

Sovren West Hyattsville Metro

Mixed-Income Transit Oriented Development – County Council Presentation June 21, 2022



Sovren Agenda

- 1. Development Team Introduction
- 2. Project Summary
- 3. Project Images
- 4. Unit Mix & Affordability
- 5. Financing
- 6. Economic Inclusion



Gilbane Development Company



Gilbane Development Company

- Real estate development, investment and property management arm of Gilbane, Inc.
- Longevity and stability of a 150-year-old, family-owned company
- Financial strength, proven ability to execute many different asset types, and a diverse talent base

Key Markets:

Residential Communities	Public-Private Partnerships	Affordable Housing
Mixed-Use	Corporate	Office
Student Housing	Healthcare	K-12 Schools

Tempo, College Park, MD



Prince George's County Public Schools
(6 schools)



\$8.0B in total
75M SF development

20K units of housing
delivered/underway

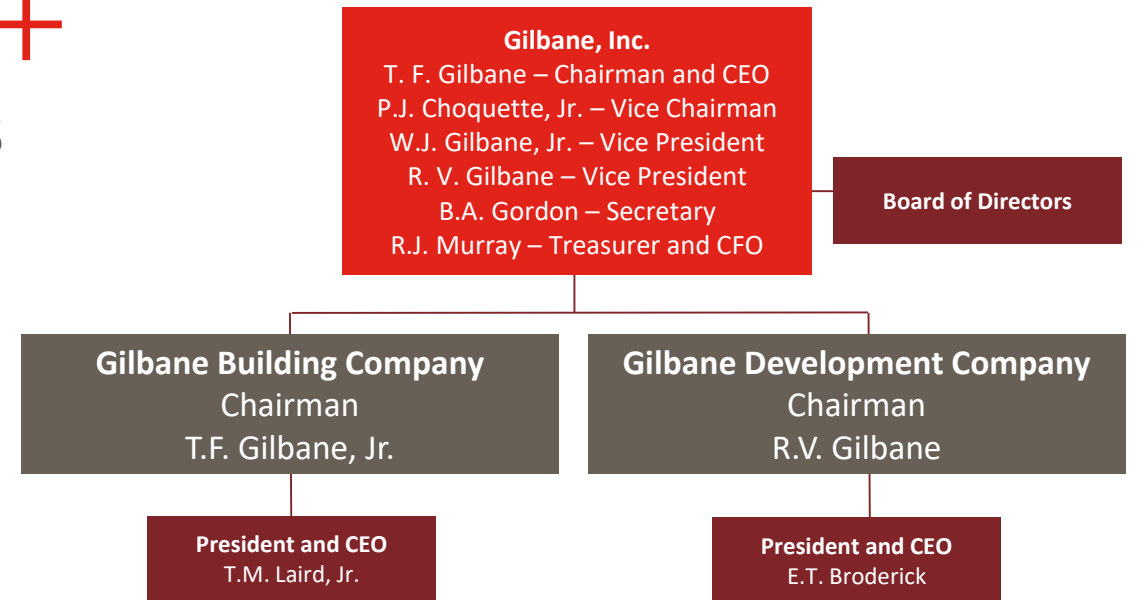
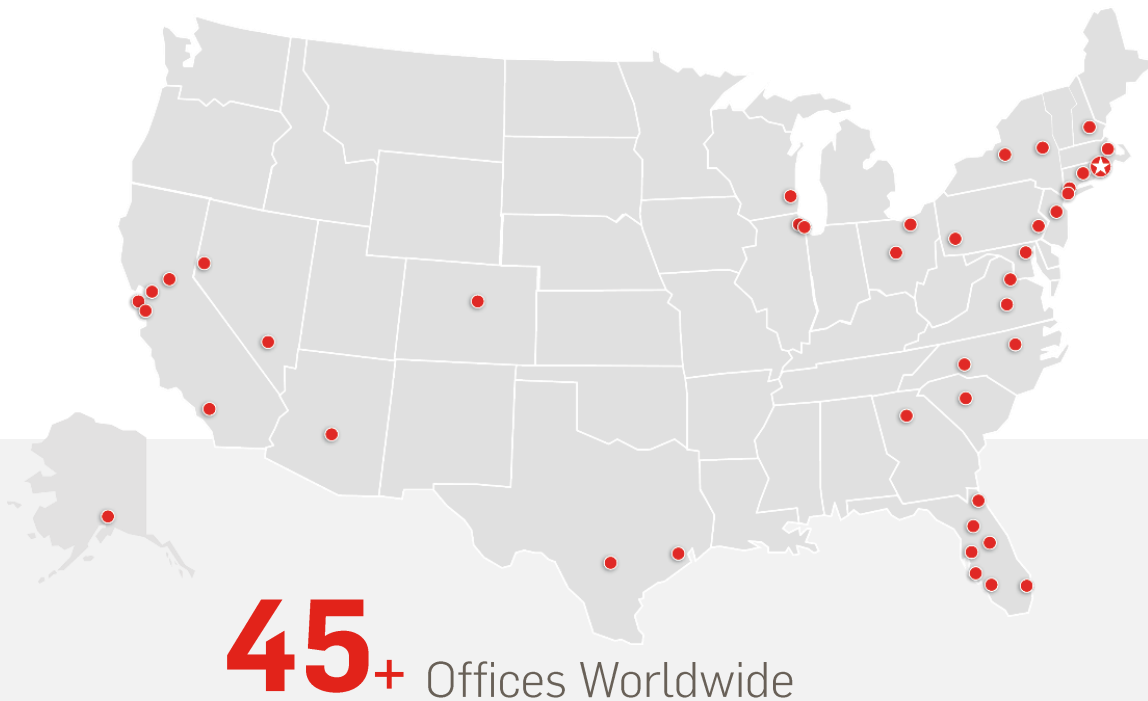
\$3.3B+ financed in
projects over
last 5 years

