

Lexington Park Site

Why have moderate density affordable housing on the site?

- To maintain diversity in the neighborhood of both income and race
- To begin to address the affordable housing unit shortage of 20,000 units in this city
- So that people that rely on public transit have good access to our best transit assets, and to incentivize more people to use alternative modes of transit to cars
- So that neighboring businesses like the East End Co-Op, the Construction Junction and subsidiary renters, and other existing assets are not priced out and could potentially benefit from the space.
- So that N Point Breeze residents that are tenants aren't forced to leave because of rising rents, and homeowners on a fixed income not be priced out because of rising taxes.

What is a reasonable, positive and achievable proposal on the site?

Unit Distribution	1/3 Market Rate	1/3 Shallow Subsidy	1/3 Deep Subsidy
How Does Price Get Calculated?	According to Market Demand and Cost of Development	Units Priced at 30% of either 50% or 60% of Area Median Income	Units Priced at 30% of the Occupying Tenants' Household Income
Estimated Cost of 1 Month's Rent	\$1300-\$1400 a month for 1 bedroom	Up to \$1,133 a month, for a family of 4 living in a 3 bedroom apt	Varies according to Income Level of the Tenant
How it would be financed?	Market units can support a conventional loan to partially cover costs with additional equity and gap financing	Low income housing tax credit equity (either 4% or 9%), soft gap financing from URA.	Low income housing tax credit equity, plus housing authority project-based vouchers, soft gap financing from URA and Housing Authority

How do we help ensure extended affordability?

1. The URA could have a **ground lease** on the site, with affordability provisions, and lease to a developer who would comply with these conditions **OR**

2. If a non-profit developer were to develop the site, after the 15-year tax credit period ran out, they could have the **right of first refusal** to buy the site from the investors, to continue to maintain affordability

3. Talk to the URA about **how tenants could have equity** on the site, potentially by having the residents be offered an affordable buyout option after the 15 year tax credit ran out, to turn into a cooperative ownership structure.

It may be worthwhile to advocate for a specific developer that could achieve the neighborhood's development goals. Some developers that do attractive, responsible affordable housing in the city include:

Action Housing
Trek Development
Telesis Corp.

Examples in Pittsburgh and Elsewhere of this model:



East Liberty Place South and North (on Penn Ave)



Larimer Choice Apts

Transit Oriented Development in Denver

Complementary Uses?

The site is not appropriate for only housing—it would be good to have ground level retail that creates local jobs and fills local needs, and provides some green space.