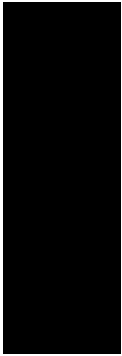


RBJ Center Strategic Master Plan Report

Prepared for the Austin Geriatric Center
October 31, 2011



Acknowledgement

This Strategic Master Plan Report for the Rebekah Baines Johnson Center is made possible through the generous financial support of the following organizations:

Austin Community Foundation

Austin Geriatric Center

Austin Housing Authority

Central Health

St. David's Foundation

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EXECUTIVE SUMMARY

Since its construction nearly 40 years ago in Austin, the Owner and Operator of the 16-story Rebekah Baines Johnson residential facility (RBJ Center) has been the Austin Geriatric Center (AGC), a 501(c)(3) nonprofit corporation. The AGC will retire the mortgage on the RBJ Center and land in the spring of 2013. This milestone was the impetus for the AGC Board of Directors to begin discussions regarding the future of the RBJ Center. The well being of the residents and the preservation of the facility is the AGC's sole current endeavor.

These discussions led to the creation of a Strategic Planning Committee and ultimately to the selection of the Strategic Master Planning Team (the Team) responsible for this report. The creation of this Strategic Master Plan report for the redevelopment of the RBJ Center, first and foremost considers the ongoing circumstances of the facility's current residents. The 250 elderly and physically disabled residents are, on average, over of 70 years of age with annual incomes of less than \$12,500. This represents less than 30% of the average median income (AMI) for Austin (The average current rent paid by the RBJ Center residents is approximately \$350). This report analyzes the five best options and makes recommendations for the future redevelopment considering both quantitative and qualitative criteria.

Our Team is led by HS&A Project Management, and includes the "best of the best" Austin professional service firms in the fields of Land Planning, Affordable Housing, Real Estate Law, Civil Engineering, Market Analysis and Brokerage as well as Public Communications and Neighborhood Outreach.

Shortly after the AGC contracted with the Team to develop this plan, the City Council passed a resolution directing the City Manager to coordinate the City's participation in the planning process in partnership with the AGC and other stakeholders. These other stakeholders, in addition to the RBJ Center residents, include the neighborhood groups immediately adjacent to the Property. Stakeholder groups participated in numerous work sessions and offered input which was considered in the analysis and recommendations herein.

As originally envisioned, we would provide the AGC with three different redevelopment plan options. The subsequent City involvement led us to conclude it would actually require two additional options (five in total) to fully explore the fundamentally different directions the redevelopment could take. These five options all embody the following guiding principles that we developed in collaboration with the AGC.

1. Continue to provide safe, affordable housing on site
2. Provide upgraded amenities
3. Expand affordable housing to the elderly
4. Add other affordable / mixed income housing and mixed uses consistent with the neighborhood plan
5. Be good stewards of the land

Land use, building height, neighborhood compatibility, impervious cover ratios and restrictions associated with the land's proximity to Lady Bird Lake have all been addressed in the options.

The options as presented in this report progress along a continuum. The first option (A) illustrates the most simplistic way of achieving the AGC's guiding principles. The fifth option (E) requires the highest level of City participation. It also represents the most complex approach in which sustainable, economical and socially vibrant diverse urban development opportunities are maximized. It is within this contexts the relative merits, challenges and risks of all options are best analyzed.

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The primary objective of this Strategic Master Plan is to present the AGC Board with options and recommendations from which to choose the best course forward. Having considered all quantitative and qualitative attributes, we recommend Option C, which is best described as having a senior living 'wrap' product without the involvement of the City of Austin. Option C gives the best combination of the lowest net capital outlay and the best net operating income as measured over the five year study period. Option C also scored the best in terms of qualitative advantages. Our reasoning is more fully detailed in the report, but summarized here.

Quantitative	Option A	Option B	Option C	Option D	Option E
CIP Cost	\$59,539,000	\$56,908,000	\$65,218,000	\$65,483,000	\$67,000,000
Offset (HUD Res., Grayco, Land Sales)	\$1,350,000	\$6,687,000	\$14,767,000	\$14,767,000	\$14,615,000
Tax Credit Equity - New	\$10,827,000	\$9,574,000	\$10,731,000	\$10,731,000	\$10,731,000
Tax Credit Equity - Tower	\$2,000,000	\$2,000,000	\$2,000,000	\$2,000,000	\$2,000,000
Bond Proceeds - New	\$11,583,000	\$10,599,000	\$11,161,000	\$11,161,000	\$11,161,000
Bond Proceeds - Tower	\$11,269,000	\$11,269,000	\$11,269,000	\$11,269,000	\$11,269,000
Net (Debt, Cap Campaign, other)	\$22,511,000	\$16,781,000	\$15,292,000	\$15,557,000	\$17,227,000
NOI (over study period)	\$4,720,000	\$5,095,000	\$5,599,000	\$5,174,000	\$3,706,000
Time (Months)	45	42	42	45	54
Qualitative	Option A	Option B	Option C	Option D	Option E
Resident Perspective					
Access to parking	2	2	1	1	1
Access to health / comm. serv.	4	3	2	1	1
Continued sense of community	2	2	1	1	1
Neighborhood Perspective					
Potential Traffic Impacts Limited	1	2	3	3	2
Improved Open Spaces	2	2	2	2	1
Potential Property Value Impact	2	2	2	2	1
Partner Perspective					
Direct Financial Support	4	2	1	2	3
Partnering Opps. (YMCA etc.)	1	1	1	1	1
Ease of City collaboration	1	1	1	2	3
AGC Internal Perspective					
Lack of Complexity	1	2	3	4	5
Ease of plan phasing	1	1	1	2	2
Risk of infrastructure invest.	1	2	3	3	4
Total Qualitative	22	22	21	24	25
Best among all options					
Worst among all options					

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Following this decision, the next step will be the Pre-Development phase. This Phase will necessarily include the following activities:

- Project Management – including phasing and scheduling, budgeting and estimating, and team / process oversight
- Outreach & Communications – both with the residents, the community, and the City
- Site Analysis – including mapping, traffic studies, and entitlements
- Real Estate Marketing & Transactions
- Planning & Programming
- Environmental & Geo-technical Site Analysis
- Capital Campaign & Fundraising
- Debt Acquisition

The RBJ Center has enjoyed a long and productive history serving the needs of Austin's low-income, senior housing market. This Strategic Master Plan provides our vision of a bright future in advancing the mission of the Austin Geriatric Center.

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BACKGROUND

History

The roots of the RBJ Center are rich in Texas legend and lore. Sitting on land that was previously the site of a federal fish hatchery, the Austin Geriatric Center, led by Frank Erwin, Jr., was able to purchase the land, approximately 27 acres, at a favorable price when President Lyndon B. Johnson closed the fish hatchery and brokered the transaction in the weeks before he left office in January 1969.

The vision of President Johnson, and the Austin Geriatric Center (AGC), was to create a continuum of housing and healthcare for the elderly at this location to include independent apartment units and nursing beds along with a specialized gerontology program with the Department of Nursing at the University of Texas. While today this campus approach to senior care is widely practiced, in 1969 the concept was years ahead of its time.

Prior to leaving office, President Johnson also ensured that federally-insured loans to build a 168-bed nursing home and a 250-unit apartment complex were approved by the then Federal Housing Administration (FHA), now the Department of Housing and Urban Development (HUD). A grant from the Health, Education, and Welfare Department (HEW) was obtained to assist with the purchase of the land. Appropriately, the senior housing and healthcare community was named for President Johnson's mother, Rebekah Baines Johnson.

For nearly forty years, a 16-story tower sitting directly north of Lady Bird Lake (formerly Town Lake) at 21 Waller Street has been providing quality, affordable housing for seniors in Austin, Texas. With stunning views of both downtown and the Lake, the Rebekah Baines Johnson (RBJ) Center offers 250 apartment units to seniors and the disabled at affordable rental rates. Of these, 138 units are one-bedroom apartments and 112 are studio apartments. The ground floor includes the management offices and community spaces including a large community room and a library. The RBJ Center is owned and operated by the AGC, a 501(c)(3) nonprofit corporation formed exclusively for the purpose of developing, owning and managing this retirement community.

Although the tower apartments, financed under FHA's 236 mortgage insurance program, have been highly successful, the 5-story nursing home ultimately failed and the City of Austin then acquired that property. Today, the RBJ Health Administration Building includes offices for Central Health (formerly the Travis County Healthcare District), Emergency Medical Services (City of Austin), and other related city health offices on approximately 2.3 acres of the original site. The City also purchased the remaining 6.7 acres of undeveloped land, dedicating it as parkland.

The Agency Mission

With the FHA mortgage nearing the end of its term and the 16-story apartment building approaching obsolescence, the AGC Board must look toward the future and determine how best to assist its elderly population.

After much consideration and deliberation during 2009, the Board developed its priorities as follows:

1. Stay on the site; continuing to serve the existing and future tenants with improved features / services and upgraded facilities, thus ensuring that the original vision would be fulfilled,
2. Expand low income housing for the elderly, and
3. Explore complementary uses and facilities on the site, making these compatible with the neighborhood wishes and consistent with Board objectives.

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To accomplish this goal, the AGC has taken two important steps:

1. The AGC established a 30-member Strategic Planning Committee, which includes representatives of the neighborhood, city, lending community and private businesses, in addition to certain AGC Board members.

2011 AGC Board Members

Mr. Clarke Heidrick, Chairman of the Board	Mr. Paul Saldana, Director
Mr. Arthur H. Dilly, Director	Mr. William M. Sage, M.D., J.D., Director
Ms. Rosie Mendoza, CPA, Director	Ms. Mary Lou Adams, Director
Ms. Gail Sulak, Director	Ms. Betty Dunkerley, Director

2011 AGC Strategic Planning Committee Members

Mr. Clarke Heidrick, Chairman of the Board	Mr. Paul Saldana, Director
Ms. Betty Dunkerley, Director	Ms. Edie Cassell, Neighborhood Representative
Mr. Mark Curry	Mr. Bob Ellis
Mr. Rob Golding	Mr. Sandy Gottesman
Mr. Jay Hailey	Mr. Jim Hargrove
Mr. Dan Herd	Mr. Ken Johnson, Neighborhood Representative
Mr. Joe LaRocca	Mr. Lee Leffingwell, Mayor
Ms. Sheryl Cole, Mayor Pro-Tem	Mr. Lew Little
Mr. Perry Lorenz	Mr. Mike Martinez, City Council Member
Mr. Walter Moreau	Mr. Mike Nelson, Past Administrator
Ms. Lori Renteria, Neighborhood Representative	Mr. Sabino Renteria, Neighborhood Representative
Mr. Carl Richie	Mr. Eddie Rodriguez, State Representative
Ms. Margaret Shaw	Ms. Jo Staton, RBJ Resident
Mr. Tom Terkel	Ms. Trish Young
Ms. Helen Varty, Administrator	Ms. Betsy Spencer, Acting Director

2. Through a competitive process, the AGC hired a team of professionals led by HS&A Project Management, to develop a Strategic Master Plan to determine how best to utilize the 18-acre tract on which the senior housing sits. Following the selection of our team, the Austin City Council passed a resolution regarding inclusion of the adjacent 9-acre City land as part of the Strategic Master Planning process.

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The Strategic Master Planning Process has taken more than a year, during which our Team has developed, created and tested the best alternatives to the redevelopment of the site to include the priorities identified by the AGC, the desires of the neighborhood, zoning entitlements, building constraints and project feasibility. The process necessarily included five phases: data gathering, project discovery, understanding the context (the public vision), developing the plan and finalizing the plan.

The plan has been tested and refined and is documented in this report which explains the methodology, findings and recommendations for the AGC. This report depicts in words and images redevelopment options to consider when determining a desired future for the site, and the strategies to turn that vision into reality. The plan will be used as a roadmap for future redevelopment of the site.

Current Status

Because the redevelopment of this 27-acre tract is so critical to / intertwined with the redevelopment of East Austin, the Strategic Planning Process considered all options and gathered input from all applicable stakeholders. Additionally, consideration was given to the development of the Saltillo Transit Oriented District (TOD) to the north and the Holly Redevelopment Area to the east, ensuring compatibility with both of these new ventures.

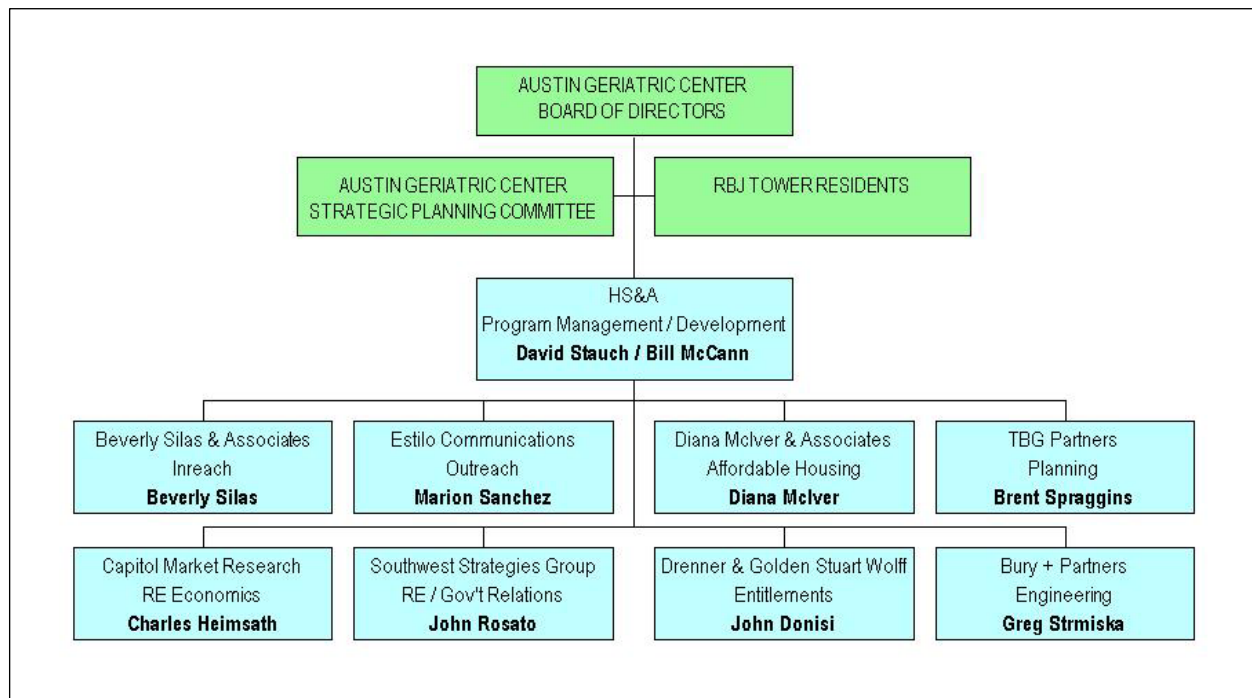
The RBJ Center and surrounding land is the only asset that the AGC owns, and it currently has limited access to project reserves under the Regulatory Agreement with HUD. Once a Plan is in place and HUD is assured that the plan proposes housing in the best interests of the RBJ residents, HUD will allow a greater portion of funds to be used in the development of replacement or rehabilitated housing.

This opportunity to create an enlarged campus to include affordable housing and health services for seniors in a prime Austin location is one of the most exciting development prospects in the city today. Moreover, the possibility of including additional land uses on a parcel bordered by the Saltillo TOD on the north and the Holly Redevelopment to the east positions the RBJ Project as the potential gateway for a complete revitalization of East Austin.

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The HS&A Team

In preparing to address the priorities, vision and mission of the AGC, as it relates to their physical assets, we assembled a team of exceptionally qualified professionals. Each team member is not only respected for their expertise, but all are recognized for their ongoing community service. A chart identifying the team members and their respective areas of contribution is shown below.



The above chart reflects a team with diverse talents, depth of resources and breadth of skills. With the specific talents of each firm, we explored and evaluated possibilities in the Master Planning effort. We believe that an appropriate balance between Funding / Feasibility and Visioning / Viability produced a set of options which survived the test of internal checks and balances imposed by the leading firms in each discipline. This effort required a coordinated approach, and each option was tested across a wide range of factors, hence the structure of our team.

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HS&A Project Management is a renowned firm specializing in program / project management and consulting services. Founded in 1995, HS&A provides services specifically based upon the principles of responsiveness, accountability and excellence. The firm has assembled an experienced staff with backgrounds in construction and related disciplines and provides services that include scheduling, cost estimating, and claims consulting. HS&A has a reputation for rising above the challenges using a quality process to achieve the best solution for the client - delivering a quality project on time and within budget.



TBG Partners has created legacy projects throughout the City and Texas that range from master planned communities, parks, and trails, to urban neighborhoods and healing gardens since its inception in 1987. Yet, each project is driven by a shared vision and a commitment to creating meaningful spaces while promoting community interaction and an awareness of the land. Most recently, TBG Partners was a key team member for the University of Texas Systems: Brackenridge Tract Conceptual Master Plan Team.



Beverly Silas & Associates is a highly qualified and reputable public involvement firm dedicated to providing creative solutions for client issues and projects. More than 20 years of experience, combined with ongoing education and research of best practices for communication and public involvement, positions the firm to provide incomparable results to any challenge. The firm's extensive client list includes AISD, Austin Energy, City of Austin, various state agencies and the St. David's Foundation.



Estilo Communications is a full service minority and woman owned firm offering services in community outreach, bilingual communication, advertising, public relations and strategic planning. Led by Marion Sanchez, the firm was the primary communications link between the AGC and the neighborhood.



Diana McIver & Associates, Inc. (DMA) is an Austin-based firm that has provided development services to non-profit organizations since 1980, resulting in the successful development of nearly 300 projects of affordable, special needs housing in 41 states. Many of these are financed under HUD's 202 Housing for the Elderly, HUD's 811 Housing for Persons with Disabilities, or the Low Income Housing Tax Credit Program (Section 42 of the Internal Revenue Code). DMA also served as a consultant to the City of Austin in developing the affordable housing component of the Transit Oriented Districts.



Southwest Strategies Group's principals have more than 50 years combined experience in Austin real estate, and are among the 20 percent of local professionals responsible for 80 percent of all sales and leasing. The firm has represented the Austin Independent School District, Travis County and the Austin Regional Clinic for 15 years in addition to Pension Funds and REITs.

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Capitol Market Research (CMR) has provided research and analysis to private, public and non-profit clients in the Austin area for the last 24 years. CMR is known for the firm's ability to analyze complex real estate issues related to market feasibility and the evaluation of highest and best use. In addition, CMR is approved as a market analyst for HUD loan guarantees and Texas Department of Housing and Community Affairs (TDHCA) low income tax credits and has conducted more than 200 market studies for these agencies over the last 24 years.



Bury+Partners understands the challenges facing public, private and non-profit clients. Bury has applied in-depth engineering, surveying and Mechanical Electrical Plumbing (MEP) expertise to the planning, design and construction of facilities that are part of daily life. The firm's large number of repeat clients serves as a testament to the firm's responsiveness and continued involvement throughout the project.



Drenner & Golden Stuart Wolff, LLP has assembled one of the largest groups of seasoned lawyers in Texas in the real estate and entitlements arena. The firm's lawyers and planners have accomplished an outstanding list of sophisticated transactions that are regionally and nationally recognized. In addition, the firm's lawyers and planners have developed long-term personal relationships with many of their clients, which allow them to mesh their legal expertise with the client's particular objectives to better achieve client goals.

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ASSIGNMENT

In spring 2010 when we were engaged by the Austin Geriatric Center (AGC), several processes were explored to produce an effective Strategic Master Plan (SMP). Additionally, we refined and broadened the AGC's three previously stated priorities into the team's five guiding principles.

These guiding principles are:

- Continue to provide safe, affordable housing on site,
- Provide upgraded amenities,
- Expand affordable housing to the elderly,
- Add other affordable / mixed income housing and mixed uses consistent with neighborhood plan, and
- Be good stewards of the land.

Our commitment to the AGC was to produce an SMP that considered available options for the AGC property (land and existing improvements) in the context of the above guiding principles and the mission of the agency.

Initially, it was anticipated that we would provide three economically viable options that meet all requirements, and provide for an informed decision-making process by the Board of Directors. It should be noted that 'economic viability' is a subject that is sometimes both subjective and context-driven. In order to facilitate evaluation, both qualitative and quantitative considerations for each option have been outlined.

Based on team research and numerous discussions with stakeholders, there were multiple options that merited consideration, and the number of options was largely driven by the potential involvement with the City of Austin. Accordingly, we determined it was important to fully evaluate the additional options, and are therefore providing two additional options for a total of five options for consideration by the Board.

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THE PROPERTY

Legal Description / Acreage

The RBJ Center Property consists of 17.8 acres out of City Outlots 56-57 and Outlots 69-70 Division "O" Original City of Austin with a physical address of 21 Waller Street.

A boundary survey and area calculations can be found in **Exhibit 1**.

Entitlements

The RBJ Center Tract and the surrounding area are subject to the East Cesar Chavez Neighborhood Plan (ECCNP) adopted by City Council on December 14, 2000. This Neighborhood Plan is part of a broader, ongoing effort to plan all of Austin on a neighborhood-by-neighborhood basis, ultimately serving to amend and update the City's Comprehensive Plan. Neighborhood plans consist of a Future Land Use Map (FLUM) - **Exhibit 2**, an ordinance that identifies the use of zoning and overlays, and a narrative that accompanies the plan, outlining the history, goals and objectives of the neighborhood. The ECCNP rezoned the RBJ Center Tract to CS-MU-CO-NP. It also allowed the tract to be developed as a Neighborhood Mixed Use Building Special Use, and prohibited certain uses that otherwise would have been allowed either as permitted (by right) or conditional (discretionary) uses within the CS zoning category. A height limit of 40 feet was imposed by conditional overlay on this and other neighboring tracts. The FLUM designated the RBJ Center Tract as "Multifamily." The uses and development standards associated with CS zoning generally allows for 60 feet in maximum height, 95% maximum building coverage, 95% maximum impervious cover and 2:1 maximum floor to area ratio. In the case of the RBJ Center Tract, the more restrictive FLUM requires 40% impervious cover.

The area that includes the RBJ Center Tract and surrounding tracts is also contained within the Waterfront Overlay. The Waterfront Overlay was first adopted in 1986 and was most recently revised, as part of a comprehensive review, in 2009. The Waterfront Overlay generally establishes uses and development standards, including height, allowed on land within proximity of Lady Bird Lake. These uses and standards, which are further refined by geographic sub-districts, are based upon the findings of the 1985 Town Lake Corridor Study. The area that includes the RBJ Center Tract and surrounding tracts is included within the Festival Beach Sub district. The maximum height in this sub district is the lower of 60 feet or the maximum height allowed in the base zoning district. The maximum impervious cover for an area not included in a primary setback area (100' from Lady Bird Lake shoreline) or a secondary setback area (50' from primary setback line) is 40 percent. The Overlay imposes other non-district specific restrictions, including design and use restrictions.

Other provisions of the Code may also impose some limitations on development, including but not limited to:

- compatibility standards,
- floodplain,
- traffic and access constraints,
- design standards,
- tree ordinance,
- other environmental features, or
- potential historic structures or features.

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The new street improvements will provide for not only vehicular access but also pedestrian friendly walkways and corridors. It will also provide for other aesthetic improvements such as trees, landscape, hardscape, etc.

Water

There are existing water lines beneath Waller Street, Haskell Street and Comal Street. These lines range from 2½ inches to 12 inches in size. There is also an existing water line that extends through the site from Haskell Street on the north side to Comal Street on the east side. These water lines range from 6 inches to 12 inches in size.

The proposed development will require the extensions of new water lines through the site to serve the new improvements. The proposed development may also require that new lines be extended beneath the adjacent streets of Waller Street, Haskell Street, Comal Street and Festival Beach Road, and possibly further offsite to provide adequate water service for the proposed development. The details of the water line improvements will need to be further refined with the City of Austin once a final development plan is determined and will be tailored to meet the specific needs of the project at that time.

Wastewater

There are existing wastewater lines beneath Waller Street, Haskell Street and Comal Street. These lines range in size from 6 inches to 48 inches. The 48 inch line is located south of Festival Beach Road.

There is also a wastewater easement on the southeast corner of the City land immediately southeast of the Property. This easement is associated with a large underground wastewater tunnel. This tunnel is very deep and generally extends along Lady Bird Lake through the downtown area and continues eastward toward the wastewater treatment plant.

There are also existing wastewater mains that extend through the Site to the abutting streets. The exact locations and sizes are approximate and will require further research to verify. The size of these onsite wastewater lines ranges from 6 to 8 inches.

The proposed development will require the extension of new wastewater lines through the site to serve the new improvements. The proposed development may also require that new lines be extended beneath the adjacent streets for Waller, Haskell, Comal and Festival Beach Road and possibly further offsite to provide adequate wastewater service for the proposed development.

Storm Water & Drainage

The RBJ Center Site generally drains to the south toward Lady Bird Lake, which is located on the south side of Festival Beach Road. Record information shows that a large box culvert, approximately 7 feet tall by 8½ feet wide, is located beneath Comal Street on the east side of the Site. This line extends to Lady Bird Lake. Record information also shows a 60 inch storm water drainage pipe is located beneath Waller Street. This line also extends to Lady Bird Lake. It appears that smaller storm water drainage pipes extend through the existing site and to these adjacent

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improvements. The proposed development will require the extension of new storm lines throughout the site to provide drainage for the new improvements.

Detention and Water Quality Pond

Detention Ponds will not be required for this site due to its close proximity to Lady Bird Lake. A waiver request will be filed with the City of Austin at the time of the Development Permit Process. Water Quality Ponds must be provided to treat the storm water runoff from this new development. The ponds will be incorporated into the proposed project and designed to blend with the aesthetic design of the Site.

Current Improvements

A Facility Due Diligence Study was conducted in 2008 by the Austin based architectural firm, Graeber Simmons & Cowan (now known as GSC Architects). This study included visual investigation of the 16-story Residential Tower and the adjacent single-story building for architectural and structural issues as well as mechanical, electrical, and plumbing (MEP) issues. Hazardous materials investigations were also conducted as was an assessment of the 16-story building's elevators.

The study determined that the facilities were suitable for continued service. The report outlined options for refreshing the building, including architectural finish enhancements, improving mechanical electrical and plumbing systems conditions, and addressing the hazardous materials identified during the study. The report also addressed modernization for code compliance as it relates to the absence of a fire sprinkler system within the buildings.

A summary of the report findings and recommendations follows.

Architectural

Minimal cracking of the exterior brick mortar joints was observed at both buildings. Also many of the thru-wall air conditioning units were leaking, causing staining of the buildings exteriors. The common area elements including doors, light fixtures, bathroom fixtures (only present on the first floor), ceilings and floors were all outdated and in need of replacement. The residential units were also in need of complete refurbishment including the replacement of doors, hardware, kitchen appliances, kitchen and bathroom cabinets and plumbing fixtures, light fixtures and flooring.

Although not mentioned in the report, we are recommending window replacement for the residential units.

Structural

No major structural failures or components requiring immediate repair were reported. It was recommended that cracked mortar joints cited in the architectural findings along with exterior concrete spalling at the 4th and 7th floors be repaired.

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Mechanical

In general, the heating and air conditioning systems were found to be in good working order. The report recommended that all residential units' thru-wall air conditioners be carefully inspected and all openings to the outside be waterproofed. The report also recommends confirmation that the condensate drain line for each unit is 2 inches in diameter and properly draining to the outside of the building. The report further recommended the installation of a new fresh air ventilation system for the kitchen and toilet exhaust.

Our observations with the RBJ Center's former Executive Director, Mike Nelson, confirmed that this work has been completed with satisfactory results.

Electrical

Many of the elements of the buildings' electrical service were reported to be non-compliant with current building codes. All electrical panels were reported to be obsolete with replacement parts no longer available. The report recommended that, at a minimum, each residential unit be upgraded to provide three Ground Fault Interrupt (GFI) outlets, and all electrical panels / circuit breakers be tested for proper operation. The report also recommended that all non-operable breakers be replaced.

Plumbing

Only the plumbing within the residential units was addressed in the report. This was most likely due to the fact that there is limited visual access to the buildings' main and distribution piping to the units. Conversations with the RBJ Maintenance staff have led us to the conclusion that these other lines remain serviceable. The report's plumbing recommendations are in keeping with the fixture replacement suggested in the architectural section of the report.

Hazardous Materials

Asbestos Containing Materials (ACM) was found in both buildings. In general, the areas where these materials were found include floor tiles, gypsum wall board joint compound and window glazing caulk throughout both buildings. Limited amounts of ACM were also found in pipe insulation in the tower's mechanical room.

Elevators

There are two elevators in the tower that were manufactured by Dover Elevator (now Thyssen Krupp Elevator). They are original to the building and approaching 40 years of service. An assessment was made by a Thyssen Krupp representative and made part of the report. It was reported that the elevators have been in need of modernization for many years. It was also noted that the fundamental elements of the system ("the bones") are good. However a complete refurbishment was recommended.

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Code Compliance

It was reported that because the buildings were constructed prior to 1991, the Fair Housing Act did not apply. However, any renovation to the buildings would need to comply with current local and state regulations, portions of which respond to issues addressed in the Fair Housing Act. Specifically, the report responds to Federal Americans with Disabilities Act (ADA) considerations, the State of Texas Elimination of Architectural Barriers regulations, as well as local life-safety and fire suppression / control codes. The report recommends that any renovation to the Tower include accommodations on the ground floor for 5 residential units which comply with ADA accessibility and use requirements. Furthermore, ADA compliant parking and accessible routes to both parking and on-site public transportation pick-up / drop-off sites should be provided. The report adds that any renovation will need to include the installation of a code-compliant fire sprinkler system. It was also noted that while the tower features the two pressurized exiting stairs required, the stair towers do not have the area-of-rescue required by current code. The report states that the City of Austin's Building Inspection Department will not require the vestibules be built.

We strongly suggest that this statement be verified since no independent documentation could be found within the report to substantiate this claim.

Connectivity

This site is located east of IH 35 and north of Festival Beach on Lady Bird Lake. The following section will summarize several plans and projects that surround this site. These plans and projects will also influence the connectivity of the site, in a variety of positive ways, with surrounding areas of the City of Austin. These are presented as follows:

The Holly Shores / Festival Beach Master Plan includes several recreational and mobility efforts. Among those efforts related to pedestrian facilities, this plan identifies the following projects:

- Completing the gap of the (Lady Bird Lake, formerly Town Lake) Hike and Bike Trail;
- Trail of Tejano Legends;
- The Trail Enhancement Plan (completed in the Spring of 2009);
- Trail Foundation Vision Plan identified opportunities for enhancements under IH 35;
- Proposed ADA accessible pier near the Holiday Inn

The Holly Neighborhood Plan, initiated in December of 2001 and most recently revised by the city in February 2011, includes several proposals to improve mobility and address parking issues in the neighborhood. Specifically, the need to address overflow parking into the nearby residential streets due to large events at Fiesta Gardens and Metz Neighborhood Park is listed. Potential solutions include redeveloping the Holly Power Plant area as a parking facility, limiting the number of events occurring at the park, limiting the size of events occurring at the park and / or requiring the purchase of Capital Metro Shuttle Service and off-site park and rides for events at the park.

The Plaza Saltillo Station Area Plan created prior to the opening of the Capital Metro Red Line Commuter Rail included plans for this location to become a Transit Oriented Development. Article 3, which covers Circulation, Connectivity and Streetscape are focused on multimodal access to and from the area. Specifically, the standards emphasize pedestrian mobility that is safe, convenient and aesthetically pleasing by means of "Pedestrian Connections (Paseos)" and "TOD Pedestrian Priority Streets." Core Transit Corridor sidewalks include a required eight foot minimum Street and furniture zone in addition to a seven foot clear zone for pedestrians with most utilities being located underground. Pedestrian Priority Street Sidewalks include a required seven foot Minimum Street and

Furniture Zone in addition to a five foot Minimum Clear Zone for Pedestrians. In addition, the site features the MetroRail Station and the Lance Armstrong Bikeway (LAB).

