

## MEMORANDUM

Date: DRAFT July 19, 2024, Revised 4/18/25

To: Phayvanh Nanthavongdouangsy, Principal Planner  
City of Costa Mesa, Development Services Department

From: Karen Gulley, Managing Principal  
Suzanne Schwab, Associate Principal  
Steve Gunnells, Chief Economist

Subject: FDCSP, Financial Feasibility Overview for Land Use Plans Concepts

### Summary

The consulting team, in collaboration with city staff and the community, prepared three conceptual plans for the potential redevelopment of the Fairview Developmental Center. The three concepts have been reviewed from a variety of perspectives, including infrastructure requirements and traffic, and have been vetted through substantive public engagement. The evaluations from these other perspectives are reported elsewhere. This memorandum has a singular perspective: it is intended to identify what is and is not financially feasible to be developed.

The state currently intends to turn most of the site over to a master developer for no or a relatively low cost with the stipulation that the developer will provide certain public benefits. These benefits include demolishing existing buildings, providing ready-to-building sites for the CA Department of Developmental Services (DDS) to construct housing to serve the needs of its clients, and include a significant amount of affordable housing in the redevelopment of the site. This report evaluates the three concepts to determine whether or not a developer should be able to afford to redevelop the site and provide the public benefits the state is looking for and the benefits that the city and community may expect.

#### ***Concept 1, Fairview Promenade***

This plan would achieve the housing element target, providing 2,300 total housing units, of which 920 units would be restricted to low- and very low-income households (these units would include housing built by DDS and housing built by affordable housing developers) and another 690 units would be restricted to moderate income households (these units would include housing built for DDS and housing built by the master developer). This concept would also provide 14.1 acres of open space. In addition to the housing restricted to income-qualified households, this concept would provide 690 market-rate housing units (units without income or price/lease rate restrictions).

The analysis finds that this concept is not currently financially feasible at an industry standard IRR of 15 percent: it would cost more to develop than the master developer would earn from the market rate housing. As proposed, this concept would require an additional \$233 million in funding from an outside source to be considered financially feasible. Options that could be explored to potentially make this concept financially feasible (in the absence of a \$233 million gift) would be a preferred plan that:

- + Reduces the number of affordable units and increases the number of market rate units, while maintaining a total unit count of 2,300 dwelling units (this is similar to Concept 2, although Concept 2 also increases the total number of housing units).
- + Increases the number of market rate units and maintains the same number of affordable units, while building more than 2,300 dwelling units (this is, in essence, Concept 3).
- + The City could explore other options to maintain the unit count and further subsidize the project. These options could include potential grants or bond financing.

### ***Concept 2, Fairview Fields***

This concept results in fewer affordable dwelling units than the other two concepts provide, and it accommodates a larger number of market-rate units than are provided in Concept 1. It also increases the amount of open space to 18 acres. With more open space and more overall units (3,450 total housing units), the housing becomes taller and denser, resulting in the need for parking structures for most of the housing, other than the DDS housing.

The analysis finds that this concept should be very close to financially feasible. It would generate an IRR of 14.27 percent, just shy of the industry standard 15 percent. It is conceivable that a developer could pursue this concept plan with minor adjustments that would make it financially feasible. As analyzed, this concept would require additional funding of \$5.02 million to be financially feasible. Structured parking does not factor into the concept plan's area for DDS housing, which is anticipated to be at a medium density that can be accommodated with surface parking.

Although Concept 2 would be financially feasible for the master developer, it is not certain that affordable developers would be able to fund parking structures. The likelihood of all the planned affordable housing being developed will depend on the availability of funding and the requirements of funding agencies and organizations at the time individual affordable housing projects move forward. If funding is available, it will likely take longer to secure all necessary funding for affordable housing projects that require parking structures.

If there is a desire for the preferred plan to resemble Concept 2, the city may want to consider the following:

- + As presented, Concept 2 would not need some additional funding or some minor plan changes. However, it would not generate additional income, as does Concept 3. This leaves no wiggle room for the master developer if economic and market conditions change significantly over the 10 to 15 years it might take to fully develop this concept plan.

- + Because affordable developers will have to obtain funding for parking structures as well as funding for building construction, it will likely take longer for all the affordable housing to be built. Furthermore, it is possible that the affordable developers will not be able to fund the parking structures, in which case they might build fewer affordable units at a lower density.

### ***Concept 3, Fairview Commons***

Concept 3 provides the largest number of housing units, 4,000, with the same number of affordable units as Concept 1 (i.e., the Housing Element target for the site). In part, Concept 3 accommodates the larger number of units by providing less open space, 7.9 acres.

The analysis finds that this concept is financially feasible. It would generate a sufficient return that would pay for the cost of the structured parking that is needed to accommodate the low- and very low-income affordable housing. Typically, a master developer will expect at least a 15 percent internal rate of return (IRR), an industry standard. Concept 3 would generate \$26.7 million above the 15 percent return, and this amount could be used for additional public benefits. Any amount above a 15 percent IRR is referred to as residual land value. It also represents a cushion for the master developer if economic and market conditions change over the 18 years it could take to build this concept.

If there is a desire for the preferred plan to resemble Concept 3, there are several considerations:

- + The percentage of affordable units could be increased (keeping the same unit count) and the cost could be off-set using the residual land value; or
- + The number of market rate units could be reduced while keeping the same number of affordable units; or
- + The residual land value, or a portion of it, could be used to pay for some of the cost of constructing affordable housing (which could quicken the pace at which affordable housing gets built), and/or used to support other community benefits/amenities; or
- + Some residual land value could remain to provide the ability for the master developer to respond to changing economic and market conditions.

### ***The Preferred Plan***

The financial feasibility analysis suggests several considerations for the preferred plan:

- + There will need to be a sufficient number of market rate units to generate the project income needed to pay for demolition, infrastructure, open space, and ready to build sites for DDS housing and affordable housing.
- + In deciding on the land use mix for the preferred plan, there will need to be a balance among the number of affordable units, the number of market rate units, and the amount of open space.

- + If there is a desire to increase the likelihood and shorten the time frame for developing affordable housing, a sufficient number of market rate units are needed to help pay the cost of structured parking.
- + Planning for some residual land value will help ensure that the overall project remains feasible if economic and market conditions change during the 18-year period it could take to fully build out the project.

*The financial feasibility analysis represents a planning level estimation of the financial risk and rewards that a master developer would face undertaking development of the Fairview Developmental Center. It is based on industry standards, but the selected master developer will have their own business model and approach to financial feasibility.*

## Comments

### 1. INTRODUCTION

This memo provides an overview of the financial feasibility analysis of the three land use concepts for the Fairview Developmental Center Specific Plan. The purpose of this report is to highlight what is and is not feasible and to identify key takeaways.

The state intends to dispose of the site by turning the property over to a master developer, excluding certain portions that will be retained by the state. The master developer would demolish the existing buildings, remediate any contamination, and construct the necessary infrastructure to support the ultimate buildout allowable under the specific plan.

A sizeable number of the new housing units constructed would be restricted to households qualified as lower income. The master developer might develop this affordable housing, but they are more likely to turn the prepared land over to an affordable housing developer. Another sizeable number of housing units would be constructed separately for and under contract to the state's Department of Developmental Services (DDS). However, the master developer would prepare the sites for the DDS housing. The remainder of the housing units would be constructed by the master developer and rented or sold at market rates. The intent is that the specific plan would allow the number of market rate housing units that would generate sufficient profit to compensate for the demolition, the site preparation, and the infrastructure that will support the affordable housing units and the DDS housing units.

The cost estimates indicate that building demolition and abatement alone could cost nearly \$30 million. Depending on the concept plan, major infrastructure could cost over \$50 million.

The assessment of financial feasibility is prepared and analyzed from the perspective of a potential master developer: do the concepts provide for a sufficient number of market rate housing units to offset the costs to support the affordable housing, the DDS housing, and other amenities, such as parks and recreation facilities?

## 2. RETURN ON INVESTMENT EVALUATION

For a common development process, a developer will obtain a construction loan for about 60 percent of the cost of development. As housing units are sold or leased and the project begins generating income, the developer is obligated to repay the construction loan on a set schedule.

The developer must supply the other 40 percent of the funding to pay for the project, and this amount is referred to as the equity investment. Evaluating the financial feasibility of a potential development project means estimating the expected rate of return that the developer will earn on the equity investment.

