

PROJECT NARRATIVE

NewCourtland Apartments at Allegheny Phase 2 is an ideal candidate for Philadelphia Housing Authority-awarded unit-based operating subsidy. The development will add 45 one bedroom units to an existing 60-unit affordable senior development and **is ready to proceed**, having secured site control and all planning approvals. New Courtland is applying to PHA under this solicitation for unit-based operating subsidy for 25 units, and has submitted a separate application in September for project-based vouchers for 20 units in response to PHA's Solicitation # P-004430. Please note that this project was previously awarded ACC operating subsidy, but since the project was unable to secure low income housing tax credits last year, NewCourtland is now reapplying to the PHA for this subsidy.

Additionally, NewCourtland is in the process of applying for City of Philadelphia HOME funds as well as 4% low income housing tax credits (LIHTCs) and volume cap bonds to the PHFA. These PHFA resources are non-competitive and NewCourtland plans to have these tax credits awarded by April 2015. Should the City funds not be awarded, NewCourtland's own funding commitment will be increased to fill the gap. **No further commitments or approvals are necessary in order for us to proceed with the development of this very important project.**

NewCourtland (NC) is a forward-thinking nonprofit organization that seeks to serve and honor low-income seniors in Philadelphia. Through a partnership of caring and services with staff, NC provides seniors with home and community-based services, affordable senior housing, and skilled nursing care, which are designed to promote and foster independence. To further this mission, NC is revitalizing a former industrial brownfield site at 1900 West Allegheny Avenue to create an elder campus which co-locates housing and services in order to enhance the quality of care that elders receive. NewCourtland Apartments at Allegheny Phase 2 is a supportive, affordable, senior housing development that will add forty-five (45) one bedroom units to this elder campus, which is made up of a 16,000 SF LIFE Center, and a 60-unit new construction tax credit project for low-income seniors with a senior center funded by NC

on the first floor. This building is currently under construction and is approximately 15% complete. The project benefits from 56 ACCs provided by the Philadelphia Housing Authority; leaseup is expected to begin in September 2015. NewCourtland Apartments at Allegheny Phase 2 will be a 45-unit addition to the 60 unit Phase 1 building, and seeks unit-based operating assistance for twenty-five (25) of its units for low-income seniors.

2 Community Resources

The project site provides access to a number of amenities (see Community Maps in **Tab 2**). NewCourtland's senior center is located on the ground floor, and the LIFE Center is located on the same campus. The senior center provides social activities, wellness workshops, educational programs and connections to other services that seniors may need. The LIFE Center will serve medically frail project residents, and the broader community, with supports to maintain independent living. NewCourtland LIFE partners with Temple University Hospital (approximately 5 blocks from the project site) and its specialist practices to provide specialized care and, when necessary, hospitalization for LIFE program participants. The Hospital and its accompanying cluster of medical services and doctors' offices are available to any senior in need of medical care, including all prospective residents of the project.

Other services that seniors may need are available in the community as well. These include the Mercy Family Centers Adult Day Center at 20th and Venango. This center is an option for project residents who may not be LIFE eligible but who may need more than the basic supportive services provided by NewCourtland's supportive service staff or than the Senior Center will be able to provide.

The area's main shopping districts, including the new Baker's Square Shopping Center at Fox St. and Roberts Ave., and on North 22nd Street are all less than 1 mile from the project site, and offer access to multiple stores and businesses. There are two supermarkets within one mile, including a Pathmark at

Broad and Glenwood, and a Shop Rite at Baker's Square. The nearest pharmacy is a Rite Aid at 22nd and Allegheny, three blocks away.

The site is well served by public transit, which provides access to all of the amenities mentioned above as well as Center City. SEPTA Bus Route 60 stops directly in front of the site on Allegheny Avenue. SEPTA Bus Route 2 runs north on 16th Street and south on 17th Street, and the 33 bus runs north/south on 22nd Street to Center city. The SEPTA Broad Street subway line stops four blocks east of the site at Broad St. and Allegheny Ave., and a SEPTA R6 Regional Rail stop three blocks from the site at N. 22nd St. and Allegheny Ave., virtually all of the Delaware Valley will be accessible to project residents.