Gilbane, Inc. | Builder and Developer of the most highly visible projects globally.

1870
ESTABLISHED

3,000+
EMPLOYEES

A vertically integrated solution

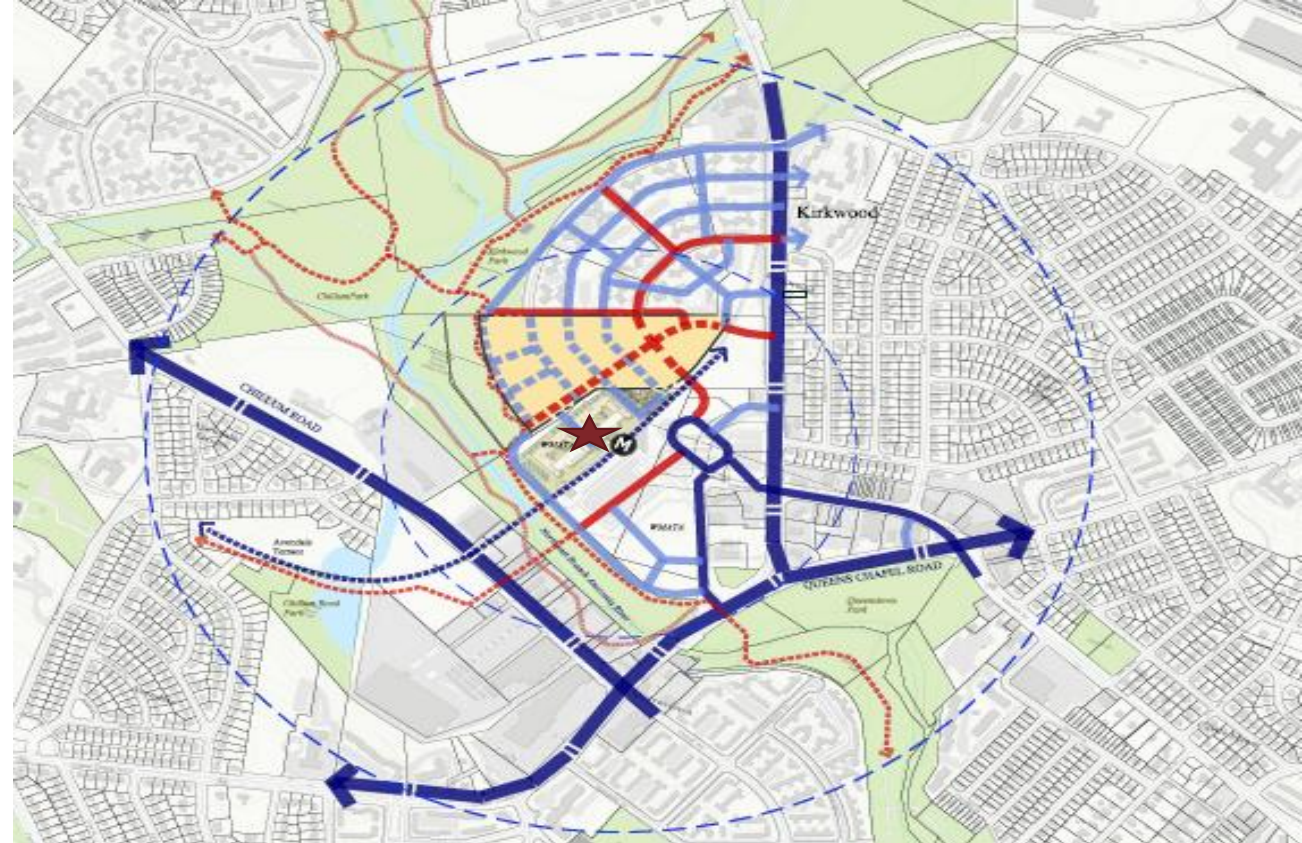


Family-Owned, Privately-Held with 4th, 5th and 6th generation family members actively involved