For the equity investment, the developer will typically bring in outside investors—wealthy individuals, real estate investment trusts, and other investment funds—for a majority of the investment. The developer has to convince these outside investors that they will develop a project that can generate a competitive rate of return. Generally, an internal rate of return (IRR) of 15 percent is considered to be threshold at which outside investors will be interested in investing in a development project. It is worth noting again that this rate of return is based on the equity investment, not the entire cost of development (the other 60 percent of the cost of development earns the construction loan interest rate, currently about 10 percent).

In evaluating the three land use concepts, this analysis estimates whether or not the market rate development would generate a 15 percent IRR for the equity investment needed for the project. This rate is an industry standard and is considered the minimum return to entice outside investors to invest equity in a development project.

## 3. DEVELOPMENT PROGRAM

The features and components of the three concept plans are described in other planning documents. Table 1 below compares aspects of each concept relevant to the financial feasibility evaluation. A detailed description of the planning areas in each concept is provided in Table 7, Table 8, and Table 9 in the appendix at the end of this report.

Table 1: Comparison of Development Characteristics for Three Concept Plans

	Concept 1	Concept 2	Concept 3
Project area (acres)	114.7	115.9	115.9
- open space area (acres) <sup>1</sup>	14.1	18.0	7.9
Total number of housing units	2,300	3,450	4,000
- Master developer housing units <sup>2</sup>	996	2,166	2,696
- Affordable developer housing units <sup>3</sup>	821	801	821
- DDS housing units <sup>4</sup>	483	483	483
Housing for low- & very low-income households	920	900	920
Housing for moderate-income households	690	325	690

Market rate housing	690	2,225	2,390
Residential planning areas density (du/net acre)			
- master developer planning areas	40	100	91
- affordable housing developer areas	63	74	114
- DDS housing areas <sup>5</sup>	31	31	21

Source: PlaceWorks, 2025.

**Notes to Table 1:**

1. The number of acres in open space planning areas is included in the total number of acres in the project.
2. The number of housing units constructed by the master developer includes some of the housing units that would be reserved for moderate-income households.
3. The housing constructed by affordable housing developer would include housing reserved for low- and very-low-income housing, senior housing, and permanent supportive housing.
4. Three of the DDS housing units are for DDS' complex needs clients. About 20 percent of the remaining DDS housing units will provide housing for DDS clients (who qualify as low- and very-low-income households, and 80 percent will provide housing for moderate-income households).
5. The data for DDS planning area densities exclude the complex needs housing.

**4. PHASING**

The financial feasibility analysis assumes a phasing schedule for each concept representative of a typical large-scale development. The first phase includes entitlement, demolition and abatement for the existing Developmental Center, the roads and trunkline infrastructure for the overall project, and the first phase of building construction. Each phase includes the costs to the master developer for constructing market rate housing as well as the costs to prepare the site for each planning area that will support affordable housing and DDS housing. The phasing assumes that sales or lease-up begin at the completion of construction. Table 2 summarizes the phasing for each concept.

**Table 2: Phasing Duration and Number of Housing Units for 3 Concept Plans**

	Concept 1	Concept 2	Concept 3
Phase 1			
- Duration (months)	56	64	58
- Number of housing units	513	867	354
Phase 2			
- Duration (months)	32	40	34
- Number of housing units	370	805	238
Phase 3			
- Duration (months)	40	40	50
- Number of housing units	963	883	841

Phase 4			
- Duration (months)	30	40	38
- Number of housing units	454	654	401
Phase 5			
- Duration (months)		32	40
- Number of housing units		241	547
Phase 6			
- Duration (months)			34
- Number of housing units			315
Total project duration	10 years	14 years, 8 months	18 years, 1 month
Total project housing units	2,300	3,450	4,000

Source: PlaceWorks, 2025.

## 5. DEVELOPMENT COSTS

The development costs included in the analysis include the project area-wide costs for demolition and abatement, the roads and trunkline infrastructure, the development of the open space planning areas, and grading and infrastructure stubs for each planning area. The costs were estimated by Developers Research, Inc., and details are included in Table 10, Table 11, and Table 12 in the appendix at the end of this report. The development costs also include the construction of the market rate buildings. The costs were estimated by PlaceWorks based on our experience, data from Craftsman National Construction Cost Manual, and interviews with developers. The planning area costs in Table 3 includes an allowance for a potential future public safety impact fee to offset the capital cost for expanding public safety facilities and services to serve the new residents in the plan area.

The total site development and construction costs for each planning area in each of the concepts are provided in Table 13 in the appendix. The cost to construct buildings (including landscaping and parking) for the affordable housing will be the responsibility of the affordable housing developers. In addition, the feasibility analysis is based on the assumption that DDS will secure a developer to build the DDS housing as part of a large multifamily housing project that provides moderate-income housing. These costs for affordable housing and DDS do not factor into the evaluation of the financial feasibility for the master developer.

Table 3: Master Developer Total Development Cost for Three Concept Plans

	Concept 1	Concept 2	Concept 3
Total planning area development cost	434,300,000	766,100,000	1,046,400,000
Project-wide site development costs	130,300,000	174,600,000	148,500,000
Offsite improvement costs	13,420,000	18,400,000	18,400,000
Total project development cost	578,100,000	959,100,000	1,213,000,000

Totals may differ from sum of column data due to rounding.

The costs estimated in Table 3 reflect costs in current dollars. However, over the ten or more years that the project can be expected to buildout, costs will likely rise. The analysis adjusts the costs based on the year that each phase of development is assumed to begin, as described in the cost and income escalation section.

The financial feasibility analysis begins with an assumption that the state will provide the land to a master developer at no cost, in exchange for the master developer making ready-to-build parcels available to the state for DDS housing and to affordable developers to build and operate affordable housing.

## **6. PROJECT INCOME**

The three concepts provide a mix of for-sale and for-rent housing. With for-sale housing, the net proceeds from the sale of each new dwelling (assuming a 5 percent cost for market, brokerage, legal, and related services) are used to retire the construction loan. Once the construction loan is paid off, any additional net sales proceeds are returned to the developer.

For-rent housing is more complicated. Once the housing product is completed in a typical for-rent development, the developer takes out a permanent loan to repay the construction loan. The net rents (assuming a 35 percent allowance for vacancies and operations) are used to make debt service payments on the permanent loan. Although some developers might build and hold a for-rent building for the long-term, the more common practice is that the developer owns and operates the for-rent building for five years after stabilized operations. At this point, the biggest tax value from depreciation has been utilized, and the developer will typically sell the for-rent building. The net proceeds from the sale are used to repay the outstanding principal from the permanent loan, and the remaining funds are returned to the developer. However, in a project of this size, it is more likely that the master developer would sell the for-rent housing project once it has reached stabilized occupancy. This would provide fresh equity for the master developer to use in the next phase of construction. This analysis uses this latter approach, which produces a more conservative assessment of feasibility because it is slightly less lucrative than holding the project for five years before selling.

The estimated sales value for the for-sale housing is based on an analysis of sales data for newly constructed townhouse and condominium sales in Costa Mesa, Irvine, and Newport Beach over the past two years. The estimated rents are based on PlaceWorks' assessment of asking rents in newer apartments and townhouses. Both sales values and rents are escalated over time to the year in which each the sales/lease-ups begin for each phase, as described in the cost and income escalation section below. Table 4 provides the estimated average sales values and estimated average monthly rents for the product types that each concept plan expects the master developer to build. Income generated by the affordable housing units and the DDS housing would flow to those developers instead of the master developer. However, the rents and sales values in Table 4 represent an average for the master developer-constructed housing across market-rate units and moderate-income housing.

Table 4: Estimated Average Sales Values and Rents by Housing Type

Housing Type	Average Estimated Sales Value	Average Estimated Monthly Rent
3-story MF, tuck-under parking		3,150
4-story wrap		3,320
5-story wrap	813,000	3,220
Podium 5/2	838,150	3,390
Townhomes	1,068,000	5,230

Source: PlaceWorks, 2025.

