

**AFFORDABLE HOUSING ADVISORY COMMITTEE**  
**LOCATION: ROOM 2000**  
**CITY HALL**  
**THURSDAY, OCTOBER 18, 2012 7:00PM**

**AGENDA**

- |  |           |
|--|-----------|
| 1. Welcome and Introduction for New Members  | 7:00 p.m. |
| 2. AHAC Chair Discussion Time  | 7:05 p.m. |
| 3. Beauregard Affordable Housing Cost Methodology  | 7:30 p.m. |
| 4. Beauregard Affordable Housing Model   | 7:45 p.m. |
| 5. Next Steps and Discussion   | 8:00p.m.  |
| 6. Announcements and Upcoming Housing Meetings   | 8:30 p.m. |
| • City Council Work Session – Beauregard<br>Tuesday, October 23, 2012 5:30 – 7:00 P.M.<br>City Council Work Room |           |
| 7. Adjournment   | 8:35 p.m. |

New Units - Affordable rents adjusted for utility allowances						
Unit Type	Market	40% AMI	50% AMI	55% AMI	60% AMI	75% AMI
Eff.	\$1,439	\$718	\$906	\$1,000	\$1,094	\$1,376
1BR	\$1,808	\$751	\$953	\$1,053	\$1,154	\$1,457
2BR	\$2,361	\$901	\$1,143	\$1,264	\$1,385	\$1,748

Buy-Down Subsidies for New Units					
Unit Type	40% AMI	50% AMI	55% AMI	60% AMI	75% AMI
Eff.	\$168,058	\$124,252	\$102,350	\$80,447	-
1BR	\$246,268	\$199,200	\$175,899	\$152,365	\$81,763
2BR	\$340,283	\$283,894	\$255,700	\$227,506	\$142,923
Avg.	\$251,536	\$202,449	\$177,983	\$153,439	\$79,808

Existing Units - Affordable rents adjusted for utility allowances					
Unit Type	Market	40% AMI	50% AMI	55% AMI	60% AMI
Eff.	\$1,144	\$753	\$941	\$1,035	\$1,129
1BR	\$1,289	\$806	\$1,008	\$1,108	\$1,209
2BR	\$1,626	\$968	\$1,210	\$1,331	\$1,452

Buy-Down Subsidies for Existing Units				
Unit Type	40% AMI	50% AMI	55% AMI	60% AMI
Eff.	\$91,144	\$47,338	\$25,435	\$3,532
1BR	\$112,552	\$65,484	\$42,183	\$18,649
2BR	\$153,367	\$96,979	\$68,784	\$40,590
Avg.	\$119,021	\$69,933	\$45,467	\$20,924

**Comments**

In order to calculate the cost of a single unit we calculated the difference between the anticipated market rent and the likely affordable rent at the time of delivery and used standard industry cap rates to calculate the value. The tables show the market and affordable rents used in these calculations and the resulting buy down cost for each unit type. These were vetted with the Developers and are reflected in the Plan adopted on May 12, 2012.

While the methodology will remain the same, the actual buy down cost of each unit type will be calculated at the time each future DSUP comes forward and will be based on current market conditions at that time. This may lead to an increased or decreased buy down cost.

All buy down costs presented in the tables above are expressed in today's (2012) dollars and reflect a 30 year affordability period (vs. 40). These costs were inflated to estimate the overall cost of the affordable housing plan presented in the Beaugard SAP and its funding/implementation matrices.

The next page shows the manner in which units were distributed for the SAP.

**Affordable Housing Cost and Distribution as Calculated in Beauregard Small Area Plan**

**Instructions:**

Available funds were determined by Beauregard Small Area Plan

Enter unit amounts in blue cells

Distribute units until Balance line is Zero

							Available Funds:	\$114,843,640
Income Group	Unit Type						Total	
	New Efficiency	Existing Efficiency	New 1BR	Existing 1BR	New 2BR	Existing 2BR		
40% of AMI	22	9	22	10	23	10	96	
50% of AMI	40	10	40	10	40	9	149	
55% of AMI	58	14	59	15	59	15	220	
60% of AMI	59	14	59	14	59	15	220	
75% of AMI	X		30	0	29	0	59	

Buydown Units	744
Funding Balance	\$30,556
Existing Units*	145
New Units	599
Hillwood Units	56
<b>Total Units</b>	<b>800</b>

**Resulting Distribution without Hillwood Units**

Income Group	New	Existing	Overall %
40% AMI	11%	20%	13%
50% AMI	20%	20%	20%
55% AMI	29%	30%	30%
60% AMI	30%	30%	30%
75% AMI	10%		8%
<b>Totals</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>

\*Includes units at Lynbrook, Southern Towers, and Seminary Towers

Note: AMI = Area Median Income. All costs are projected costs over a 30 year period.