The project is consistent with the Philadelphia 2035 Plan, especially its housing recommendations, which include: to provide housing for people of all income levels. Since the project is located on the border between Allegheny West and Tioga, NewCourtland envisions the project serving both neighborhoods. The project is consistent with both communities' plans. The Allegheny West Neighborhood Strategic Plan specifically mentions NewCourtland redeveloping this property as part of the plan's Allegheny Avenue Revitalization Initiative. The Tioga Neighborhood Strategic Plan completed in March 2007 identifies a lack of services for senior citizens in the Tioga community and lists the development of supportive senior housing as a goal. Relevant excerpts from both plans are attached.

This project is a suitable, strategic reuse of the site in that it will be the first affordable senior housing project in the area to provide an opportunity for neighborhood seniors to live independently and receive the comprehensive supportive services they need. Providing necessary services in this way allows area seniors an opportunity to "age in place" within their homes and avoid entering nursing homes to obtain necessary support, which is a costly way for them to receive the services they need when they do not require the intensive 24 hour care nursing homes provide. Additionally, by revitalizing a site that is large, vacant, and a blighting influence on Allegheny Avenue, one of the area's main

thoroughfares, this project will significantly help address the effects of outmigration and improve the quality of life for residents.

As has been with NewCourtland's other projects in Philadelphia, the NewCourtland Apartments at Allegheny Phase 2 project will be an asset to the community. Situated on a prominent corridor, it will be a focal point of neighborhood redevelopment that will extend revitalization efforts to the West, where Temple University has located its business services and to the East, where Temple Hospital is growing. This development will stimulate the local economy by bringing 45 additional residents within walking distance of the 22nd Street Commercial Corridor to support area businesses. In addition, the elimination of blight and creation of well-maintained productive housing will be beneficial to the value of nearby homes. The houses located across Allegheny Avenue, which are currently isolated in a sea of former industrial sites, will see substantial improvement in their property values. Not only will the project participate in the neighborhood's revitalization efforts, it will provide a much needed supportive housing environment for low-income frail elderly who are best served by aging in place rather than nursing home care.

The Allegheny West community is a target area for several infrastructure investments that range from sidewalks, streets, lighting, and greening along streets and open spaces. The Forgotten Blocks section of Allegheny West is designated as an Elm Street neighborhood by DCED, and the commercial corridor along North 22nd Street, 3 blocks from the project, has a Main Street designation from DCED.

The Allegheny West neighborhood has seen other important community investment in recent decades. It was chosen as a target area for Philadelphia Neighborhood Housing Services (PNHS), which provides mortgage loans and other housing programs that support homeownership. The neighborhood has received commercial revitalization programs and economic incentives for the development of the new shopping center – Hope Plaza, and the Deliverance Church as well as the construction of a new modern SEPTA bus stop.

Tioga has been designated a Blueprint Community by the Federal Home Loan Bank of Pittsburgh, which brings funding and technical support for community planning and revitalization efforts. They are currently in the process of rehabilitating six long vacant, blighted homes into nine single family units for homebuyers at or below 80% of area median income and they are expanding the Jerome Brown Recreation Center at 20th and Tioga Streets.

3 Site and Neighborhood Standards

See **Tab 3** for our earlier to submission to PHA in response to this requirement.

4 Housing Needs Analysis

NewCourtland's efforts to support seniors 62+ to live independently. Specifically, the project will serve (1) seniors who can no longer maintain their family home but still can live independently and (2) seniors who are in a nursing home no because it is medically necessary but because their level of independence and income currently offers no other alternatives.

In the market study found in **Tab 4**, 2013 Nielsen data shows 5,751 age and income qualified renter and homeowner households in the primary market area. This results in a project-specific capture rate of .8%, indicating that there are a large number of seniors eligible for affordable housing and in need of the extremely low rents the project will offer. An award of 20 project based vouchers will help ensure that this population is well-served. The market study identifies four PHFA-financed subsidized housing developments for households aged 62 and older with 487 total units in the primary market area; when NewCourtland Apartments at Allegheny Phase 2 is completed this will add 45 units. The market analysts surveyed management of all of the PMA affordable senior development on the list. Most property managers indicated that units only become available when a resident passes away or is moved to an assisted living facility. This small number of affordable senior apartments relative to the

number of income and age-qualified households suggests that, relative to the demand, there has been very limited affordable housing developed in this area in the past 20 years.