## 7. COST AND INCOME ESCALATION

The financial feasibility analysis assumes that the development costs are covered by a single construction loan for each phase, with drawdowns and equity investment occurring on a monthly basis over the entirety of the construction portion of each phase. Lending rates are expected to decline over the next two years. The analysis assumes that the master developer would be able to access construction financing at a rate of 3.75 percentage points above the secured overnight funds rate (SOFR), with a loan fee of 1.00 percent. The analysis uses the forward projection of SOFR from Chatham Financial (<https://chathamdirect.com/rates>). Similarly, the analysis assumes that the permanent loan would be available at a rate of 2.23 percentage points above SOFR, with a debt service coverage ratio of 1.43 (i.e., the maximum loan payment would be the rental products net operating income divided by 1.43). The resulting financing rates are presented in Table 5.

Table 5: Projected Financing Rates

Year	SOFR	Construction Loan Rate	Permanent Loan Rate
2024	5.29%	9.039%	7.519%
2025	3.90%	7.652%	6.132%
2026	3.46%	7.211%	5.691%
2027	3.39%	7.136%	5.616%
2028	3.41%	7.163%	5.643%
2029	3.48%	7.229%	5.709%
2030	3.54%	7.295%	5.775%
2031	3.60%	7.350%	5.830%
2032	3.65%	7.403%	5.883%
2033	3.71%	7.457%	5.937%
2034	3.76%	7.511%	5.991%
2035	3.76%	7.511%	5.991%
2036	3.76%	7.511%	5.991%
2037	3.76%	7.511%	5.991%
2038	3.76%	7.511%	5.991%
2039	3.76%	7.511%	5.991%
2040	3.76%	7.511%	5.991%

2041	3.76%	7.511%	5.991%
2042	3.76%	7.511%	5.991%
2043	3.76%	7.511%	5.991%
2044	3.76%	7.511%	5.991%
2045	3.76%	7.511%	5.991%

Source: SOFR projections from Chatham Financial, 2024; Construction loan and permanent loan rates from PlaceWorks, 2024, based on SOFR.

The analysis escalates the construction costs at an assumed rate of 3.0 percent per year, which approximates a linear 21-year forward projection of the California Construction Cost Index annual data from July 1999 to July 2024. The analysis escalates rents at an assumed rate of 4.0 percent per year, which approximates a linear 21 year forward projection of the rent for a primary residence component of the consumer price index for all urban consumers for the Los Angeles-Long Beach-Anaheim metropolitan area data for June 1999 to June 2024. Finally, the analysis escalates the housing sales values at a rate of 5.0 percent per year, which approximates a linear 21-year projection of the Federal Reserve-reported S&P CoreLogic Case-Shiller U.S. National Home Price Index data from April 1999 to April 2024.

## 8. PROJECTED CASH FLOW

The financial feasibility analysis projects the master developer’s cash flow on a monthly basis through the period in which the last home or rental building is sold. Cash outflow represents costs for construction, costs to repay construction loans, and debt services on permanent loans and taxes. Cash inflow represents drawdowns of the construction loan, net operating income before debt service and taxes, net sales proceeds from for-sale housing, and net sale proceeds from rental buildings after five years of stabilized occupancy. Negative cash flow in any month represents the equity investment by the developer. Positive cash flow in any month represents cash returned to the developer.

This cash flow is then consolidated on an annual basis. The IRR is calculated on the annual cash flow. The annual cash flow and resulting IRR for each concept are provided in Table 14, Table 15, and Table 16 in the appendix at the end of this document. The total cash flow and IRR are provided in Table 6.

Table 6: Total Cash Flow and Annual IRR for Three Concept Plans.

	Concept 1	Concept 2	Concept 3
Total Cash Inflow	810,300,000	2,148,000,000	2,910,000,000
Total Cash Outflow	-962,700,000	-1,779,000,000	-2,200,000,000
Total Net Cash Flow	-152,360,000	369,100,000	670,000,000
Annual Internal Rate of Return (IRR)	-20.0%	14.6%	16.7%
Feasibility Surplus/(Gap)	(233 million)	(\$5.02 million)	\$26.7 million

Note: The total cash inflow and outflow is a simple sum of the monthly estimates. The data are not discounted and thus do not reflect the time value of money. However, the IRR does account for the timing of inflows versus outflows. Totals may differ from sum of column data due to rounding.

## Findings and Recommendations

### 9. BASIC FINANCIAL FEASIBILITY FINDINGS

The analysis finds that Concept 1 is not financially feasible. As currently conceptualized, this concept would cost more to develop than it would generate in income. This concept would need additional funding of \$233 million to be feasible, at a 15.0 percent IRR. Another option would be to increase the number of market rate units.

The analysis finds that Concept 2 is close to financially feasible, with a 14.57 percent IRR. While minor adjustments would make this concept financially feasible, there is the possibility that affordable housing developers would not be able to fund parking structures and, thus, may build fewer affordable housing units.

Finally, the analysis finds that Concept 3 is financially feasible, with an IRR of 16.75 percent. This intensity of development would be lucrative, and the residual land value is \$26.7 million, while still supporting the cost of parking structures for affordable housing.

#### 9A. Feasibility Implications for Concept 2

Concept 2 is close to financially feasible. However, it provides less affordable housing than the Housing Element planned for the project site (shortfall of 20 low and 365 moderate units). In addition, the need to obtain an additional \$41 million for parking structures could slow the development of affordable housing or result in even fewer units being constructed.

#### 9B. Feasibility Implications of Concept 3

Concept 3 has the largest number of housing units and the most intensity of development, with the least amount of open space. It is also the most financially feasible. With an IRR reduced to the threshold of 15 percent, this concept would generate a residual land value of \$26.7 million while still paying for the cost of parking structures for the affordable housing.

With the higher residual land value with this concept, the question arises as to whether the number of housing units that would be affordable housing could be increased so that the percentage of affordable housing in Concept 3 is the same as the percentage in Concept 1 (40 percent Low and Very Low, 30 percent Moderate). Doing so results in a development that is infeasible, in which the cost of development exceeds the total income it would generate. This approach defeats the purpose of increasing the density—to allow enough market rate housing to offset the cost to prepare the land for the development of affordable housing and housing to serve DDS clients. However, an option that increases the number of affordable units beyond Concept 1 could still be potentially feasible. The higher residual land value also raises the question of reducing the number of market rate units to provide more open space.

## 10. FEASIBILITY IMPLICATIONS FOR THE PREFERRED LAND USE PLAN

Financial feasibility for a master developer is a prerequisite for the preferred land use plan, but it is only one of many factors to consider in defining a preferred land use plan. This analysis indicates that the overall number of housing units should be somewhere between 3,450 and 4,000 in the absence of additional state assistance or subsidy.

The more lucrative the preferred land use plan is (i.e., the higher the expected rate of return) the more likely it is that the development will generate a residual land value which could be used to fund community benefits. One important benefit would be to defray the cost of the parking structures required for the affordable housing. Affordable housing developers may or may not be able to secure funding to construct structured parking in addition to the funding needed to construct the housing units as discussed above. It would likely require additional time and competitive bidding process to acquire the extra funding. Faced with this funding squeeze, affordable developers might be forced to build less dense affordable housing, which could be served with surface parking. Lastly, there is a similar relationship with open space. The more open space the preferred land use plan provides, the higher the net density must be for the housing, which in turn means more structured parking.

## Appendix

The remainder of this report provides tables with data referenced in the report.