In November 2009, Capital Metro proposed the construction of the MetroRapid BRT (Bus Rapid Transit) system along the IH 35 corridor with the Federal Transit Administration (FTA). This includes the North Lamar / South Congress Corridor (21 miles) and the Burnet / South Lamar Corridor (16.5 miles). The proposal included a total service length of 37.5 miles, 35 stations, a capital cost of \$47 Million and 20,300 average weekly boardings upon opening in 2012. The proposed alignment for this submittal was located west of IH 35 and any connectivity to or from the BRT from the Holly Neighborhood would require local bus service. Capital Metro's website includes some updated information since this proposal was filed. This includes increasing the number of stops to 77 on both routes.

Currently, Capital Metro Route 21 / 22 Exposition / Chicon serves the area near the RBJ Center and the RBJ Public Health Center with Route 21 Exposition running clockwise and Route 22 Chicon running counterclockwise. This route provides circular connectivity to downtown and to the UT campus. It also allows for transfers to popular north / south routes such as the 1L / 1M and express bus routes such as the 982, 983 and 987.

The Regional Demographics are based on the 2000 Census (2010 Census material with similar detail should be available by the end of 2010. That data should be acquired and compared to the 2010 forecast in the demographic report provided here.). This report extracts data from a one, two and five mile radius of 21 Waller Street.

Studying the demographics of an area helps you gain valuable insights about population changes and trends that can affect planning and business decisions.

With the data on age and race, we can better understand the development demand and trends. The number of households in a one mile radius from the 2000 Census indicates a 22% increase in household formations, and the Hispanic population has increased by 8%. Household income is between \$35,000 and \$99,999 for 45% of the households.

The census data and associated forecasting found in **Exhibit 3** was provided by Environmental Systems Research Institute (ERSI). ERSI provides ready-to-use geospatial data products for analysts, planners, managers and developers. The firm was founded in 1969 and is the nation's leading provider of census data analysis.

The subject property is located at 21 Waller Street in the East Central market area in Austin, Texas. The apartment communities in the Primary Market Area (within approximately one mile of the site) show an extraordinary range of products, from deeply subsidized public housing (Chalmers Court), through a range of older "garden style" two and three story "walk up" units, to newer four and five story mid-rise wrap communities and soaring downtown apartment towers.

In December 2010, 46 apartment communities were surveyed in the East Central market area that contains a total of 9,590 units. Currently, the market area occupancy is 94%, which is a dramatic increase (6%) from December 2009

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when it was 87%. Average rents are \$1.25 per square foot, up 7% since the end of 2009. Of the 9,590 total units, 2,701, 28% have been built (completed) since the beginning of 2000.

In the East Central market area there are three distinct apartment building types: high-rise apartment towers, mid-rise wrap and “garden style” projects. High-rise buildings, defined as those properties that are more than 8 stories with a multi-level parking garage, achieved the highest average rental rates in December 2010 (\$2.27), units in the mid-rise wrap buildings in the East Central market area were renting at an average of \$1.77 per square foot, and the garden style units were renting at an average of \$1.17 per square foot.

The East Central market area has experienced a considerable amount of new construction. Between December 2007 and December 2010, 1,016 units were added to the market area. Among the 2009 and 2010 completions were several class “A” properties, including (1) Ashton, (2) AMLI South Shore, (3) Windsor on the Lake and (4) The Crescent. These properties have leased very rapidly at average rental rates that are more than twice the citywide market average.

As a result of the continued expansion of job opportunities in downtown Austin, combined with the increasing popularity of urban living among young professionals in Austin, the East Central market area should continue to experience a high average occupancy rate and very high rental rates.

The strong market conditions and lack of sites suitable for new apartment construction suggest an excellent opportunity for the sale of a portion of the subject property for the development of a market rate mid-rise apartment community. Please see **Exhibit 4** for more detail.

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THE PARTIES

There are five main groups essential to the creation of the RBJ Center Master Planning Project. They are the Austin Geriatric Center, the resident clients, the City of Austin, neighborhood groups / surrounding community and the HS&A team. Below is a description of each party and their relationship to the process and project.

The Austin Geriatric Center

Board

The Austin Geriatric Center (AGC) is a 501(c)(3) corporation formed in 1969 for the sole purpose of developing and operating the Rebekah Baines Johnson (RBJ) Center. The current Board of Directors, chaired by Mr. Clarke Heidrick, is an all volunteer board comprised of local business and civic leaders. It is due to the vision, dedication and efforts of these individuals that this report has been produced.

Strategic Planning Committee

Shortly after deciding to undertake the redevelopment effort, the AGC wisely reached out to the greater Austin community to assemble a Strategic Planning Committee. The purpose of this committee is to provide wide ranging points of view on the redevelopment potential. The committee includes neighborhood residents, elected officials, real estate and health care professionals, as well as other interested parties. Members of this committee joined members of the Board in selecting the HS&A Team to produce this report.

Staff

The small but dedicated staff of the RBJ Center provides a safe, clean and friendly environment for their residents. They also support the Board of Directors with efficient administration of the day to day business operations of the facility. Currently, the RBJ staff consists of 11 members (2 full-time administrative, 5 full-time maintenance, 2 full-time and 2 part-time security).

The Resident Clients

There are 250 residents living in 236 units at the Center based on the rent roll at the close of 2010.

- 48 are less than 60 years old
- 76 are in their 60's
- 64 are in their 70's
- 60 are in their 80's
- 2 are in their 90's

The vast majority of residents, who are under the age of 60, live with some form of disability. In all, 67 of the 250 residents are disabled to some degree.

Statistics alone cannot describe a population of people. The residents at the RBJ Center are as diverse in age and ethnicity as they are in personality. They are equally diverse, if not divergent, in their opinions as to what any redevelopment of what has come to be their home should look like.

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Subsequent sections will address the Master Planning process that has culminated in this report. Those sections will delve into our stakeholder input process and outcomes. However, even a cursory description of the RBJ residents must include this fact; resident comments regarding what they would like to see as part of any redevelopment plan, spanned from suggesting upgraded exercise facilities that would offer yoga, to an internet café to the following comment - "None! I like the open space! Please do not create a strip mall to increase the income of this low cost housing facility site."

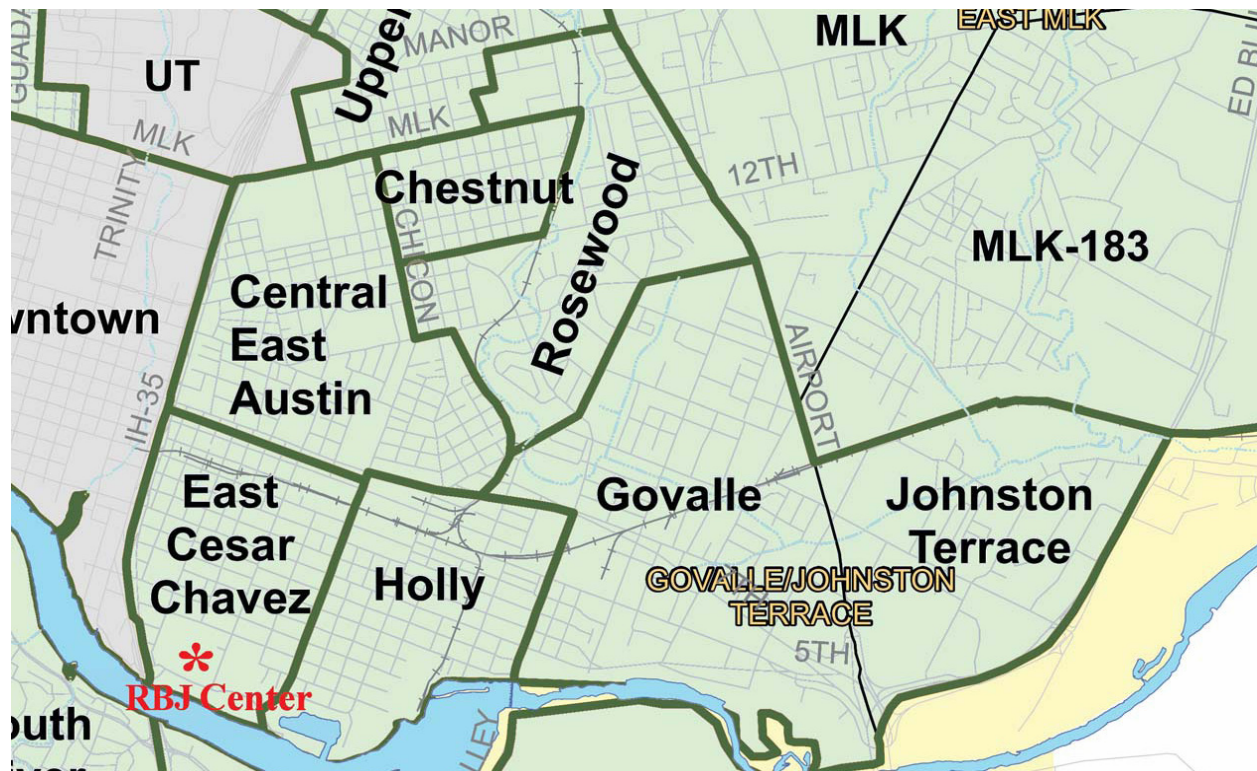
The City of Austin

As previously mentioned, the City of Austin owns both a 5-story office building and 6.7 acres of dedicated park land immediately adjacent to the RBJ Center. After we were selected to produce this report, but prior to the Board issuing a notice to proceed, the Austin City Council passed an ordinance directing the city staff to evaluate the City's potential participation in the project. This would be accomplished in partnership with the AGC Board of Directors and the community stakeholder group, to evaluate the future use of the city property and the potential to participate in the development of a master plan for the 26.8 contiguous acres.

The City's participation has been led by the City's Economic Growth and Redevelopment Services Office (EGRSO). EGRSO has been instrumental in coordinating discussions with the City's Legal Department, the City's Parks and Recreation Department (PARD), and Planning Development and Review Department (PDRD).

The Neighborhood Groups

The East Cesar Chavez neighborhood and its' surrounding neighborhoods are illustrated on the map below.



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The RBJ Center is within the **East Cesar Chavez Neighborhood**. This Neighborhood is located in the central-east part of Austin's Urban Core. The boundaries for the neighborhood are the alley between East 6th and East 7th Street on the north, Chicon Street on the east, Lady Bird Lake on the south and IH 35 on the west.

The Neighborhood has developed visions regarding the improvements that are most important to the residents. These important improvements include land use, zoning and neighborhood character, transportation and traffic, housing, environment and parks, economic development, crime and safety, health and human services, and education, arts and leisure. These visions will help to ensure that the development of the neighborhood will not only be economically and environmentally sustainable, but also compatible with the existing neighborhood and conducive to a blend of vibrant economic activity and quality of life.

The Neighborhood has established three goals that relate to **land use, zoning and neighborhood character**. The first goal is to provide zoning for a mix of business and residential land uses in the commercial corridors and selected other commercial areas. The second goal is to ensure the new structures and renovations are compatible with the existing neighborhood and to protect homes from incompatible business or industry. The final goal is to create and preserve physical features and activities to reinforce the neighborhood's cultural identity and history.

The Neighborhood has established four goals that relate to **transportation and traffic**. The first goal is to improve traffic safety on neighborhood streets. The second goal is to improve bicycle and pedestrian traffic safety on neighborhood streets. The third goal is to make better use of the Fourth – Fifth street rail corridor. The final goal is to improve and promote mass transit service in the neighborhood as an alternative to cars.

The Neighborhood has established two goals that relate to **housing**. The first goal is to establish a housing education outreach program with public and private organizations to preserve and rehabilitate existing housing. The second goal is to preserve and increase the number of homeowners in the neighborhood.

The Neighborhood has established four goals that relate to **environment and parks**. The first goal is to preserve and enhance neighborhood trees, green spaces, trails and gardens. The second goal is to preserve and enhance the existing parks and recreational facilities. The third goal is to reduce the amount of trash in the neighborhood. The final goal is to educate the neighbors about environmental issues such as recycling, composting and water conservation.

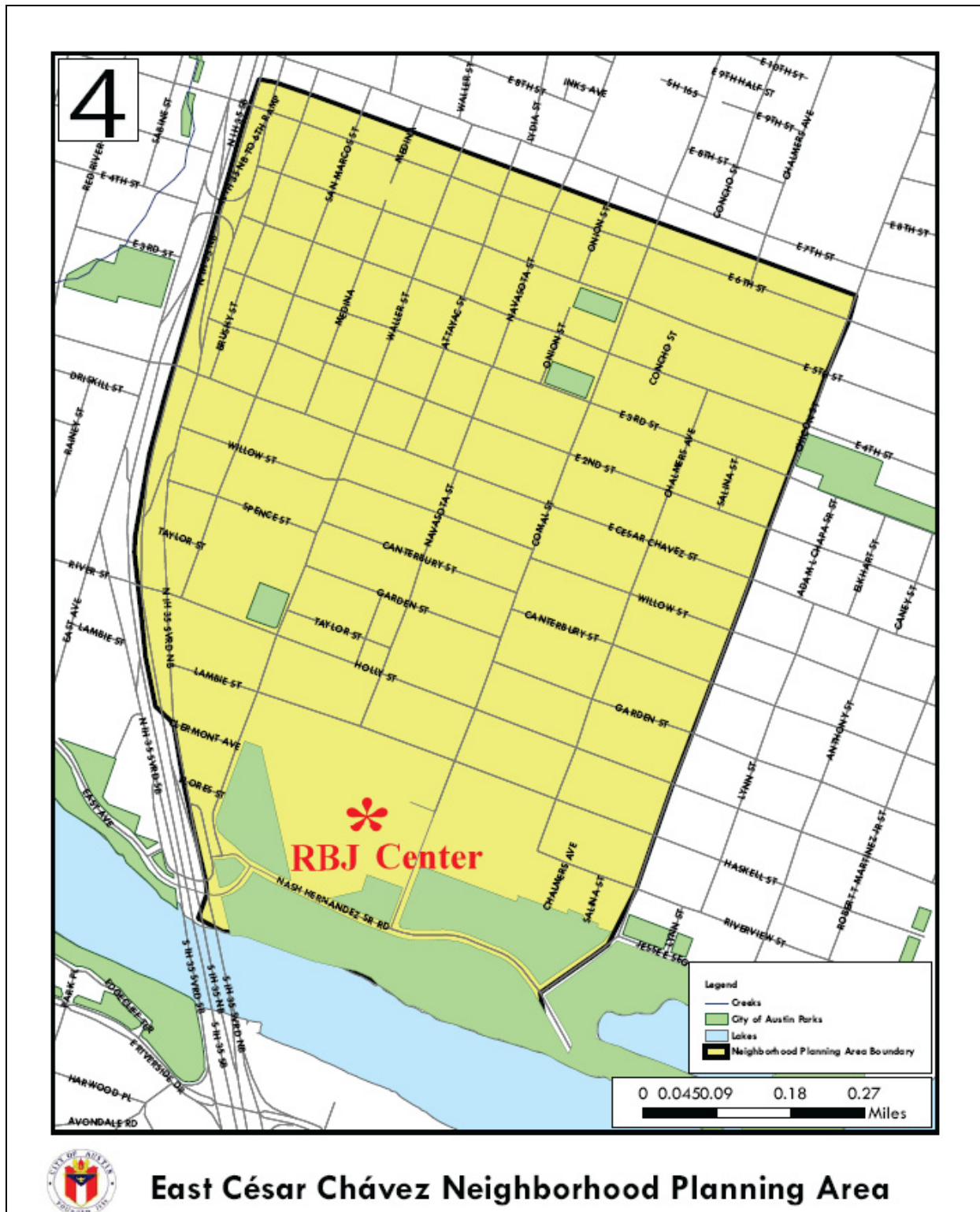
The Neighborhood has established one goal related to **economic development**. Their goal is to attract and develop businesses that serve essential neighborhood needs.

The Neighborhood has established one goal related to **crime and safety**. Their goal is to work with the Police Department to reduce crime, arson and violence in the neighborhood by increasing programs and activities.

The Neighborhood has established one goal related to **health and human services**. Their goal is to coordinate and promote health and human services programs in the neighborhood.

The Neighborhood has established two goals related to **education, arts and leisure**. The first goal is to work with schools and private sectors to provide quality, equitable and attainable educational opportunities for all youth and adults in the neighborhood. The second goal is to provide opportunities for cultural arts, recreation and leisure activities.

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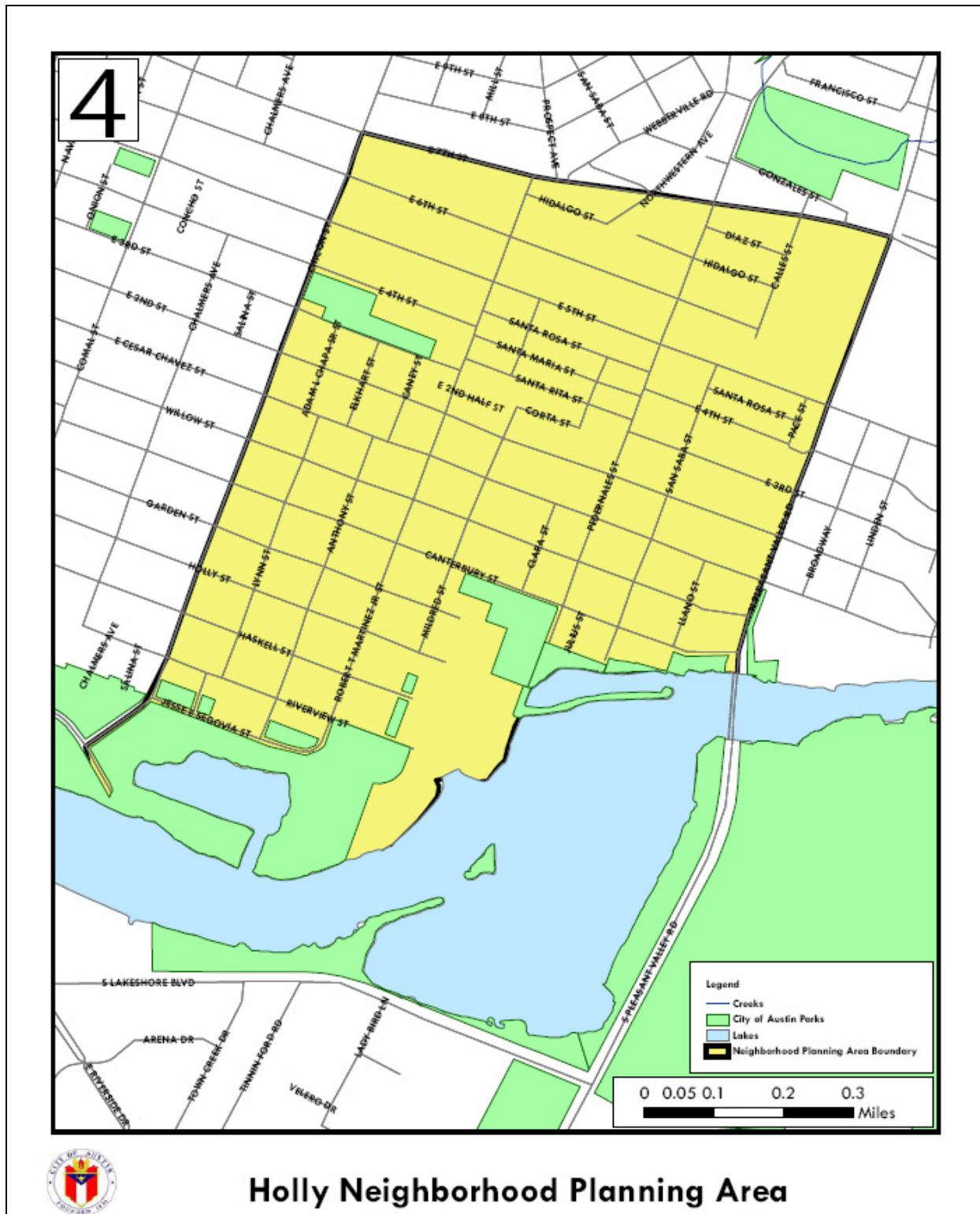
The **Holly Neighborhood** is located in the east-central part of Austin's Urban Core. It is the neighborhood immediately to the east of the RBJ Center's neighborhood. The boundaries are East 7th Street on the north, Pleasant Valley on the east, Lady Bird Lake on the south and Chicon on the west.

The Neighborhood has established three goals related to **land use**. The first goal is to promote a variety of housing options for a mixture of different incomes. The second goal is to encourage opportunities to address compatibility between different resident, commercial and industrial uses. The final goal is to increase enforcement and assistance for poorly maintained properties.

The Neighborhood has established five goals related to the **neighborhood character**. The first goal is to preserve the neighborhoods' historical and cultural character. The second goal is to maintain and enhance the existing parks and park-scapes. The third goal is to preserve the quality of the public space in the neighborhood. The fourth goal is to promote activity and connection within the neighborhood for all ages. The final goal is to increase enforcement of existing codes to maintain a safe, clean and enjoyable neighborhood.

The Neighborhood has established three goals related to **transportation**. The first goal is to ensure adequate pedestrian safety and access to major destinations such as schools, shopping centers and parks. The second goal is to ensure adequate transit connections throughout the neighborhood. The final goal is to maintain roadways and alleys for safe and efficient travel for pedestrians, cyclists, motorists and mass transit users.

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The **Central East Austin Neighborhood** is located in the south-central part of Austin's Urban Core. It is the neighborhood immediately to the north of the RBJ Center's neighborhood. The boundaries are Martin Luther King on the north, IH 35 on the west, the alley between East 6th and 7th Streets and East 7th Street on the south and Northwestern Avenue, Rosewood Avenue and Chicon Street on the East.

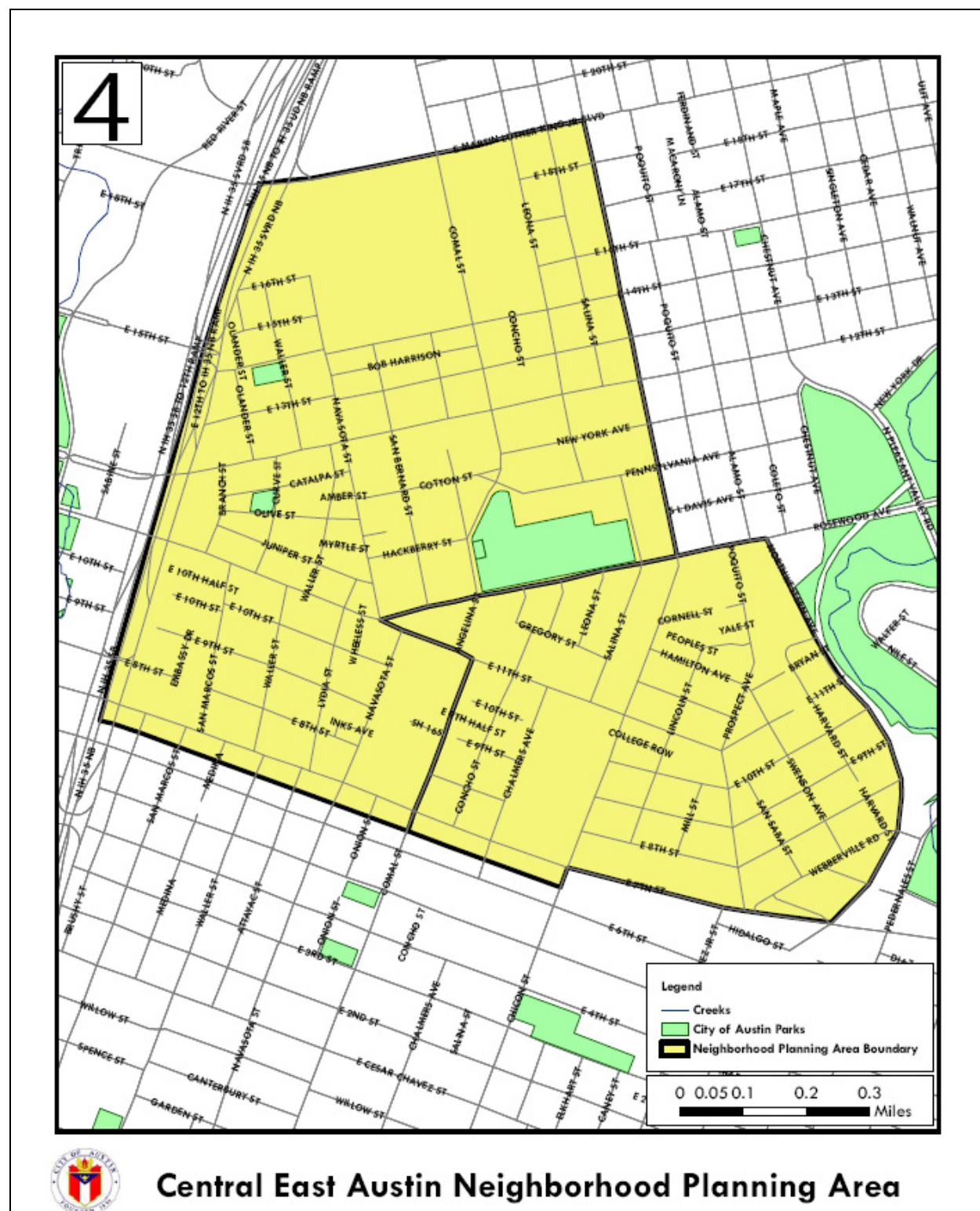
The Neighborhood has established four goals related to **land use and public infrastructure**. The first goal is to promote new development for a mix of uses that respects and enhances residential neighborhoods of Central East Austin. The second goal is to promote opportunities to leverage positive impacts and encourage compatibility from civic investments. The third goal is to create a safe and attractive neighborhood where daily needs can be met by walking, cycling, or mass transit. The final goal is to improve pedestrian, cyclist and mass transit access within Central East Austin and to the rest of Austin.

The Neighborhood has established three goals related to **urban design, neighborhood character and history**. The first goal is to respect the history, ethnic and cultural character of the neighborhoods. The second goal is to enhance and enliven the streetscape. The final goal is to ensure compatibility and encourage a complimentary relationship between adjacent land uses.

The Neighborhood has established one goal related to **historic preservation**. Their goal is to preserve, restore and recognize historic resources and other unique neighborhood features.

The Neighborhood has established one goal related to **housing**. Their goal is to create housing that is affordable, accessible and attractive to a diverse range of people.

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The **Rosewood Neighborhood** is located in the central-east part of Austin's Urban Core. This neighborhood is north of the RBJ Center's neighborhood and immediately north of the Central East Austin Neighborhood. The boundaries are Manor Road on the north, Airport Boulevard to Oak Spring Road on the east, Webberville Road on the south. The western boundary runs north along Northwestern to Rosewood to Chicon to 12th Street to New York Road to Martin Luther King Boulevard to Stafford to Rogers to Walnut.

The Neighborhood has established three goals related to **land use and transportation**. The first goal is to create a transportation network that will allow all residents to travel safely throughout the neighborhood. The second goal is to promote commercial uses that serve the needs of neighborhood residents. The final goal is to preserve and enhance the character of the neighborhood.

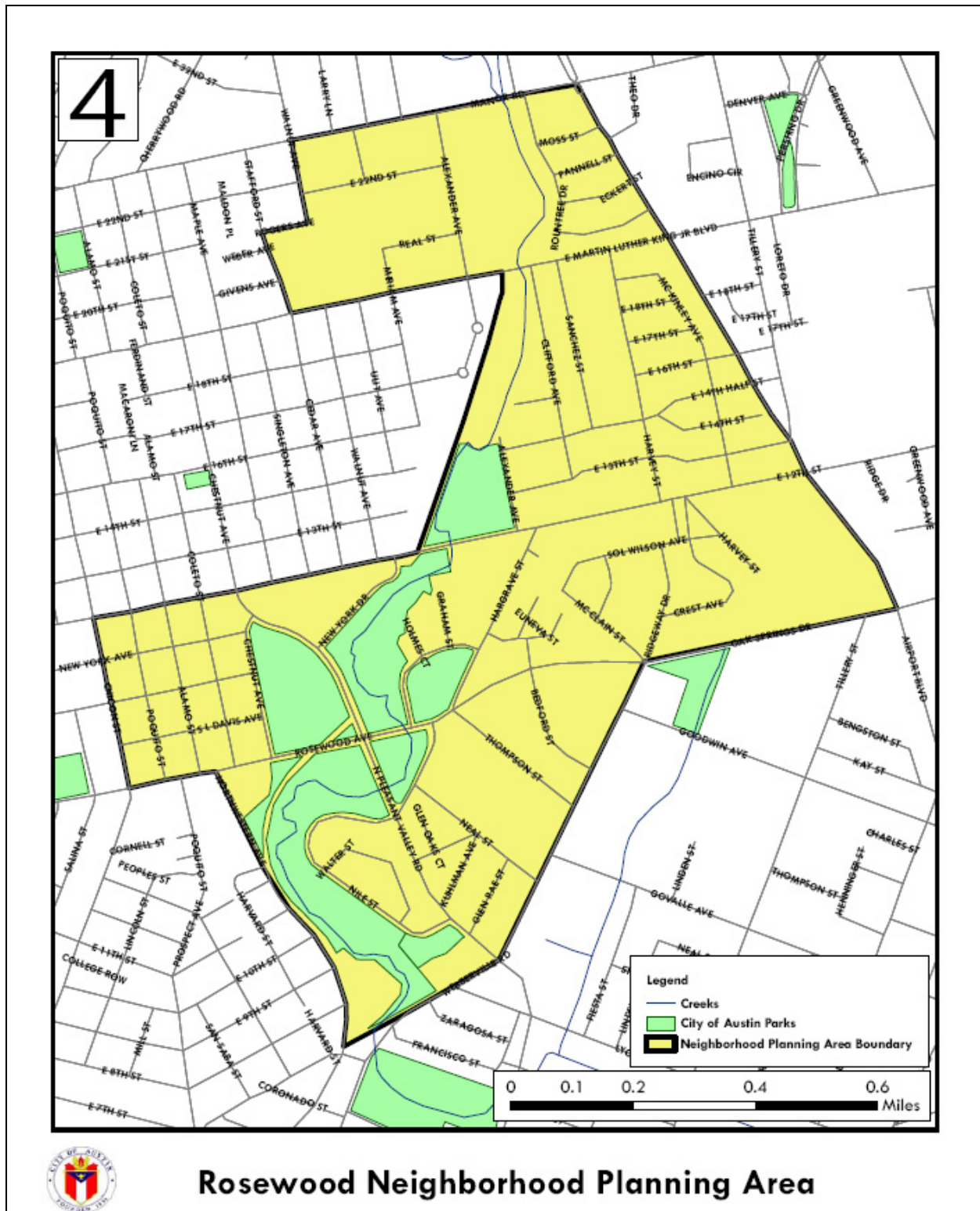
The Neighborhood has established two goals that relate to **housing and community life**. The first goal is to make the Rosewood Neighborhood a more attractive, cleaner and safer place to live. The second goal is to promote affordable housing options while reducing the number of vacant lots.

El Concilio

El Concilio is an Austin-based coalition formed for the purpose of protecting, serving and educating its barrios. The Neighborhood Associations that are represented by the coalition include the East Town Lake Citizens Neighborhood Association, Barrio Unido Association, Buena Vista Neighborhood Association, Pedernales Community Neighborhood Association and the Greater East Austin Neighborhood Association.

Researching these neighborhood associations provided sufficient information to identify them in this report as parties that should be considered as stakeholders in all future development planning. However these neighborhoods do not appear within the city of Austin's official neighborhood planning areas so specific neighborhood boundaries could not be verified.