Existing housing stock does not meet seniors' needs. With a median home age of 67, many seniors are living in deteriorating conditions because they cannot afford to maintain and repair their aging homes. For elderly renters, the challenges are also great, in part because there is a vast need for repairs and home modifications in affordable rental apartments, but more importantly because of a significant lack of affordable rental units, as is demonstrated by the high percentage of area senior renters paying more than 30% of their income to housing costs. The vast majority of homes are two- or three-story twin or row homes with front stairs, stairs within the home, no first floor bathroom or bedrooms and doorways too narrow to accommodate wheelchairs or walkers. This housing stock presents particular challenges for frail elders who may suffer from mobility issues and who may need additional supports to continue to live independently. The proposed development will provide a housing type that is not available in this area today, accessible or adaptable to accommodate mobility issues as seniors age, and without the stairs, high maintenance and high utility costs of an older rowhome.

As has been with NewCourtland's other projects in Philadelphia, the complete Apartments at Allegheny project will be an asset to the community. Not only will the project participate in the neighborhood's revitalization efforts, it will provide a much needed supportive housing environment for low-income frail elderly who are best served by aging in place.

5 Site / Building Layout

NewCourtland Apartments at Allegheny includes 45 one bedroom apartments for seniors to be constructed as an addition to Phase 1. This 45 unit addition will extend off of the back of the Phase 1 building, and will share its building systems (elevators, heating, electrical, etc.) and community space.

Seniors living in Phase 2 will have access to the senior center located on the ground floor of Phase 1. The senior center will cover all of its own operating expense. NewCourtland is requesting unit-based operating subsidy for 25 of these 45 units, and hopes to be awarded project based vouchers for the remaining 20 units. The combination of the two will ensure rent affordability for this low-income senior population. The proposed development will provide a housing type that is not available in this area today, accessible or adaptable to accommodate mobility issues as seniors age, and without the stairs, high maintenance and high utility costs of an older rowhome.

The addition will contain approximately 35,000 square feet of space and will extend off the back of the 68,000 sf “flattened” L-shaped building to be constructed in Phase 1. The building will have six stories and concrete block and pre-cast plank construction with onsite parking. The entire building will be sprinkled, fully “visitable”, and will meet PHFA’s green building and energy efficiency criteria. Six units will be fully accessible, and three units will be accessible for sensory-impaired. The project will be part of a condominium that will include shared common areas: a gracious lobby, community room with kitchenette, common laundry on each floor, as well as offices for management and social service staff. Residents will be able to enter the senior center on the ground floor of the building directly and non-resident senior center users will have a separate main entrance. Please find a site map indicating the location of the project, a project scope of work, site and floor plans, and project site photos in **Tab 5**.

6 Project Amenities / Services

Residents of NewCourtland Apartments at Allegheny Phase 2 will benefit from a wide range of supportive services to be provided by its affiliate, Philadelphia Senior Center. NewCourtland is the LIFE (Living Independently for Elders) provider for north and northwest Philadelphia and has built a LIFE Center on another portion of this site.

In order to support the improved health outcomes which NewCourtland believes come from the co-location of housing and services, NewCourtland plans to create a housing preference for elders meeting the medical and social eligibility criteria for the LIFE program. In addition, NewCourtland's senior center will be located on the ground floor of Phase 1. The senior center will provide social activities, wellness workshops, educational programs and connections to other services that seniors may need. The LIFE Center will serve medically frail project residents, and the broader community, with supports to maintain independent living. NewCourtland LIFE partners with Temple University Hospital (approximately 5 blocks from the project site) and its specialist practices to provide specialized care and, when necessary, hospitalization for LIFE program participants. The Hospital and its accompanying cluster of medical services and doctors' offices are available to any senior in need of medical care, including all prospective residents of the project.

7 Developer Capacity and Qualifications

The project brings together a team experienced in all facets of affordable housing development and management, as detailed below.