Table 7: Development Characteristics for Concept 1

	Plan Area 1	Plan Area 2	Plan Area 3	Plan Area 4	Plan Area 5	Plan Area 6	Plan Area 7	Plan Area 8	Plan Area 9	Plan Area 10	Plan Area 11	Plan Area 12	Plan Area 13	Plan Area 14	Plan Area 15
<b>Land Area</b>															
Acres	5.0	3.3	5.0	2.9	4.1	2.4	2.6	3.9	4.1	7.0	2.6	2.6	4.9	3.1	5.0
<b>Product Type</b>															
Building type	3-story MF, surface parked	3-story MF, surface parked	State Complex Needs	3-story MF, surface parked	3-story MF, surface parked	Mixed-use podium (PSH)	3-story MF, tuck-under parking	4-story wrap	4-story wrap	4-story wrap	3-story MF, tuck-under parking	3-story MF, tuck-under parking	Townhomes	Townhomes	Townhomes
Tenure	Rental	Rental	Rental	Rental	Rental	Rental	Rental	Rental	Rental	Rental	Rental	Rental	Rental	Ownership	Ownership
Residential stories	3	3	3	3	3	4	3	4	4	4	3	3	3	3	3
Number of units	157	103	3	91	129	104	82	309	325	562	85	85	100	63	102
<b>Unit/Building Size</b>															
Average unit size	900	900	900	900	900	500	900	900	900	900	900	900	1,500	1,500	1,500
Residential NFA sq. ft.	141,300	92,700	2,700	81,900	116,100	52,000	74,238	278,393	292,669	506,136	76,149	76,149	149,492	94,576	152,542
Residential GFA sq. ft.	162,495	106,605	3,105	94,185	133,515	59,800	85,374	320,152	336,570	582,056	87,572	87,572	149,492	94,576	152,542
Commercial GFA sq. ft.	0	0	0	0	0	25,000	0	0	0	0	0	0	0	0	0
Commercial NFA sq. ft.	0	0	0	0	0	20,000	0	0	0	0	0	0	0	0	0
Total NFA sq. ft.	141,300	92,700	2,700	81,900	116,100	72,000	74,238	278,393	292,669	506,136	76,149	76,149	149,492	94,576	152,542
Total GFA sq. ft.	303,795	199,305	5,805	176,085	249,615	131,800	159,612	598,544	629,239	1,088,192	163,721	163,721	298,983	189,153	305,085
<b>Unit Mix</b>															
<b>Percentage</b>															
Studios						50.0%				1.4%	1.4%	1.4%			
1-BR	40.6%	40.6%		40.6%	40.6%	50.0%	50.0%	50.0%	50.0%	46.0%	36.9%	36.9%			
2-BR	47.3%	47.3%		47.3%	47.3%		25.0%	25.0%	25.0%	43.5%	43.5%	43.5%	20.0%	15.0%	15.0%
3-BR	12.2%	12.2%		12.2%	12.2%		25.0%	25.0%	25.0%	9.1%	13.6%	13.6%	80.0%	80.0%	80.0%
4-BR										0.0%	4.5%	4.5%	0.0%	5.0%	5.0%
<b>Unit Count</b>															
Studios	0	0	0	0	0	52	0	0	0	8	1	1	0	0	0
1-BR	64	42	0	37	52	52	40	155	163	258	31	31	0	0	0
2-BR	74	49	0	43	61	0	21	77	81	245	37	37	20	9	15
3-BR	19	13	0	11	16	0	21	77	81	51	12	12	80	50	81
4-BR	0	0	0	0	0	0	0	0	0	0	4	4	0	3	5
Total	157	104	0	91	129	104	82	309	325	562	85	85	100	62	101

(continued on next page)

Table 7 Continued

	Open Space Area 1	Open Space Area 2	Open Space Area 3	Open Space Area 4	Right-of- Way
Land Area					
Acres	1.6	3.5	4.5	1.7	29.9

Source: PlaceWorks, 2025.

Table 8: Development Characteristics for Concept 2

	Plan Area 1	Plan Area 2	Plan Area 3	Plan Area 4	Plan Area 5	Plan Area 6	Plan Area 7	Plan Area 8	Plan Area 9	Plan Area 10	Plan Area 11	Plan Area 12	Plan Area 13	Plan Area 14	Plan Area 15	Plan Area 16	Plan Area 17	
<b>Land Area</b>																		
Acres	5.0	5.0	4.4	5.6	2.5	2.5	2.9	2.5	2.8	2.9	2.5	2.5	2.5	2.0	2.0	2.2	2.6	
<b>Product Type</b>																		
Building type	3-story MF, surface parked	State Complex Needs	3-story MF, surface parked	3-story MF, surface parked	3-story MF, surface parked	Mixed-use podium (PSH)	5-story wrap	Podium 5/2	Podium 5/2	Podium 5/2	Podium 5/2	5-story wrap						
Tenure	Rental	Rental	Rental	Rental	Rental	Rental	Rental	Ownership	Ownership	Rental								
Residential stories	3	3	3	3	3	4	5	5	5	5	5	5	5	5	5	5	5	5
Number of units	147	128	3	205	201	200	200	231	258	200	234	234	286	219	219	241	244	
<b>Unit/Building Size</b>																		
Average unit size	900	900	900	900	900	500	900	900	900	900	900	900	900	900	900	900	900	
Residential NFA sq. ft.	132,300	115,200	2,700	184,500	180,900	100,000	180,000	207,900	232,200	180,000	210,600	210,600	257,400	197,100	197,100	216,900	219,600	
Residential GFA sq. ft.	152,145	132,480	3,105	212,175	208,035	115,000	207,000	239,085	267,030	207,000	242,190	242,190	296,010	226,665	226,665	249,435	252,540	
Commercial GFA sq. ft.	0	0	0	0	0	0	0	0	0	0	0	0	0	25,000	0	0	0	
Commercial NFA sq. ft.	0	0	0	0	0	0	0	0	0	0	0	0	0	20,000	0	0	0	
Total NFA sq. ft.	132,300	115,200	2,700	184,500	180,900	100,000	180,000	207,900	232,200	180,000	210,600	210,600	257,400	217,100	197,100	216,900	219,600	
Total GFA sq. ft.	284,445	247,680	5,805	396,675	388,935	215,000	387,000	446,985	499,230	387,000	452,790	452,790	553,410	443,765	423,765	466,335	472,140	
<b>Unit Mix</b>																		
<u>Percentage</u>																		
Studios						50.0%		1.4%	1.4%		1.4%	1.4%	1.4%	1.4%	1.4%	1.4%	1.3%	
1-BR	40.6%		40.6%	40.6%	90.0%	50.0%	50.0%	36.9%	36.9%	50.0%	46.0%	46.0%	46.0%	46.0%	46.0%	46.0%	46.0%	37.6%
2-BR	47.3%		47.3%	47.3%	10.0%		25.0%	43.5%	43.5%	25.0%	43.5%	43.5%	43.5%	43.5%	43.5%	43.5%	43.5%	47.3%
3-BR	12.2%		12.2%	12.2%			25.0%	13.6%	13.6%	25.0%	9.1%	9.1%	9.1%	9.1%	9.1%	9.1%	9.1%	12.2%
4-BR								4.5%	4.5%									1.6%
<u>Unit Count</u>																		
Studios	0	0	0	0	0	100	0	3	4	0	3	3	4	3	3	3	3	
1-BR	60	0	1	83	181	100	100	85	95	100	108	108	131	101	101	111	92	
2-BR	69	0	1	97	20	0	50	101	112	50	102	102	124	95	95	105	115	
3-BR	18	0	0	25	0	0	50	32	35	50	21	21	26	20	20	22	30	
4-BR	0	0	0	0	0	0	0	11	12	0	0	0	0	0	0	0	4	
Total	0	0	0	0	0	100	0	3	4	0	3	3	4	3	3	3	3	

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Table 8 Continued

	Open Space Area 1	Open Space Area 2	Open Space Area 3	Open Space Area 4	Right-of- Way
Land Area					
Acres	1.0	1.0	2.5	13.5	30.5

Source: PlaceWorks, 2025.