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The **Govalle / Johnston Neighborhood** is located in the east-central part of Austin's Urban Core. It is east of the RBJ Center's neighborhood and immediately east of the Holly neighborhood. The boundaries are Oak Springs on the north, Airport Boulevard on the east, Lady Bird Lake on the south, Pleasant Valley to 7th Street to the northwest and Webberville on the west.

The Neighborhood has established four goals related to **land use**. The first goal is to make adjacent land uses compatible. The second goal is to preserve and protect current and future single-family neighborhoods. The third goal is to develop a balanced and varied pattern of land use. The final goal is to create and preserve a sense of "human scale" to the built environment of the neighborhood.

The Neighborhood has established four goals related to **historic preservation and urban design**. The first goal is to protect and preserve historic buildings and residential areas important to the neighborhood. The second goal is to develop ways to preserve the cultural assets of the neighborhood. The third goal is to encourage new structures, renovations and businesses to be compatible with the neighborhood. The final goal is to improve the appearance of neighborhood streets through the planting of trees, landscaping, sidewalk improvements, etc.

The Neighborhood has established two goals related to **transportation**. The first goal is to make the transportation network safe, accessible and attractive to pedestrians, cyclists and motorists. The second goal is to provide access to, from and through the neighborhood by providing a neighborhood-friendly system of transportation.

The Neighborhood has established four goals related to **housing**. The first goal is to maintain an affordable and stable housing stock. The second goal is to foster and protect existing neighborhoods. The third goal is to rehabilitate existing deteriorating housing stock. The final goal is to increase opportunities for people to live in close proximity to daily needs such as shopping and transportation.

The Neighborhood has established three goals relating to **services and infrastructure**. The first goal is to foster a genuine community of neighbors of every age and background. The second goal is to improve public safety. The final goal is to improve both public and private properties in the neighborhood.

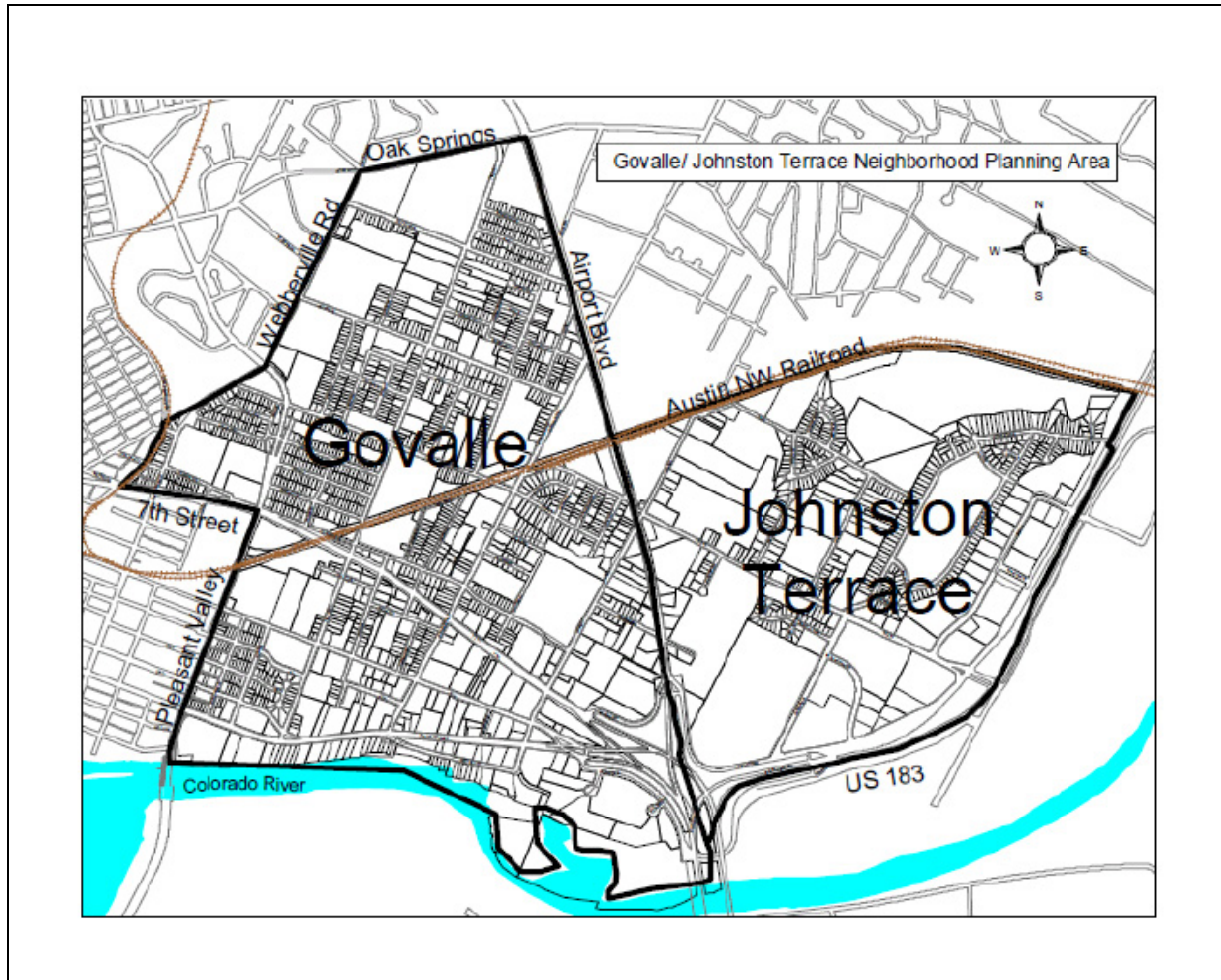
The Neighborhood has established one goal related to the **environment**. Their goal is to preserve, protect and improve the environmental quality of the neighborhood.

The Neighborhood has established four goals related to **parks, recreation and public facilities**. The first goal is to protect and enhance existing parks, recreational facilities and open spaces. The second goal is to ensure that parks are safe places that are welcoming to families. The third goal is to provide opportunities for cultural arts, recreation and leisure activities and services for all ages. The final goal is to design public facilities and open spaces that serve as community gathering places.

The Neighborhood has established two goals related to **economic development**. The first goal is to improve the business climate in the neighborhood. The second goal is to encourage the development of a diversity of neighborhood-oriented businesses and employment.

The Neighborhood has established three general goals. The first goal is to foster a genuine community of neighbors of every age and background. The second goal is to improve public safety. The final goal is to improve the appearance and condition of both public and private properties in the neighborhood.

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THE PROCESS

Beginning

The working assignments among team members were coordinated in accordance with each firm's proposal as represented in the team responsibility matrix shown in **Exhibit 5**. Our team's fee proposal to the AGC Board was the result of a unanimous agreement, by each team member firm, to cut original fees by 10% across the board.

At the onset of the assignment, a kickoff meeting was held on July 13, 2010 during which a milestone schedule was discussed and the guiding principles were reinforced. This kickoff meeting was internal with members of the board of directors and the residents.

Stakeholder groups were both the residents of the RBJ Center and the neighboring community. The visioning for the assignment necessarily included multiple meetings with both. In these meetings, we learned about the desires and concerns of both the residents and the neighborhood groups. Both groups were willing and active participants at each stage, and that process has built a relationship of trust and free information exchange.

Outreach

A detailed Outreach Plan (OP) was developed to assure adequate and appropriate communications for all stakeholder groups and team members. Community groups targeted for this project and process included, but was not limited to the following:

- Sanchez Elementary School
- Metz Elementary School
- Zavala Elementary School
- East Cesar Chavez Neighborhood Planning Team
- Barrio Unido Neighborhood Association
- Bueno Vista Neighborhood Association
- East Town Lake Citizens Neighborhood Organization
- El Concilio
- Pedernales Neighborhood Association
- *The Grapevine* Community Newsletter

In addition to media releases announcing the meetings, more than 2,000 fliers were distributed to schools, the community public library, neighborhood businesses, various neighborhood associations and interest groups, and *The Grapevine* Community Newsletter. Meetings were also announced / advertised via social media – Facebook and Twitter.

An early challenge was defining and explaining the process to the stakeholders. It was clear that many / most parties had never participated in a master planning process, and we worked to define the steps that would lead to the outcome of this first phase. It is understood that the culmination of this phase would not result in building design or construction.

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We met with the residents and the community groups in two separate rounds each. Both of these rounds were designed more toward learning about residents and community needs, and beginning to mesh those with the private development engine(s) to support the mission consistent with the five guiding principles.

The neighborhood meetings presented unique challenges for our team. Knowing there would be Spanish-only speaking attendees, there were translators. Upon learning of Chinese-only speaking residents at the first residents' meeting, Mandarin translations were provided at future meetings. In order to accommodate the working schedules of neighborhood representatives, several meeting times in the afternoon and evenings were scheduled. It seemed apparent that the stakeholders appreciated the opportunity to be heard, yet all were wondering about project details that are forthcoming in future stages. This required a re-visit of the overall program timeline for clarification of the purpose in this master planning process.

Following the initial round of meetings with the residents and community, a survey was created to assess the neighborhoods' interest of what they would like to see included on RBJ Center property, in relationship to what the residents' interests were. Approximately 125 surveys in English and a similar number in Spanish were delivered to eight locations around the community. In addition, surveys were delivered to Terrazas Public Library, the RBJ Center, *The Grapevine* Community Newsletter and various neighborhood organizations. The survey results showed community interests as follows, in priority order:

- Café / Cyber Café
- Grocery Store
- Park-Like / Green / Open Space
- Improved Pedestrian Access to Lady Bird Lake
- Tie between Medical / Dental Facility and Physical Fitness Facility

Demographic information for survey participants is as follows:

- 50% = Age 50+
- 78% = Female
- 70% = Caucasian
- 22% = Hispanic / Latino
- 5% = Asian / Native American
- 50% = Renters
- 34% = Annual Income \$25,001-\$50,000
- 34% = Annual Income \$75,001+
- 60% = Live Alone / 1 Other
- 50% = In Neighborhood 1-5 Years
- 25% = In Neighborhood 10+ Years

For more detailed information regarding the survey results, please refer to **Exhibit 6**.

The City of Austin

Early in the process, the Board asked us to consider the potential cost / benefit of participation by the City of Austin in the program. While this has added scope to the analysis, it does present interesting possibilities – all with a price.

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Considerations

As we moved through the SMP process, certain planning considerations were important enough to merit study as they impacted each potential option. These include, but are not limited to:

Program: Staying within the scope of the study and remaining true to the guiding principles

Economics: Remembering that the product is to create a model(s) that combines the mission of the Agency with sufficient private development opportunity to generate sustainability

Compatibility: With the neighborhood uses and desires, recognizing the need to form a partnership with the community and not remain an island in the city

Parkland: To the extent the City of Austin is involved, ramifications of parkland transfer begin to dominate the strategy. Exchange of parkland cannot be accomplished without a local election or legislative action. Both of these are expensive and time-consuming.

Regulatory and other Constraints: Such as traffic, parking, impervious cover, utilities, zoning, and other issues must necessarily be considered, if not resolved, in this process

An early success of our Team's efforts was the acceptance by the neighborhood groups of a greater height for new buildings than currently allowed. While the current standard permits 40 feet, our neighbors actually saw the wisdom in and advocated for 60 feet. This simple change was brought about by a collaborative process, including two of the neighborhood groups, and generated additional land value in excess of \$1 million.

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THE OPTIONS

All options include 500 Senior Units with a renovated 16-story tower.

In each of the options / plans below, there are some universal elements. These elements include the following:

- Safe, modern housing built / renovated to code for current and future residents – most may become locations for neighborhood based commercial activities
- Increased connectivity to the neighborhood while respecting resident's privacy and safety
- In most options / plans below, participation by the City of Austin would be limited to potentially partnering with an organization like the YMCA to create a recreation oriented facility built on city park land. NOTE: A-D work with or without this added feature
- Creation of Hatchery Park
- The old fish pond is converted into a fountain
- All have maximum 60% green space (40% impervious cover)

Additionally, the 5-story City-owned building could be in or out of B, or C, but this was only included as an option in D and E.

A brief description of each option / plan highlighting elements unique to it is below.

Option A: Surface parking only, no land sale

This option achieves most but not all of the AGC's stated objectives. The only objective that cannot be achieved with this plan is the addition of other affordable / mixed income housing.

This option has the highest net cost and provides the smallest opportunity for revenue generation. This is in large part due to the plan's response to parking demand for the residents, staff and visitors. All parking spaces in this plan option are surface parking. While multi-level parking structures provide the benefit of parking multiple times the number of cars on any given land area, they are far more expensive to build.

Surface parking spaces are also provided for patrons of the commercial tenants who are planned to occupy the ground floor of the new 5-story buildings, and possibly the ground floor of the renovated 16-story tower. The rents that could be generated from the lease of these ground floor commercial spaces are the only opportunity for supplemental income in this plan option. All other revenue needed to pay mortgage debt, operating and maintenance costs, and build capital reserves would need to be provided by rental income from the residential units and other charitable sources willing to subsidize the RBJ Center.

Briefly stated, the attributes of Option A include:

- RBJ uses all of its land to accomplish its goals
- 500 Affordable units
- 2-Story row houses on Haskell Street, and immediately to the south
- Other buildings are 5-story (height is 60' or less)
- All surface parking
- 20,000 SF of commercial usage – half of which will likely be an expanded health clinic (dental plus other medical care)

The following is a 3D rendering of Option A:



View from the North

Option A is more fully detailed in **Exhibit 7**, which contains a plan view, a spreadsheet containing summary data, aerial images from North-South-East-West and a phasing plan.

Option B: Land sale, some market rate housing with structured parking for market rate only

By building 3-story garden apartment buildings immediately behind the new town home style units directly on Haskell Street, it is possible to increase the density of affordably housed seniors on that piece of the overall property, which frees some land for possible sale. That land would have the highest and best use as market rate residential housing (possibly with ground floor commercial). However, the land could also be sold to an affordable housing developer who may be able to pay close to market value for the land depending on that developer's business model.

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Option B is more fully detailed in **Exhibit 8**, which contains a plan view, a spreadsheet containing summary data, aerial images from North-South-East-West and a phasing plan.

Option C: Larger land sale, structured parking for both market rate and senior housing

Option B above introduced the concept of creating greater density in the affordable senior residential units in order to generate land sales. Option C expands that idea by introducing the concept of building structured parking into one of the new 5-story affordable senior housing buildings. This increased density yields additional land for sale. The revenue from the sale would be necessary to pay the incrementally increased costs of structured parking for the senior housing.

It is noteworthy that since this option generates more land available for sale, it creates more opportunity for greater diversity in the non-senior buildings. Some of the land could be sold to an affordable housing developer and some could be sold to a market rate developer. This Option recaptures the ground floor commercial square footage present in Option A but missing from Option B. This is because both the affordable senior building featuring structured parking, and the 5-story building with structured parking to be built on the sold land, have commercial space on the ground floor.

Only half of the total commercial space will be owned by the AGC, and therefore the AGC can only expect rental income from 25,000 of the 50,000 SF; but the larger community will benefit from the greater supply of space for commercial uses.

Briefly stated, the attributes of Option C include:

- RBJ builds even more densely (compared to Option B) on most of its land by building structured parking in order to sell 8.8 acres to generate revenue
- 500 affordable senior units
- 2-Story row houses on Haskell Street
- 25,000 SF of commercial usage – 10,000 of which will most likely be an expanded health clinic (dental plus other medical care). Main new building is 5-story with structured parking
- 8.8 Acre site will be developed by others as mixed use, with 25,000 SF of commercial, and up to 340 residential units all with structured parking, which could be affordable / work force residential units

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It should be further noted that the financial model related to Option D is neutral on the economics of this transaction, since no there have been no negotiations with the City.

The following is a 3D rendering of Option D:



View from the South

Option D is more fully detailed in **Exhibit 10**, which contains a plan view, a spreadsheet containing summary data, aerial images from North-South-East-West, and a phasing plan.

Option E: Increased City participation: Parkland swap

This option is the only one in which the City participation includes the re-purposing of current City parkland. This option responds to the idea of a swap of land in which the City gives 5.2 acres of currently under-programmed parkland, and gets in exchange, 7.5 acres of parkland that would be improved, programmed, and maintained by someone other than the City. This gives the City more, improved parkland at no cost, arguably less cost because the City is spending limited dollars on the parkland now.

This Option also responds to the community's expressed fondness of the community garden, in that it relocates it from the edge of IH 35 (where commercial development is more appropriate) to Haskell Street in the community, and connects the Community Garden to Hatchery Park, and opens its use to the community at large. Repurposing the land closest to IH 35 for commercial and high density residential use, creates a strong visual gateway approaching from the south, and begins to connect rather than divide east and west Austin.

There is a significant obstacle to this plan: re-purposing City parkland for any reason will require an election or Legislative action. Either option would be time-consuming and costly (likely in excess of \$250K).

RBJ Center Strategic Master Plan Report



View from the West (IH 35 Corridor)

Option E is more fully detailed in **Exhibit 11**, which contains a plan view, a spreadsheet containing summary data, aerial images from North-South-East-West and a phasing plan.

Triangle Comparison

Readers of this report may have limited experience in the field of real estate development and may have difficulty envisioning the scale of the options relying solely on the graphics provided. In order to put the projects scope and scale into a relatable context, we have provided a comparison to the well known, recently developed project known as The Triangle.

The Triangle is located between Lamar Boulevard and Guadalupe Street, just north of 45th Street in Austin. Built in 2008, this pedestrian oriented community features 679 residential units on a 22 acre mixed use community with over 120,000 SF of retail, commercial and restaurant establishments. The total number of parking spaces is estimated to be 1,300.

The following table compares theses various project elements to those same elements contemplated in each of the RBJ Center Options.

	Triangle	A	B	C	D	E
Acreage	22.0	17.8	17.8	17.8	20.1	19.2
Residential Units	679	500	675	840	891	989
Commercial Square Footage	125,000	20,000	45,000	50,000	65,000	65,000
Parking Spaces	1,300 (estimate)	592	785	1,046	1,116	1,382

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Conceptual Estimates

For each of the five options, we undertook a detailed study of the hard and soft costs associated with each option. Infrastructure and building cost models were based upon local conditions and typical construction practices. The construction costs were generated from internal databases, and then measured against average pricing of eight local contractors. To ensure statistical accuracy, our methodology dictated elimination of the high and low numbers.

The estimate summaries for the various options are found in **Exhibit 12**.

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COMPARABLE ATTRIBUTES

We have distilled the above comparison of Options into the attributes considered most important from the unique perspectives of those who will be affected by the project. The attribute comparisons associated with the residents and the neighborhood were presented and validated by those groups during the final public information sessions held on September 13, 2011.

In each case, we ranked the options from best to worst. There is always at least one best option. In many cases, certain options were considered to be equal. This led to a scoring system where there was always at least one option with the best possible score of one (1). This scoring system produces a “low score wins” result.

The remaining quantitative comparisons of the options are addressed in the cost estimates and corresponding financial / cash flow models found in a report delivered under separate cover to the AGC Board.

<u>Qualitative</u>	Option A	Option B	Option C	Option D	Option E
Resident Perspective					
Access to parking	2	2	1	1	1
Access to health / comm. serv.	4	3	2	1	1
Continued sense of community	2	2	1	1	1
Neighborhood Perspective					
Potential Traffic Impacts Limited	1	2	3	3	2
Improved Open Spaces	2	2	2	2	1
Potential Property Value Impact	2	2	2	2	1
Partner Perspective					
Direct Financial Support	4	2	1	2	3
Partnering Opps. (YMCA etc.)	1	1	1	1	1
Ease of City collaboration	1	1	1	2	3
AGC Internal Perspective					
Lack of Complexity	1	2	3	4	5
Ease of plan phasing	1	1	1	2	2
Risk of infrastructure invest.	1	2	3	3	4
Total Qualitative	22	22	21	24	25
Best among all options					
Worst among all options					

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FINANCING TOOLS FOR AFFORDABLE HOUSING

What follows is a comparison of some of the governmental incentive affordable housing strategies that could be pursued in the development of the newly constructed housing portion of the options.

There are two types of Housing Tax Credits – the 9% credit which State housing finance agencies make available on a competitive basis and the 4% credit which States couple with attractive bond financing and make available on a first come / first served basis.

For the RBJ Center, we propose utilizing the 4% credit with private activity bonds due to the following:

- the development has a much higher likelihood of getting financing, and
- because the 9% Tax Credit programs restricts size to 200 affordable units, whereas the 4% program allows up to 252 affordable units. The latter is critical to meeting our goal of doubling the population served.

(Should the AGC decide to develop a smaller replacement project, we can look at the probability of getting an award under the 9% program.)

To participate in the program, an applicant must get the bonds issued by a local issuer, such as the Austin Housing Finance Agency or the Texas Department of Housing and Community Affairs (TDHCA). Regardless of the Issuer, the Housing Tax Credits can only be awarded by TDHCA. The bonds generally carry attractive interest rates. The Housing Tax Credits are allocated to the applicant and then the applicant sells 99.99% of these to an investor who is in need of tax credits to offset tax liability. The applicant can be a non-profit or for-profit, but the ownership structure needs to be a limited partnership or a limited liability company so the actual tax credits can flow down to the investment partner. The applicant becomes the Managing General Partner of the ownership entity and with its small percentage of ownership, retains day-to-day control over the Development. The Managing General Partner will be compensated through the receipt of a majority of the annual cash flow.

It is important to note that in creating the limited partnership or limited company ownership structure, the individual project becomes subject to real estate taxes. That expense has been accounted for in the following financial modeling. It is also noteworthy that since property valuation is calculated on a net operating income basis, the property taxes paid will be lower than if the project was a market rate housing development.

The 4% credit is a ten year credit, but the investor purchases the credit over the first couple of years of the credit period with generally 40% of the equity coming in at the start of construction, 40% during construction and the remainder when the project is successfully completed and qualifies for tax credits. The project compliance period is generally 30 to 40 years.

The financial analysis and corresponding cash flow forecasts that follow are based on a rental income model where 50% of the RBJ Center's future 500 residences are available to tenants at the 30% AMI level. The remainder of the units are distributed 12% to 50% AMI and 38% to 60% AMI. It bears mentioning that increasing seniors with incomes at 60% AMI v. 30% AMI will improve the model performance.

For example: By converting each 30% AMI resident to 60% AMI, there is an additional \$4,296 in net operating income (NOI) and \$68,934 in additional available debt.

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Assumption for Option A

Financing assumptions are the 4% Housing Tax Credit and Private Activity Bonds. Begin with the total building cost of the new residential units, less the non-qualifying A2 – 4 level residential building with ground floor commercial space, for a total of 247 units.

The tax credit equity calculation is as follows:

Tax Credit Calculation - Option A: 247 Qualifying Units

Total Building Cost:	\$31,812,092	New less A2 - 4 level Housing & GF Comm x 1.2
Factor	85%	
Eligible Basis (Est):	\$27,040,278	
High Cost Factor (QCT):	130%	
Eligible Basis:	\$35,152,361	
4% Credit Rate:	0.035	
Annual Tax Credits:	\$1,230,333	
Factor	10	
Ten year Credits:	\$12,303,327	
Price Paid per credit:	\$0.88	
Tax Credit Equity Raised:	\$10,826,927	

The tax credit equity is not going to change based on the rental levels of the units; it is affected only by total development costs. The amount of debt that can be generated through rental income will vary greatly depending on the rent levels for the qualifying units (Q).

The calculation for available debt is as follows:

	Option A			
	Total	New (Q)	New (NQ)	Tower
Units	500	247	29	224
Income	\$3,659,640	\$1,807,862	\$212,259	\$1,639,519
Expenses	\$1,906,857	\$941,987	\$110,598	\$854,272
N.O.I.	\$1,752,783	\$865,875	\$101,661	\$785,247
Debt Coverage		1.2		1.2
Payment		\$721,562		\$654,372
Term		40		40
Interest Rate		5.50%		5.50%
Present Value = Bond Proceeds		\$11,582,837		\$11,268,781

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The net result for the 247 new residential units in Option A is a gap to be filled with fundraising and conventional debt (Grayco, HUD reserves, and land sales are factored in the model)

Total Building Cost:	\$31,812,092	New less A2 - 4 level Housing & GF Comm x 1.2
Tax Credit Equity Raised:	\$10,826,927	
Debt Available	\$11,582,837	
Gap	\$9,402,328	Fundraising & debt

Assumption for Option B

A similar comparison is available for Option B – again using 4% Housing Tax Credit and Private Activity Bonds.

Tax Credit Calculation - Option B: 226 Qualifying Units

Total Building Cost:	\$28,129,055	New less A2 - 4 level Housing & GF Comm x 1.2
Factor	85%	
Eligible Basis (Est):	\$23,909,697	
High Cost Factor (QCT):	130%	
Eligible Basis:	\$31,082,606	
4% Credit Rate:	0.035	
Annual Tax Credits:	\$1,087,891	
Factor	10	
Ten year Credits:	\$10,878,912	
Price Paid per credit:	\$0.88	
Tax Credit Equity Raised:	\$9,573,443	

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Again, the equity is not going to change based on the rental levels of the units; it is affected only by development costs. The amount of debt that can be generated through rental income will vary greatly depending on the rent levels for the qualifying units (Q).

	Option B			
	Total	New (Q)	New (NQ)	Tower
Units	500	226	50	224
Income	\$3,659,640	\$1,654,157	\$365,964	\$1,639,519
Expenses	\$1,906,857	\$861,899	\$190,686	\$854,272
N.O.I.	\$1,752,783	\$792,258	\$175,278	\$785,247
Debt Coverage		1.2		1.2
Payment		\$660,215		\$654,372
Term		40		40
Interest Rate		5.50%		5.50%
Present Value = Bond Proceeds		\$10,598,456		\$11,268,781

The net result for the 226 new residential units in Option B is a gap to be filled with fundraising and conventional debt (Grayco, HUD reserves, and land sales are factored in the model)

Total Building Cost:	\$28,129,055	New less A2 - 4 level Housing & GF Comm x 1.2
Tax Credit Equity Raised:	\$9,573,443	
Debt Available	\$10,598,456	
Gap Financing Required	\$7,957,156	Fundraising & debt

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Assumption for Options C, D and E:

Similar Comparisons are available for Options C, D and E. All of these Options include the same newly constructed affordable senior housing facilities therefore one series of calculations accounts for all three of the Options. Financing would be with the 4% Housing Tax Credit and Private Activity Bonds.

Tax Credit Calculation - Option C, D, E: 238 Qualifying Units

Total Building Cost:	\$31,527,457	New less A2 - 4 level Housing & GF Comm x 1.2
Factor	85%	
Eligible Basis (Est):	\$26,798,339	
High Cost Factor (QCT):	130%	
Eligible Basis:	\$34,837,841	
4% Credit Rate:	0.035	
Annual Tax Credits:	\$1,219,324	
Factor	10	
Ten year Credits:	\$12,193,244	
Price Paid per credit:	\$0.88	
Tax Credit Equity Raised:	\$10,730,055	

Again, the equity is not going to change based on the rental levels of the units; it is affected only by development costs. The amount of debt that can be generated through rental income will vary greatly depending on the rent levels for the qualifying units (Q).

	Option C, D & E			
	Total	New (Q)	New (NQ)	Tower
Units	500	238	38	224
Income	\$3,659,640	\$1,741,989	\$278,133	\$1,639,519
Expenses	\$1,906,857	\$907,664	\$144,921	\$854,272
N.O.I.	\$1,752,783	\$834,325	\$133,212	\$785,247
Debt Coverage		1.2		1.2
Payment		\$695,271		\$654,372
Term		40		40
Interest Rate		5.50%		5.50%
Present Value = Bond Proceeds		\$11,160,968		\$11,268,781

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The net result for the 238 new residential units in Option C, D, or E is a gap to be filled with fundraising and conventional debt (Grayco, HUD reserves, and land sales are factored in the model)

Total Building Cost:	\$31,527,457	New less A2 - 4 level Housing & GF Comm x 1.2
Tax Credit Equity Raised:	\$10,730,055	
Debt Available	\$11,160,968	
Gap Financing Required	\$9,636,435	Fundraising & debt

Assumption for Option B using 9% Housing Tax Credits

It would be challenging, but not impossible, to use the competitive 9% Housing Tax Credit program. While this financing tool yields the best results for affordable housing, the program regulations limit the number of affordable units in a single allocation to 200 and the maximum request of credits for a single project to \$2 million. The program allocation is divided among the various regions of the state and the urban allocation for Austin is typically \$1.9 million.

Currently, there are 180 residents with incomes of less than 30% Area Median Income and RBJ has 100 Section 8 rental assistance vouchers to be used for these very low income residents. Under the Housing Tax Credit program, the issuer of the voucher (HUD / PHA, etc.) is allowed to pay the owner (RBJ) the full 60% Housing Tax Credit Rent and the resident pays only its 30 percent share. This assumption was made in developing projections for this scenario. Further, it was assumed that RBJ would have to discontinue filling vacancies at the time new construction begins to reduce occupancy to 199. It was assumed that through attrition, the 199 unit prototype would be able to serve 170 persons at the 30% AMI level. This would include the inclusion of deeply skewed rents to serve 70 residents at 30% AMI rents (\$360) and that 100 residents served by Section 8 vouchers would reside in one bedroom units with 60% rents (\$715). It was further assumed that 20 residents would reside in one bedroom 50% AMI units (\$640) and 9 would reside in 2 bedroom 60% AMI units with \$922 rents. This is all for illustrative purposes and does not presuppose that this would be the final unit and / or income mix.

To serve the **existing tenant base**, provided Section 8 rental assistance remains available for 100 of the residents, rental income of \$1,300,000 will amortize **\$4,400,000** in debt at an 8.25% interest rate. This is on the "high" side for today's tax credit properties, but it is speculated that we will see higher rates next year.

If RBJ were NOT attempting to serve the current population, but were electing a **typical rent targeting option** that would result in a high scoring application, RBJ would elect to have 10% of the units at 30% AMI, 40% at 50% AMI and 50% at 60% AMI rents. In this case, rental income of \$1,750,000 would generate a mortgage of **\$6,325,000**. (The deep targeting approach of RBJ through serving the existing base also qualifies it for a high score in rent targeting.)

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Adding land costs would increase the gap in the existing base model and would decrease the surplus in the typical base model. TDHCA underwriting review would ensure that such a surplus gap would not actually happen.

The same governmental incentive affordable housing strategies would then be available for the renovation of the Tower. The relative success of the tax credit and private equity bond financing associated with the new construction project may affect how quickly the Tower could be renovated. Also, the farther into the future the renovation is scheduled; the greater the chance that the \$0.88 price paid for tax credits will change although for the better or for the worse can not be predicted.

The cash flow forecasting presented in this report is based on the assumption that the Tower renovation project begins as soon as the newly constructed buildings are completed and the existing tenants vacate the Tower. It is further assumed that there will be \$2,000,000 in tax credit equity available for the Tower renovation and that \$11,268,781 of private equity bond financing could be supported by the Tower's net rental income of \$785,247.

Phasing

The overall RBJ Center Program will necessarily require phasing. This is primarily a technical constraint that is common to all of the five options. The phases are:

1. Infrastructure: limited site grading, site utilities, streets and streetscapes
2. New Senior Housing: either in the form of individual smaller buildings (Options A & B) or in a larger wrap product (Options C, D, & E)
3. Tower Renovation: relocating seniors to the new housing in order to renovate the tower

Key to the phasing is the assumption of timely access to necessary funding sources. The Grayco money and HUD reserves are relatively accessible. The land sales would logically occur near the end of the entitlement phase. Each of the options is dependent upon Capital Campaign proceeds, bonds proceeds and debt. The success of the Capital Campaign and receipt of bond proceeds will delay the need for debt.

Quality of Life

The diversity of residents at the RBJ Center makes the living environment inviting, but at the same time, challenging. To address quality of life issues for disabled younger adults, as well as low income seniors, systems must be in place to offer efficient and sustainable services in close proximity. Transportation, housing, mobility within the center, safety, education and health are some of the systems that make the center an ideal place to live.

