

City of Alexandria, Virginia

MEMORANDUM

DATE: JANUARY 29, 2019

TO: THE GREEN BUILDING POLICY UPDATE TASK FORCE

FROM: KARL MORITZ, DIRECTOR, DEPARTMENT OF PLANNING AND ZONING

SUBJECT: MINOR REVISIONS TO WSP CONSULTANT REPORT

An inquiry on January 28 alerted staff to a minor discrepancy between the figures listed in the matrix of WSP's report and the figures in the main body of the text. Upon consultation with WSP, it was found that the analysis reflected in the issued draft was based on an former version of the matrix that consisted of a broader range of costs than the figures shown in the current matrix. This flowed through to the pro forma case studies as well; therefore, the results of the financial analysis were updated. A summary of the revisions includes:

1. The narrower revised range of costs shifted the mid-point % used for gold and platinum downward slightly, which improved the financial return of the case studies (changes are tracked throughout the report to note the difference / revisions).
2. Most notably, using the revised/lower mid-points, case study per-square-foot cost increase for gold went from \$4-5 range to \$3-4, and platinum from \$11.50-17.00 to \$8-10 (Table 3).
3. The order-of-magnitude City cost estimate of \$35 to \$50M was based on previous high end of costs ranging from roughly 8-12%. Applying the revised upper ranges of around 6.5% to 9% reduces the City cost estimate from \$35-50M to \$25-40M.

This slight change in results is minor overall and does not effect the overall analysis. The updated report, with changes identified, accompanies this memo and will also be posted to the City's website with the other Task Force meeting materials.