Table 9: Development Characteristics for Concept 3

	Plan Area 1	Plan Area 2	Plan Area 3	Plan Area 4	Plan Area 5	Plan Area 6	Plan Area 7	Plan Area 8	Plan Area 9	Plan Area 10	Plan Area 11	Plan Area 12	Plan Area 13
<b>Land Area</b>													
Acres	5.0	9.2	8.5	7.7	2.5	2.5	2.6	2.2	2.2	4.0	5.5	3.3	4.3
<b>Product Type</b>													
Building type	3-story MF, surface parked	3-story MF, surface parked	3-story MF, surface parked	Podium 5/2	Podium 5/2	Mixed-use podium (PSH)	5-story wrap	Podium 5/2	Podium 5/2	5-story wrap	5-story wrap	5-story wrap	Townhomes
Tenure	Rental	Rental	Rental	Ownership	Rental	Rental	Rental	Rental	Rental	Rental	Rental	Rental	Ownership
Residential stories	3	3	3	5	5	4	5	5	5	5	5	5	3
Number of units	141	121	221	841	380	106	260	238	335	401	547	315	94
<b>Unit/Building Size</b>													
Average unit size	141	120	220	838	386	108	259	237	341	399	545	314	94
Residential NFA sq. ft.	126,504	108,900	198,900	756,900	342,000	53,000	234,000	214,200	301,500	360,900	492,300	283,500	141,000
Residential GFA sq. ft.	145,480	125,235	228,735	870,435	393,300	60,950	269,100	246,330	346,725	415,035	566,145	326,025	141,000
Commercial GFA sq. ft.	0	0	0	0	0	0	0	0	0	0	0	35,000	0
Commercial NFA sq. ft.	0	0	0	0	0	0	0	0	0	0	0	28,000	0
Total NFA sq. ft.	126,504	108,900	198,900	756,900	342,000	53,000	234,000	214,200	301,500	360,900	492,300	311,500	141,000
Total GFA sq. ft.	271,984	234,135	427,635	1,627,335	735,300	113,950	503,100	460,530	648,225	775,935	1,058,445	637,525	282,000
<b>Unit Mix</b>													
<u>Percentage</u>													
Studios				1.3%			1.3%	1.4%		1.3%	1.3%	1.3%	
1-BR	40.6%	40.6%	40.6%	37.6%	50.0%		37.6%	46.0%	50.0%	37.6%	37.6%	37.6%	
2-BR	47.3%	47.3%	47.3%	47.3%	25.0%		47.3%	43.5%	25.0%	47.3%	47.3%	47.3%	15.0%
3-BR	12.2%	12.2%	12.2%	12.2%	25.0%		12.2%	9.1%	25.0%	12.2%	12.2%	12.2%	80.0%
4-BR				1.6%			1.6%			1.6%	1.6%	1.6%	5.0%
<u>Unit Count</u>													
Studios	0	0	0	11	0	53	3	3	0	5	7	4	0
1-BR	57	49	90	316	190	53	98	109	168	151	206	118	0
2-BR	66	57	104	398	95	0	123	104	84	190	259	149	14
3-BR	17	15	27	102	95	0	32	22	84	49	67	38	75
4-BR	0	0	0	14	0	0	4	0	0	7	9	5	5
Total	140	121	221	841	380	106	260	238	336	402	548	314	94

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*Table 9 Continued*

	Open Space Area 1	Open Space Area 2	Right-of- Way
Land Area			
Acres	4.9	3.0	33.7

Source: PlaceWorks, 2025.

Table 10: Total Finished Lot Costs Including Onsite and Offsite Costs for Concept 1

	Townhomes PA 13, 14, 15	HDR 32 DU/AC PA 7, 11, 12	HDR 80 DU/AC PA 8, 9, 10	Commercial Superpad	State DDS Superpads	Intract Backbone	Offtract Backbone	Total	Townhomes PA 13, 14, 15	HDR 32 DU/AC PA 7, 11, 12	HDR 80 DU/AC PA 8, 9, 10	DR Cost Per Lot
Cost Summary by Planning Area									Cost Summary per Dwelling Unit			
Number of Units	260	249	1,200	0	0	0	0	1,709	260	249	1,200	1,709
Dwelling Units per Acre	20.0	31.9	80.0	0.0	0.0	0.0	0.0	47.7	20.0	31.9	80.0	47.7
Buildable Acres	13.0	7.8	15.0	0.0	0.0	0.0	0.0	35.8	13.0	7.8	15.0	35.8
Total Project Acreage	13.0	7.8	15.0	2.4	20.3	41.2	0.0	99.7	13.0	7.8	15.0	99.7
<b>Lot Improvement Indirect Costs</b>												
Civil Engineering	\$1,409,328	\$997,367	\$2,467,698	\$136,523	\$954,465	\$6,270,136	\$1,141,980	\$13,377,497	\$5,420	\$4,005	\$2,056	\$7,828
Soils Engineering	\$134,415	\$90,981	\$216,630	\$14,280	\$112,285	\$342,380	\$40,000	\$950,971	\$517	\$365	\$181	\$556
Environmental Processing	\$63,550	\$37,830	\$74,250	\$11,640	\$94,205	\$319,820	\$0	\$601,295	\$244	\$152	\$62	\$352
Other Development Consulting	\$420,960	\$355,132	\$1,273,398	\$6,000	\$50,750	\$2,649,834	\$0	\$4,756,074	\$1,619	\$1,426	\$1,061	\$2,783
Planning Fees, Deposits, Permits	\$931,875	\$664,242	\$1,469,053	\$38,941	\$321,589	\$2,697,529	\$943,703	\$7,066,932	\$3,584	\$2,668	\$1,224	\$4,135
Impact Fees	\$7,367,573	\$6,091,174	\$28,981,423	\$24,125	\$204,056	\$414,142	\$0	\$43,082,493	\$28,337	\$24,463	\$24,151	\$25,209
Bonds	\$181,090	\$115,500	\$175,756	\$10,849	\$90,264	\$973,753	\$180,996	\$1,728,208	\$696	\$464	\$146	\$1,011
Indirect Contingency (@10%)	\$1,050,879	\$835,223	\$3,465,821	\$24,236	\$182,761	\$1,366,759	\$230,668	\$7,156,347	\$4,042	\$3,354	\$2,888	\$4,187
<b>Lot Improvement Indirect Costs</b>	<b>\$11,559,670</b>	<b>\$9,187,450</b>	<b>\$38,124,029</b>	<b>\$266,593</b>	<b>\$2,010,374</b>	<b>\$15,034,354</b>	<b>\$2,537,347</b>	<b>\$78,719,817</b>	<b>\$44,460</b>	<b>\$36,897</b>	<b>\$31,770</b>	<b>\$46,062</b>
<b>Lot Improvement Direct Costs</b>												
Site Preparation	\$1,117,040	\$672,320	\$1,287,920	\$204,000	\$1,725,500	\$31,657,876	\$0	\$36,664,656	\$4,296	\$2,700	\$1,073	\$21,454
Rough Grading	\$1,335,305	\$801,484	\$1,541,890	\$222,450	\$1,875,676	\$3,807,713	\$0	\$9,584,518	\$5,136	\$3,219	\$1,285	\$5,608
Erosion and Dust Control	\$381,090	\$231,234	\$434,490	\$66,240	\$560,280	\$1,182,315	\$0	\$2,855,649	\$1,466	\$929	\$362	\$1,671
Retaining Walls	\$195,000	\$117,000	\$225,000	\$36,000	\$304,500	\$618,000	\$0	\$1,495,500	\$750	\$470	\$188	\$875
Storm Drain System	\$2,208,120	\$1,370,620	\$2,391,600	\$264,000	\$2,233,000	\$7,695,500	\$3,317,500	\$19,480,340	\$8,493	\$5,504	\$1,993	\$11,399
Sanitary Sewer System	\$769,051	\$580,305	\$762,830	\$10,000	\$50,000	\$2,489,426	\$5,112,300	\$9,773,911	\$2,958	\$2,331	\$636	\$5,719
Water Distribution System	\$1,810,126	\$1,145,974	\$933,555	\$10,000	\$50,000	\$3,011,808	\$0	\$6,961,462	\$6,962	\$4,602	\$778	\$4,073
Street Improvements - Concrete	\$685,835	\$525,423	\$475,785	\$0	\$0	\$2,470,100	\$0	\$4,157,143	\$2,638	\$2,110	\$396	\$2,433
Street Improvements - Asphalt	\$771,989	\$465,375	\$587,487	\$0	\$0	\$3,146,503	\$620,000	\$5,591,354	\$2,969	\$1,869	\$490	\$3,272
Fencing and Walls	\$167,500	\$165,000	\$336,000	\$0	\$0	\$250,500	\$0	\$919,000	\$644	\$663	\$280	\$538
Landscaping	\$1,279,068	\$768,843	\$1,869,640	\$0	\$0	\$25,448,614	\$0	\$29,366,165	\$4,919	\$3,088	\$1,558	\$17,183
Common Costs	\$872,900	\$802,250	\$1,073,000	\$0	\$0	\$250,000	\$0	\$2,998,150	\$3,357	\$3,222	\$894	\$1,754
Repairs For Bond Release	\$95,603	\$68,830	\$68,141	\$0	\$0	\$357,138	\$21,700	\$611,412	\$368	\$276	\$57	\$358
Dry Utilities	\$2,303,571	\$1,790,612	\$4,975,243	\$0	\$0	\$8,674,358	\$0	\$17,743,785	\$8,860	\$7,191	\$4,146	\$10,383

