

Development Options

| | Highest 60% AMI units or less | | Lowest 60% AMI units or less | |
|-------------------------------------|--|---|---|--|
| | Highest transparency/control | | Lowest transparency/control | |
| | 121 N Catherine 404 N Ashley 353 S. Main 2000 S. Industrial Platt/Springbrook 1501 E Stadium (if not used for AAHC offices) | 350 S 5th (Old Y) | 415 W. Washington 721 N Main | S Ashley (Kline) |
| Best Use | Low-Income Housing Tax Credit (LIHTC) projects with minimal non-residential use. Or affordable housing revenue bond financed projects | Mixed-use projects with significant portion affordable housing | Difficult to develop properties with other public use goals such as greenway | High value or difficult to develop property that can be sold and proceeds used to develop other properties as affordable housing |
| Owner | City transfer property to AAHC or land lease to AAHC subsidiary nonprofit | City land lease to AAHC nonprofit, private developer, AAATA with separate condos | City land lease to private developer | City sells property to highest bidder and owned by private sector |
| Primary Developer | AAHC subsidiary nonprofit | Private developer selected through City RFP/RFQ process | Private developer selected through City RFP/RFQ process | Private developer |
| Co-Developer | AAHC selected private developer | AAHC subsidiary nonprofit | None | None |
| Property Management | AAHC | Shared private property management or separate property management | Private property management | Private property management |
| Affordable Housing | 100% @ 60% AMI or less, or average of 60% AMI | 25% to 50% of the units at 60% AMI or less, and 50% - 75% market rate | 20% - 25% of the units at 60% AMI or less, and 75% - 80% market rate | Unknown if affordable housing included in development but sales proceeds go toward affordable housing on other sites |
| Predevelopment | AAHC/City shared costs with co-developer | AAHC/City shared costs with co-developer | Private Developer | Private Developer |
| Zoning & Site Plan Approval Process | AAHC & Co-developer | City pre-approval entitlements prior to RFP/RFQ | City pre-approval entitlements prior to RFP/RFQ | Private Developer |
| Construction Loan Guarantee | Private Developer | Private Developer | Private Developer | Private Developer |
| Construction Oversight | Private Developer | Private Developer | Private Developer | Private Developer |
| Construction Guarantee | Private Developer | Private Developer | Private Developer | Private Developer |
| Lease-Up Guarantee | AAHC nonprofit | AAHC nonprofit & Private Developer | Private Developer | Private Developer |
| Operating Guarantee | AAHC nonprofit | AAHC nonprofit & Private Developer | Private Developer | Private Developer |
| Pros | Utilizes private expertise and guarantee on construction. City Union Property Management Employees. Screen tenants in and enhanced property management. Able to secure grant funding available to govt agencies and nonprofits | Utilize private sector expertise and guarantee on construction. Mixture of private and public financing. Mixture of PILOT, tax revenue and lease payments | Utilizes private sector expertise and resources to subsidize affordable housing. Affordable units could be master leased to AAHC. Tax revenue and lease payments. | Funding source for affordable housing development at other locations (publicly owned or private acquisition) |
| Cons | Higher property management costs with City union employees. Lowest tax revenue. | More complicated financing and control with co-ownership and development. | Private property management screen tenants out instead of screening tenants in. Opportunity for city-controlled waitlist. | Might not end up with any affordable housing on the site. |