According to Ryan Robinson, City of Austin demographer, the East Cesar Chavez neighborhood has experienced drastic changes over the past 20 years. The 1990 Census showed a total population of 3,763 residents with the following ethnic demographics:

- 4.4 % African American
- 11.7 % Anglo
- 83.1% Hispanic / Latino

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The 2000 Census showed a total population of 3,790 residents with the following ethnic demographics:

- 6.1% African American
- 14.2 % Anglo
- 78% Hispanic / Latino¹

The preliminary demographics of the 2010 Census shows a total population of 3,291 residents with the following:

- 7.6% African American
- 30.6% Anglo
- 58.9% Hispanic / Latino²

These demographics represent the changing faces of the neighborhood, in which the RBJ Center is located; with the Anglo population more than doubling from the 2000 to 2010. Although the Hispanic population has decreased in recent years, the neighborhood remains a primarily Hispanic community.

With respect to age groups, the previous documents demonstrate a neighborhood with less children and senior citizens. The age group of 18 to 54 has been increasing, creating a community of working adults. Lori Renteria, a community activist and a charter participant of the East Cesar Chavez Neighborhood Planning Group, noted that many families have been living in the area for generations and that she would like to offer avenues for senior citizens to stay close and connected to the neighborhood and their families / friends. A large senior citizen population is concentrated in the RBJ Building, which contains more than 250 units.

East Austin has deep roots in Hispanic culture. Family values, celebrations and rituals are important. The community frequently gathers to celebrate events like Día de los Muertos, Virgin de Guadalupe day and the East Austin Studio Tour. These are opportunities to mingle with other neighbors and friends. Close to IH 35 on River Street, the Emma S. Barrientos Mexican American Cultural Center organizes countless events targeting the community, including movie nights, live music, art shows and community classes. The Mexican American Cultural Center is approximately a half mile from the RBJ Center.

Plaza Saltillo, a MetroRail Transit Oriented Development, is another location where people gather to host a wide range of events, including media conferences and parades. Plaza Saltillo is approximately 1 1/2 miles from the RBJ Center.

A variety of new and long-established businesses serve the East Cesar Chavez neighborhood residents and visitors, including restaurants, laundry services, flower shops and hair salons. The area also offers professional services like engineering and architectural firms, film production companies, attorneys and real estate services, just to name a few. During the outreach process, RBJ residents expressed the desire to have pet grooming and veterinary services, child care facilities, multi-media library, physical and massage therapy, a pharmacy, medical and dental facilities, grocery store, community gardens and a fitness center. The Options for RBJ site development show a variety of opportunities to create additional commercial space that would address most of the needs of the residents, including medical facilities, professional services and entertainment venues. The local businesses, combined with the opportunity to develop other entrepreneurial opportunities on the RBJ site, would increase the walkability of the neighborhood creating a friendlier environment for residents and the surrounding neighborhood community.

¹ 1990 and 2000 comparison of Neighborhood Planning Area Demographics

² 2010 Census

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Safety is of great concern for both RBJ and the surrounding neighborhood residents. Criminal activities like trespassing, graffiti marking / painting and theft are common in the area. Austin Police Department's Sergeant Spillers explained that the greatest challenges in the area are the homeless population and people taking advantage of the homeless, as well as other vulnerable adults. Creating businesses on the RBJ site would enhance the quality of life for RBJ residents and neighbors by increasing the ability to shop and acquire services without having to travel too far away from their homes.

Affordability is a key element in quality of life for RBJ Center residents. East Cesar Chavez residents are proud of their diverse neighborhood, and to maintain this level of diversity, it is necessary to maintain a large inventory of affordable housing, especially for low income seniors. The RBJ Center options propose different combinations of affordable and market rate housing. Each option has a slightly different configuration and number of units, and creates opportunities to have varying combinations of mixed-use designs. The RBJ Center options include green areas, parking (surface and structured), and beautiful views of Lady Bird Lake. All these amenities will enhance the quality of life of the RBJ residents, as well as the residents in immediate proximity to the property.

The quality of life of the residents in the East Cesar Chavez neighborhood and the RBJ Center are intertwined. The RBJ Center Project has the opportunity to become one of exemplary status, where neighborhood residents and disabled and senior citizens can coexist and thrive in an enhanced environment which meets the needs of all.

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FINANCIAL MODELS

As with any complex plan, there are a number of assumptions that must inform the process.

Rental Income Model

The rental income model includes a calculation of 30%, 50% and 60% AMI, and applies these factors over three AMI scenarios. Please refer to **Exhibit 13**.

- The first assumes one half of the units go to satisfy 30% AMI, with the remaining half being split over 50% and 60% AMI. This is a worst case scenario.
- The third assumes an even split between all three. This produces the best income model.
- We used a blended version (indicated in light blue), which produces a conservative 50 / 12 / 38% split.

It should be noted that none of the 500 units are figured at market rate; 60% AMI is the top rate. If the AGC elects to increase rents beyond these minimum levels or obtains a better subsidy, the economics improve dramatically.

Financial Model

The financial model is simply a collection of assumptions that in turn drive the cash flow model. This includes such items as:

- Land sales values
- Rental income rates
- O&M expenses
- Pre-development estimates
- Project statistics

A copy of this model is found in **Exhibit 14**. Since this model is directly linked to the cash flow model, any changes to the assumptions in this model will impact others accordingly.

Cash Flow Tables

Exhibit 15 contains the cash flow tables. The cash flow tables were established for each option using a 20 quarter (five year) study period, essentially beginning now. The assumption is that pre-development work begins immediately, and completion on the various options ranges from 14 quarters (42 months) to 18 quarters (54 months). This difference is obviously one full year.

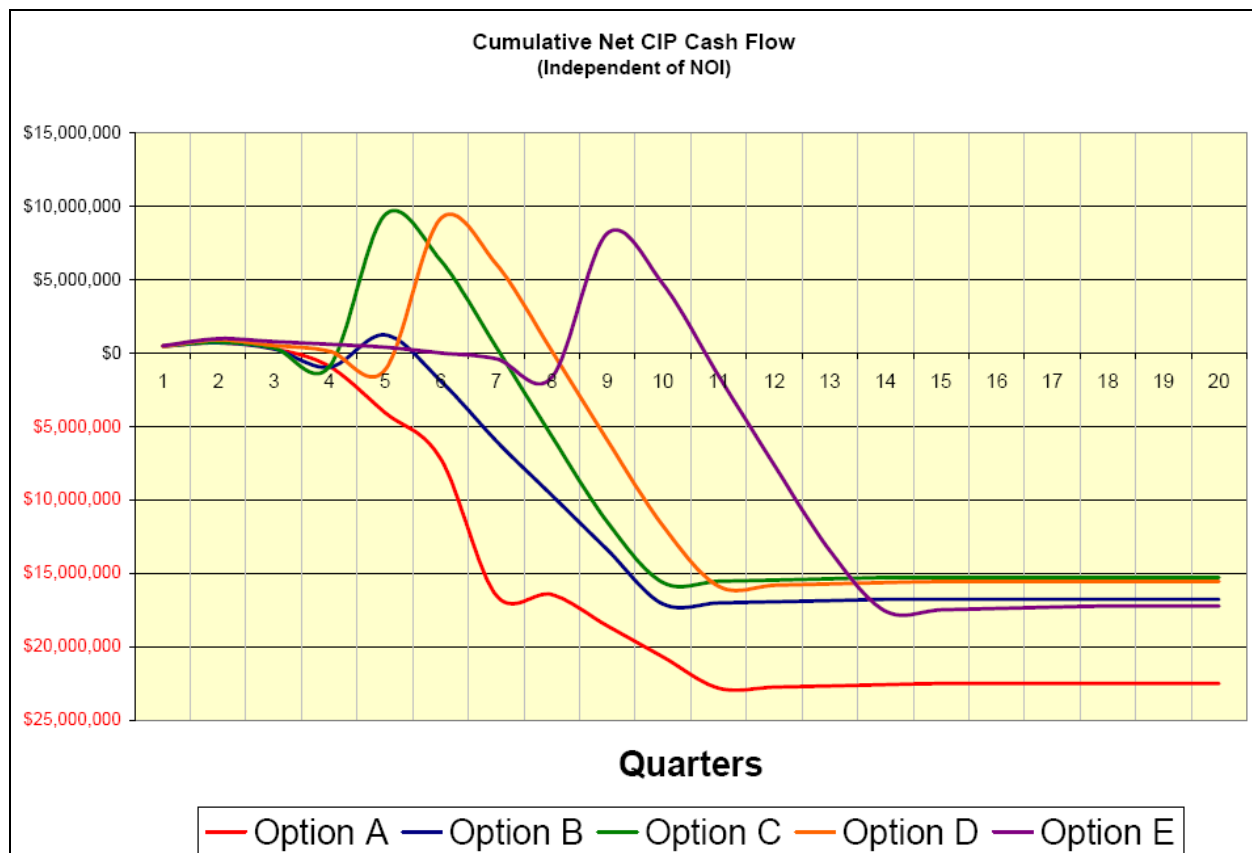
The cash flow tables separate the capitalized project costs from the ongoing rental income and expense. The chart below shows the relative impact of immediate cash flow (without Capital Campaign proceeds, bonds proceeds, and debt) on each Option. There was no attempt to include a cost escalation factor in any of the models. The national rolling 12 month average indicates a 2.7% increase, but the local market has been less volatile due to a surplus of labor.

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Similarly, there is no debt figured into these models; the debt load will be dependent upon the net result of capital campaigns, grants, public bond money, etc. Each model would be impacted similarly relative to other options, so this is not critical for the purpose of choosing the best option.

The income study assumes no return can be counted until the HUD mortgage is paid off in 2013.

The figure below indicates the relative point at which the AGC would need supplemental funds (Capital Campaign proceeds, bonds proceeds, and debt) after funds from Grayco, HUD reserves, land sales and tax credits are exhausted. Not surprisingly, the longest schedule (Option E) defers cash requirements the longest.



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CONCLUSION

It is important for the reader to recognize the context and intent of this document. As a Strategic Master Planner, it is our intent to provide guidance to the Client without establishing a needlessly rigid set of rules. This is a living document, and should be treated accordingly.

The conclusions reached herein by the Team are based on current conditions. We have attempted to reasonably forecast certain variables such as demographics, but other factors (that may indeed change) are treated as constants. These may include local ordinances, micro and macroeconomic shifts, etc.

The next logical step in this process involves the AGC (with our assistance) acting as a Master Developer for the purpose of pursuing entitlements, subdivision, etc. This method will yield the greatest economic benefit by paying for the assistance on a fee basis, and appropriately positions the AGC for grant funding and other means of support.

Options for Entitlements

For a tract of this size and profile, with the complex land use restrictions, there are a number of mechanisms and processes available for amending land use restrictions that may impact the objectives of the Austin Geriatric Center. These include, at most basic, a rezoning case, a neighborhood plan amendment and various waiver, modification and variance requests.

The most comprehensive mechanism, which allows for the consideration of all necessary land use changes in one process, is a Planned Unit Development (PUD). PUD is a zoning district that allows an applicant to propose use and site development regulations to be applicable to a site, including waivers and modification of Code. While the PUD process is complex, it allows for all issues to be addressed concurrently, in one procedural vehicle. Certain restrictions, such as Compatibility and those applicable by the Waterfront Overlay, may only be modified by the PUD process.

The PUD process (Section 25-2; Division 5) begins with a Pre-Application Filing, and a Project Assessment Report on the PUD by the Director of the Neighborhood Planning and Zoning Department. The Director forwards the Report to Council, and Council makes comments to be addressed during subsequent consideration of the PUD. The PUD is considered by the Land Use Commission, as well as other boards and commission as a courtesy presentation (Design, Downtown, PARD, Environmental). The proposed terms of the PUD are considered in light of 15 "Tier One" Requirements, which are minimum standards, and 13 "Tier Two" Requirements, which are discretionary. The PUD then comes back to Council for final approval, although a supermajority vote is required for approval if the PUD receives a negative recommendation from the land use commission.

It should be noted that, even with a PUD, any land use change that deviates from the Neighborhood Plan Ordinance or Future Land Use Map would require a Neighborhood Plan Amendment, which is a separate process that may run concurrently with the PUD process.

Allowing the Use of the RBJ Tract to Generate Income

Another option that may be available to the Austin Geriatric Center would be to sell or lease a portion or portions of the current 17.77-acre tract.

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The sale or lease of a portion of the tract may, depending upon the form of the conveyance, impact the site development regulations applicable to the balance (remainder) of the tract. For example, the AGC could enter into a long-term ground lease for defined parcels located along Comal or Haskell Streets. The ground lease could convey the leasehold interest based upon a metes and bounds description, but the parcel would remain as part of the existing legal lot owned and controlled by the AGC. In this type of arrangement, the calculation of development regulations (including maximum building coverage and maximum impervious cover) would be determined on the entire tract, including the ground leased area. In contrast, a sale of a portion of the property would give the purchaser the option of forming a new legal lot consisting of the portion, the calculation of the development regulations applicable to the new legal lot would be determined independently, and a new calculation (subtracting the area of the portion) would be applicable to the balance or remainder of the tract.

In summary, any conveyance of a portion or portions of the tract would want to be considered not only for its economic gain to the AGC, but also for its positive impact on the potential redevelopment of the remaining tract.

Next Steps

Should a conveyance of a portion of the land be determined to be part of the preferred way forward, early next steps would include investing in the appropriate measures to accurately define, entitle and effectively market the parcel or parcels to be conveyed.

The time and cost for the engineering and legal work associated with entitling the different options is addressed in the cost estimates and corresponding financial / cash flow models found in a report delivered under separate cover to the AGC Board. These engineering and legal tasks include the following:

- Future Land Use Map Amendment
- Phase I Environmental Reporting
- Geotechnical Investigations and Reporting
- Traffic Impact Analysis
- Possible Subdivision
- Site Plan Approval including Architectural Site Plan
- Possible Planned Urban Development (P.U.D.) Ordinance
- Possible Form Based Code Ordinance

The time and cost for the marketing efforts associated with the conveyance of a portion of the RBJ Center site is also addressed in the cost estimates and corresponding financial / cash flow models found in a report delivered under separate cover to the AGC Board.

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The steps we would take to market land through the RFP process would consist of the following steps / actions:

Assembly of full property description, including:

- General Location Map
- Site Aerial with Dimensions
- Site Survey and Topo
- Aerial of Environmental Factors – floodplain, watersheds, etc.
- Aerial of Access to Utilities
- Neighborhood Future Use Designation Map
- Zoning Map
- Property Photos
- TCAD Info – tax info and plat map
- Demographic Information

Assembly of bid package (drafted by attorney) to consist of:

- Detailed Instructions for Bid Submittal
- Terms of Sale (minimum bid)
- Representations and Warranties
- Description of Bid Evaluation
- Bid Forms
- Sample Contract, Deed

The process consists of the following significant actions:

- Public Notice through Newspapers (two times) – first two weeks
- Distribution of Packages through: CCIB, CoStar, Loopnet, Craigslist, Private databases, websites, press packages – six weeks
- Conducted Tours of the Property
- Pre-bid Conferences for Questions
- Bid Opening
- 60 Day Response Period
- Approval of Sale

RBJ Center Strategic Master Plan Report

RECOMMENDATION

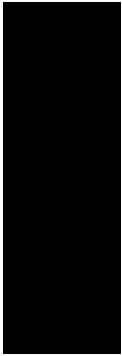
Among the options presented in this report, the best option for the Austin Geriatric Center is Option C. After careful consideration of the risks and potential economic benefits of each option, Option C rose to the top. Option C scored best in lowest net capital cost, highest net operating income and fastest to market timeline. Option C also scored highest in the qualitative analysis.

- Option B represents an acceptable second alternative, although trailing in net operating income over time. It also represents a net capital requirement increase over C. Scoring on qualitative merits was similar to C, but resident perspectives are typically worse than C.
- Option A is a relatively less desirable choice for an urban plan, and scores the worst in terms of net capital requirements. It was 3 months slower to market than C, and resident perspectives are typically worse than C.

If the City of Austin is a serious partner, Options D and E merit some consideration.

- Option D is a viable option provided the 5-story building negotiations provide an economic benefit. It is longer to market (3 months) than C, but has relatively the same cost and only slightly lower net income results. Again, Option does not consider the net economic benefit (or loss) of the 5-story building since those negotiations with the City have not begun.
- Option E is burdened with the uncertainty of an election or Legislative action, along with the associated additional cost. While this option may ultimately be successful, the monetary and time risks are significant, and could jeopardize the success of the program.

RBJ Center Strategic Master Plan Report
Prepared for the Austin Geriatric Center
Exhibits
October 31, 2011



Boundary Survey & Area Calculations
Future Land Use Map
Regional Demographics
Market Report
Team Responsibility Matrix
Online Survey Results Report
Option A – Plan, Data, Images, Phasing
Option B – Plan, Data, Images, Phasing
Option C – Plan, Data, Images, Phasing
Option D – Plan, Data, Images, Phasing
Option E – Plan, Data, Images, Phasing
Estimates
Rental Income Model
Financial Model
Cash Flow Tables

RBJ Strategic Master Plan Report

Exhibit 1 Boundary Survey & Area Calculations



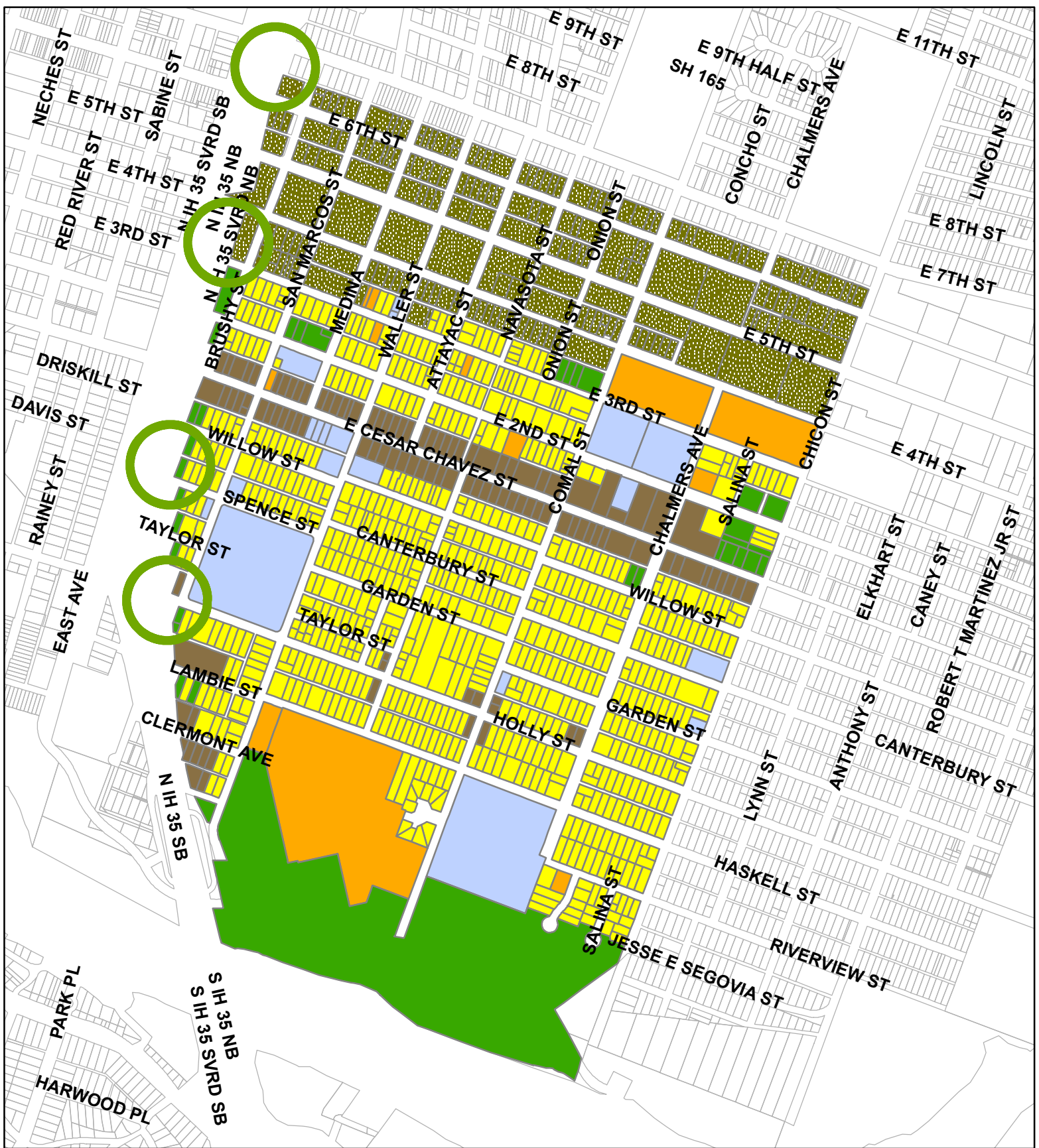
Quality People
Quality Process
Quality Projects





RBJ Strategic Master Plan Report

Exhibit 2 Future Land Use Map



East Cesar Chavez Neighborhood Plan Future Land Use Map



Neighborhood Gateway

- Single-Family
- Multifamily
- Commercial
- Mixed Use
- Transit Oriented Development
- Civic
- Recreation & Open Space



Produced by City of Austin
Planning & Development
Review Department
Updated: September 2, 2010

A comprehensive plan shall not constitute zoning
regulations or establish zoning district boundaries.

RBJ Strategic Master Plan Report

Exhibit 3 Regional Demographics

Demographic and Income Profile

21 Waller St, Austin, TX 78702-5216
Ring: 1 mile radius

Prepared by John Rosato

Latitude: 30.253215
Longitude: -97.735498

Summary		2000		2010		2015	
Population		15,737		18,059		20,057	
Households		7,133		8,672		9,848	
Families		2,937		3,095		3,311	
Average Household Size		2.15		2.03		1.99	
Owner Occupied Housing Units		2,110		2,329		2,626	
Renter Occupied Housing Units		5,022		6,343		7,223	
Median Age		30.1		32.4		33.7	
Trends: 2010 - 2015 Annual Rate		Area		State		National	
Population		2.12%		1.65%		0.76%	
Households		2.58%		1.63%		0.78%	
Families		1.36%		1.48%		0.64%	
Owner HHs		2.43%		1.72%		0.82%	
Median Household Income		3.93%		2.54%		2.36%	
Households by Income		2000		2010		2015	
		Number	Percent	Number	Percent	Number	Percent
<\$15,000		1,654	23.2%	1,539	17.8%	1,454	14.8%
\$15,000 - \$24,999		1,090	15.3%	865	10.0%	851	8.6%
\$25,000 - \$34,999		1,273	17.9%	1,061	12.2%	982	10.0%
\$35,000 - \$49,999		1,042	14.6%	1,613	18.6%	1,345	13.7%
\$50,000 - \$74,999		930	13.0%	1,573	18.1%	2,085	21.2%
\$75,000 - \$99,999		431	6.0%	555	6.4%	860	8.7%
\$100,000 - \$149,999		421	5.9%	1,045	12.1%	1,608	16.3%
\$150,000 - \$199,999		129	1.8%	161	1.9%	275	2.8%
\$200,000+		157	2.2%	258	3.0%	386	3.9%
Median Household Income		\$30,782		\$43,238		\$52,415	
Average Household Income		\$47,656		\$59,736		\$70,075	
Per Capita Income		\$21,499		\$28,131		\$33,755	
Population by Age		2000		2010		2015	
		Number	Percent	Number	Percent	Number	Percent
0 - 4		999	6.3%	1,142	6.3%	1,262	6.3%
5 - 9		725	4.6%	869	4.8%	992	4.9%
10 - 14		646	4.1%	697	3.9%	824	4.1%
15 - 19		1,004	6.4%	810	4.5%	899	4.5%
20 - 24		2,346	14.9%	1,766	9.8%	1,862	9.3%
25 - 34		3,781	24.0%	4,829	26.7%	4,787	23.9%
35 - 44		2,288	14.5%	2,484	13.8%	2,926	14.6%
45 - 54		1,688	10.7%	2,066	11.4%	2,227	11.1%
55 - 64		859	5.5%	1,490	8.3%	1,787	8.9%
65 - 74		701	4.5%	851	4.7%	1,271	6.3%
75 - 84		488	3.1%	689	3.8%	773	3.9%
85+		213	1.4%	365	2.0%	447	2.2%
Race and Ethnicity		2000		2010		2015	
		Number	Percent	Number	Percent	Number	Percent
White Alone		9,336	59.3%	10,087	55.9%	11,238	56.0%
Black Alone		852	5.4%	832	4.6%	843	4.2%
American Indian Alone		124	0.8%	160	0.9%	173	0.9%
Asian Alone		330	2.1%	437	2.4%	514	2.6%
Pacific Islander Alone		9	0.1%	14	0.1%	15	0.1%
Some Other Race Alone		4,579	29.1%	5,850	32.4%	6,493	32.4%
Two or More Races		506	3.2%	678	3.8%	782	3.9%
Hispanic Origin (Any Race)		8,224	52.3%	10,231	56.7%	11,501	57.3%

Data Note: Income is expressed in current dollars

Source: U.S. Bureau of the Census, 2000 Census of Population and Housing. Esri forecasts for 2010 and 2015.

July 15, 2011

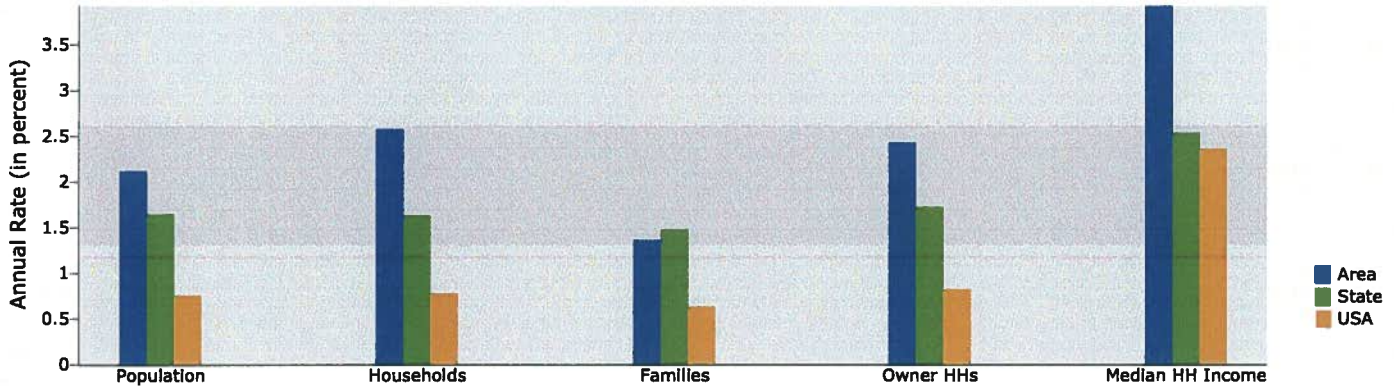
Demographic and Income Profile

21 Waller St, Austin, TX 78702-5216
Ring: 1 mile radius

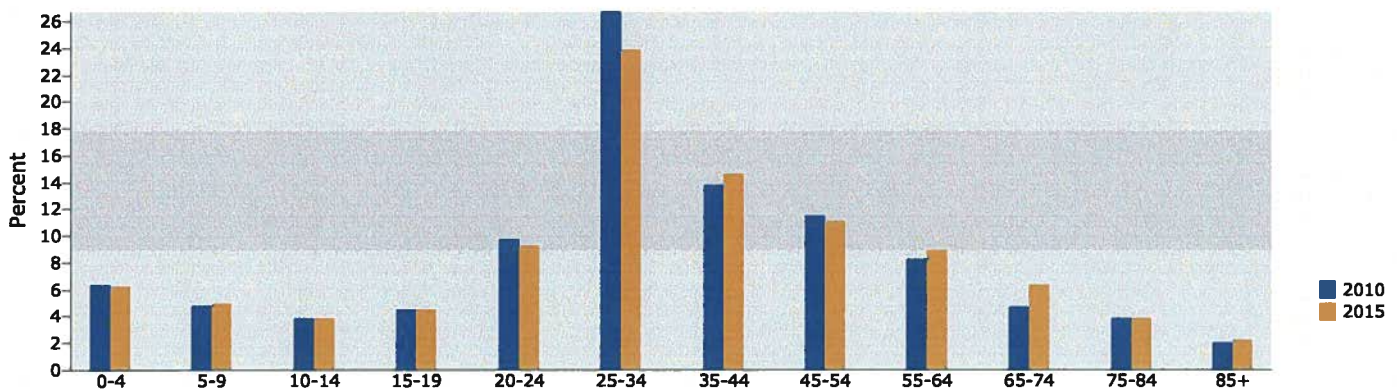
Prepared by John Rosato

Latitude: 30.253215
Longitude: -97.735498

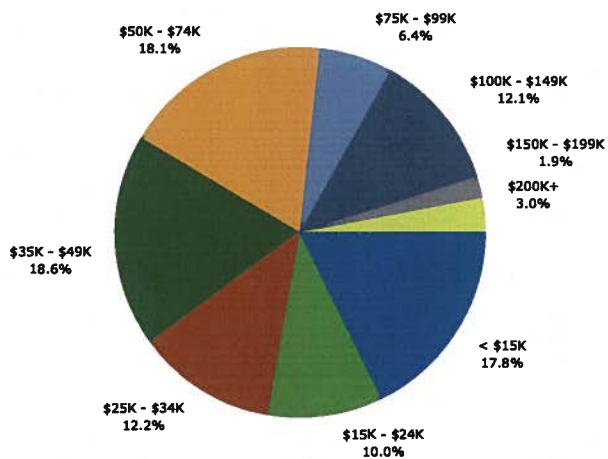
Trends 2010-2015



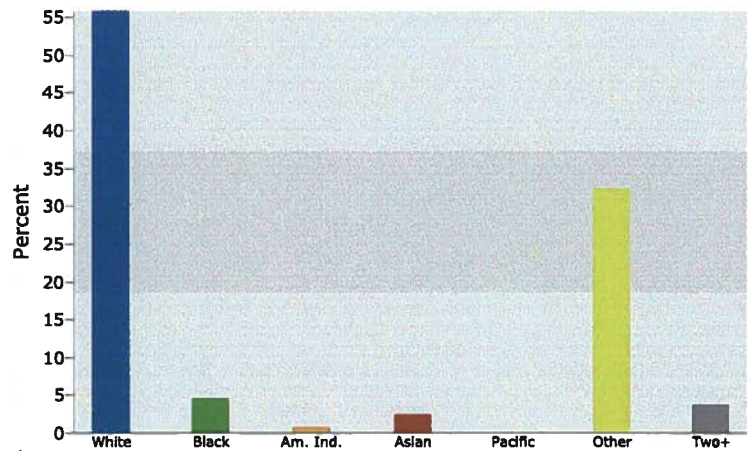
Population by Age



2010 Household Income



2010 Population by Race



2010 Percent Hispanic Origin: 56.7%

Source: U.S. Bureau of the Census, 2000 Census of Population and Housing. Esri forecasts for 2010 and 2015.

