

Bunker Hill Housing Redevelopment





Challenge: The original proposal was not economically viable. Leggat McCall / Corcoran reevaluated all development costs drivers, including revenues and expenses, in the context of the following goals established by the team of BHA / LMP / Corcoran / CRA.

Goals

- Limit density to the minimum number of units feasible to achieve project viability with on-site replacement of no less than 1,010 low income units
- Limit City's infrastructure contribution as much as possible
- Use 4% tax credits as needed to achieve required on-site replacement units
- Provide a minimum low-income percentage in mixed income buildings of 22%
- Develop a phasing plan that minimizes the disruption / relocation of the existing tenants
- Set investment metrics that provide adequate returns to raise substantial private debt and equity
- Alignment of interests where BHA shares in returns above an agreed upon thresholds
- Reduce the overall costs of the original proposed development

Proposed Modifications to Previous Plan

- Reduce total project size to a maximum of 2,699 units (down from 3,200 units)
- Reduce building heights to a maximum of 10 stories (down from 22 stories)
- Eliminate below grade parking / maximize on grade parking
- Reduce / eliminate roadway relocations and site regrading
- Phase the project to achieve relocation goal
- Establish a minimum financial return threshold necessary to raise approximately \$1.1 billion in private debt and equity (excluding tax credit buildings). Components of this threshold:
 - Inclusion of Low-Income Housing Tax Credit buildings as needed for replacement units and relocation purposes
 - Mixed income buildings with 78% market rate units to 22% low-income units
 - Public support with infrastructure and other investments

Better, Faster, and Less Expensive

- Reduce development costs and construction duration from current best practices by:
 - Utilizing modular kitchens and bathrooms with high quality finishes
 - Utilizing panelized metal stud structural framing with hollow core precast plank floors for all building types (4 to 10 stories)
 - Utilizing panelized complete exterior walls system with 8” staggered studs - achieving very high energy efficiency
 - Utilizing standardized and stacked unit layouts



View Looking Northeast

Original Proposal

- 3,200 units
- 13 buildings ranging from 6 to 22 stories
- Parking below each building



LMP / Corcoran Proposal

- 2,699 units
- 15 residential buildings
- Sites for 2 free-standing garages
- Building heights ranging from 4 to 10 stories
- 60,000 SF of community and retail uses

View Looking Southeast



Original 3,200 Unit Proposal

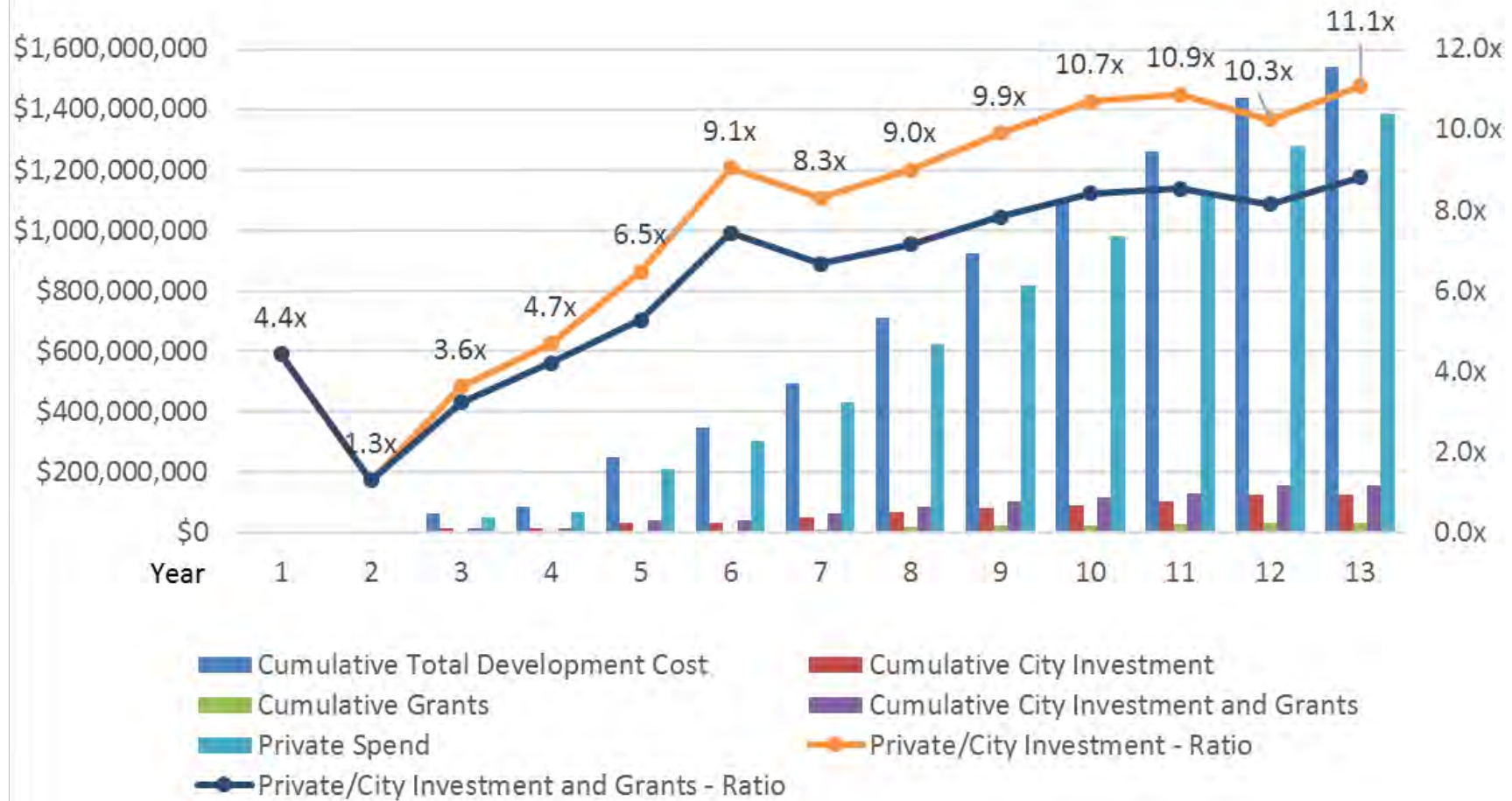
- Building heights ranging from 6 to 22 stories
- Majority of parking below grade



LMP/Corcoran Proposal

- 2,699 units, a reduction of 501 units
- Maximum building height at 10 stories, a reduction of 12 stories
- Majority of buildings along major perimeter streets reduced from 6 to 4 stories

Public / Private Capitalization



Unit Migration