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Table 10 Continued

	Townhomes PA 13, 14, 15	HDR 32 DU/AC PA 7, 11, 12	HDR 80 DU/AC PA 8, 9, 10	Commercial Superpad	State DDS Superpads	Intract Backbone	Offtract Backbone	Total	Townhomes PA 13, 14, 15	HDR 32 DU/AC PA 7, 11, 12	HDR 80 DU/AC PA 8, 9, 10	DR Cost Per Lot
	Cost Summary by Planning Area								Cost Summary per Dwelling Unit			
Reimbursements	(\$742,810)	(\$600,229)	(\$1,928,448)	\$0	\$0	\$0	\$0	(\$3,271,487)	(\$2,857)	(\$2,411)	(\$1,607)	(\$1,914)
Direct Contingency (@20%)	\$2,649,878	\$1,781,008	\$3,006,826	\$162,538	\$1,359,791	\$18,211,970	\$1,814,300	\$28,986,311	\$10,192	\$7,153	\$2,506	\$16,961
Lot Improvement Direct Costs	\$15,899,265	\$10,686,048	\$18,040,959	\$975,228	\$8,158,748	\$109,271,821	\$10,885,800	\$173,917,869	\$61,151	\$42,916	\$15,034	\$101,766
<b>Total Lot Improvement Costs</b>	<b>\$27,458,936</b>	<b>\$19,873,498</b>	<b>\$56,164,988</b>	<b>\$1,241,821</b>	<b>\$10,169,122</b>	<b>\$124,306,175</b>	<b>\$13,423,147</b>	<b>\$252,637,686</b>	<b>\$105,611</b>	<b>\$79,813</b>	<b>\$46,804</b>	<b>\$147,828</b>

Source: Developer's Research, Inc., 2024.

Table 11: Total Finished Lot Costs Including Onsite and Offsite Costs for Concept 2

	HDR 110 DU/AC PA 13, 14, 15, 16	HDR 90-95 DU/AC PA 7- 12 & 17	Age-Qualified PA 5	State Superpads	Intract Backbone	Offtract Backbone	Total	HDR 110 DU/AC PA 13, 14, 15, 16	HDR 90-95 DU/AC PA 7- 12 & 17	Age-Qualified PA 5	DR Cost Per Lot	HDR 110 DU/AC PA 13, 14, 15, 16
Cost Summary by Planning Area									Cost Summary per Dwelling Unit			
Number of Units	957	1,748	212	0	0	0	2,917	957	1,748	212	2,917	957
Dwelling Units per Acre	110.0	93.5	84.8	0.0	0.0	0.0	97.6	110.0	93.5	84.8	97.6	110.0
Buildable Acres	8.7	18.7	2.5	0.0	0.0	0.0	29.9	8.7	18.7	2.5	29.9	8.7
Total Project Acreage	8.7	18.7	2.5	22.5	48.5	0.0	100.9	8.7	18.7	2.5	100.9	8.7
<b>Lot Improvement Indirect Costs</b>												
Civil Engineering	\$1,807,975	\$3,416,840	\$451,348	\$1,053,027	\$7,098,209	\$1,611,470	\$15,438,870	\$1,889	\$1,955	\$2,129	\$5,293	\$1,807,975
Soils Engineering	\$146,282	\$283,673	\$34,977	\$123,375	\$424,215	\$50,000	\$1,062,522	\$153	\$162	\$165	\$364	\$146,282
Environmental Processing	\$42,945	\$91,945	\$11,875	\$103,875	\$353,475	\$0	\$604,115	\$45	\$53	\$56	\$207	\$42,945
Other Development Consulting	\$945,144	\$1,757,954	\$221,092	\$56,250	\$4,455,308	\$0	\$7,435,748	\$988	\$1,006	\$1,043	\$2,549	\$945,144
Planning Fees, Deposits, Permits	\$1,093,908	\$2,044,238	\$270,389	\$355,258	\$3,781,191	\$1,282,042	\$8,827,025	\$1,143	\$1,169	\$1,275	\$3,026	\$1,093,908
Impact Fees	\$21,847,502	\$41,209,880	\$4,738,968	\$226,170	\$487,522	\$0	\$68,510,042	\$22,829	\$23,575	\$22,354	\$23,486	\$21,847,502
Bonds	\$112,163	\$224,773	\$31,673	\$99,835	\$1,370,211	\$247,094	\$2,085,749	\$117	\$129	\$149	\$715	\$112,163
Indirect Contingency (@10%)	\$2,599,592	\$4,902,930	\$576,032	\$201,779	\$1,797,013	\$319,061	\$10,396,407	\$2,716	\$2,805	\$2,717	\$3,564	\$2,599,592
<b>Lot Improvement Indirect Costs</b>	<b>\$1,807,975</b>	<b>\$3,416,840</b>	<b>\$451,348</b>	<b>\$1,053,027</b>	<b>\$7,098,209</b>	<b>\$1,611,470</b>	<b>\$15,438,870</b>	<b>\$1,889</b>	<b>\$1,955</b>	<b>\$2,129</b>	<b>\$5,293</b>	<b>\$1,807,975</b>
<b>Lot Improvement Direct Costs</b>												
Site Preparation	\$749,340	\$1,603,940	\$217,780	\$1,912,500	\$32,278,376	\$0	\$36,761,936	\$783	\$918	\$1,027	\$12,603	\$749,340
Rough Grading	\$894,078	\$1,921,755	\$256,919	\$2,079,275	\$4,481,993	\$0	\$9,634,020	\$934	\$1,099	\$1,212	\$3,303	\$894,078
Erosion and Dust Control	\$256,113	\$542,682	\$74,868	\$621,000	\$1,396,620	\$0	\$2,891,283	\$268	\$310	\$353	\$991	\$256,113
Retaining Walls	\$130,500	\$280,500	\$37,500	\$337,500	\$727,500	\$0	\$1,513,500	\$136	\$160	\$177	\$519	\$130,500
Storm Drain System	\$1,471,926	\$3,049,704	\$395,376	\$2,475,000	\$9,397,000	\$3,317,500	\$20,106,506	\$1,538	\$1,745	\$1,865	\$6,893	\$1,471,926
Sanitary Sewer System	\$621,679	\$1,109,665	\$194,689	\$50,000	\$3,187,817	\$7,577,200	\$12,741,050	\$650	\$635	\$918	\$4,368	\$621,679
Water Distribution System	\$730,514	\$1,291,117	\$227,947	\$50,000	\$3,832,827	\$0	\$6,132,405	\$763	\$739	\$1,075	\$2,102	\$730,514
Street Improvements - Concrete	\$383,151	\$681,389	\$106,466	\$0	\$3,018,480	\$0	\$4,189,486	\$400	\$390	\$502	\$1,436	\$383,151
Street Improvements - Asphalt	\$468,792	\$854,206	\$106,978	\$0	\$5,100,675	\$1,460,000	\$7,990,651	\$490	\$489	\$505	\$2,739	\$468,792
Fencing and Walls	\$0	\$0	\$0	\$0	\$694,500	\$0	\$694,500	\$0	\$0	\$0	\$238	\$0
Landscaping	\$907,515	\$2,050,305	\$257,757	\$0	\$38,764,278	\$0	\$41,979,855	\$948	\$1,173	\$1,216	\$14,391	\$907,515
Common Costs	\$877,400	\$1,537,750	\$274,800	\$0	\$9,750,000	\$0	\$12,439,950	\$917	\$880	\$1,296	\$4,265	\$877,400
Repairs For Bond Release	\$54,723	\$98,036	\$14,391	\$0	\$480,372	\$51,100	\$698,621	\$57	\$56	\$68	\$239	\$54,723
Dry Utilities	\$3,966,220	\$7,237,470	\$886,534	\$0	\$10,912,925	\$0	\$23,003,150	\$4,144	\$4,140	\$4,182	\$7,886	\$3,966,220