July 15, 2011

Demographic and Income Profile

21 Waller St, Austin, TX 78702-5216
Ring: 3 miles radius

Prepared by John Rosato

Latitude: 30.253215
Longitude: -97.735498

Summary		2000		2010		2015	
Population		142,042		165,210		183,270	
Households		58,420		69,465		78,078	
Families		22,810		24,441		26,341	
Average Household Size		2.22		2.18		2.17	
Owner Occupied Housing Units		15,678		16,958		18,816	
Renter Occupied Housing Units		42,742		52,507		59,262	
Median Age		25.8		26.4		26.6	
Trends: 2010 - 2015 Annual Rate		Area		State		National	
Population		2.10%		1.65%		0.76%	
Households		2.37%		1.63%		0.78%	
Families		1.51%		1.48%		0.64%	
Owner HHs		2.10%		1.72%		0.82%	
Median Household Income		3.81%		2.54%		2.36%	
Households by Income		2000		2010		2015	
		Number	Percent	Number	Percent	Number	Percent
<\$15,000		16,302	27.8%	16,590	23.9%	16,445	21.1%
\$15,000 - \$24,999		10,051	17.2%	8,061	11.6%	8,236	10.6%
\$25,000 - \$34,999		9,057	15.5%	8,398	12.1%	7,958	10.2%
\$35,000 - \$49,999		8,624	14.7%	12,014	17.3%	10,470	13.4%
\$50,000 - \$74,999		7,555	12.9%	12,167	17.5%	16,243	20.8%
\$75,000 - \$99,999		3,209	5.5%	4,339	6.2%	6,511	8.3%
\$100,000 - \$149,999		2,207	3.8%	5,642	8.1%	8,775	11.2%
\$150,000 - \$199,999		637	1.1%	980	1.4%	1,595	2.0%
\$200,000+		908	1.6%	1,261	1.8%	1,833	2.3%
Median Household Income		\$27,950		\$37,153		\$44,790	
Average Household Income		\$40,424		\$49,666		\$57,312	
Per Capita Income		\$17,176		\$22,051		\$25,612	
Population by Age		2000		2010		2015	
		Number	Percent	Number	Percent	Number	Percent
0 - 4		8,252	5.8%	9,694	5.9%	10,845	5.9%
5 - 9		6,683	4.7%	7,547	4.6%	8,577	4.7%
10 - 14		5,736	4.0%	6,210	3.8%	7,216	3.9%
15 - 19		16,642	11.7%	17,932	10.9%	18,412	10.0%
20 - 24		30,669	21.6%	35,260	21.3%	39,229	21.4%
25 - 34		30,230	21.3%	34,837	21.1%	37,976	20.7%
35 - 44		17,465	12.3%	18,155	11.0%	19,848	10.8%
45 - 54		12,062	8.5%	15,075	9.1%	15,664	8.5%
55 - 64		5,828	4.1%	10,166	6.2%	12,259	6.7%
65 - 74		4,371	3.1%	5,116	3.1%	7,501	4.1%
75 - 84		2,909	2.0%	3,473	2.1%	3,750	2.0%
85+		1,191	0.8%	1,744	1.1%	1,993	1.1%
Race and Ethnicity		2000		2010		2015	
		Number	Percent	Number	Percent	Number	Percent
White Alone		82,312	57.9%	86,206	52.2%	93,972	51.3%
Black Alone		14,651	10.3%	14,687	8.9%	15,040	8.2%
American Indian Alone		1,087	0.8%	1,505	0.9%	1,645	0.9%
Asian Alone		7,190	5.1%	10,196	6.2%	11,826	6.5%
Pacific Islander Alone		102	0.1%	152	0.1%	158	0.1%
Some Other Race Alone		31,795	22.4%	45,673	27.6%	52,824	28.8%
Two or More Races		4,905	3.5%	6,792	4.1%	7,806	4.3%
Hispanic Origin (Any Race)		55,726	39.2%	77,716	47.0%	90,464	49.4%

Data Note: Income is expressed in current dollars

Source: U.S. Bureau of the Census, 2000 Census of Population and Housing. Esri forecasts for 2010 and 2015.

July 15, 2011

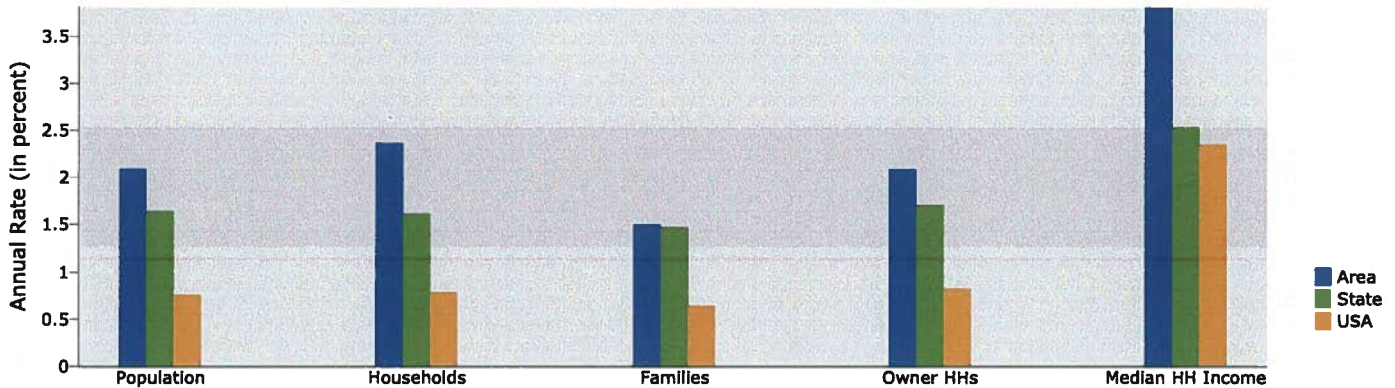
Demographic and Income Profile

21 Waller St, Austin, TX 78702-5216
Ring: 3 miles radius

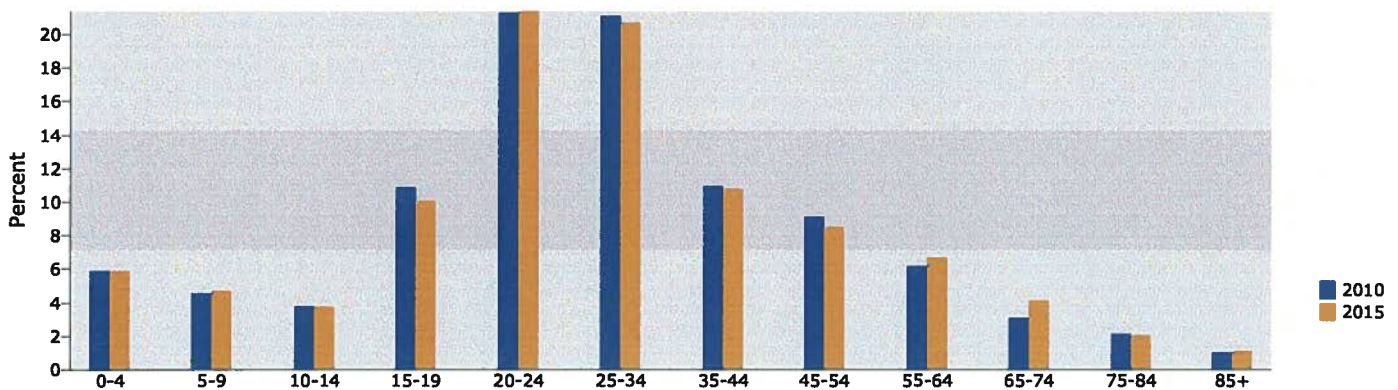
Prepared by John Rosato

Latitude: 30.253215
Longitude: -97.735498

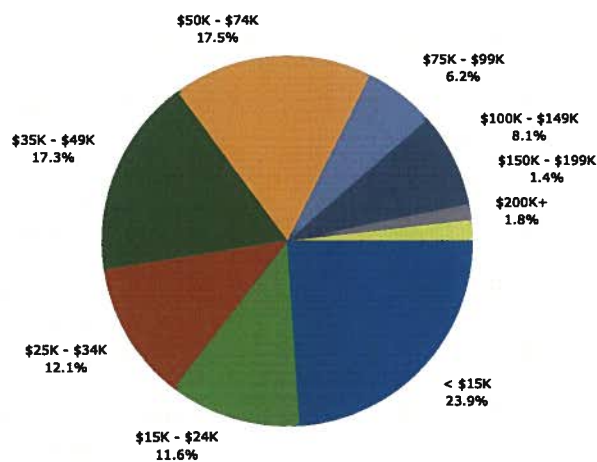
Trends 2010-2015



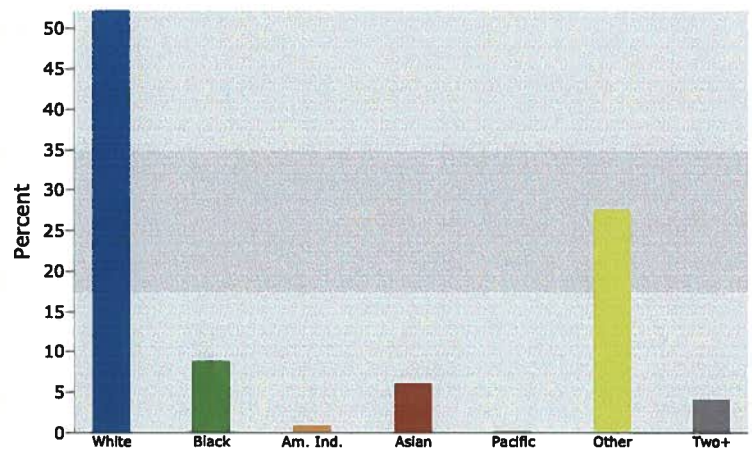
Population by Age



2010 Household Income



2010 Population by Race



2010 Percent Hispanic Origin: 47.0%

Source: U.S. Bureau of the Census, 2000 Census of Population and Housing. Esri forecasts for 2010 and 2015.

July 15, 2011

Demographic and Income Profile

21 Waller St, Austin, TX 78702-5216
Ring: 5 miles radius

Prepared by John Rosato

Latitude: 30.253215
Longitude: -97.735498

Summary		2000		2010		2015	
Population		280,867		321,540		355,426	
Households		114,689		132,882		147,905	
Families		52,214		55,554		59,746	
Average Household Size		2.32		2.30		2.30	
Owner Occupied Housing Units		40,511		42,400		46,393	
Renter Occupied Housing Units		74,178		90,482		101,512	
Median Age		27.7		28.2		28.4	
Trends: 2010 - 2015 Annual Rate		Area		State		National	
Population		2.02%		1.65%		0.76%	
Households		2.17%		1.63%		0.78%	
Families		1.47%		1.48%		0.64%	
Owner HHs		1.82%		1.72%		0.82%	
Median Household Income		3.36%		2.54%		2.36%	
		2000		2010		2015	
Households by Income		Number	Percent	Number	Percent	Number	Percent
	<\$15,000	25,557	22.2%	24,857	18.7%	23,959	16.2%
	\$15,000 - \$24,999	17,817	15.5%	13,365	10.1%	13,272	9.0%
	\$25,000 - \$34,999	17,712	15.4%	15,489	11.7%	14,254	9.6%
	\$35,000 - \$49,999	18,119	15.7%	23,271	17.5%	19,746	13.4%
	\$50,000 - \$74,999	17,193	14.9%	25,959	19.5%	33,255	22.5%
	\$75,000 - \$99,999	7,641	6.6%	10,211	7.7%	14,749	10.0%
	\$100,000 - \$149,999	6,114	5.3%	13,250	10.0%	19,562	13.2%
	\$150,000 - \$199,999	2,057	1.8%	2,656	2.0%	3,926	2.7%
	\$200,000+	2,862	2.5%	3,809	2.9%	5,166	3.5%
Median Household Income		\$32,805		\$43,665		\$51,498	
Average Household Income		\$49,053		\$58,609		\$66,722	
Per Capita Income		\$20,518		\$24,857		\$28,414	
		2000		2010		2015	
Population by Age		Number	Percent	Number	Percent	Number	Percent
	0 - 4	18,274	6.5%	21,163	6.6%	23,491	6.6%
	5 - 9	15,836	5.6%	17,692	5.5%	19,886	5.6%
	10 - 14	14,218	5.1%	15,398	4.8%	17,619	5.0%
	15 - 19	25,824	9.2%	27,903	8.7%	28,768	8.1%
	20 - 24	47,675	17.0%	53,636	16.7%	59,020	16.6%
	25 - 34	59,235	21.1%	66,169	20.6%	72,262	20.3%
	35 - 44	38,639	13.8%	38,913	12.1%	42,378	11.9%
	45 - 54	28,320	10.1%	34,309	10.7%	35,037	9.9%
	55 - 64	13,811	4.9%	23,500	7.3%	27,947	7.9%
	65 - 74	9,518	3.4%	11,429	3.6%	16,520	4.6%
	75 - 84	6,664	2.4%	7,464	2.3%	8,141	2.3%
85+	2,853	1.0%	3,964	1.2%	4,360	1.2%	
		2000		2010		2015	
Race and Ethnicity		Number	Percent	Number	Percent	Number	Percent
	White Alone	171,189	61.0%	176,485	54.9%	191,531	53.9%
	Black Alone	29,392	10.5%	29,613	9.2%	30,492	8.6%
	American Indian Alone	2,012	0.7%	2,778	0.9%	3,022	0.9%
	Asian Alone	11,444	4.1%	15,754	4.9%	18,193	5.1%
	Pacific Islander Alone	195	0.1%	281	0.1%	291	0.1%
	Some Other Race Alone	57,598	20.5%	84,255	26.2%	97,726	27.5%
	Two or More Races	9,037	3.2%	12,373	3.8%	14,171	4.0%
	Hispanic Origin (Any Race)	104,671	37.3%	147,628	45.9%	172,288	48.5%

Data Note: Income is expressed in current dollars

Source: U.S. Bureau of the Census, 2000 Census of Population and Housing. Esri forecasts for 2010 and 2015.

July 15, 2011

Demographic and Income Profile

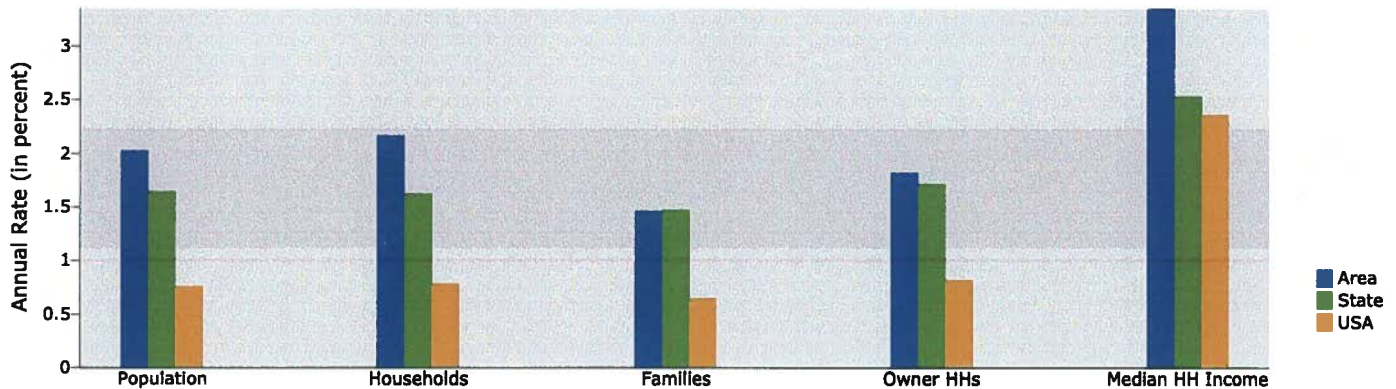
21 Waller St, Austin, TX 78702-5216
Ring: 5 miles radius

Prepared by John Rosato

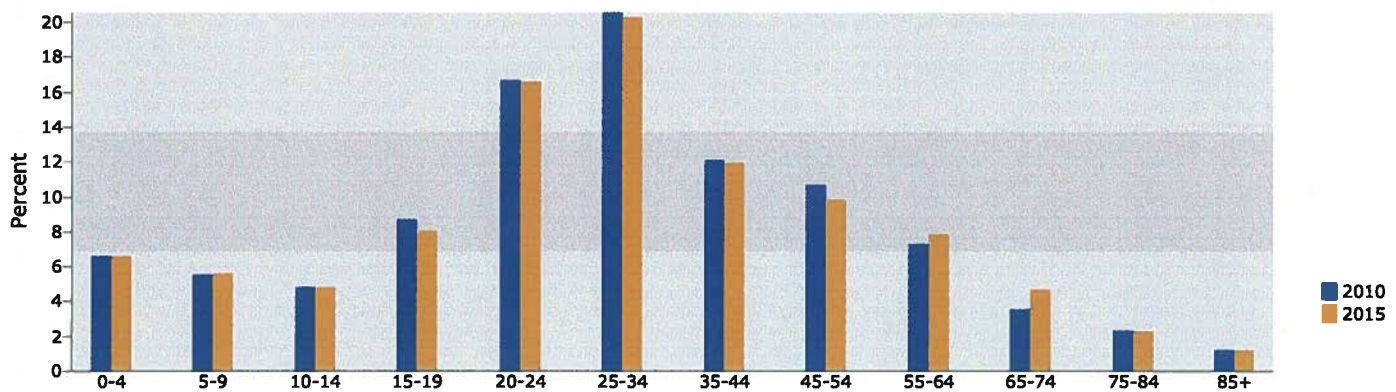
Latitude: 30.253215

Longitude: -97.735498

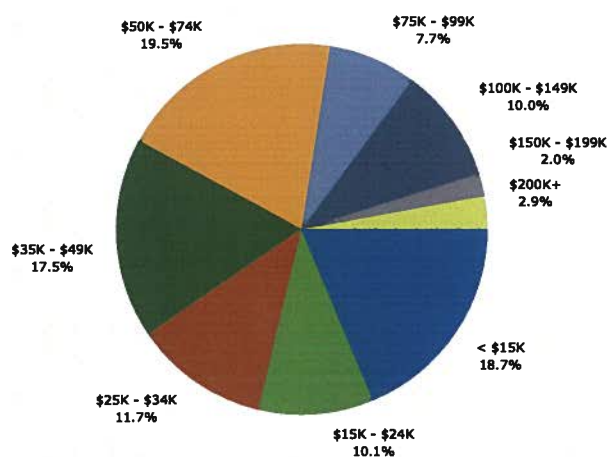
Trends 2010-2015



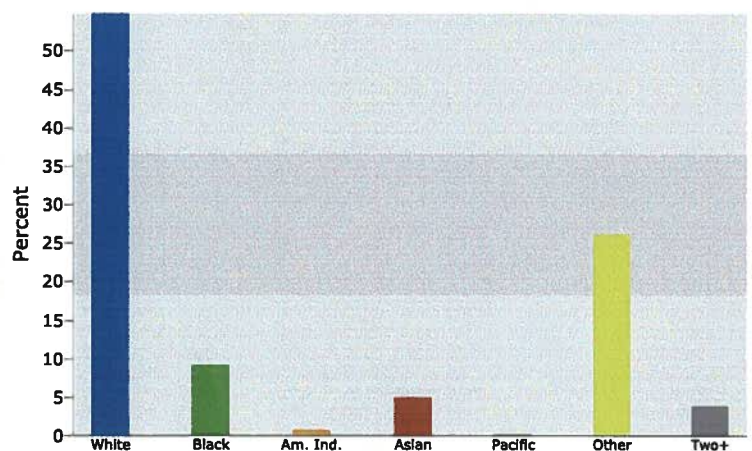
Population by Age



2010 Household Income



2010 Population by Race



2010 Percent Hispanic Origin: 45.9%

Source: U.S. Bureau of the Census, 2000 Census of Population and Housing. Esri forecasts for 2010 and 2015.

July 15, 2011

RBJ Strategic Master Plan Report

Exhibit 4 Market Report



The Austin Geriatric Center
Preliminary Market Analysis for High Density Apartments

Prepared for

Bill McCann
HS&A Project Management
901 South MoPac
Suite 200
Austin, TX 78746

by

Capitol Market Research, Inc.
901 Rio Grande, Suite 201
Austin, Texas 78701
(512) 476-5000

On

August 1, 2011

East Central Austin Apartment Market Conditions

Overview

In June 2011, Capitol Market Research surveyed 46 apartment communities in the East Central market area that contains a total of 9,339 units. Currently, the market area occupancy is 95.5%, which is an increase (3.6%) from December 2010 when it was 91.9%. Average rents are \$1.33 per square foot, up 6.4% since the end of 2010. Of the 9,339 total units, 3,658, 39.2% have been built (completed) since the beginning of 2000.

In the East Central market area there are three distinct apartment building types: hi-rise apartment towers, mid-rise wrap and “garden style” projects. Hi-rise buildings, defined as those properties that are more than 8 stories with a multi-level parking garage, achieve the highest average rental rates (\$2.37) and are currently occupied at 94.2%. In June 2011, units in mid-rise wrap buildings in the East Central market area were renting at an average of \$1.81 per sq. ft. and the properties were 96% occupied. The remainder housing units were renting at an average of \$1.02 per sq. ft. and occupied at 95.6%.

New Construction

The East Central market area has experienced a considerable amount of new construction. Between December 2007 and June 2011 2,229 units were added to the market area. Among the 2009 and 2010 completions were several class “A” properties, including ⁽¹⁾Ashton, ⁽²⁾AMLI South Shore, ⁽³⁾Windsor on the Lake and ⁽⁴⁾The Crescent. These properties leased up extremely well at average rental rates that were well above the citywide market average. Currently the rental rates for these properties are at \$2.17 and they are occupied at 96.2%.

There are currently no projects under construction in the East Central market area. There are, however, several sites in the market area which could be developed with apartments, but only one has obtained an approved site plan and construction financing. Riverside Resources has begun the demolition of the Whitley Printing building at 301 Brazos Street where they will build 266 units in a 16 story apartment tower.

Occupancy and Absorption

The market area occupancy in June 2011 was at 95.5%, an increase from the 91.9% posted in 2010. The average lease-up rate among projects opened in 2009 and 2010 was 20 units per month. As shown in Table (1), over the last five years, the average occupancy rate has never dropped below 85% and, due to the continued growth of employment in downtown Austin along with the increasing popularity of urban living among young professionals in Austin, the East Central market area should continue to experience a high average occupancy rate.

Average Rents

Average rents in the East Central market area rose dramatically from \$0.87 per sq. ft. in December 2004 to \$1.33 in June 2011, a 52.9% increase over a six and a half year period. Between 2005 and 2006 the market area experienced a \$0.11 increase in average rent when 111 units were added to the market area. Between 2007 and 2008, the market area experienced another \$0.12 increase while digesting 384 units. Then, while new job creation slowed to a trickle in 2009, the market area added 156 units and rents continued to go up to \$1.17 in 2009, \$1.25 in 2010, and \$1.33 by June 2011. As noted above, the new class “A” product has generally out-performed the market, achieving higher rental rates and maintaining occupancy rates higher than the remaining Central Core market average.

Market Outlook

The high occupancy rate combined with the lack of new product in lease-up should allow rents to continue increasing during the last six months of 2011 and through the end of next year (2012). The high rental rates achieved at newer class “A” properties suggest that there is an opportunity in the Central Core market area to build high quality new product and obtain substantially higher than average market rents.

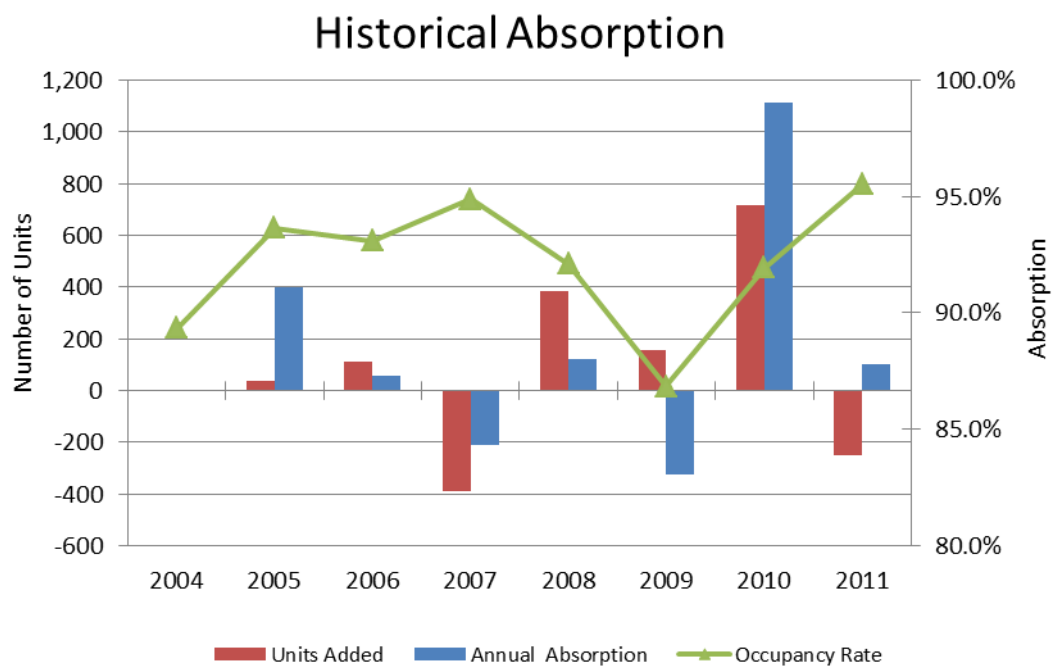
Table (1)
East Central Market Area Historical Occupancy
 December 2004-June 2011

Year	Number of Units	Units Occupied	Occupancy Rate	Rent per Sq. Ft.	Units Added	Annual Absorption
2004	8,574	7,662	89.4%	\$0.87	...	...
2005	8,610	8,063	93.6%	\$0.88	36	401
2006	8,721	8,119	93.1%	\$0.99	111	56
2007	8,332	7,906	94.9%	\$1.02	-389	-213
2008	8,716	8,028	92.1%	\$1.14	384	122
2009	8,872	7,704	86.8%	\$1.17	156	-324
2010	9,590	8,818	91.9%	\$1.25	718	1,114
2011	9,339	8,921	95.5%	\$1.33	-251	103

Source: Capitol Market Research, 2000-June2011 Apartment Market Survey

hist_occ.xls

Note: In 2011, the Shoreline Apartments were torn down (308 units) and the remaining 57 units were completed at AMLI Southshore



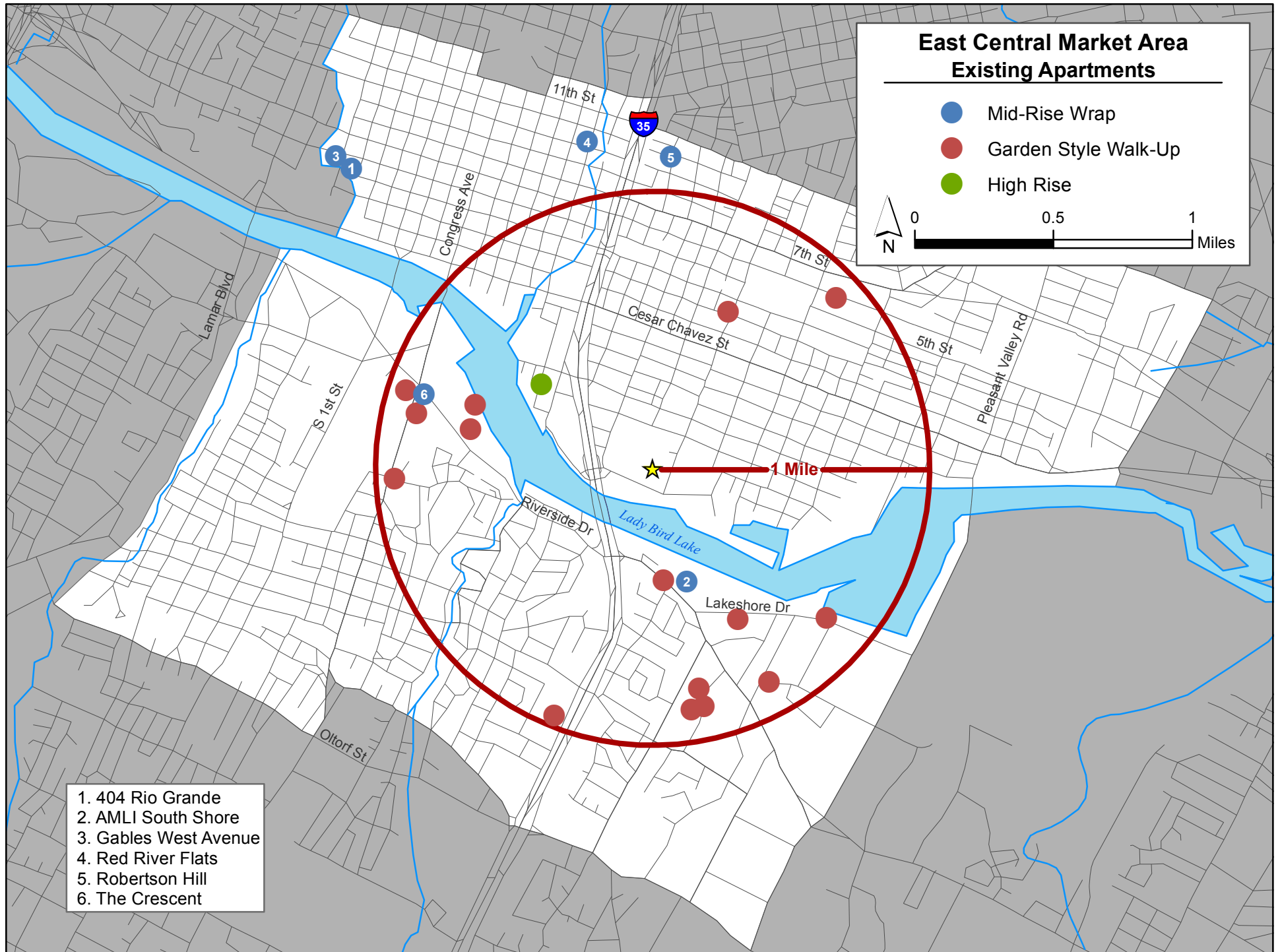


Table (2)
Average Rent by Square Foot
East Central Market Area

	2004	2005	2006	2007	2008	2009	2010	2011*
Mid-Rise Wrap								
Total Units	379	379	379	589	901	958	1,276	1,333
Average Rent	\$1.55	\$1.54	\$1.93	\$1.83	\$1.63	\$1.71	\$1.77	\$1.81
Remainder								
Total Units	8,195	8,231	8,342	7,743	7,815	7,914	8,314	8,006
Average Rent	\$0.83	\$0.85	\$0.94	\$0.95	\$1.08	\$1.10	\$1.17	\$1.24
Market Area (All Units)								
Total Units	8,574	8,610	8,721	8,332	8,716	8,872	9,590	9,339
Average Rent	\$0.87	\$0.88	\$0.99	\$1.02	\$1.14	\$1.17	\$1.25	\$1.33

Prepared by Captiol Market Research, August 2011

rent_occ.xls

Average Rent by Building Type

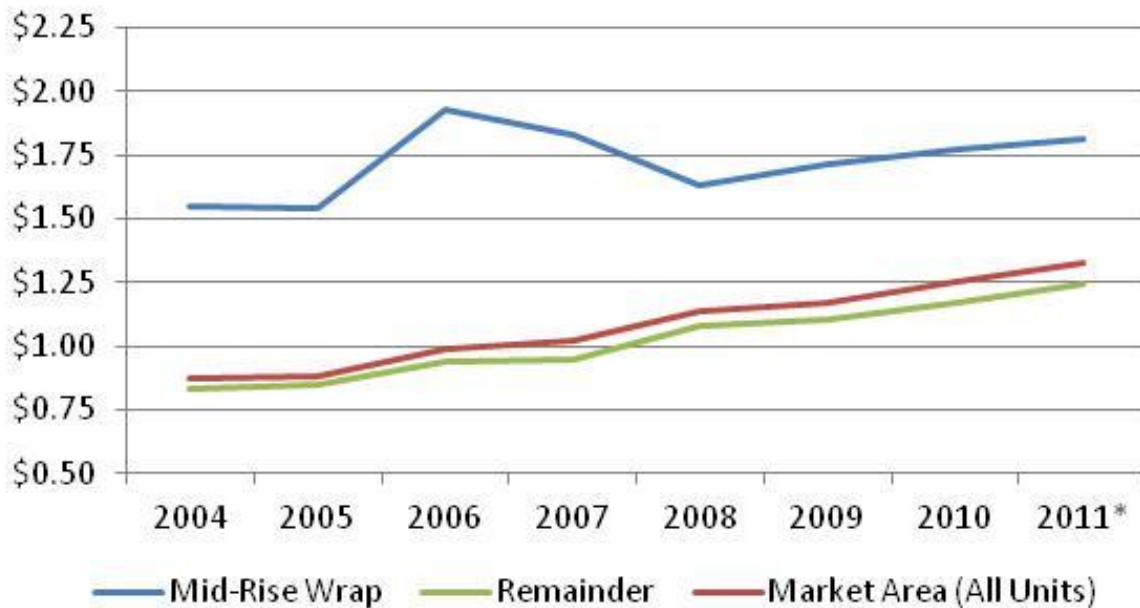


Table (3)
Average Occupancy
East Central Market Area

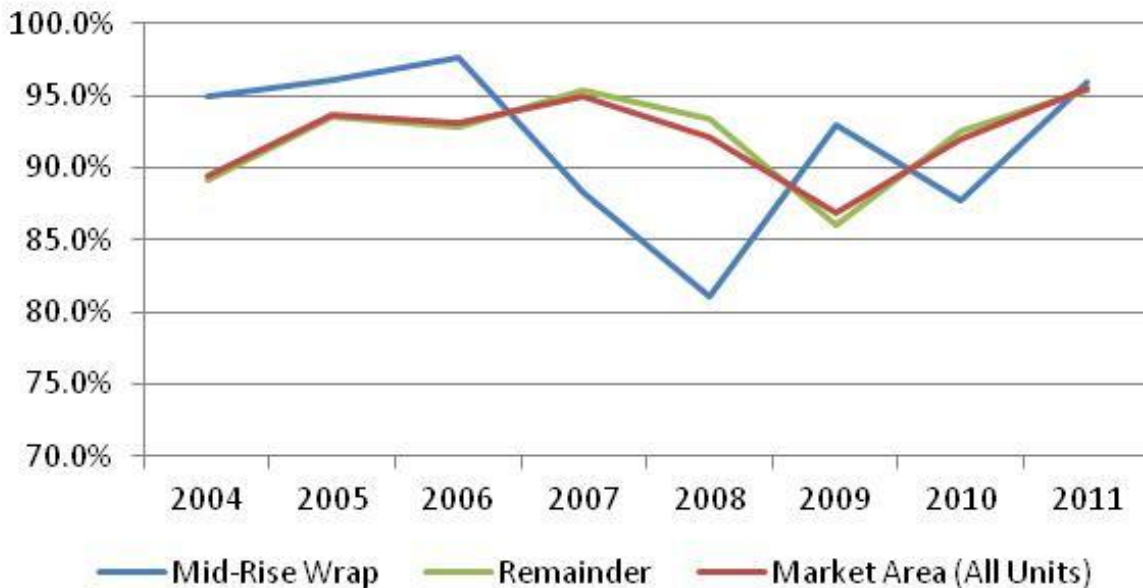
	2004	2005	2006	2007	2008	2009	2010	2011
Mid-Rise Wrap								
Total Units	379	379	379	589	901	958	1,276	1,333
Occupied Units	360	364	370	520	730	890	1,120	1,280
Percent Occupied	95.0%	96.1%	97.7%	88.3%	81.0%	92.9%	87.8%	96.0%
Remainder								
Total Units	8,195	8,231	8,342	7,743	7,815	7,914	8,314	8,006
Occupied Units	7,302	7,699	7,749	7,386	7,298	6,814	7,698	7,641
Percent Occupied	89.1%	93.5%	92.9%	95.4%	93.4%	86.1%	92.6%	95.4%
Market Area (All Units)								
Total Units	8,574	8,610	8,721	8,332	8,716	8,872	9,590	9,339
Occupied Units	7,662	8,063	8,119	7,906	8,028	7,704	8,818	8,921
Percent Occupied	89.4%	93.6%	93.1%	94.9%	92.1%	86.8%	91.9%	95.5%

Prepared by Captiol Market Research, August 2011

rent_occ.xls

Source: Austin Apartment Survey, 2004-September 2011

Occupancy by Building Type



Comparable Rent and Occupancy

The comparables selected to use as a benchmark for RBJ are several mid-rise wrap projects recently completed in the East Central market area. These properties were selected because of their height (4 to 5 floors), age (2007 to 2011 completion date) and location within the market area. The average rent for the four comparable projects is \$1.74 per square foot and occupancy is 96.2%. In spite of the high average rents, lease up rates among these four projects were quite rapid, with an average monthly absorption of 16.3 units.