Owner: NewCourtland Elder Services will form NewCourtland Apartments at Allegheny Phase 2, LP, a Pennsylvania Limited Partnership. The general partner will be Allegheny Properties 2, Inc., a Pennsylvania nonprofit corporation whose sole member will be NewCourtland Elder Services, the project sponsor. The general partner will own .01% of the partnership interests, and the to-be-identified investor limited partner will own 99.99%.

NewCourtland (NC) will be the sole sponsor and will also be the supportive service provider and property manager. Other members of the team are listed below. All other team members will work for the sponsor under arms-length service contracts and will not have any ownership interest in the project.

Sponsor, Property Manager, and Supportive Service Provider, NewCourtland Elder Services: NC

is a forward-thinking non-profit organization that seeks to serve and honor low-income seniors in Philadelphia. Today, through partnerships of caring and services with our staff, NC provides seniors with home and community-based services, affordable senior housing, and skilled nursing care, which are designed to promote health and foster independence. The project will add to NC's current inventory of over 300 independent living apartments for low income seniors in Philadelphia. In addition to its role as an affordable housing provider, in 2006 NC was selected by the Pennsylvania Department of Public Welfare (DPW) as the LIFE Care service provider for North/Northwest Philadelphia. LIFE seeks to support as many seniors as possible in their own homes via a comprehensive package of medical and home care services delivered in the home or at LIFE Care Centers, where medical services, physical therapy, meals, and other supports are available. Consistent with this shift toward community based care, NC sold 6 of its 7 nursing homes in 2011 to devote its full resources to housing and health care for seniors in their own communities.

The NewCourtland Network is a group of not-for-profit corporations. The original 140 year legacy and mission had been to serve those in need of hospital care. The NewCourtland Network has been providing long-term care services since 1984. Since 1995 The NewCourtland Network has controlled up to seven skilled nursing facilities, two assisted living facilities twelve independent living facilities, five senior centers, an education center and two LIFE Centers serving over 5000 senior Philadelphians and employing almost 2200 local residents throughout the Philadelphia area. NewCourtland and its network of facilities are committed to Philadelphia and its citizens, going where the need is to provide high quality healthcare and housing services on a nondiscriminatory basis to all eligible persons regardless of their financial circumstances and offers innovative programs delivered by a well-trained and highly effective staff.

NC has assembled its portfolio of nursing homes, assisted living facilities, and independent living apartments via acquisition of existing facilities and development of new projects. In two instances, NC acquired properties from nonprofit sponsor/owners facing financial difficulty, subsequently “turning around” these projects and bringing them up to NC’s high standards of housing quality and comprehensive social services. These include the Kearsley Retirement Community in the City’s Overbrook section (sold as part of the nursing home transaction), and the Community at Germantown Home in Mt. Airy.

At the Germantown Home, NC has created a full spectrum of residential options for seniors by developing a 60-unit HUD 202 building and an 18 unit 811 Special Needs development targeted toward individuals with Alzheimer’s living with a caregiver. These two projects were completed in 2006 and now are fully occupied and serving the same population NC plans to serve at the Apartments at Allegheny Phase 2. NewCourtland was the sole developer of these two projects.

In July 2011, NC completed its Apartment at Cliveden project in Germantown, a 62 unit tax-credit building for low-income seniors to be constructed on a vacant lot next to its Cliveden Convalescent Center at Johnson and Greene Streets in Mt. Airy. Construction is underway, and the project will be completed in 2011. There are no defaults, mortgage assignments, foreclosures, bankruptcies, litigation, or tax delinquencies at any of these properties.

In addition to NC’s tax credit and HUD/funded projects, NC also seeks out opportunities to complete lower-cost projects that require less subsidy wherever possible. For example, NC recently renovated 26 units in a building on the Germantown Home campus, for use by very frail low income elders requiring significant in-home medical and social support to live independently. The total budget for the project was less than \$800,000, or \$31,000 per unit. This excludes the cost of the building, which NC already owns. Funding sources include an Affordable Housing Program grant from the Federal Home Loan Bank of Pittsburgh and NC’s own funds.