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Table 11 Continued

	HDR 110 DU/AC PA 13, 14, 15, 16	HDR 90-95 DU/AC PA 7- 12 & 17	Age-Qualified PA 5	State Superpads	Intract Backbone	Offtract Backbone	Total	HDR 110 DU/AC PA 13, 14, 15, 16	HDR 90-95 DU/AC PA 7- 12 & 17	Age-Qualified PA 5	DR Cost Per Lot	HDR 110 DU/AC PA 13, 14, 15, 16
	Cost Summary by Planning Area							Cost Summary per Dwelling Unit				
Reimbursements	(\$1,537,937)	(\$2,809,106)	(\$340,692)	\$0	\$0	\$0	(\$4,687,736)	(\$1,607)	(\$1,607)	(\$1,607)	(\$1,607)	(\$1,537,937)
Direct Contingency (@20%)	\$1,994,802	\$3,889,883	\$542,263	\$1,505,055	\$24,804,672	\$2,481,160	\$35,217,835	\$2,084	\$2,225	\$2,558	\$12,073	\$1,994,802
Lot Improvement Direct Costs	\$11,968,815	\$23,339,296	\$3,253,575	\$9,030,330	\$148,828,035	\$14,886,960	\$211,307,010	\$12,507	\$13,352	\$15,347	\$72,440	\$11,968,815
<b>Total Lot Improvement Costs</b>	\$40,564,324	\$77,271,528	\$9,589,929	\$11,249,900	\$168,595,179	\$18,396,627	\$325,667,488	\$42,387	\$44,206	\$45,236	\$111,645	\$40,564,324

Source: Developer's Research, Inc., 2024.

Table 12: Total Finished Lot Costs Including Onsite and Offsite Costs for Concept 3

	HDR 155 DU/AC PA 5, 9	HDR 95-110 DU/AC PA 4, 7, 8, 10, 11, 12	Townhomes PA 13	State Superpads	Intract Backbone	Offtract Backbone	Total	HDR 155 DU/AC PA 5, 9	HDR 95-110 DU/AC PA 4, 7, 8, 10, 11, 12	Townhomes PA 13	DR Cost Per Lot	HDR 155 DU/AC PA 5, 9	
Cost Summary by Planning Area									Cost Summary per Dwelling Unit				
Number of Units	727	2,604	94	0	0	0	3,425	727	2,604	94	3,425	727	
Dwelling Units per Acre	155.0	103.3	22.1	0.0	0.0	0.0	100.3	155.0	103.3	22.1	100.3	155.0	
Buildable Acres	4.7	25.2	4.3	0.0	0.0	0.0	34.2	4.7	25.2	4.3	34.2	4.7	
Total Project Acreage	4.7	25.2	4.3	25.2	41.6	0.0	100.9	4.7	25.2	4.3	100.9	4.7	
<b>Lot Improvement Indirect Costs</b>													
Civil Engineering	\$1,259,578	\$4,909,605	\$513,099	\$1,172,647	\$6,755,669	\$1,611,470	\$16,222,068	\$1,733	\$1,885	\$5,459	\$4,736	\$1,259,578	
Soils Engineering	\$96,436	\$406,054	\$48,058	\$137,912	\$380,397	\$50,000	\$1,118,855	\$133	\$156	\$511	\$327	\$96,436	
Environmental Processing	\$23,022	\$123,744	\$20,511	\$116,150	\$322,190	\$0	\$605,615	\$32	\$48	\$218	\$177	\$23,022	
Other Development Consulting	\$707,159	\$2,577,017	\$163,982	\$62,925	\$3,190,899	\$0	\$6,701,983	\$973	\$990	\$1,744	\$1,957	\$707,159	
Planning Fees, Deposits, Permits	\$773,858	\$2,956,132	\$351,933	\$396,110	\$3,305,204	\$1,282,042	\$9,065,279	\$1,064	\$1,135	\$3,744	\$2,647	\$773,858	
Impact Fees	\$17,568,668	\$62,741,307	\$2,660,735	\$253,009	\$417,862	\$0	\$83,641,580	\$24,166	\$24,094	\$28,306	\$24,421	\$17,568,668	
Bonds	\$69,672	\$307,636	\$66,806	\$111,445	\$1,005,840	\$247,094	\$1,808,493	\$96	\$118	\$711	\$528	\$69,672	
Indirect Contingency (@10%)	\$2,049,839	\$7,402,149	\$382,512	\$225,020	\$1,537,806	\$319,061	\$11,916,387	\$2,820	\$2,843	\$4,069	\$3,479	\$2,049,839	
<b>Lot Improvement Indirect Costs</b>	<b>\$22,548,232</b>	<b>\$81,423,643</b>	<b>\$4,207,636</b>	<b>\$2,475,217</b>	<b>\$16,915,865</b>	<b>\$3,509,667</b>	<b>\$131,080,261</b>	<b>\$31,015</b>	<b>\$31,269</b>	<b>\$44,762</b>	<b>\$38,272</b>	<b>\$22,548,232</b>	
<b>Lot Improvement Direct Costs</b>													
Site Preparation	\$405,890	\$2,159,610	\$368,980	\$2,139,450	\$31,689,326	\$0	\$36,763,256	\$558	\$829	\$3,925	\$10,734	\$405,890	
Rough Grading	\$481,980	\$2,590,774	\$437,790	\$2,326,015	\$3,841,576	\$0	\$9,678,136	\$663	\$995	\$4,657	\$2,826	\$481,980	
Erosion and Dust Control	\$140,327	\$731,802	\$127,530	\$694,692	\$1,203,837	\$0	\$2,898,188	\$193	\$281	\$1,357	\$846	\$140,327	
Retaining Walls	\$70,350	\$378,150	\$63,900	\$377,550	\$623,550	\$0	\$1,513,500	\$97	\$145	\$680	\$442	\$70,350	
Storm Drain System	\$842,600	\$4,200,412	\$750,128	\$2,768,700	\$8,528,200	\$3,317,500	\$20,407,540	\$1,159	\$1,613	\$7,980	\$5,958	\$842,600	
Sanitary Sewer System	\$444,121	\$1,585,116	\$290,770	\$50,000	\$3,105,409	\$7,577,200	\$13,052,616	\$611	\$609	\$3,093	\$3,811	\$444,121	
Water Distribution System	\$483,761	\$1,696,551	\$784,280	\$50,000	\$3,724,447	\$0	\$6,739,038	\$665	\$652	\$8,343	\$1,968	\$483,761	
Street Improvements - Concrete	\$274,425	\$1,007,412	\$263,428	\$0	\$3,019,985	\$0	\$4,565,250	\$377	\$387	\$2,802	\$1,333	\$274,425	
Street Improvements - Asphalt	\$298,879	\$1,272,125	\$281,078	\$0	\$5,094,001	\$1,460,000	\$8,406,082	\$411	\$489	\$2,990	\$2,454	\$298,879	
Fencing and Walls	\$0	\$0	\$179,500	\$0	\$543,500	\$0	\$723,000	\$0	\$0	\$1,910	\$211	\$0	
Landscaping	\$587,505	\$2,651,247	\$468,930	\$0	\$22,354,824	\$0	\$26,062,505	\$808	\$1,018	\$4,989	\$7,609	\$587,505	
Common Costs	\$687,950	\$2,224,650	\$362,000	\$0	\$9,750,000	\$0	\$13,024,600	\$946	\$854	\$3,851	\$3,803	\$687,950	
Repairs For Bond Release	\$37,903	\$145,266	\$36,181	\$0	\$480,289	\$51,100	\$750,738	\$52	\$56	\$385	\$219	\$37,903	
Dry Utilities	\$2,900,289	\$10,775,115	\$837,934	\$0	\$10,655,888	\$0	\$25,169,226	\$3,989	\$4,138	\$8,914	\$7,349	\$2,900,289	

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Table 12 Continued

	HDR 155 DU/AC PA 5, 9	HDR 95-110 DU/AC PA 4, 7, 8, 10, 11, 12	Townhomes PA 13	State Superpads	Intract Backbone	Offtract Backbone	Total	HDR 155 DU/AC PA 5, 9	HDR 95-110 DU/AC PA 4, 7, 8, 10, 11, 12	Townhomes PA 13	DR Cost Per Lot	HDR 155 DU/AC PA 5, 9
	Cost Summary by Planning Area							Cost Summary per Dwelling Unit				
Reimbursements	(\$1,537,937)	(\$2,809,106)	(\$340,692)	\$0	\$0	\$0	(\$4,687,736)	(\$1,607)	(\$1,607)	(\$1,607)	(\$1,607)	(\$1,537,937)
Direct Contingency (@20%)	\$1,994,802	\$3,889,883	\$542,263	\$1,505,055	\$24,804,672	\$2,481,160	\$35,217,835	\$2,084	\$2,225	\$2,558	\$12,073	\$1,994,802
Lot Improvement Direct Costs	\$11,968,815	\$23,339,296	\$3,253,575	\$9,030,330	\$148,828,035	\$14,886,960	\$211,307,010	\$12,507	\$13,352	\$15,347	\$72,440	\$11,968,815
<b>Total Lot Improvement Costs</b>	\$40,564,324	\$77,271,528	\$9,589,929	\$11,249,900	\$168,595,179	\$18,396,627	\$325,667,488	\$42,387	\$44,206	\$45,236	\$111,645	\$40,564,324

Source: Developer's Research, Inc., 2024.