Table (4)
Mid-Rise Wrap
Comparable Property Information

Project	YOC	Total Units	Average Rent	Occupancy	Average Absorption
AMLI South Shore	2010	357	\$1.64	97.5%	26.2
Red River Flats	2008	120	\$1.74	97.5%	13.4
Robertson Hill	2008	290	\$1.67	94.5%	9.6
The Crescent	2009	169	\$2.05	95.3%	16.1
		936	\$1.74	96.2%	16.3

Prepared by Capitol Market Research, January 2011

rent_occ.xls

Conclusions

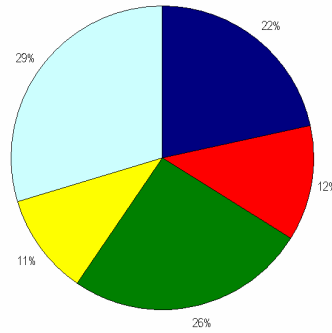
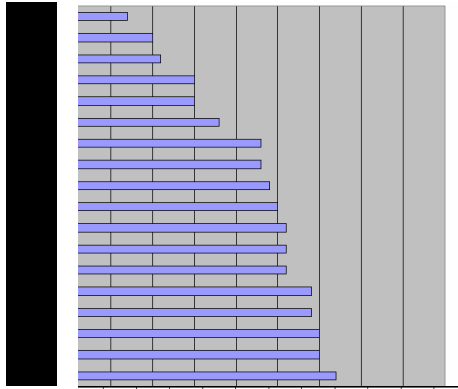
The average rents suggested for a mid-rise wrap project on the RBJ site are \$1.60, well below the average obtained in the comparable projects. The project location, overlooking Lady Bird Lake with views of downtown, along with proximity to downtown and the State Capital complex should make the RBJ location an attractive, affordable alternative to living in the CBD. The strong leasing history in the East Central market area combined with the lack of new construction starts in the area should assure a rapid lease-up when the project is delivered in 2014.

RBJ Strategic Master Plan Report

Exhibit 5 Team Responsibility Matrix

RBJ Strategic Master Plan Report

Exhibit 6 Online Survey Results Report



5. What is your annual household income?

- ☐ below \$15,000
- ☐ \$15,001-\$25,000
- ☐ \$25,001-\$50,000
- ☐ \$50,001-\$75,000
- ☐ \$75,001 or more

6. How many people (including yourself) live in your home?

- ☐ 1
- ☐ 2

7. Which neighborhood do you live in?

- ☐ East Cesar Chavez
- ☐ Central East Austin
- ☐ Chestnut
- ☐ Rosewood
- ☐ Holly
- ☐ Govalle / Johnston Combined
- ☐ Other

Rebekah Baines Johnson Center Strategic Master Plan

Survey Results

February 17, 2011



Quality People
Quality Process
Quality Projects

Executive Summary

The Rebekah Baines Johnson (RBJ) Senior Residence was built in 1972 by the Austin Geriatric Center, Inc. (AGC) as an affordable housing development for seniors. The RBJ property is located adjacent to City of Austin owned park land that is currently used for a variety of health care and office purposes. There is also a community garden located on part of the City owned land.

The AGC Board of Directors is developing a strategic master plan for the improvement and redevelopment of its property. The Austin City Council has passed a resolution directing staff to consider adding the future redevelopment of its land to the strategic master plan. In May 2010, HS&A Project Management (HS&A) and its subconsultants were engaged by AGC to provide technical assistance in the development of the strategic master plan.

Community engagement is an essential part of developing a successful strategic master plan. In an effort to gather information from the community, HS&A developed and conducted a community survey in January and February of 2011. This survey sought the opinion of the residents of the area to determine goods, services and improvements desired for the Center's redevelopment. The survey also recorded basic demographic information from the respondents. The information contained in the survey responses will be used to develop some programming parameters for the strategic master plan.

Methodology

Data was collected through the use of a ten question cross-sectional survey, distributed by HS&A's community outreach subconsultant, Estilo Communications, in January 2011. The survey contained nine quantitative measurement questions and one qualitative open-ended question.

The survey was made available in both paper and digital formats. Both formats were available in English and Spanish. The paper surveys were made available at a series of public information sessions. Surveys were also distributed at local libraries. The web address of the online survey was printed on the paper survey. The web address was also published in press releases and sent to known interested parties via e-mail. Responses not collected electronically were dropped off at designated locations within the nearby neighborhoods. These paper responses were later entered into the web based survey.

Analysis

The preliminary results of the survey responses are included in this analysis.

Survey Results

Rebekah Baines Johnson Center
Strategic Master Plan Survey
Results



	Respondents	Percentages
1. What is your age?		
below 20	1	1.40%
20s	4	5.40%
30s	16	21.60%
40s	16	21.60%
50s	14	18.90%
60 or more	23	31.10%
2. What is your gender?		
Male	24	32.40%
Female	50	67.60%
3. What is your race?		
African American	3	4.10%
Asian	1	1.40%
Caucasian	46	62.20%
Hispanic	20	27.00%
Native American	3	4.10%
Other	1	1.40%
4. What is your residential status?		
Rent	34	45.90%
Own	38	51.40%
Other	2	2.70%
5. What is your annual household income?		
below \$15,000	16	21.60%
\$15,001-\$25,000	9	12.20%
\$25,001-\$50,000	19	25.70%
\$50,001-\$75,000	8	10.80%
\$75,001 or more	22	29.70%
6. How many people (including yourself) live in your home?		
1	32	44.40%
2	20	27.80%
3	8	11.10%
4	5	6.90%
5	5	6.90%
More than 5	2	2.80%
7. Which neighborhood do you live in?		
East Cesar Chavez	27	36.50%
Central East Austin	11	14.90%
Chestnut	2	2.70%
Rosewood	2	2.70%
Holly	9	12.20%
Govalle / Johnston Combined	2	2.70%
Other	21	28.40%
8. How long have you lived in the neighborhood?		
Less than 1 year	6	8.60%
1-5 years	30	42.90%
6-10 years	14	20.00%
more than 10 years	20	28.60%

Rebekah Baines Johnson Center
Strategic Master Plan Survey
Results

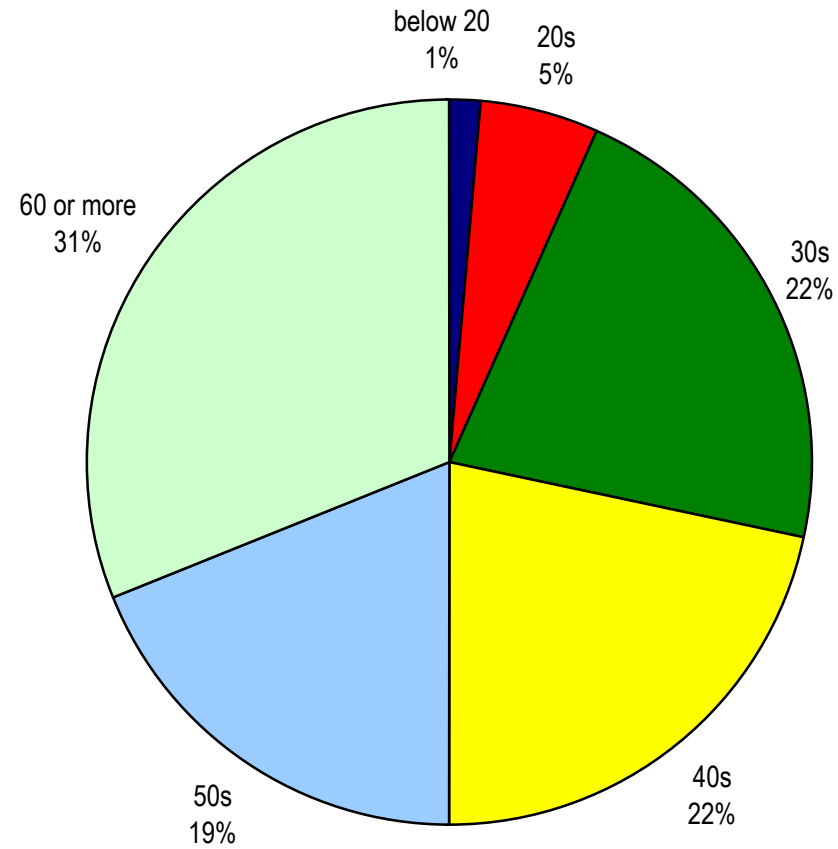


9. Which of the following goods, services or improvements would you be in favor of adding on and around the RBJ site? (check all that apply)

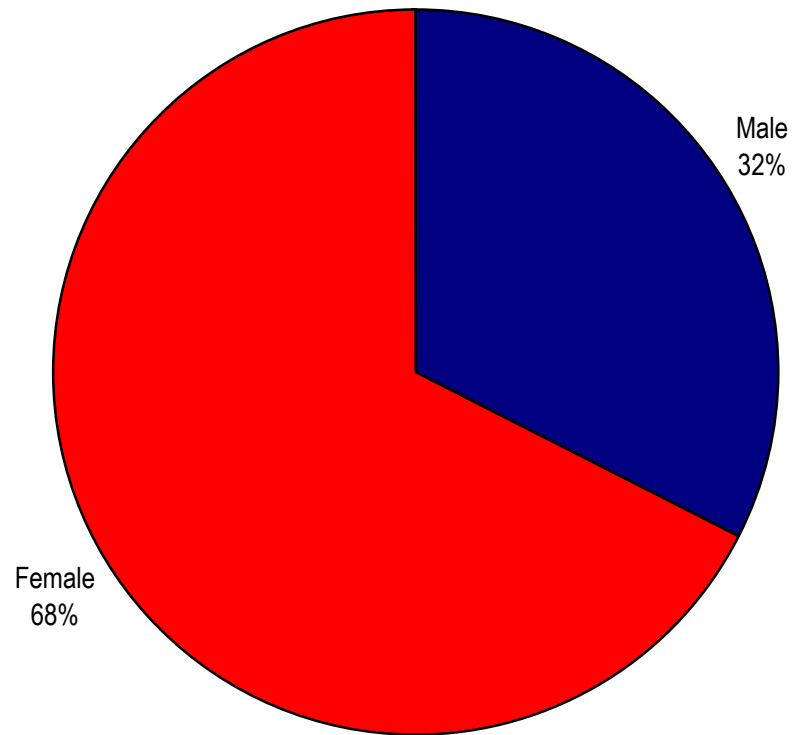
Café / Cyber Café	43	65.20%
Grocer	42	63.60%
Park-Like Open Spaces	41	62.10%
Improved pedestrian access to Lady Bird Lake	40	60.60%
Medical / Dental Facility	36	54.50%
Physical Fitness Facility	36	54.50%
Pharmacy	32	48.50%
Better vehicular and pedestrian connectivity bet. RBJ and the rest of the Neighborhood	30	45.50%
More interaction bet RBJ residents and the rest of the Neighborhood including schools	30	45.50%
Neighborhood Park at old Fishery Location	29	43.90%
Opportunities for Volunteering	29	43.90%
Assisted Care Facility	26	39.40%
Hair Salon / Beauty Parlor	26	39.40%
Covered Pavilion	26	39.40%
Senior Adult Day Care Facility	25	37.90%
Low Income Housing (other than for seniors)	24	36.40%
Physical / Massage Therapy	23	34.80%
Library	23	34.80%
Non-Denominational Chapel	18	27.30%
Dietician	15	22.70%
Child Day Care Facility	15	22.70%
Pet Supplies and Grooming	11	16.70%
Shoe Repair	10	15.20%
Dry Cleaners	7	10.60%

Survey Diagrams

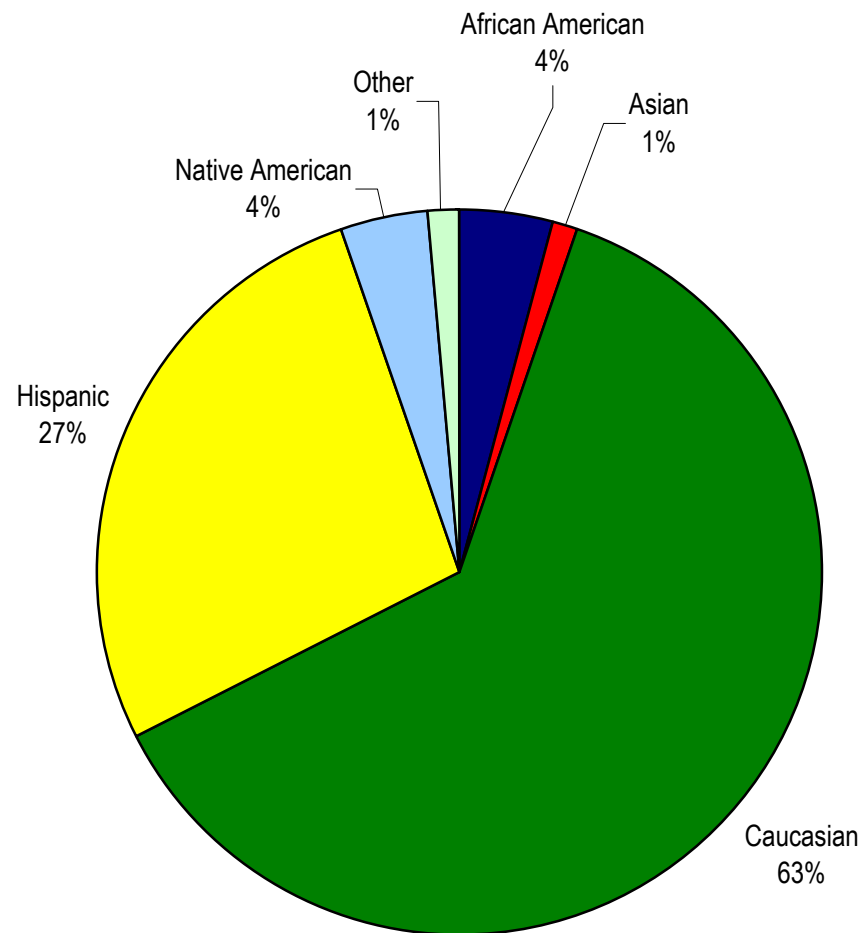
Age Distribution of Respondents



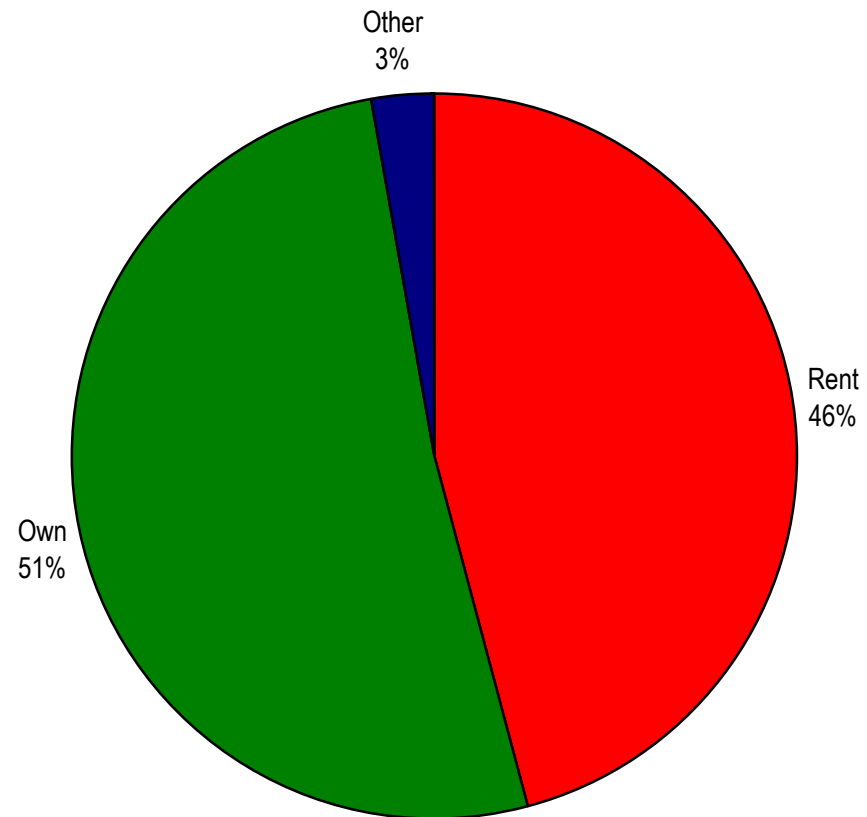
Gender Distribution of Respondents



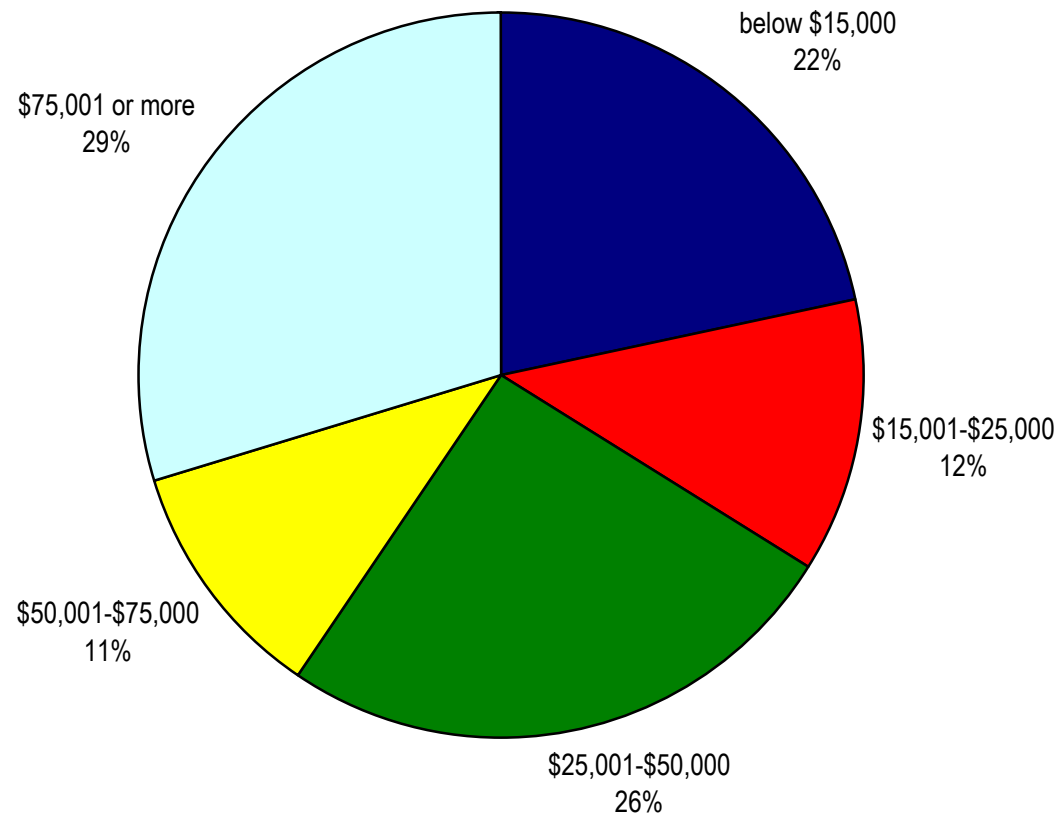
Race Distribution of Respondents



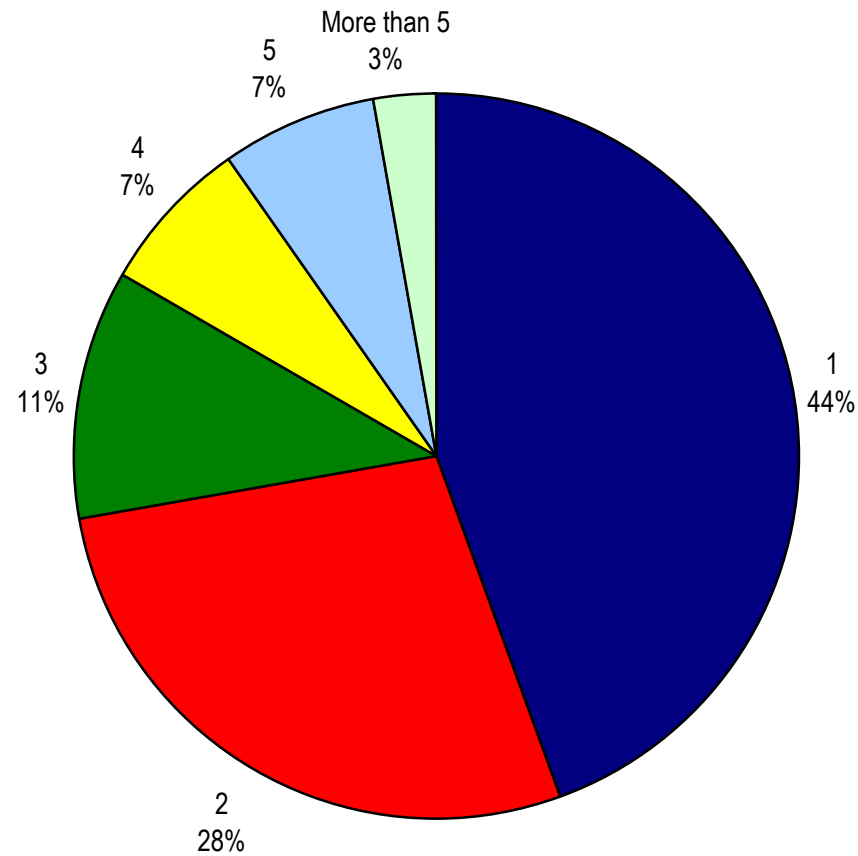
Residential Status of Respondents



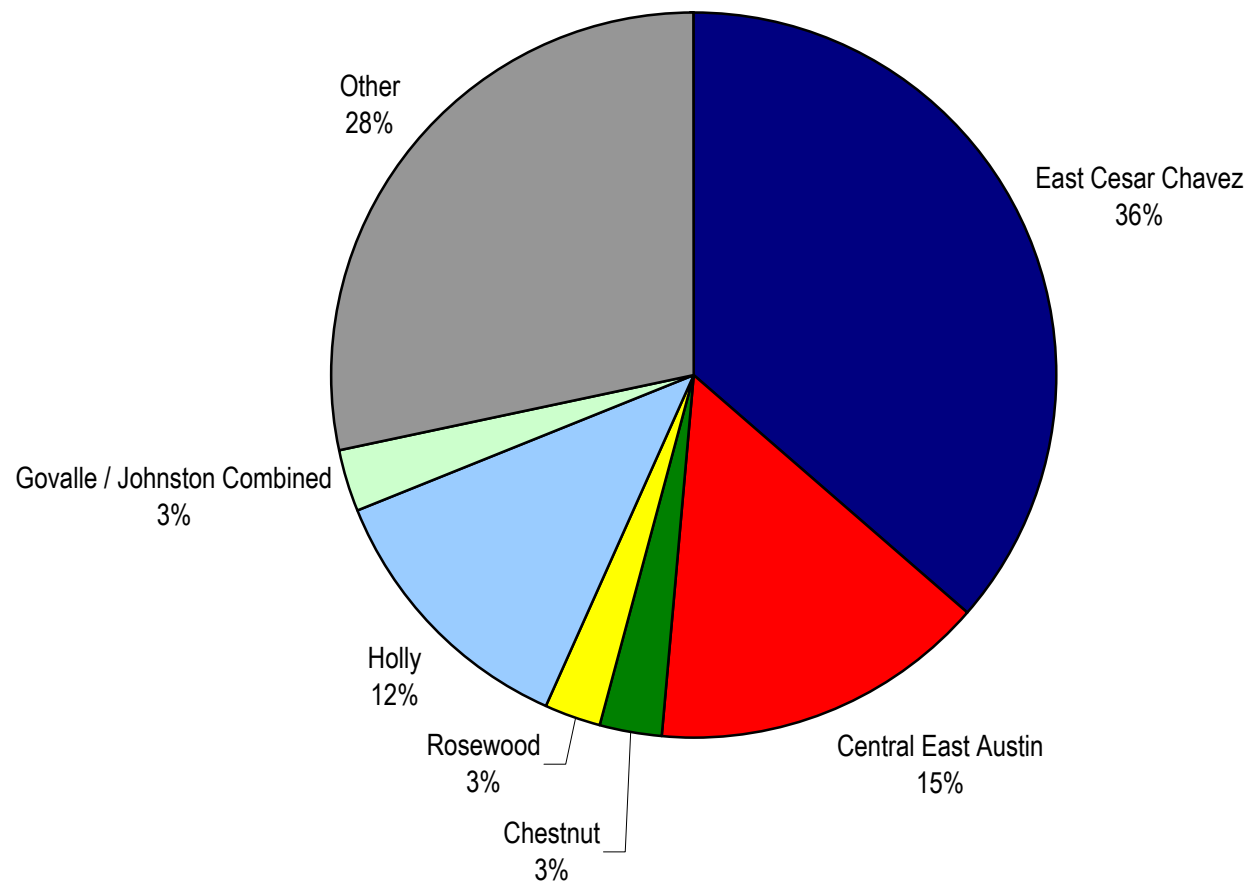
Annual Household Income of Respondent



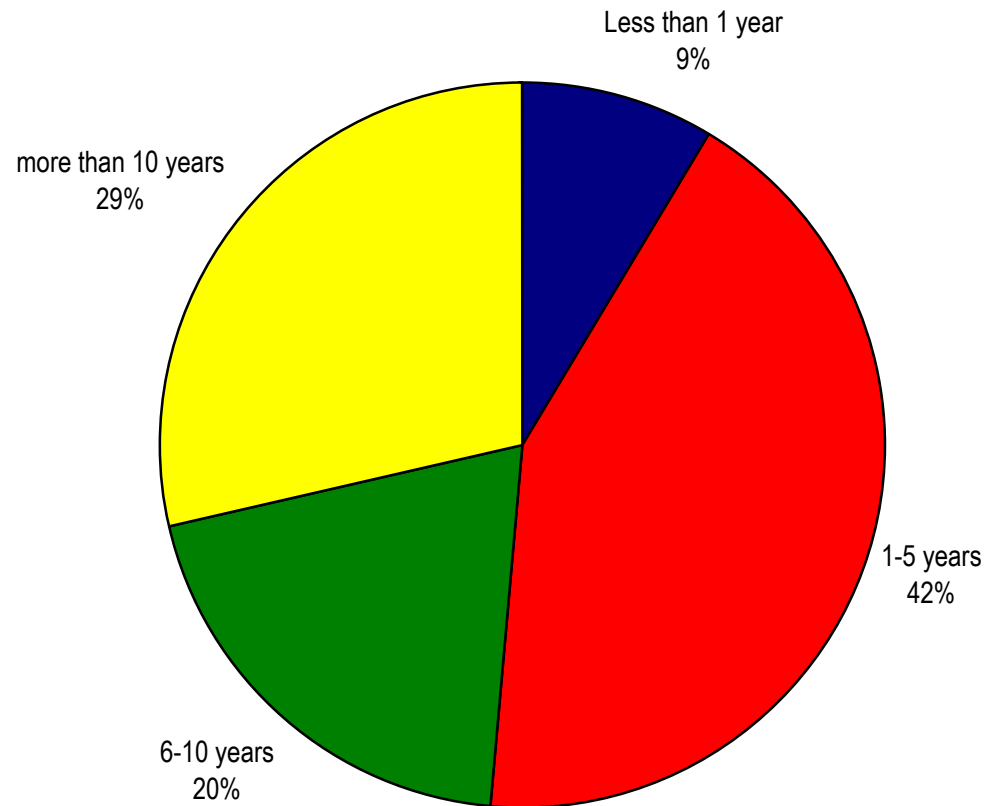
People Living in Household of Respondent (including self)