Profiles of Principal and Staff

Principals at NewCourtland include:

- Gail Kass, President and CEO
- Andrew B. Seibert, Chief Financial Officer
- R. Max Kent, Director of Plans and Logistics

Qualifications information for these individuals is in **Tab 7**.

8 Prior Affordable Housing Experience

Housing Development Experience

See list of projects developed and owned by NewCourtland in **Tab 8**.

Project development activities will be overseen by NewCourtland's Director of Plans and Logistics, R. Max Kent, and the development consultant, Sue McPhedran of Stone Sherick Consulting Group (SSCG). Mr. Kent and Ms. McPhedran closed NewCourtland's Apartments at Cliveden transaction in 2010 and both have also closed many other projects for NewCourtland and others.

Experience with Resident Involvement

As an owner of HUD Section 202 elderly housing, NewCourtland builds resident involvement into its management model. Most of NC's properties have a resident council that meets periodically to provide resident feedback on programs and maintenance practices, plan and discuss upcoming activities, and permit management to address any issues of concern to residents. Due to the typical resident that NC serves—an elderly individual who may need health and/or social supports to maintain an independent lifestyle—NC also has extensive one-on-one interaction with many of its tenants.

Property Management Experience

As recently as 2012, NewCourtland managed over 500 affordable senior apartments in Philadelphia. As part of its strategy to focus its efforts on residents who are also participants in (or

potential participants in) NewCourtland's Living Independently for Elders (LIFE) program, recently NewCourtland has sold several properties not located in its LIFE catchment area, so that it can focus resources and development efforts there. NewCourtland Apartments at Allegheny is part of that strategy. As of July 1, NewCourtland will manage 162 apartments, all of which it owns.

Each property owned by NewCourtland is subject to a management plan, tenant selection plan, and supportive services plan. NewCourtland's property management staff is led by Sebrina Robinson, who had prior experience at Interstate and before that at Pennrose Management Company, both very large managers of affordable housing. NewCourtland also has several experienced site managers and maintenance staff people. Staff is bonded and receives regular training in property management best practices.

NewCourtland regularly receives REAC scores in excess of 95% for its Germantown Home 202/811 project, and receives high ratings from PHFA on its property maintenance and management inspections. **Tab 9** lists these projects in more detail.

Project Services Experience

NewCourtland has extensive experience providing services to residents of its senior housing developments. In fact, NewCourtland's housing programs are an outgrowth of its core mission of meeting the health and other needs of low income elders. As such, NewCourtland, via its affiliate, Philadelphia Senior Center, will make services available to all residents. Eligible elders will be offered the opportunity to participate in NewCourtland's LIFE program. The service provider questionnaire from NewCourtland's application to PHFA for this project is attached to this proposal as **Tab 10**. It describes NewCourtland's extensive experience providing services in affordable housing settings, including a list of projects where services are currently being provided.

Development Consultant, Stone Sherick Consulting Group, LLC (SSCG): SSCG is a (pending) WBE and will work with NC to assist it in carrying out this project. SSCG, along with their parent company,

Sherick Project Management, Inc. (SPM) has been in business for over 20 years and has a wide range of clients and a variety of experience. SPM has been involved in the development and completion of over 4,500 dwelling units and 400,000 square feet of commercial and industrial development with a value of over \$465,000,000. Approximately 90% of SPM's current client base is non-profit organizations developing affordable housing and community facilities, including multiple projects with housing authority project based vouchers. In addition to financial packaging, SSCG also is assisting NewCourtland with predevelopment coordination for this project and will serve as the owner's representative during construction.

Architect, Cecil Baker + Partners: Established in 1982 and based in Philadelphia, Cecil Baker + Partners' planning, architecture and interior design services include the design of new structures and adaptive reuse of existing structures. The firm has developed a number of subsidized senior housing developments, including projects funded by the City, Pennsylvania Housing Finance Agency, and HUD.

General Contractor, TN Ward Company: TN Ward Company is a general contractor and construction manager working primarily in Eastern Pennsylvania, New Jersey and Delaware. For the last 93 years TN Ward Company has excelled in managing the construction of large and complex projects. During the last ten years alone, TN Ward has built numerous educational, healthcare, housing and casino project ranging in size from \$10,000 to over \$400,000,000.

