIDENT SPECIFIC BENEFITS:

The table below illustrates the estimated financial benefit that residents will receive by being able to rent newly constructed units in this high demand area at a substantial discount to market rates:

Property	Year Completed	1BR Rent	2BR Rent
The Allegro	2009	\$ 1,850	\$ 2,800
View 14	2009	\$ 2,050	\$ 3,000
Highland Park	2008	\$ 2,000	\$ 2,700
The Ellington	2007	\$ 2,300	\$ 3,000
Market Averages:		\$ 2,050	\$ 2,875
Applicant:	2012	\$ 1,200	\$ 1,400
Monthly Rent Advantage:		\$ 850	\$ 1,475

Thus by charging much lower rents than the market bears for new multifamily in this location, residents will receive annual benefits ranging from **\$10,200** to **\$17,700** depending on unit size.

The affordable housing provided by the Project is nearly 20 times the gross floor area of affordable housing that would be required under the IZ provisions of Chapter 26 of the Zoning Regulations if the project were being developed as a matter-of-right under the current R-5-B zoning classification, and nearly 15 times the gross floor area of affordable housing that would be required under the requested C-2-B zoning if developed as a matter of right.

Since our project contains far more affordable units than are required per inclusionary zoning (40 additional affordable units = 44 provided – 4 required), we quantify this total benefits as such:

	Total Units	% Affordable	
Number of IZ units required:	44	10.00%	4.4
Number of IZ units provided:	44	100.0%	44
Additional Affordable Units Created:			39.6
Weighted Average Rent Benefit to Resident (ann.):			\$ 11,700.00
Total Benefit of additional affordable units (ann.):			\$ 463,320

In addition to below market rents, residents will benefit from the extensive green features of the development. To review, this project will feature the following:

A lushly landscaped roof garden, high-emissive roofing (reducing heat island effects), privately-metered electrical services, individually-controlled heating and air conditioning units, non-vinyl and non-carpet floor coverings for improved indoor air quality. The Project has been designed to utilize as much natural light as possible, reducing energy needs during daytime hours.

Additionally, the Project will have 36 indoor bicycle parking spaces and a 950 SF gym on the ground floor. While the enjoyment that any given individual truly derives from these amenities will vary according to several factors, the cash value of the benefit to residents is already captured in the rent that they are willing to pay to live in a building featuring these market rate amenities. The rental advantage analysis is quantified above.

Additional resident benefits include a one-time, complimentary \$50.00 SmartTrip fare card for use on Metro, a one-time membership fee subsidy in DC SmartBike for each unit, and/or a one-time membership fee subsidy for participation in Zipcar for each residential unit upon initial move-in.

	Value	Quantity	Subtotal
SmartTrip Cards	\$50.00	44	\$ 2,200
SmartBike/ZipCar option	\$40.00	44	\$ 1,760
Subtotal TDM Benefits:			\$ 3,960

Lastly, to address the Green Building feature and/or the fact that we exceed the Enterprise Green Building criteria, we think that it is important to note that privately owned buildings over 50,000 SF built after 1/1/2012 are required to meet the Green Building standards set by the Council of the District of Columbia. (per the DC Green building act of 2006) since this project is less than 50,000 GSF and will be privately owned, financed and is not required to adhere to this policy, we not only meet the Green Building standard we also exceed it. A benefit we consider to be monumental for our future residents and the District of Columbia.