Table 13: Master Developer Planning Area Development Costs

	Plan Area 1	Plan Area 2	Plan Area 3	Plan Area 4	Plan Area 5	Plan Area 6	Plan Area 7	Plan Area 8	Plan Area 9	Plan Area 10	Plan Area 11	Plan Area 12	Plan Area 13	Plan Area 14	Plan Area 15	Plan Area 16	Plan Area 17
<b>Concept 1</b>																	
Construction costs										101,400,000	13,360,000	13,360,000	38,100,000	24,100,000	38,900,000		
Parking and landscaping costs										31,700,000	1,363,000	1,363,000	3,900,000	2,470,000	3,980,000		
Assumed soft costs @15%										19,970,000	2,210,000	2,210,000	6,300,000	3,990,000	6,430,000		
Total planning area site costs <sup>1</sup>	2,950,000	1,938,000		1,704,000	2,410,000	1,488,000	6,810,000	15,320,000	16,100,000	27,800,000	6,980,000	6,980,000	10,800,000	6,830,000	11,020,000		
<b>Total Planning Area Development Cost</b>	<b>2,950,000</b>	<b>1,938,000</b>		<b>1,704,000</b>	<b>2,410,000</b>	<b>1,488,000</b>	<b>6,810,000</b>	<b>15,320,000</b>	<b>16,100,000</b>	<b>180,900,000</b>	<b>23,900,000</b>	<b>23,900,000</b>	<b>59,100,000</b>	<b>37,400,000</b>	<b>60,300,000</b>		
<b>Concept 2</b>																	
Construction costs								42,800,000	47,800,000		43,400,000	43,400,000	58,300,000	44,700,000	44,700,000	49,100,000	45,200,000
Parking and landscaping costs								13,660,000	15,140,000		13,090,000	13,090,000	15,910,000	15,170,000	12,240,000	13,460,000	14,130,000
Assumed soft costs @15%								8,500,000	9,480,000		8,500,000	8,500,000	11,130,000	8,970,000	8,540,000	9,390,000	8,930,000
Total planning area site costs <sup>2</sup>	2,910,000		2,550,000	3,350,000	9,640,000	1,791,000	9,380,000	10,840,000	12,100,000	9,380,000	10,980,000	10,980,000	12,900,000	9,880,000	9,880,000	10,870,000	11,450,000
<b>Total Planning Area Development Cost</b>	<b>2,910,000</b>		<b>2,550,000</b>	<b>3,350,000</b>	<b>9,640,000</b>	<b>1,791,000</b>	<b>9,380,000</b>	<b>75,800,000</b>	<b>84,500,000</b>	<b>9,380,000</b>	<b>75,900,000</b>	<b>75,900,000</b>	<b>98,300,000</b>	<b>78,700,000</b>	<b>75,300,000</b>	<b>82,900,000</b>	<b>79,700,000</b>
<b>Concept 3</b>																	
Construction costs				171,500,000	21,600,000	21,600,000	48,200,000	48,500,000	19,070,000	74,300,000	101,400,000	58,400,000	36,700,000				
Parking and landscaping costs				48,800,000			15,190,000	13,350,000		23,500,000	32,000,000	22,500,000	3,520,000				
Assumed soft costs @15%				33,000,000			9,510,000	9,280,000		14,670,000	20,000,000	12,130,000	6,030,000				
Total planning area site costs <sup>3</sup>	2,890,000	4,920,000	4,830,000	39,100,000	17,680,000	1,537,000	12,100,000	11,070,000	15,590,000	18,660,000	25,400,000	14,660,000	10,440,000				
<b>Total Planning Area Development Cost</b>	<b>2,510,000</b>	<b>4,590,000</b>	<b>4,230,000</b>	<b>290,000,000</b>	<b>38,200,000</b>	<b>22,800,000</b>	<b>84,300,000</b>	<b>81,600,000</b>	<b>33,800,000</b>	<b>130,000,000</b>	<b>177,400,000</b>	<b>106,800,000</b>	<b>56,400,000</b>				

<sup>1</sup>Includes Planning Areas' share of \$6.23 million allowance for potential future public safety development impact fee.

<sup>2</sup>Includes Planning Areas' share of \$9.34 million allowance for potential future public safety development impact fee.

<sup>3</sup>Includes Planning Areas' share of \$10.83 million allowance for potential future public safety development impact fee.

Table 14: Annual Cash Flow for Concept 1

	Total	2026	2027	2028	2029	2030	2031	2032	2033	2034
Annual Cash Inflow	810,000,000	10,540,000	20,500,000	58,400,000	73,700,000	234,000,000	60,800,000	128,900,000	55,100,000	168,200,000
Annual Cash Outflow	-960,000,000	-17,800,000	-60,000,000	-120,000,000	-250,000,000	-43,000,000	-154,000,000	-85,000,000	-240,000,000	0
Net Annual Cash Flow	-152,000,000	-7,300,000	-40,000,000	-61,000,000	-174,000,000	190,700,000	-93,000,000	44,400,000	-181,000,000	168,200,000

**IRR: -20%**

Source: PlaceWorks, 2025.

Table 15: Annual Cash Flow for Concept 2

	Total	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038
Annual Cash Inflow	2,150,000,000	13,970,000	27,300,000	82,900,000	75,900,000	202,000,000	207,000,000	122,200,000	281,000,000	132,900,000	198,900,000	324,000,000	57,400,000	24,200,000
Annual Cash Outflow	-1,780,000,000	-24,000,000	-82,000,000	-168,000,000	-240,000,000	-134,000,000	-82,000,000	-176,000,000	-84,000,000	-87,000,000	-176,000,000	-104,000,000	-240,000,000	-19,900,000
Net Annual Cash Flow	369,000,000	-10,000,000	-54,000,000	-85,000,000	-163,000,000	68,200,000	124,900,000	-53,000,000	197,200,000	46,000,000	23,300,000	220,000,000	-179,000,000	4,260,000

	2039	2040	2041
Annual Cash Inflow	244,000,000	24,200,000	129,000,000
Annual Cash Outflow	-54,000,000	-112,000,000	0
Net Annual Cash Flow	189,900,000	-88,000,000	129,000,000

**IRR: 14.57%**

Source: PlaceWorks, 2025.

Table 16: Annual Cash Flow for Concept 3

	Total	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038
Annual Cash Inflow	2,900,000,000	12,260,000	23,500,000	68,400,000	79,400,000	228,000,000	33,200,000	39,900,000	190,500,000	270,000,000	481,000,000	558,000,000	52,400,000	55,800,000
Annual Cash Outflow	-2,200,000,000	-21,000,000	-70,000,000	-141,000,000	-220,000,000	-119,000,000	-55,000,000	-150,000,000	-162,000,000	-330,000,000	-67,000,000	-104,000,000	-230,000,000	-65,000,000
Net Annual Cash Flow	674,000,000	-8,800,000	-47,000,000	-72,000,000	-139,000,000	109,100,000	-22,000,000	-110,000,000	28,600,000	-56,000,000	414,000,000	454,000,000	-177,000,000	-9,700,000

	2039	2040	2041	2042	2043
Annual Cash Inflow	41,000,000	305,000,000	46,200,000	18,640,000	166,600,000
Annual Cash Outflow	-220,000,000	-67,000,000	-77,000,000	-21,000,000	0
Net Annual Cash Flow	-181,000,000	238,000,000	-30,000,000	-2,300,000	166,600,000

**IRR: 16.85%**

Source: PlaceWorks, 2025.