Attorney, Dina Schlossberg of Regional Housing Legal Services: Ms. Schlossberg concentrates his practice in the area of low income housing tax credit and related financing sources. She serves as counsel to many nonprofit housing developers in the region. Dina and her colleagues at RHLS have closed approximately 35 LIHTC deals.

9 Property Management Plan

NewCourtland Elder Services will serve as property manager, and will hold the leases, collect rents, supply maintenance services, and manage transfers and unit turnovers. NewCourtland will ensure that resident applicants meet Section 8 qualification, provides annual recertification, and performs home inspections. Sebrina Robinson, NewCourtland Elder Services' Regional Housing Manager, will oversee the day-to-day management and maintenance of the property, with the property manager reporting directly to her. Project staff will include a full time site manager full time janitor/maintenance person.

NewCourtland will maintain an independent site-based waiting list for this project. Preference will be given to seniors in need of additional medical supports to live independently. In addition, NC has established income tiers for this project as shown in **Tab 13**. NewCourtland will give preference for a unit in a particular income tier to applicants with an income in that unit's tier for a set period of time, after which the unit will be made available to the general wait list population. The waitlist will be maintained in compliance with Project Based Voucher regulations promulgated by HUD, as modified under PHA's MTW Agreement and Administrative Plan. The waitlist will remain active at all times. There will be no movement on the waiting list until a vacant unit has been inspected and approved by Section 8 for re-occupancy.

NewCourtland is experienced in responding to community concerns about its developments. During the planning for this project, NC reached out to several community groups in the area with whom it maintains ongoing relationships, including the Allegheny West Foundation and Tioga United. To the extent that any community issues arise during the operating of the project, NC will draw on these partnerships to proactively address any concerns as they arise.

Please find the draft Management and Tenant Selection and Affirmative Fair Housing Marketing Plans in **Tab 9**.

10 Supportive Services

Residents of NewCourtland Apartments at Allegheny Phase 2 will benefit from a wide range of supportive services to be provided by its affiliate, Philadelphia Senior Center. NewCourtland is the LIFE (Living Independently for Elders) provider for north and northwest Philadelphia, and has built a LIFE Center on another portion of this site.

In order to support the improved health outcomes which NewCourtland believes come from the co-location of housing and services, NewCourtland plans to create a housing preference for elders meeting the medical and social eligibility criteria for the LIFE program. An opinion from NC's attorney, Regional Housing Legal Services, is included in **Tab 10** supporting this preference. These are described in the supportive service plan.

Also included in this tab is a commitment from NewCourtland to fund the cost of supportive services set forth in the enclosed budget over a 15 year period. Financial statements for NewCourtland and its affiliated foundation, the Presbyterian Foundation for Philadelphia, are included in **Tab 10** and provide further evidence of NewCourtland's ability and commitment to ensure that residents receive the necessary supports to live independently for as long as possible.

All residents will have access to supportive services on an as-needed basis. Tenants enrolled in LIFE will receive a full range of social and medical services to support in-home living including home care, adult day care, meals, transportation and supervision through Telehealth medical monitoring technology, over and above the basic level of services available to all residents. For those residents needing additional supports but not eligible for LIFE, NewCourtland will partner with Philadelphia Corporation for Aging to connect residents with needed supportive services. Please see the detailed Supportive Service Plan for this development in **Tab 10**.

11 Budgets

Please see **Tab 13** for the project’s schedule of rents and **Tab 11** for the project’s operating budget and development budget/sources of funds. NewCourtland will apply to PHFA for 4% tax credits in January 2015 and anticipates an allocation by April 2015. Based on the development budget, the project anticipates an equity source of \$3,728,350 and a sponsor loan of \$4,000,000. City of Philadelphia HOME funds of \$1,500,000 and FHLB Pittsburgh funds of \$500,000 are also included in the sources. Should funds not be awarded, the project will move forward without these commitments as necessary, as NewCourtland will increase its commitment to cover any gap. A letter of intent from PNC Bank for the low income housing tax credit equity, and from NewCourtland for the sponsor loan, can be found in **Tab 11**.

12 Readiness and Project Schedule

NewCourtland has full site control and is ready to proceed.

