

DEVELOPMENT OF SHELTON WORKFORCE HOUSING

SHELTON, WASHINGTON

**Strengthening community for working
families**





2BR 2BA
homes:
~\$850

3BR 2BA
homes:
~\$1,000

4BR 2BA
homes:
~\$1,300

**HOUSING WORKING FAMILIES,
TEACHERS, FIRST RESPONDERS**

The project will be marketed to working Shelton families, teachers, first responders and public employees with incomes between \$35K and \$60K.

*Average Teacher Salary: \$46,000

*Average Police Office Salary: \$48,500

*Average Fire Fighter Salary: \$41,452

To ensure viability, this project will use Low Income Housing Tax Credit financing. This tax credit support is targeted to meet the demand for housing from middle income earners.

Homes remain affordable to households earning ~60% of AMI for a period of at least 40 years.

Entire community is professionally managed by the development team for the entire compliance period.

DEVELOPMENT TIMELINE

Revision of Development Agreement – In Progress

Approval of Revised Development Agreement: Q1 2021

Execution of Purchase and Sale Agreement: Q1 2021

Pre-Development Loan Closing: Q1 2021

Fully Engaged Third Parties (Architects, Engineers, Etc.): Q1 2021

Planning and PreSub Meeting: Q1 2021

Plat Drawings, Special Studies: February 2021 – May 2021

Bond application submittal --- July 2021

SEPA Approval: May 2021- September 2021

Public Hearings: September 2021 – January 2022

Construction Begins

Site Clearing: Quarter 1, 2022

Sitework (Grading, Utilities, Paving): Late-Quarter 1 2022 – Quarter 3 2022

Vertical Construction: Quarter 2 2022 – Quarter 2 2024

*Vertical construction will be completed in phases. Homes will be completed on a rolling basis.

Completion Late Summer 2024

HOUSING TRUST FUNDS

What are Housing Trust Funds?

These funds are created by city, county or state government that receive ongoing dedicated public funding sources to affordable housing in the communities they serve.

EquityPlus and its partners have experience in using Housing Trust Funds to develop high quality, affordable housing in the communities that need it.



Some of EquityPlus' successful Housing Trust Fund Projects include developments in Washington, D.C., Frederick, Maryland and Raleigh, North Carolina. These projects represent over 1,000 affordable units introduced into communities through the Affordable Housing Trust Fund.

EXACTLY WHAT IS THE DEVELOPER PROMISING TO DO AND HOW CAN THESE PROMISES BE MADE ENFORCEABLE BY THE CITY

In 2019, the Shelton Workforce Housing Summit identified a strong demand for Workforce Housing in Mason County.

Rents have increased 20% in the last years, whereas income has increased only 7% in the same time.

Mason County AMI:
\$51,764

- **It is required by the development agreement to create the following improvements:**
 - **Connected Pedestrian Trail**
 - **Trailhead with parking for 15 vehicles, picnic facilities, and nature playground**
 - **Mountain Bike Course**
 - **Up to 400 residential single family detached dwellings**
 - **Improvements to the Existing Multi-Modal path**
- Think of this Workforce Housing project as “Missing Middle Housing” that will provide much needed affordable housing to teachers, nurses, security guards, and customer service professionals.
- The development team has committed to an impact fee to help with the construction of a roundabout at the intersection of Brockdale Road and Wallace-Kneeland Boulevard to help mitigate traffic issues.

PERSPECTIVE VIEWS*



*Preliminary renderings

EXTERIOR RENDERINGS*



Renderings provided by Palm Harbor Homes and KIT Custom Homebuilders

*Actual Homes Subject to change

INTERIOR RENDERINGS



CASE STUDY 1

ROBERT SMALLS APARTMENTS

SPARTANBURG, SOUTH CAROLINA

Project Facts:

- Utilizing 18-acres donated by City of Spartanburg and \$1.5M from the City's Affordable Housing Trust Fund (utilizing impact fee revenue generated by the project)
- 190 One, Two, Three and Four-Bedroom Modular Affordable Townhomes and 170 one-three bedroom apartments
- Project will include a community center, clubhouse, playground & ample greenspace and a recreational trail that will connect to The Dan, Spartanburg's master trail network



CASE STUDY 2: PETERSBURG, VA

Project Facts:

- Utilizing an abandoned historic elementary school and 46 vacant lots donated by the City of Petersburg
- 50 senior apartments and 50 single family detached workforce housing units
- Includes community center, outdoor picnic areas, and public health facility





Jubilee Housing Portfolio

Initially built as market rate apartments in the 1910s and 1920s

Deteriorated in the 1960s – Jubilee started acquiring properties in the 1970s

EquityPlus has helped Jubilee Housing redevelop its old portfolio and expand its holdings in the Adams Morgan/Columbia Heights neighborhood to over 350 units of high quality workforce housing



Whitelaw Apartments

- Built originally as a hotel in 1912
- Abandoned in 1977
- Initially redeveloped in 1992
- EquityPlus helped finance an additional renovation in 2013
- Rents average ~\$900 per month v. ~\$1,800 per month for comparable units a block away



2321 4th Street NE

- 121 newly constructed apartments adjacent to a Metro Station
- Rents average ~\$1,000 per month v. ~\$1,700 per month for units a block away

BUILT-TO-LAST WORKFORCE HOUSING PROJECTS

SUPPORTING SHELTON

According to the Affordable Housing Workforce Summit, “Up to 80% of job growth comes from existing businesses and they need more employees who can live near where they work.”

What does this mean for Shelton? **There is a need for affordable housing.**

- As more money is spent on housing, there is less leftover to be spent elsewhere.
- Affordable housing benefits those in need of housing today as well as future generations by allowing families a stable, quality place of living and the opportunity to invest residual income outside of housing.

The findings of the Workforce Housing Summit call for an expansion of Mason County’s workforce housing options with a strong mix of designs and thoughtful planning.

By working with local partners, we are able to better understand the needs of Shelton and create a more inclusive and beneficial development. Our goal, as developers, is to create quality affordable housing so that those in need of housing in Shelton have access to housing.

SHELTON WORKFORCE HOUSING DEVELOPMENT TEAM: A PARTNERSHIP BETWEEN THREE FIRMS



Avram Fechter, Equity Plus: EquityPlus is a veteran co-owned business, working with investors and project developers to structure, underwrite, close, develop, and manage tax-advantaged development projects across the country. EquityPlus has closed over \$1 Billion in 12 states NMTC/HTC/LIHTC financing.

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Matt Summers, President Street Development: President Street Development is a service-disabled veteran owned real estate company focused on developing high-quality neighborhoods in the Mid-Atlantic. President Street Development has projects underway in VA, MD, NC, and SC.

- Contact: (910)964-7947 msummers@amscx.com



Joel Superfon, Solaris Community Capital: Solaris Community Capital provides innovative advisory services specializing in New Markets Tax Credits, Historic Tax Credits, and Renewable Energy Finance for communities (urban and rural) nationwide. Solaris assisted the Shelton YMCA in securing, structuring debt and New Markets Tax credit equity for a new 23,000SF \$13 million YMCA Facility.

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