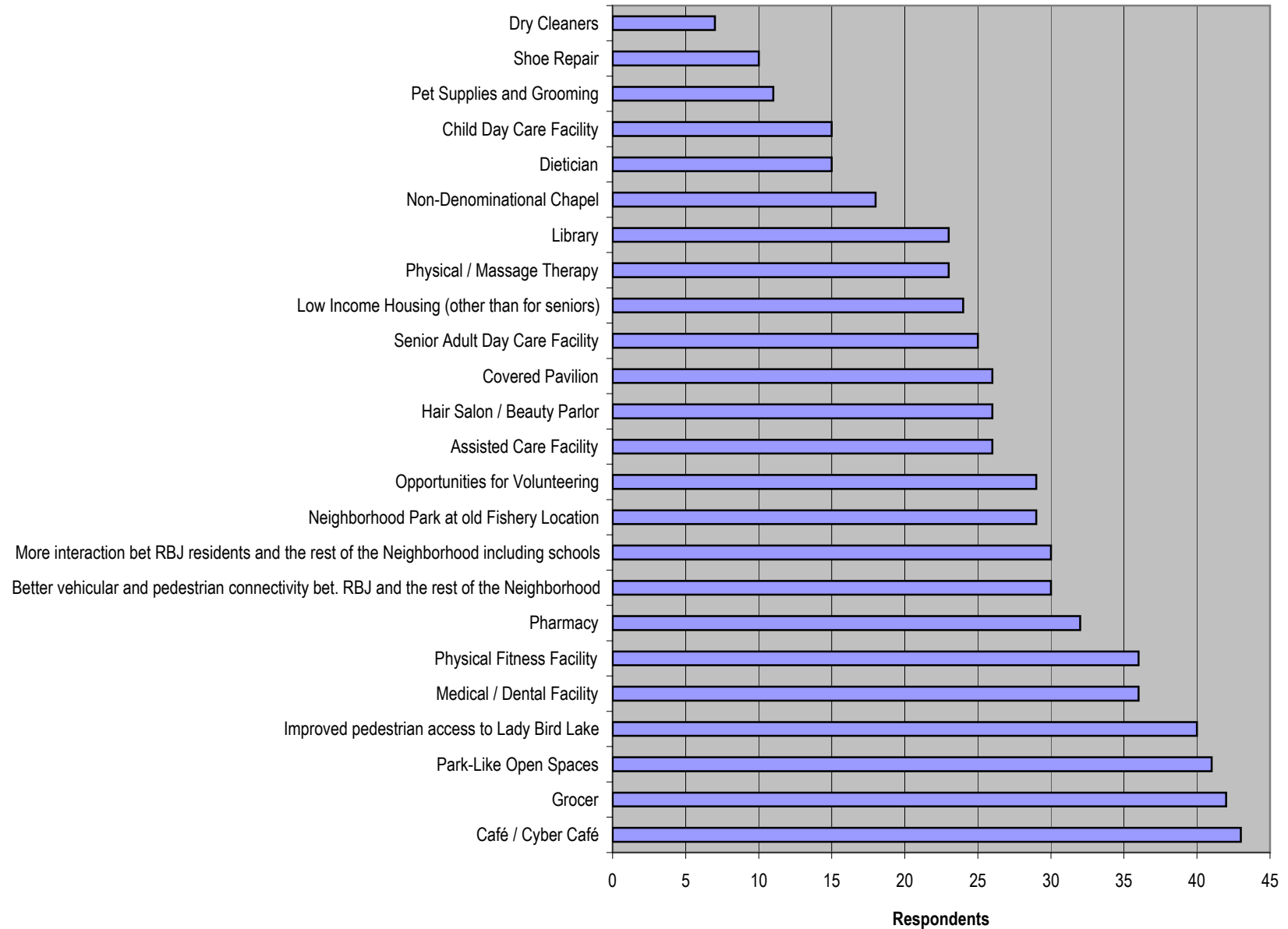
Neighborhood Distribution of Respondents



Length of Current Residence of Respondents



Goods, Services and Improvements Desired by Respondents



Responses - Comments



1. Avoid controversy and keep all new building heights at 60 feet. Consider public-private parking structure on city-owned land to handle events at Festival Beach and Fiesta Gardens and to reduce parking requirements on RBJ land and increase the number of affordable units for seniors and disabled. This parking garage could be where they're digging the tunnel now. Therapeutic heated pool and gym equipment restricted to use by disabled residents on site and in the immediate neighborhood. Add senior-friendly amenities in city parkland including dominoes, checkers, and card tables, shuffleboard, paved sidewalk and more benches at the hike and bike trail, and a fishing pier. Add a Pedicab, yellow bikes, and car share station to an improved public transit stop that includes more seating capacity in an accessible bus shelter with wind screens, heater for cold days and fan for cool days. Limit all vehicle traffic to Waller and Nash Martinez, no vehicle entrance on Haskell Street. A rooftop observation deck/lounge on the old tower or a new parking garage with shade canopy, restrooms, telescopes and benches to watch park activities and fireworks downtown and on Lady Bird Lake.
2. Programs for arts - performing/visual/literary. Elderfest - Elder Hostel - Elder travel. Book/Media Sharing Library, augment w/ capacity to borrow from other Austin Libraries, if desired. Relocate Austin History Center to this campus. Programs for sharing across generations, such as Story Corp and writing one's history. Adopt a School Child/Mentor. Intergenerational living options, ie caregiver-family member-live-in. All denominational chapel. Funeral service options. Relationship counseling. Thrift store/farmers' market and vegetable and herb gardens. Qigong/Tai Chi in fitness program.
3. I enjoy gardening at the Festival Beach Community Garden on the property next door to RBJ.
4. I have a garden plot at Festival Beach Garden near RBJ. It is a beautiful, beautiful garden, and we all worked very hard to create it and to continue improving it. It serves the local neighborhood citizens, and we rely on the vegetables we grow to feed our family. We have African refugees who are so grateful for their gardens, and we provide raised beds for disabled individuals, and educational opportunities are provided. FBG also provides habitat for many beneficial species of birds, butterflies, bees, in the area, and we are working to provide more. We even have a pair of beautiful red-tailed hawks with a nest. FBG is a huge asset to the community in so many ways. This is the ONLY community garden in the area, and it is so important to the well-being of the citizens in nearby East Austin neighborhoods. Please leave Festival Beach Gardens as it is. It is a huge asset to the East Austin community!
5. Save some space for potential future expansion of the Festival Beach Community Garden.
6. I don't qualify for low income housing but would like to live here. Will there be an option for folks that do not meet low income standards but is still affordable. I like the proximity to the community gardens and the hike and bike trail. An ice cream shop would be nice.... Media room meeting rooms for bingo, cards, crafts, or informal classes. BBQ areas, picnic tables. A place to have dances for the residents. A stage to bring performers or do theater. shuffle board I don't live in the neighborhood but have worked at RBJ Health Center since 1987 and have grown to love and care about this area of town.
7. Please keep Festival Beach Community Garden at it's current site! We have been working hard to make it a beautiful and tasty addition to the community!
8. As a community gardener at Festival Beach, I very much appreciate the neighborhood interactions and camaraderie generated by the garden at that location and encourage you to incorporate the garden in your plans for RBJ's future.
9. Community Garden maintained at it's current site.

Rebekah Baines Johnson (RBJ) Residence
Strategic Master Plan Survey
Responses - Comments

10. 1. INTERNET CONNECTION COUPLED WITH TIME-WARNER CABLE 2. CENTRAL AIR/HEATING 3. SMALL VERANDA/PATIO OUT FROM EACH LIVING ROOM AREA FOR SITTING OUTSIDE/PLANTS 4. SMOKE-FREE BLDG. --TOO MANY WITH OXYGEN IN BLDG. AND WE NEED THIS SMOKING IN THE BLDG. STOPPED ALL TOGETHER. 5. LARGER MAIL BOXES TO ACCOMMODATE SMALL PKGS. 6. ENTRANCE DOORS THAT SLIDE OPEN WHEN APPROACHED SO YOU DON'T HAVE TO PUNCH THE HANDICAP BUTTON. 7. DOUBLE PANED WINDOWS AS THESE NOW LET IN TOO MUCH COLD AIR IN WINTER AND HEAT IN THE SUMMER MONTHS. 8. MORE ELECTRICAL OUTLETS IN EACH ROOM. 9. OF COURSE, WANT THE 16 STORY TOWER BUILT LIKE WE HAVE NOW. WE SHOULD GET THE GRANDFATHER CLAUSE CONSIDERATION AS OUR TOWER WAS HERE LONG BEFORE THE OTHER HIGH-RISE BLDGS. AROUND US. WE ARE ELDERLY, DON'T HAVE MANY YEARS LEFT AND WANT TO ENJOY OUR VIEWS OF THE CITY (NORTH) AND RIVER (SOUT)!!!! 10. SQUARE FOOTAGE FOR BATH AREA. 11. ELIMINATE WALL IN 1 BR APTS. SO WHEELCHAIR ACCESSIBILITY IS IMPROVED TO GET TO KITCHEN AREA AND ADDS MORE DAYLIGHT TO KITCHEN AREA ALSO.
11. THIS WAS BUILT FOR THE RESIDENTS OF RBJ TO ENSURE THEIR HEALTH AND SAFETY AND TO GIVE THEM A BETTER WAY OF LIFE. WE HAVE ALWAYS FELT SAFE IN OUR 18 -ACRE SITE. AWAY FROM THE STREET PEOPLE AND NEIGHBORHOOD CRIME IN THE BEGINNING OF THE DEVELOP OF A MASTER PLAN. IT WAS ALL ABOUT OUR WANTS AND NEEDS FOR OUR FUTURE. AND BUILDING OUR NEW HIGH RISE AND THE REHAB OF THIS BUILDING - AND ITS NEW LOW INCOME AND DISABLE RESIDENTS. NOW THE TALK IS ABOUT AFFORDABLE/MIXED - INCOME HOUSING AND OTHER MIXED USES SUPPORTED BY THE NEIGHBORHOOD OUR RESIDENTS ARE CONCERNED THAT - IS IT STILL - OUR NEEDS AND WHAT IS BEST FOR THE RESIDENTS OF RBJ. OR IS WHAT THE NEIGHBORHOOD WANTS. TALK AROUND RBJ AND THE RESIDENTS
12. I think that the Festival Beach Garden should be maintained at its current site. It is an asset to the community-- brings together the residents of the facility and surrounding neighborhoods.
13. Please keep the Festival Beach community garden maintained at it's current location!
14. I would like to see the community garden maintained at its current site.
15. We are happy to have the community garden in the neighborhood now and hope it can be maintained at that site.
16. I love the new garden on the city land, please keep the gardeners! Is this city land open to development? It seems odd they'd let the garden begin and then plow it under for whatever it is you're planning....
17. community garden
18. I think the community garden at Festival Beach should continue to exist at its present site. RBJ residents are welcome to join the garden and we have raised bed garden plots available for our older and/or mobility impaired neighbors. A small grocery store would be an asset to the neighborhood, as well as a doctor and dentist.
19. I also support continuing to keep the community garden in its current location and to keep it going, I think it's a great thing for the area and austin in general.

Rebekah Baines Johnson (RBJ) Residence
Strategic Master Plan Survey
Responses - Comments

20. Please keep Festival Beach Community Garden intact. It fulfills so many of the community's needs and I see residents enjoying the garden in various ways every time I am there. The garden is growing and improving all the time. Further, the garden is a model for many more community gardens to be developed throughout the city on City property. It is vital to encourage healthy, sustainable food sources locally. Thank you for your consideration.
21. I would welcome more housing and services that reflect the variety of uses now being encouraged downtown. Retail, services and medical would be especially welcome along with more housing. I would like more mixed-use throughout the neighborhood, utilizing existing structures for home businesses and cottage industry. I am also an advocate for the arts, and the many ways they improve the quality of life for people of all ages.
22. Continue community gardens. This use is beneficial to the health and happiness of many Austinites.
23. With just a little development this could be a great intensive living area with businesses and residential within walking distance.
24. I would like to see more handicap parking spaces available to residents. Also I hope the new building will have central air and heat instead of window units. Carpet floors would be nice too.
25. I am not opposed to adding additional services/facilities to this land. I do think that the existing community garden is a great enhancement to this part of east Austin and has tremendous community building potential for the area. It is a wonderful example of the type of thing that should and will be happening all over Austin. Whatever is built, it is important to preserve this open sunny location for neighbors to get to know one another and grow food together. Thanks.
26. I am happy about the community garden being in the neighborhood and would like to see it continue to thrive.
27. Please leave Festival Beach Gardens where it is.....
28. Festival Beach Garden is awesome it has provided my children and grandchildren a place to learn about growing their own veggies & about nature. This is a great experience I would hate to see it disappear.
29. Festival Beach Community Garden is a fantastic addition to the RBJ complex which has increased community involvement in the neighborhood and provided beauty as well as food security awareness. I sincerely hope this remains in the master plan, and would love to see it expand to involve more RBJ and neighborhood residents!
30. Wheelchairs / scooters pedestrian marked crossing for resident access to the park areas and Lady Bird Lake.
31. Yes, it really would be nice to have our own RBJ bus/van. I'll be your/our driver. Smile. Covered parking would be next on the list to cover our autos with numbers of our apts.
32. My biggest challenge is feeding myself (I am a terrible cook) I would love a Cafe/cafeteria where I could purchase a healthy hot lunch. I can take care of breakfast and dinner.

Rebekah Baines Johnson (RBJ) Residence
Strategic Master Plan Survey
Responses - Comments

33. Perhaps some "Co-Housing" ideas could be used, like a common area that can be used for the lunchroom but also for council meetings, chapel, library, etc. A convertible space that could serve as a central meeting place.
34. Please keep RBJ area for RBJ seniors and disabled. Open volunteering in local neighborhood to off RBJ campus. I would enjoy tutoring neighborhood children as long as not on the RBJ campus. Thanks for your kind consideration, RBJ Resident.

Other written comments :

Low income housing other than seniors would bring crime to the campus.

Medical / Dental facility : for all, not just section 8

NO NO NO to child day care facility

Better vehicular and pedestrian connectivity between RBJ and the rest of the neighborhood : NO, would increase crime

More interaction bet. RBJ residents and the rest of the neighborhood including schools : Yes, but off RBJ Campus

Neighborhood gardening area at the old Fishery Location

35. Who gets to use the facility next to RBJ Residential Tower since there is a facility at 211 Comal also? I have misgivings about mixed income and mixed uses because if the East Austin Neighbors are any indication, they don't keep their property neat, clean or well maintained. I appreciate the handout showing the stages that the project will entail.

Other comments

Medical / Dental Facility : Medical at 211 Comal who get to use the Dental next to RBJ Res. Tower?

Hair Salon / Beauty Parlor : We already have one in RBJ Building

Library : Already one on Cesar Chavez at Terrazas, already one at Festival Beach

Pet Supplies and Grooming : We aren't allowed pets at RBJ

More interaction bet. RBJ res. and the rest of the Neighborhood including schools : I made 3 attempts at Sanchez and no one called me back

Park Like Open Spaces : Already on Waller/City of Austin

Improved pedestrian access to Lady Bird Lake: ? It's called walking on grass

36. I do not mean projects, but more affordable housing for people like myself. Working but can't hardly eat for the mortgage payment. And get this, I'm a healthcare worker.
37. I'm an unemployed tree trimmer with over 16 years of tree care, trimming, climbing and pruning experience and would like to volunteer my time to enhance the health and quality of the trees in this area, contact me at 512 712 0121.
38. Promover sus programas en la comunidad e integrar a la comunidad hispana a ellos. No solo promover y vender pero si tener eventos para que nosotros nos enteremos q ofrecen

LOOSE TRANSLATION: To promote a program in the community and integrate the hispanic community. Not just promote the vendors but also have events to tell about different services offered.

39. Un edificio sin fumar. Mesas exteriores para actividades Unidades de almacenaje.

LOOSE TRANSLATION: A non-smoking building. Tables outside for activities. Storage Units.



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Barton Oaks Plaza V, Suite 200
Austin, Texas 78746
P 512.472.4600
www.hsatx.com

RBJ Strategic Master Plan Report

Exhibit 7 Option A - Plan, Data, Images, Phasing

Option A

 Sr. Housing
(RBJ/AGC)

 Market Rate
Development
(Potential)

 Existing RBJ
Tower

 Number of
Floors
(1, 2, 3, 5 & 16)

A (Baseline)

+/- 17.8 acres

500 Units of Sr. Housing
(surface parked)

+/- 20,000 s.f. commercial
(surface parked)

600 surface parking spaces

Total 500 Units



T B G

RBJ/AGC
Option A

OCTOBER 18, 2011

The information shown is based on the best information available and is subject to change without notice.

A															
Total Site Area		17.8	=	775,368	s.f.	Impervious Cover (IC) Allowed (40%) =						310,147	s.f.		
	BaseLine	Gross Area (SF)	Levels	Res. Units	Comm. Area (SF)	Building IC	Parking IC	Total IC	Parking Ratio	Res Pkg (spaces)	Retail Parking	Req'd Parking	Struct Parking	Surface Parking	Total Parking
A1	Existing Tower	200,000	16	224	10,000	12,500	85,400	97,900	1 per unit	224	20	244		244	244
A2	Sr Housing	40,000	5	29	10,000	8,000	17,150	25,150	1 per unit	29	20	49		49	49
B1	Sr Housing	80,000	5	78	-	16,000	27,300	43,300	1 per unit	78	-	78		78	78
C1	Sr Housing	28,000	2	27	-	14,000	9,450	23,450	1 per unit	27	-	27		27	27
C2	Sr Housing	20,000	2	20	-	10,000	7,000	17,000	1 per unit	20	-	20		20	20
D1	Sr Housing	125,000	5	122	-	25,000	42,700	67,700	1 per unit	122	-	122		122	122
	Sub-Total	493,000		500	20,000	85,500	189,000	274,500		500	40	540	-	540	540
	Sub-Total	-		0	-	-	-	-		-	-	-	-	-	-
	Total	493,000		500	20,000	85,500	189,000	274,500		500	40	540	-	540	540

Option A



North



South

Option A



East



West

Option A

 Existing RBJ Tower

A (Baseline)

+/- 17.8 acres

500 Units of Sr. Housing

(surface parked)

+/- 20,000 s.f. commercial

(surface parked)

600 surface parking spaces

Total 500 Units

HATCHERY PARK
Phase I

Phase II

Phase II

Phase II

Phase III

Phase II

City of Austin
5.1 acres

City of Austin
2.4 acres

City of Austin
1.5 acres

Festival Beach

Martin JHS

Martin Park

Lady Bird Lake



0 100' 200'



RBJ/AGC

Option A - phasing

OCTOBER 18, 2011

The information shown is based on the best information available and is subject to change without notice.

T B G

RBJ Strategic Master Plan Report

Exhibit 8 Option B - Plan, Data, Images, Phasing

Option B

 **Sr. Housing
(RBJ/AGC)**

 **Market Rate
Development
(Potential)**

 **Existing RBJ
Tower**

 **Number of
Floors
(1, 2, 3, 5 & 16)**

B
+/- 17.8 acres
500 Units of Sr. Housing
(surface parked)
175 Units of Market Rate Residential
(includes new 5 story MU bldg.)
+/- 30,000 s.f. commercial
(structure & surface parked)

495 surface parking spaces
320 structured parking spaces

Total 675 Units



T B G

RBJ/AGC
Option B

OCTOBER 18, 2011

The information shown is based on the best information available and is subject to change without notice.

B																
	Total Site Area		17.8	=	775,368	s.f.	Impervious Cover (IC) Allowed (40%) =					310,147 s.f.*				
	BaseLine		Gross Area (SF)	Levels	Res. Units	Comm. Area (SF)	Building IC	Parking IC	Total IC	Parking Ratio	Res Pkg (spaces)	Retail Parking	Req'd Parking	Struct Parking	Surface Parking	Total Parking
	A1	Existing Tower	200,000	16	224	10,000	12,500	85,400	97,900	1 per unit	224	20	244		244	244
	A2	Sr Housing	50,000	5	42	10,000	10,000	21,700	31,700	1 per unit	42	20	62		62	62
	B1	Sr Housing	150,000	5	157	-	30,000	54,950	84,950	1 per unit	157	-	157		157	157
	C1	Sr Housing	12,000	2	13		6,000	4,550	10,550	1 per unit	13	-	13		13	13
	C2	Sr Housing	20,000	2	21		10,000	7,350	17,350	1 per unit	21	-	21		21	21
	C3	Sr Housing	42,000	3	44	-	14,000	15,400	29,400	1 per unit	44	-	44		44	44
		Sub-Total	474,000		500	20,000	82,500	189,350	271,850		500	40	540	-	541	541
	D1	Market Rate Housing	200,000	5	175	25,000	40,000	-	40,000	1 per unit	175	50	225			
	Dg	D Structured Parking	96,000	4				24,000	24,000	300sf/space			-	320		320
	Sub-Total	296,000		175	25,000	40,000	24,000	64,000		175	50	225	320	-	320	
	Total	770,000		675	45,000	122,500	213,350	335,850		675	90	765	320	541	861	
* The excess impervious cover can be eliminated by sharing Structured Parking in Building Dg.																

Option B



North



South

Option B



East



West

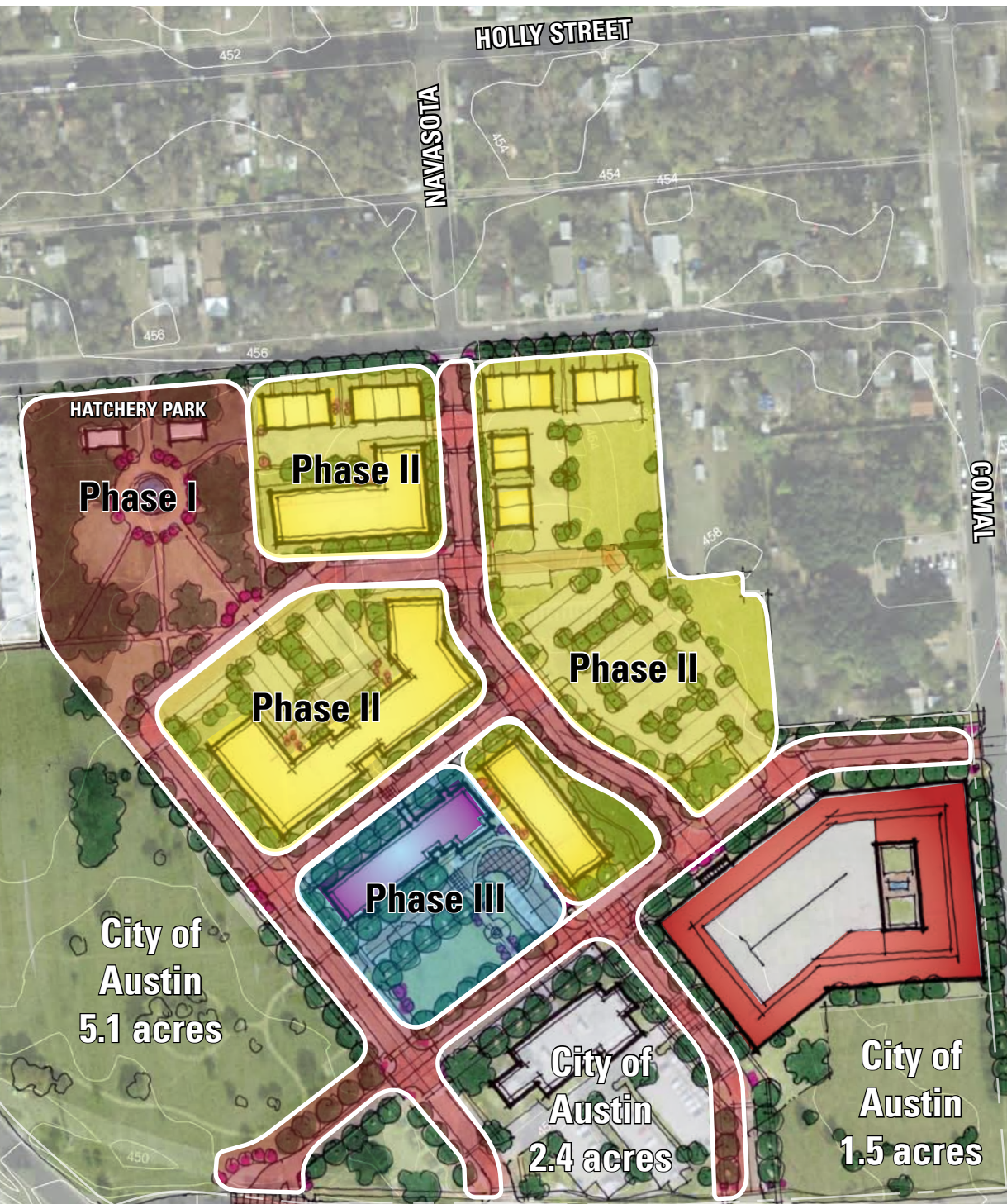
Option B

 Existing RBJ Tower

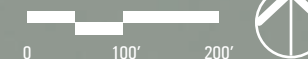
B
 +/- 17.8 acres
 500 Units of Sr. Housing
 (surface parked)
 175 Units of Market Rate Residential
 (includes new 5 story MU bldg.)
 +/- 30,000 s.f. commercial
 (structure & surface parked)

495 surface parking spaces
 320 structured parking spaces

Total 675 Units



Lady Bird Lake



RBJ/AGC

Option B - Phasing

OCTOBER 18, 2011

The information shown is based on the best information available and is subject to change without notice.

T B G

RBJ Strategic Master Plan Report

Exhibit 9 Option C - Plan, Data, Images, Phasing

Option C

 **Sr. Housing
(RBJ/AGC)**

 **Market Rate
Development
(Potential)**

 **Affordable
Housing
(Potential)**

 **Existing RBJ
Tower**

 **Number of
Floors
(1, 2, 3, 5 & 16)**

C
+/- 17.8 acres
500 Units of Sr. Housing
(structure & surface parked)
340 Units of Market Rate Residential
(includes new 5 story MU bldg)
+/- 50,000 s.f. commercial
(structure & surface parked)

170 surface parking spaces
870 structured parking spaces

Total 840 Units



T B G

RBJ/AGC
Option C

OCTOBER 18, 2011

The information shown is based on the best information available and is subject to change without notice.

C															
	Total Site Area 17.8 = 775,368 s.f. Impervious Cover (IC) Allowed (40%) = 310,147 s.f.														
	BaseLine	Gross Area (SF)	Levels	Res. Units	Comm. Area (SF)	Building IC	Parking IC	Total IC	Parking Ratio	Res Pkg (spaces)	Retail Parking	Req'd Parking	Struct Parking	Surface Parking	Total Parking
A1	Existing Tower	200,000	16	224	10,000	12,500	85,400	97,900	1 per unit	224	20	244		244	244
A2	Sr Housing	50,000	5	38	10,000	10,000	20,300	30,300	1 per unit	38	20	58		58	58
B1	Sr Housing	250,000	5	238	-	50,000	-	50,000	1 per unit	238	-	238			
Bg	E Structured Parking	165,600	4				41,400	41,400	350sf/space			-	473		473
	Sub-Total	665,600		500	20,000	72,500	147,100	219,600		500	40	540	473	302	775
C1	Market Rate Housing	24,000	2	24		12,000	8,400	20,400	1 per unit	24	-	24		24	24
C2	Market Rate Housing	24,000	2	24		12,000	8,400	20,400	1 per unit	24	-	24		24	24
D1	Market Rate Housing	250,000	5	225	25,000	50,000	-	50,000	1 per unit	225	50	275		-	
Dg	D Structured Parking	96,000	4				24,000	24,000	300sf/space			-	320		320
E1	Market Rate Housing	30,000	3	33	-	10,000	11,550	21,550	1 per unit	33	-	33		33	33
E2	Market Rate Housing	30,000	3	33	-	10,000	11,550	21,550	1 per unit	33	-	33		33	33
	Sub-Total	454,000		340	25,000	94,000	63,900	157,900		340	50	390	320	114	434
	Total	1,119,600		840	45,000	166,500	211,000	377,500		840	90	930	793	416	1,209
* The excess impervious cover can be eliminated by sharing Structured Parking in Buildings Bg and Dg.															

Option C



North



South

Option C



East



West

Option C

 **Sr. Housing
(RBJ/AGC)**

 **Market Rate
Development
(Potential)**

 **Affordable
Housing
(Potential)**

 **Existing RBJ
Tower**

C

+/- 17.8 acres

**500 Units of Sr. Housing
(structure & surface parked)**

**340 Units of Market Rate Residential
(includes new 5 story MU bldg)**

**+/- 50,000 s.f. commercial
(structure & surface parked)**

170 surface parking spaces

870 structured parking spaces

Total 840 Units

HATCHERY PARK

Phase I

Phase II

Phase III

**City of
Austin
5.1 acres**

**City of
Austin
1.5 acres**

Festival Beach

*Lady Bird
Lake*



RBJ/AGC

Option C - Phasing

OCTOBER 18, 2011

The information shown is based on the best information available and is subject to change without notice.

T B G

RBJ Strategic Master Plan Report

Exhibit 10 Option D - Plan, Data, Images, Phasing

Option D

 **Sr. Housing**
(RBJ/AGC)

 **Market Rate**
Development
(Potential)

 **Affordable**
Housing
(Potential)

 **Existing RBJ**
Tower

 **Number of**
Floors
(1, 2, 3, 5 & 16)

D
+/- 20.1 acres
500 Units of Sr. Housing
(structure & surface parked)
400 Units of Market Rate Residential
(includes new 5 story MU bldg. & Existing City bldg.)
+/- 65,000 s.f. commercial
(structure & surface parked)

240 surface parking spaces
870 structured parking spaces

Total 900 Units

City of Austin
5.1 acres

City of Austin
1.5 acres

Festival Beach

Lady Bird
Lake



T B G

RBJ/AGC
Option D

OCTOBER 18, 2011

The information shown is based on the best information available and is subject to change without notice.

D																
	Total Site Area		20.1	=	875,556	s.f.	Impervious Cover (IC) Allowed (40%) =					350,222 s.f.				
	BaseLine		Total Gross Area (SF)	Levels	Res. Units	Comm. Area (SF)	Building IC	Parking IC	Total IC	Parking Ratio	Res Pkg (spaces)	Retail Pkg	Req'd Total Pkg	Struct Pkg Provided	Surface Pkg	Total Pkg Provided
	A1	Existing Tower	200,000	16	224	10,000	12,500	85,400	97,900	1 per unit	224	20	244		244	244
	A2	Sr Housing	50,000	5	38	10,000	10,000	20,300	30,300	1 per unit	38	20	58		58	58
	B1	Sr Housing	250,000	5	238		50,000	-	50,000	1 per unit	238	-	238			
	Bg	E Structured Parking	165,600	4				41,400	41,400	350sf/space			-	473		473
		Sub-Total	665,600		500	20,000	72,500	147,100	219,600		500	40	540	473	302	775
	C1	Market Rate Housing	24,000	2	24		12,000	8,400	20,400	1 per unit	24	-	24		24	24
	C2	Market Rate Housing	24,000	2	24		12,000	8,400	20,400	1 per unit	24	-	24		24	24
	D1	Market Rate Housing	250,000	5	225	25,000	50,000		50,000	1 per unit	225	50	275			
	Dg	D Structured Parking	96,000	4				24,000	24,000	300sf/space			-	320		320
	E1	Market Rate Housing	30,000	3	33	-	10,000	11,550	21,550	1 per unit	33	-	33		33	33
E2	Market Rate Housing	30,000	3	33	-	10,000	11,550	21,550	1 per unit	33	-	33		33	33	
F1	Existing City Building	55,500	5	51	5,000	11,100	21,350	32,450	1 per unit	51	10	61		61	61	
F2	Restaurant	5,000	1	-	5,000	5,000	17,500	22,500	10 per 1000	-	50	50		50	50	
F3	Restaurant	5,000	1		5,000	5,000	17,500	22,500	10 per 1000		50	50		50	50	
	Sub-Total	519,500		390	40,000	115,100	120,250	235,350		390	160	550	320	275	595	
	Total	1,185,100		890	60,000	187,600	267,350	454,950		890	200	1,090	793	577	1,370	
* The excess impervious cover caused by surface parking spaces in Structured Parking Buildings Bg and Dg.																