Site Control: **Tab 12** includes a deed evidencing ownership of the site by the sponsor, NewCourtland Elder Services. NC will transfer the site to the project partnership at closing for nominal consideration (\$100 or less).

Evidence of Zoning: All required zoning approvals are in hand. See **Tab 12** for zoning permit.

Project Schedule: Below please find the significant pre-development, construction, and operations milestones for the project:

PROJECT OBJECTIVE	DATE
Site Control	Complete
Schematic Design Drawings	Complete
Submission of LIHTC Application	Jan-2015
LIHTC Award	Apr-2015
Procurement of all Financing	Apr-2015
Design Development Drawings	Apr-2015
Construction Documents	Jun-2015
Commencement of Construction Bidding	Jul-2015
Issuance of Building Permits	Aug-2015
Closing Date	Aug-2015
Construction Begins	Sep-2015

Marketing of Units	May-2016
Construction Completion	Aug-2016
PB Voucher & ACC Units Available	Aug-2016
Full Occupancy	Aug-2016

Relocation Issues: NewCourtland Phase 2 will not involve tenant relocation, either the displacement, temporary relocation, or permanent move of current tenants.

13 Occupancy and Affordability

NewCourtland Apartments at Allegheny Phase 2 will be made up of 45 total units. We are requesting unit-based operating subsidy of up to \$500 per unit per month for 25 of these units, all of which will be made available to low income seniors at or below 20% and 50% of area median income. Residents will pay 30% of their income toward rent and NewCourtland will pay for all utilities. NewCourtland is requesting an initial contract term of 15 years. Please find the project’s schedule of rents and operating subsidy in **Tab 13**.

14 Community Support

The **Allegheny West Foundation** and **Tioga United**, the community groups representing the neighborhoods in the 1900 W. Allegheny service area, have voiced their strong support for the project. Letters evidencing this are included at the end of this section. NewCourtland also received a support letter from **Mercy Neighborhood Ministries**, which runs a family center at 20th and Venango, several blocks north. In addition, **Councilwoman Cindy Bass strongly supports the project, as she did Phase I and the LIFE Center.**

NewCourtland hosted a community meeting on November 13, 2014 to notify area residents of the project. NewCourtland will provide any necessary certifications regarding same as part of the closing process for this project. .

PIDC has also provided a letter supporting the development of housing on this site. As noted above, PIDC allocated \$10 million of New Markets Tax Credits to the LIFE Center on this campus, indicating its strong support for NewCourtland's efforts to redevelop this former industrial brownfield site in a manner that supports the current needs of the community. Further support is demonstrated by the State's commitment of \$ 1 million of Redevelopment Assistance Capital Program funds to the LIFE Center.

Additionally, NewCourtland has advised area resident organizations of their intent to enter into Mixed Finance Transaction with PHA. Please see the letter to this effect in **Tab 14**.

15 Diversity

NewCourtland is committed to ensuring the participation of Minority Business Enterprises (MBE), Women Business Enterprises (WBE), and Section 3 residents and business concerns in all aspects of NewCourtland Apartments at Allegheny Phase 2's development and operations phases. The project team currently consists of two WBEs – Stone Sherick Consulting Group, LLC (Housing Consultant), and Real Estate Strategies, Inc. (Market Analyst).

In addition, NewCourtland anticipates that the majority of involvement from minority and women owned businesses will come during the construction phase. NewCourtland's Economic Opportunity Plan for the project is in **Tab 15**. NewCourtland has established a goal of 20 – 25% MBE/WBE/DBE participation in construction and will require that the selected general contractor adopt these goals as well. NewCourtland has an excellent track record of achieving its MBE/WBE/DBE participation goals on past projects.

NewCourtland is committed to local hiring. Hiring, if any, would begin as construction is nearing completion. NewCourtland has a number of employees on its management and maintenance staff that

are local residents. While it has not yet been determined whether or not there will be new hires for this project, NewCourtland regularly hires staff from the areas surrounding its development.

Tab 15 contains Real Estate Strategies' and SSCG's WBE certifications.

16 Certifications

Please find Form I, Certifications and Representations of Offerors, in **Tab 16**.

Please also **find an acknowledgement of addenda received.**