The Riverfront at West Hyattsville Metro

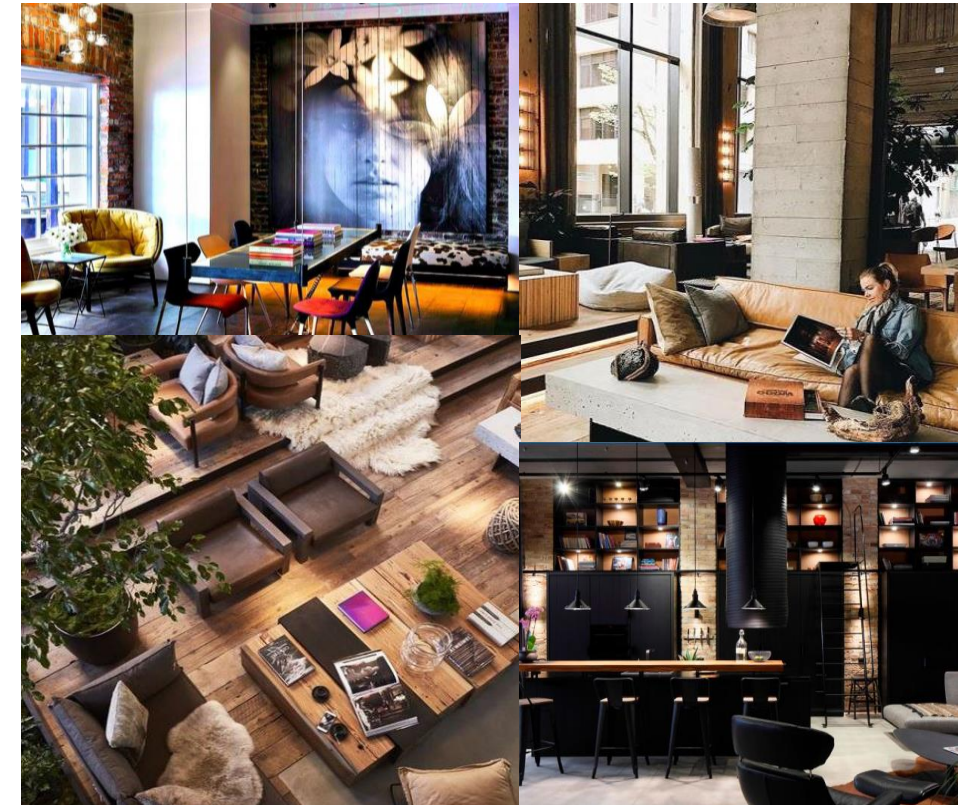
Hyattsville, MD

- Master planning, entitlement and redevelopment of an 24.5 acre brownfield site impacted by 100 year floodplain and environmental contamination
- Mix of uses includes 183 townhomes, 48,000sf Kaiser MOB, Sovren (293 apartment homes w/ retail space), and a second phase of multifamily development to include an additional +/-300 units plus 10,000 SF retail space
- SOVREN: Creation of 147-units of affordable housing (80% of AMI) for 99-years
- Start/Completion Date: Sept '22/Sept '24
- Occupancy: 3Q 2024



Sovren Amenities and Programming Overview

- 301 parking spaces (structured parking)
- Two courtyards
 - One active courtyard with pool, fire pit, grill stations
 - One passive courtyard with relaxation nodes
- Private fitness center, resident lounge, business center, hospitality center, bike repair station

