

TAB 1 - DEVELOPMENT SYNOPSIS

Hillcrest Senior Residences (Hillcrest) is the redevelopment of a former grocery store site in Pittsburgh's Carrick neighborhood into high-quality, mixed-income rental housing designed to meet the needs of seniors. This prominent and highly-visible 1.76 acre site at 2920 Brownsville Road has been vacant for more than 9 years, creating an eyesore along the main commercial corridor serving Carrick and adjacent Brentwood Borough, a small working class suburb. Residents and civic leaders of both communities have called for redevelopment of the property and support locating senior housing there. For many years, there has been little housing development activity in Carrick, Brentwood or other nearby city or suburban neighborhoods, creating pent-up demand for age-appropriate, affordable options for seniors, including not only low- and moderate income renters, but also fixed-income owners who are burdened with taxes and upkeep on modestly-valued homes. The project is ready to proceed as The Community Builders, Inc. owns the site through Hillcrest Limited Partnership, has obtained HUD environmental approvals and approvals for required zoning variances.

Hillcrest will be a new construction, four-story, L-shaped, 66-unit building, community spaces, and indoor and outdoor amenities. The Community Builders, Inc. (TCB), a non-profit corporation, has sought design and service program advice from community residents, civic associations and elected officials from Carrick and the surrounding communities. The design and construction will meet LEED Silver standards in order to advance energy efficiency, environmental responsibility, and neighborhood sustainability goals.

Hillcrest features 54 one-bedroom and 12 two-bedroom apartments restricted to seniors 62 years of age and older. Amenities will include a resident garden area, computer room/library, sun room, fitness room and an outdoor terrace. Additionally there is a community room of 1155 net square feet and 36 parking spaces provided on site. The building is 70,689 gross square feet. Bus stops are at the site, giving easy access to health care, shopping and services. Within .1 mile are a bank, fast food, pub, Chinese restaurant, insurance agent, dentist and a church, with other services from a floral shop to Dollar Store to U-Haul within .3 miles.

The proposed Hillcrest income mix furthers local desires for mixed-income affordable housing by including both tax credit units and "market" rate units. Of the LIHTC units, 7 (10.6%) of the apartments are reserved for households at 20% Area Median Income (AMI). In total there will be 27 units targeted to households at or below 50% AMI and 29 units at or below 60% AMI. There will also be 10 units (15.2%) for households with incomes up to 120% AMI which will rent at market rents. Apartment sizes range from 646 SF to 654 SF for one bedroom units and 990 SF for two-bedroom units. Finishes and features will meet or exceed local market rate offerings, and include a full energy star appliance package. All units will meet fair housing and visitability standards and 8 (12.1%) of the apartments will be fully handicapped accessible to promote residents' ability to age in place. TCB expects a rapid rent up based upon the low capture rates identified in the market study as well as the extensive waiting lists at comparable properties.

TCB's financing plan for Hillcrest is well-leveraged, building on a total commitment of \$2,229,562 of TCB's Pennsylvania allocation of HUD NSP2 funds. NSP funds are exclusively for use on vacant, abandoned, or foreclosed properties in eligible census tracts, such as the Carrick tract. Additional committed resources include TriState Capital Bank's Letter of Intent to provide LIHTC equity at a competitive price consistent with PHFA guidelines, plus the URA of Pittsburgh's commitment of a \$1,200,000 soft loan. The Housing Authority of the City of Pittsburgh has awarded the project 13 project-based vouchers to assist renter for the seven 20% AMI units and 6 of the 50% AMI units. A capitalized supportive services reserve will fund a quality supportive services to the residents. TCB applied for Federal Home Loan Bank Affordable Housing Program funds in August 2013, and will be applying for CITF funding from Allegheny County if awarded tax credits. TCB has committed an additional \$1,100,000 in NSP2 funds to the project should the applications for Keystone Communities, CITF and AHP funds not be funded.

Hillcrest Senior Residences will serve a vital need to provide affordable senior housing to residents of Carrick and the surrounding communities.