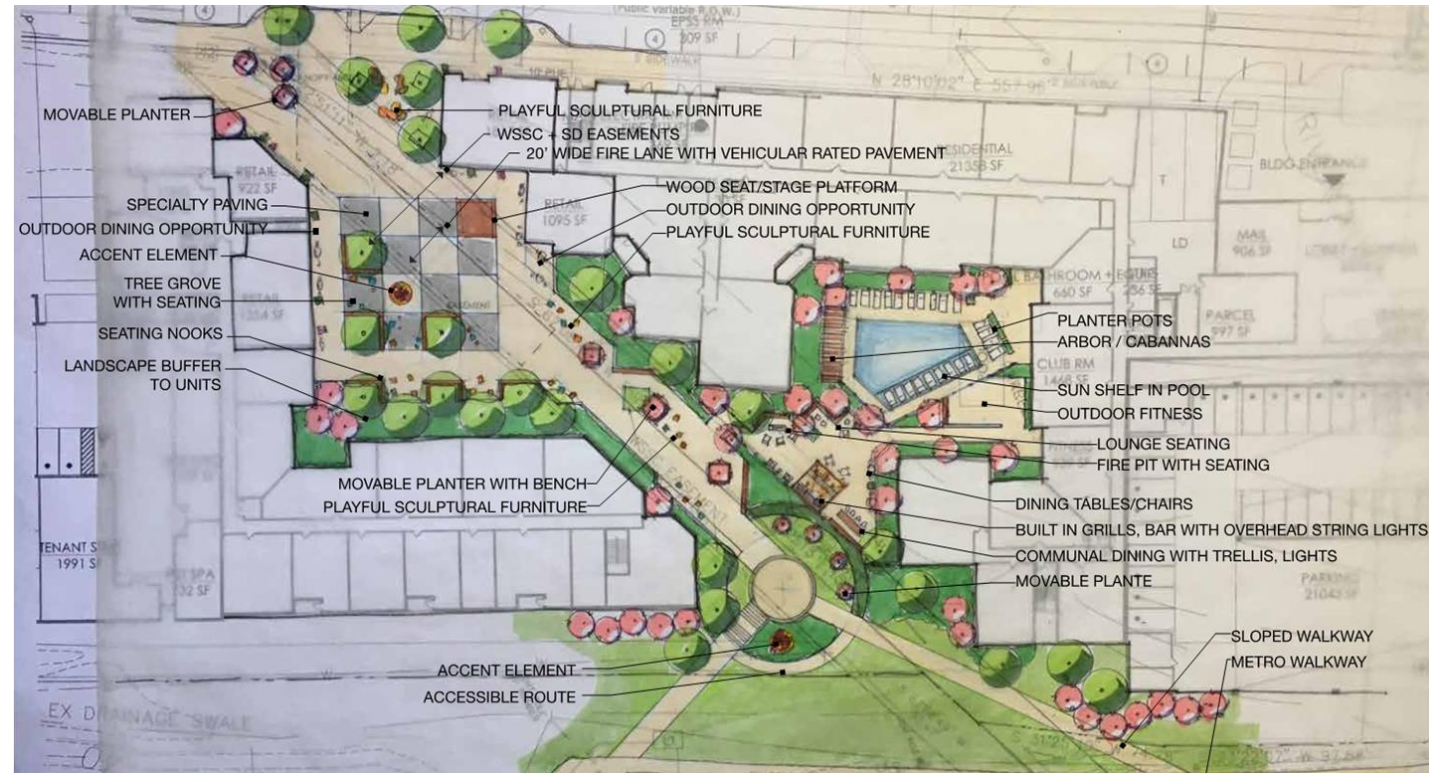


Site Plan



Public Plaza

- Public Plaza Adjacent To Metro And The Proposed Building
- Landscaping + Hardscaping Improvements
- Site Lighting
- Seating + Grass Areas
- Bike Share Station
- Public Art Installation(s)
- Fosters a sense of place and community at entry to WMATA Metro



Plaza Rendering







Unit Mix & Affordability Levels

- 293-Units (51% of units affordable and 49% market rate) with multiple bedroom configurations serving a wide variety of future tenants
 - Average Unit Size: 852 RSF
- Permanent creation of affordable & attainable housing
 - 51% of the units (147) are income & rent restricted at 80% of AMI for 99-years
 - Affordable Average Rent: \$1,805 (ranging from \$1,400 for a studio to \$2,500 for a three-bedroom unit)

Income Restriction	Unit Type	Avg Rentable Square Feet per Unit	Total Units	Avg Affordable Monthly Rent/Unit ¹
51% @ 80% AMI	Studio	455 RSF	6	\$1,400
51% @ 80% AMI	Junior 1 BR	651 RSF	11	\$1,600
51% @ 80% AMI	1 BR / 1 BA	681 RSF	134	\$1,742
51% @ 80% AMI	1 BR / 1 BA + Den	899 RSF	19	\$1,850
51% @ 80% AMI	2 BR / 2 BA	1,046 RSF	111	\$2,150
51% @ 80% AMI	2 BR / 2 BA + Den	1,325 RSF	3	\$2,150
51% @ 80% AMI	3 BR	1,417 RSF	4	\$2,500
	Total/Average	852 RSF	293	\$1,891

1 – Rents are for affordable units only

SOVREN FINANCING

- Financed with traditional debt and equity
 - Significant investment in sitework costs (floodplain, remediation, public improvements)
- Public capital is used to support additional public space improvements for Public Space Improvements
 - Public Capital is 0.21% of total capital
- Development of site will add significant value to the County
 - Land currently generates \$9,300 in RE tax revenue
 - Projected to generate >\$300,000 in County RE Tax revenue annually¹
- County PILOT will serve to maintain/support 147-affordable households for 99-years²

Sources	\$ Amount	Percentage
Senior Construction Loan	\$57,970,000	59.87%
Subordinate Loan	\$16,060,000	16.59%
Developer Equity	\$22,589,115	23.33%
County HITF Loan	\$200,000	0.21%
TOTAL SOURCES of FUNDS	\$96,819,115	100.00%

Uses	\$ Amount	Percentage
Land Acquisition	\$10,224,391	10.56%
Construction Costs	\$65,549,000	67.70%
Soft Costs	\$9,391,314	9.70%
Financing Fees and Charges	\$5,730,438	5.92%
Developer's Fee	\$3,281,315	3.39%
Interest & Lease up Reserves	\$2,642,657	2.73%
TOTAL USES of FUNDS	\$96,819,115	100.00%

1 – Estimated RE Taxes

2 – If County PILOT approved

Economic Inclusion

Work to Date

- General Contractor directed to engage and track CBSB and CBMBEs in ongoing estimating/bidding

Construction to Commence September 2022

- Outreach to subcontractors ongoing
 - General Contractor has identified multiple CBSB & CBMBEs for a variety of trade disciplines

HTIF Funding

- HTIF Loan included in proposed legislation is \$200,000
 - Requirements:
 - 40% County-Certified County-Based Small Businesses (Minimum of \$80,000)
 - 30% County-Certified Minority Business Enterprises (Minimum of \$60,000)
 - Will focus on increasing CBSBs and CBMBEs participation on Public Space enhancements and vertical construction of building to exceed requirements