Option D



North



South

Option D



East



West

Option D

-  Sr. Housing (RBJ/AGC)
-  Market Rate Development (Potential)
-  Affordable Housing (Potential)
-  Existing RBJ Tower

D
 +/- 20.1 acres
 500 Units of Sr. Housing (structure & surface parked)
 400 Units of Market Rate Residential (includes new 5 story MU bldg. & Existing City bldg.)
 +/- 65,000 s.f. commercial (structure & surface parked)
 240 surface parking spaces
 870 structured parking spaces
 Total 900 Units



RBJ Strategic Master Plan Report

Exhibit 11 Option E - Plan, Data, Images, Phasing

Option E

 **Sr. Housing
(RBJ/AGC)**

 **Market Rate
Development
(Potential)**

 **Affordable
Housing
(Potential)**

 **Existing RBJ
Tower**

 **Number of
Floors
(1, 2, 3, 5 & 16)**

E

+/- 19.2 acres

**500 Units of Sr. Housing
(structure & surface parked)**

500 Units of Market Rate Residential

(includes new 5 story MU bldg. & Existing City bldg.)

+/- 65,000 s.f. commercial

(structure & surface parked)

190 surface parking spaces

1,100 structured parking spaces

Total 1,000 Units



T B G

RBJ/AGC

Option E

OCTOBER 18, 2011

The information shown is based on the best information available and is subject to change without notice.

E																	
	Total Site Area		19.2	=	836,352	s.f.	Impervious Cover (IC) Allowed (40%) =					334,541					s.f.
	BaseLine		Total Gross Area (SF)	Levels	Res. Units	Comm. Area (SF)	Building IC	Parking IC	Total IC	Parking Ratio	Res Pkg (spaces)	Retail Pkg	Req'd Total Pkg	Struct Pkg Provided	Surface Pkg	Total Pkg Provided	
	A1	Existing Tower	200,000	16	224	10,000	12,500	85,400	97,900	1 per unit	224	20	244		244	244	
	A2	Sr Housing	50,000	5	38	10,000	10,000	20,300	30,300	1 per unit	38	20	58		58	58	
	B1	Sr Housing	250,000	5	238		50,000	-	50,000	1 per unit	238	-	238			-	
	Bg	E Structured Parking	165,600	4				41,400	41,400	350sf/space			-	473		473	
		Sub-Total	665,600		500	20,000	72,500	147,100	219,600		500	40	540	473	302	775	
	D1	Market Rate Housing	200,000	5	190	10,000	40,000	-	40,000	1 per unit	190	20	210				
	Dg	D Structured Parking	96,000	4				24,000	24,000	300sf/space			-	320		320	
									-								
	F1	Existing City Building	55,500	5	51	5,000	11,100	21,350	32,450	1 per unit	51	10	61		61	61	
	F2	Restaurant	5,000	1	-	5,000	5,000	17,500	22,500	10 per 1000	-	50	50		50	50	
	F3	Restaurant	5,000	1		5,000	5,000	17,500	22,500	10 per 1000		50	50		50	50	
G1	Market Rate Housing	200,000	5	190	10,000	40,000	-	40,000	1 per unit	190	20	210					
Gg	D Structured Parking	96,000	4				24,000	24,000	300sf/space			-	320		320		
G2	New MU Bldg	63,000	5	58	5,000	12,600	23,800	36,400	1 per unit	58	10	68		68	68		
G3	Restaurant	5,000	1	-	5,000	5,000	17,500	22,500	10 per 1000	-	50	50		50	50		
G4	Restaurant	5,000	1		5,000	5,000	17,500	22,500	10 per 1000		50	50		50	50		
	Sub-Total	730,500		489	50,000	123,700	163,150	286,850		489	260	749	640	329	969		
	Total	1,396,100		989	70,000	196,200	310,250	506,450		989	300	1,289	1,113	631	1,744		
* The excess impervious cover caused by surface parking spaces in Structured Parking Buildings Bg, Dg and Gg.																	

Option E



North



South

Option E



East



West

Option E

 **Sr. Housing
(RBJ/AGC)**

 **Market Rate
Development
(Potential)**

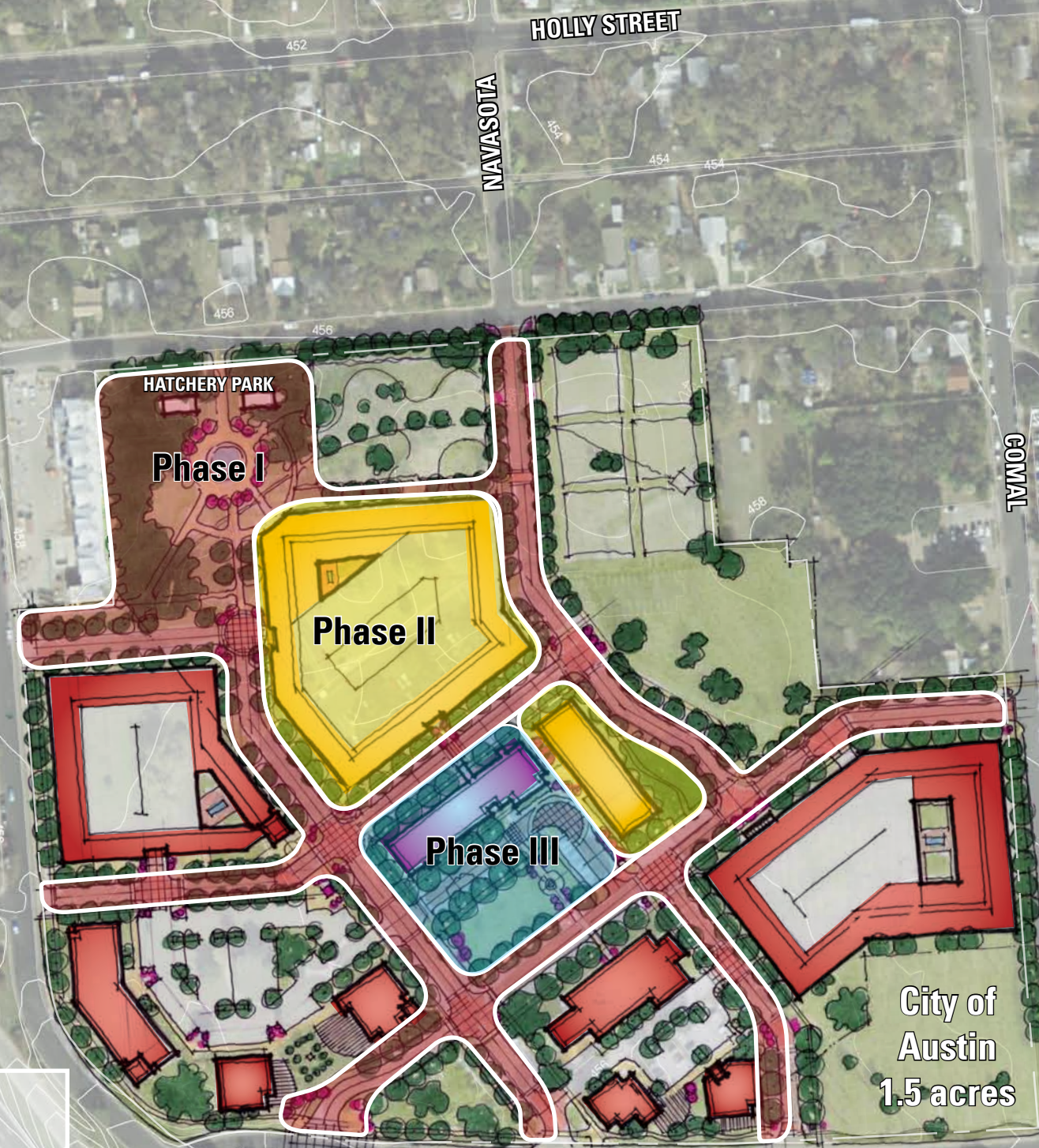
 **Affordable
Housing
(Potential)**

 **Existing RBJ
Tower**

E
+/- 19.2 acres
500 Units of Sr. Housing
(structure & surface parked)
500 Units of Market Rate Residential
(includes new 5 story MU bldg. & Existing City bldg.)
+/- 65,000 s.f. commercial
(structure & surface parked)

190 surface parking spaces
1,100 structured parking spaces

Total 1,000 Units



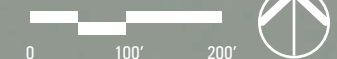
Festival Beach

City of
Austin
1.5 acres

Martin JHS

Martin Park

*Lady Bird
Lake*



T B G

RBJ/AGC

Option E - Phasing

OCTOBER 18, 2011

The information shown is based on the best information available and is subject to change without notice.

RBJ Strategic Master Plan Report

Exhibit 12 Estimates

Soft Costs					
A	1,295,520	0	2,258,139	6,116,272	
B	1,258,868	0	2,262,421	5,720,635	
C	1,041,219	1,154,758	2,191,570	6,116,473	
D	1,048,148	1,154,517	2,191,112	6,115,195	
E	1,227,896	1,148,339	2,179,388	6,082,473	
Hard Costs					
A	\$6,500,148	\$0	\$11,825,000	\$30,687,820	\$49,012,968
B	\$6,304,297	\$0	\$11,825,000	\$28,648,420	\$46,777,717
C	\$5,382,903	\$5,969,880	\$11,825,000	\$31,621,000	\$54,798,783
D	\$5,419,859	\$5,969,880	\$11,825,000	\$31,621,000	\$54,835,739
E	\$6,383,474	\$5,969,880	\$11,825,000	\$31,621,000	\$55,799,354

RBJ / AGC MASTER PLAN
Preliminary Design Estimate
Option A Detail



Sitework

Item Description	Quantity	Unit	Unit Price	Total
Demolish Paving	185,532	sf	\$0.45	\$83,489
Demolish Concrete Curb & Gutter	7,539	lf	\$2.70	\$20,355
Demolish Existing Building	27,335	sf	\$2.25	\$61,504
Utilities	1	ls	\$1,014,469	\$1,014,469
Earthwork	42,513	cy	\$4.50	\$191,309
Roadway	4,162	lf	\$135.00	\$561,870
Surface Parking	600	space	\$1,100.00	\$660,000
Concrete Sidewalk	59,616	sf	\$4.00	\$238,464
Concrete Pavers	2,385	sf	\$9.50	\$22,658
Landscaping	434,779	sf	\$1.80	\$782,602
Renovate Existing Hatchery Park Buildings	1	ls	\$200,000.00	\$200,000
Hatchery Park Improvements	1	ls	\$750,000.00	\$750,000
Trees	319	ea	\$380.00	\$121,220
Subtotal Hard Costs				\$4,707,940
Design/Estimating Completion Allowance	20%			\$941,588
Subtotal				\$5,649,528
General Conditions	6%			\$338,972
Subtotal				\$5,988,499
Permit, Fees and Insurance	1.3%			\$77,850
Subtotal				\$6,066,350
Contractors Fee	3%			\$181,990
Subtotal				\$6,248,340
Bond	1%			\$62,483
Total				\$6,310,824

Renovation of Existing Building

Description	Total Gross Area		Unit Price	Total
A1 - Existing Tower	200,000	gsf	\$55.00	\$11,000,000
Total				\$11,000,000

New Buildings

Description	Total Gross Area		Unit Price	Total
A2 - 4 Level Sr. Housing w/ Ground Flr. Comm.	40,000	gsf	\$104.00	\$4,160,000
B1 - 5 Level Sr. Housing	80,000	gsf	\$102.00	\$8,160,000
C1 - 2 Level Sr. Housing	28,000	gsf	\$98.00	\$2,744,000
C2 - 2 Level Sr. Housing	20,000	gsf	\$99.00	\$1,980,000
D1 - 4 Level Sr. Housing w/ Ground Flr. Comm	125,000	gsf	\$102.00	\$12,750,000
Total				\$29,794,000

RBJ / AGC MASTER PLAN
Preliminary Design Estimate
Option B Detail



Sitework

Item Description	Quantity	Unit	Unit Price	Total
Demolish Paving	185,532	sf	\$0.45	\$83,489
Demolish Concrete Curb & Gutter	7,539	lf	\$2.70	\$20,355
Demolish Existing Building	27,335	lf	\$2.25	\$61,504
Utilities	1	ls	\$1,104,287	\$1,104,287
Earthwork	42,513	cy	\$4.50	\$191,309
Roadway	4,374	lf	\$135.00	\$590,490
Surface Parking	475	space	\$1,100.00	\$522,500
Concrete Sidewalk	52,335	sf	\$4.00	\$209,340
Concrete Pavers	2,385	sf	\$9.50	\$22,658
Soil Stabilization (including future building pads)	135,439	sf	\$0.50	\$67,720
Landscaping	353,143	sf	\$1.80	\$635,657
Renovate Existing Hatchery Park Buildings	1	ls	\$200,000.00	\$200,000
Hatchery Park Improvements	1	ls	\$750,000.00	\$750,000
Trees	281	ea	\$380.00	\$106,780
Subtotal Hard Costs				\$4,566,088
Design/Estimating Completion Allowance	20%			\$913,218
Subtotal				\$5,479,306
General Conditions	6%			\$328,758
Subtotal				\$5,808,064
Permit, Fees and Insurance	1.3%			\$75,505
Subtotal				\$5,883,569
Contractors Fee	3%			\$176,507
Subtotal				\$6,060,076
Bond	1%			\$60,601
Total				\$6,120,677

Renovation of Existing Building

Description	Total Gross Area		Unit Price	Total
A1 - Existing Tower	200,000	gsf	\$55.00	\$11,000,000
Total	200,000	gsf		\$11,000,000

New Buildings

Description	Total Gross Area		Unit Price	Total
A2 - 4 Level Sr. Housing w/ Ground Flr. Comm.	50,000	gsf	\$104.00	\$5,200,000
B1 - 5 Level Sr. Housing	150,000	gsf	\$102.00	\$15,300,000
C1 - 2 Level Sr. Housing	12,000	gsf	\$98.00	\$1,176,000
C2 - 2 Level Sr. Housing	20,000	gsf	\$99.00	\$1,980,000
C3 - 3 Level Sr. Housing	42,000	gsf	\$99.00	\$4,158,000
Total	274,000	gsf		\$27,814,000

RBJ / AGC MASTER PLAN
Preliminary Design Estimate
Option C Detail



Sitework

Item Description	Quantity	Unit	Unit Price	Total
Demolish Paving	185,532	sf	\$0.45	\$83,489
Demolish Concrete Curb & Gutter	7,539	lf	\$2.70	\$20,355
Demolish Existing Building	27,335	lf	\$2.25	\$61,504
Utilities	1	ls	\$1,222,210	\$1,222,210
Earthwork	42,513	cy	\$4.50	\$191,309
Roadway	3,305	lf	\$135.00	\$446,175
Surface Parking	70	space	\$1,100.00	\$77,000
Concrete Sidewalk	37,860	sf	\$4.00	\$151,440
Concrete Pavers	6,141	sf	\$9.50	\$58,340
Soil Stabilization (including future building pads)	347,635	sf	\$0.50	\$173,818
Landscaping	227,722	sf	\$1.80	\$409,900
Renovate Existing Hatchery Park Buildings	1	ls	\$200,000.00	\$200,000
Hatchery Park Improvements	1	ls	\$750,000.00	\$750,000
Trees	140	ea	\$380.00	\$53,200
Subtotal Hard Costs				\$3,898,739
Design/Estimating Completion Allowance	20%			\$779,748
Subtotal				\$4,678,487
General Conditions	6%			\$280,709
Subtotal				\$4,959,196
Permit, Fees and Insurance	1.3%			\$64,470
Subtotal				\$5,023,665
Contractors Fee	3%			\$150,710
Subtotal				\$5,174,375
Bond	1%			\$51,744
Total				\$5,226,119

New Structured Parking

Description	Total Gross Area		Unit Price	Total
Bg - E Structured Parking	165,600	gsf	\$35.00	\$5,796,000
Total				\$5,796,000

Renovation of Existing Building

Description	Total Gross Area		Unit Price	Total
A1 - Existing Tower	200,000	gsf	\$55.00	\$11,000,000
Total				\$11,000,000

New Buildings

Description	Total Gross Area		Unit Price	Total
A2 - 4 Level Sr. Housing w/ Ground Flr. Comm.	50,000	gsf	\$104.00	\$5,200,000
B1 - 4 Level Sr. Housing w/ Ground Flr. Comm	250,000	gsf	\$102.00	\$25,500,000
Total				\$30,700,000

RBJ / AGC MASTER PLAN
Preliminary Design Estimate
Option D Detail



Sitework

Item Description	Quantity	Unit	Unit Price	Total
Demolish Paving	185,532	sf	\$0.45	\$83,489
Demolish Concrete Curb & Gutter	7,539	lf	\$2.70	\$20,355
Demolish Existing Building	27,335	lf	\$2.25	\$61,504
Utilities	1	ls	\$1,252,761	\$1,252,761
Earthwork	42,513	cy	\$4.50	\$191,309
Roadway	3,312	lf	\$135.00	\$447,120
Surface Parking	70	space	\$1,100.00	\$77,000
Concrete Sidewalk	35,903	sf	\$4.00	\$143,612
Concrete Pavers	6,141	sf	\$9.50	\$58,340
Soil Stabilization (including future building pads)	347,635	sf	\$0.50	\$173,818
Landscaping	229,444	sf	\$1.80	\$412,999
Renovate Existing Hatchery Park Buildings	1	ls	\$200,000.00	\$200,000
Hatchery Park Improvements	1	ls	\$750,000.00	\$750,000
Trees	140	ea	\$380.00	\$53,200
Subtotal Hard Costs				\$3,925,506
Design/Estimating Completion Allowance	20%			\$785,101
Subtotal				\$4,710,607
General Conditions	6%			\$282,636
Subtotal				\$4,993,243
Permit, Fees and Insurance	1.3%			\$64,912
Subtotal				\$5,058,155
Contractors Fee	3%			\$151,745
Subtotal				\$5,209,900
Bond	1%			\$52,099
Total				\$5,261,999

New Structured Parking

Description	Total Gross Area		Unit Price	Total
Bg - E Structured Parking	165,600	gsf	\$35.00	\$5,796,000
Total				\$5,796,000

Renovation of Existing Building

Description	Total Gross Area		Unit Price	Total
A1 - Existing Tower	200,000	gsf	\$55.00	\$11,000,000
Total				\$11,000,000

New Buildings

Description	Total Gross Area		Unit Price	Total
A2 - 4 Level Sr. Housing w/ Ground Flr. Comm.	50,000	gsf	\$104.00	\$5,200,000
B1 - 4 Level Sr. Housing w/ Ground Flr. Comm	250,000	gsf	\$102.00	\$25,500,000
Total				\$30,700,000

RBJ / AGC MASTER PLAN
Preliminary Design Estimate
Option E Detail



Sitework

Item Description	Quantity	Unit	Unit Price	Total
Demolish Paving	185,532	sf	\$0.45	\$83,489
Demolish Concrete Curb & Gutter	7,539	lf	\$2.70	\$20,355
Demolish Existing Building	27,335	lf	\$2.25	\$61,504
Utilities	1	ls	\$1,318,749	\$1,318,749
Earthwork	55,097	cy	\$4.50	\$247,937
Roadway	4,156	lf	\$135.00	\$561,060
Surface Parking	60	space	\$1,100.00	\$66,000
Renovate Existing Parking Lot	16,473	sf	\$1.50	\$24,710
Concrete Sidewalk	37,619	sf	\$4.00	\$150,476
Concrete Pavers	10,240	sf	\$9.50	\$97,280
Soil Stabilization (including future building pads)	391,718	sf	\$0.50	\$195,859
Landscaping	422,298	sf	\$1.80	\$760,136
Renovate Existing Hatchery Park Buildings	1	ls	\$200,000.00	\$200,000
Hatchery Park Improvements	1	ls	\$750,000.00	\$750,000
Trees	226	ea	\$380.00	\$85,880
Subtotal Hard Costs				\$4,623,435
Design/Estimating Completion Allowance	20%			\$924,687
Subtotal				\$5,548,122
General Conditions	6%			\$332,887
Subtotal				\$5,881,009
Permit, Fees and Insurance	1.3%			\$76,453
Subtotal				\$5,957,462
Contractors Fee	3%			\$178,724
Subtotal				\$6,136,186
Bond	1%			\$61,362
Total				\$6,197,548

New Structured Parking

Description	Total Gross Area		Unit Price	Total
Bg - E Structured Parking	165,600	gsf	\$35.00	\$5,796,000
Total	165,600	gsf		\$5,796,000

Renovation of Existing Building

Description	Total Gross Area		Unit Price	Total
A1 - Existing Tower	200,000	gsf	\$55.00	\$11,000,000
Total	200,000	gsf		\$11,000,000

New Buildings

Description	Total Gross Area		Unit Price	Total
A2 - 4 Level Sr. Housing w/ Ground Flr. Comm.	50,000	gsf	\$104.00	\$5,200,000
B1 - 4 Level Sr. Housing w/ Ground Flr. Comm	250,000	gsf	\$102.00	\$25,500,000
Total	300,000	gsf		\$30,700,000

RBJ / AGC MASTER PLAN
Preliminary Design Estimate
Option A Detail



Utilities

Item Description	Quantity	Unit	Unit Price	Total
Water				
Tie-in - New 12" Water Line to existing 12" Water Line	2	ea	\$4,500.00	\$9,000
Tie-in - New 8" Water Line to existing 12" Water Line	2	ea	\$4,000.00	\$8,000
Tie-in - New 6" Water Line to existing 12" Water Line	1	ea	\$3,600.00	\$3,600
Water Line - 6"	278	lf	\$40.00	\$11,120
Water Line - 8"	882	lf	\$45.00	\$39,690
Water Line - 12"	1,128	lf	\$63.00	\$71,064
Fire Hydrants	8	ea	\$2,700.00	\$21,600
Misc. Equipment	1	ls	\$100,000.00	\$100,000
Waste Water				
Tie-into existing Manhole	1	ea	\$2,000.00	\$2,000
Waste Water - 4"	1,718	lf	\$36.00	\$61,848
Waste Water - 6"	742	lf	\$40.00	\$29,680
Waste Water - 8"	580	lf	\$45.00	\$26,100
Manholes	7	ea	\$4,000.00	\$28,000
Storm Water				
Tie-in - New 36" Storm Line to existing Storm Line	2	ea	\$2,700.00	\$5,400
Area Inlets	23	ea	\$2,225.00	\$51,175
Storm Water Line - 12"	2,134	lf	\$36.00	\$76,824
Storm Water Line - 18"	1,110	lf	\$49.00	\$54,390
Storm Water Line - 24"	776	lf	\$63.00	\$48,888
Storm Water Line - 36"	1,101	lf	\$90.00	\$99,090
Electrical (Power, AV/IT)				
Electrical Utilities - Ductbank Only	3,000	lf	\$67.00	\$201,000
Gas				
Gas Line	3,000	lf	\$22.00	\$66,000
Subtotal Hard Costs				\$1,014,469

RBJ / AGC MASTER PLAN
Preliminary Design Estimate
Option B Detail



Utilities

Item Description	Quantity	Unit	Unit Price	Total
Water				
Tie-in - New 12" Water Line to existing 12" Water Line	2	ea	\$4,500.00	\$9,000
Tie-in - New 8" Water Line to existing 12" Water Line	2	ea	\$4,000.00	\$8,000
Tie-in - New 6" Water Line to existing 12" Water Line	1	ea	\$3,600.00	\$3,600
Water Line - 6"	360	lf	\$40.00	\$14,389
Water Line - 8"	1,141	lf	\$45.00	\$51,359
Water Line - 12"	1,460	lf	\$63.00	\$91,957
Fire Hydrants	8	ea	\$2,700.00	\$21,600
Misc. Equipment	1	ls	\$100,000.00	\$100,000
Waste Water				
Tie-into existing Manhole	1	ea	\$2,000.00	\$2,000
Waste Water - 4"	2,223	lf	\$36.00	\$80,031
Waste Water - 6"	960	lf	\$40.00	\$38,406
Waste Water - 8"	751	lf	\$45.00	\$33,773
Manholes	7	ea	\$4,000.00	\$28,000
Storm Water				
Tie-in - New 36" Storm Line to existing Storm Line	2	ea	\$2,700.00	\$5,400
Area Inlets	23	ea	\$2,225.00	\$51,175
Storm Water Line - 12"	2,134	lf	\$36.00	\$76,824
Storm Water Line - 18"	1,110	lf	\$49.00	\$54,390
Storm Water Line - 24"	776	lf	\$63.00	\$48,888
Storm Water Line - 36"	1,101	lf	\$90.00	\$99,090
Electrical (Power, AV/IT)				
Electrical Utilities - Ductbank Only	3,000	lf	\$67.00	\$201,000
Gas				
Gas Line	3,882	lf	\$22.00	\$85,404
Subtotal Hard Costs				\$1,104,287

RBJ / AGC MASTER PLAN
Preliminary Design Estimate
Option C Detail



Utilities

Item Description	Quantity	Unit	Unit Price	Total
Water				
Tie-in - New 12" Water Line to existing 12" Water Line	2	ea	\$4,500.00	\$9,000
Tie-in - New 8" Water Line to existing 12" Water Line	2	ea	\$4,000.00	\$8,000
Tie-in - New 6" Water Line to existing 12" Water Line	1	ea	\$3,600.00	\$3,600
Water Line - 6"	467	lf	\$40.00	\$18,682
Water Line - 8"	1,482	lf	\$45.00	\$66,679
Water Line - 12"	1,895	lf	\$63.00	\$119,388
Fire Hydrants	8	ea	\$2,700.00	\$21,600
Misc. Equipment	1	ls	\$100,000.00	\$100,000
Waste Water				
Tie-into existing Manhole	1	ea	\$2,000.00	\$2,000
Waste Water - 4"	2,886	lf	\$36.00	\$103,905
Waste Water - 6"	1,247	lf	\$40.00	\$49,862
Waste Water - 8"	974	lf	\$45.00	\$43,848
Manholes	7	ea	\$4,000.00	\$28,000
Storm Water				
Tie-in - New 36" Storm Line to existing Storm Line	2	ea	\$2,700.00	\$5,400
Area Inlets	23	ea	\$2,225.00	\$51,175
Storm Water Line - 12"	2,134	lf	\$36.00	\$76,824
Storm Water Line - 18"	1,110	lf	\$49.00	\$54,390
Storm Water Line - 24"	776	lf	\$63.00	\$48,888
Storm Water Line - 36"	1,101	lf	\$90.00	\$99,090
Electrical (Power, AV/IT)				
Electrical Utilities - Ductbank Only	3,000	lf	\$67.00	\$201,000
Gas				
Gas Line	5,040	lf	\$22.00	\$110,880
Subtotal Hard Costs				\$1,222,210

RBJ / AGC MASTER PLAN
Preliminary Design Estimate
Option D Detail



Utilities

Item Description	Quantity	Unit	Unit Price	Total
Water				
Tie-in - New 12" Water Line to existing 12" Water Line	2	ea	\$4,500.00	\$9,000
Tie-in - New 8" Water Line to existing 12" Water Line	2	ea	\$4,000.00	\$8,000
Tie-in - New 6" Water Line to existing 12" Water Line	1	ea	\$3,600.00	\$3,600
Water Line - 6"	495	lf	\$40.00	\$19,794
Water Line - 8"	1,570	lf	\$45.00	\$70,648
Water Line - 12"	2,008	lf	\$63.00	\$126,494
Fire Hydrants	8	ea	\$2,700.00	\$21,600
Misc. Equipment	1	ls	\$100,000.00	\$100,000
Waste Water				
Tie-into existing Manhole	1	ea	\$2,000.00	\$2,000
Waste Water - 4"	3,058	lf	\$36.00	\$110,089
Waste Water - 6"	1,321	lf	\$40.00	\$52,830
Waste Water - 8"	1,032	lf	\$45.00	\$46,458
Manholes	7	ea	\$4,000.00	\$28,000
Storm Water				
Tie-in - New 36" Storm Line to existing Storm Line	2	ea	\$2,700.00	\$5,400
Area Inlets	23	ea	\$2,225.00	\$51,175
Storm Water Line - 12"	2,134	lf	\$36.00	\$76,824
Storm Water Line - 18"	1,110	lf	\$49.00	\$54,390
Storm Water Line - 24"	776	lf	\$63.00	\$48,888
Storm Water Line - 36"	1,101	lf	\$90.00	\$99,090
Electrical (Power, AV/IT)				
Electrical Utilities - Ductbank Only	3,000	lf	\$67.00	\$201,000
Gas				
Gas Line	5,340	lf	\$22.00	\$117,480
Subtotal Hard Costs				\$1,252,761

RBJ / AGC MASTER PLAN
Preliminary Design Estimate
Option E Detail



Utilities

Item Description	Quantity	Unit	Unit Price	Total
Water				
Tie-in - New 12" Water Line to existing 12" Water Line	2	ea	\$4,500.00	\$9,000
Tie-in - New 8" Water Line to existing 12" Water Line	2	ea	\$4,000.00	\$8,000
Tie-in - New 6" Water Line to existing 12" Water Line	1	ea	\$3,600.00	\$3,600
Water Line - 6"	555	lf	\$40.00	\$22,196
Water Line - 8"	1,760	lf	\$45.00	\$79,221
Water Line - 12"	2,251	lf	\$63.00	\$141,844
Fire Hydrants	8	ea	\$2,700.00	\$21,600
Misc. Equipment	1	ls	\$100,000.00	\$100,000
Waste Water				
Tie-into existing Manhole	1	ea	\$2,000.00	\$2,000
Waste Water - 4"	3,429	lf	\$36.00	\$123,449
Waste Water - 6"	1,481	lf	\$40.00	\$59,241
Waste Water - 8"	1,158	lf	\$45.00	\$52,096
Manholes	7	ea	\$4,000.00	\$28,000
Storm Water				
Tie-in - New 36" Storm Line to existing Storm Line	2	ea	\$2,700.00	\$5,400
Area Inlets	23	ea	\$2,225.00	\$51,175
Storm Water Line - 12"	2,134	lf	\$36.00	\$76,824
Storm Water Line - 18"	1,110	lf	\$49.00	\$54,390
Storm Water Line - 24"	776	lf	\$63.00	\$48,888
Storm Water Line - 36"	1,101	lf	\$90.00	\$99,090
Electrical (Power, AV/IT)				
Electrical Utilities - Ductbank Only	3,000	lf	\$67.00	\$201,000
Gas				
Gas Line	5,988	lf	\$22.00	\$131,736
Subtotal Hard Costs				\$1,318,749

RBJ / AGC MASTER PLAN

Conceptual Pricing Comparisons

[illegible][illegible][illegible]

RBJ Strategic Master Plan Report

Exhibit 13 Rental Income Model

RBJ Center: Rental Income Model

30% AMI	Rent	\$422	verify
50% AMI	Rent	\$693	verify
60% AMI	Rent	\$831	verify

(gross, including utilities (based on one bedroom units)

(gross, including utilities (based on one bedroom units)

(gross, including utilities (based on one bedroom units)

Option	50/25/25		Option	50/12/38		Option	34/33/33	
1			2			3		

30% AMI	250	\$422	\$105,500	250	\$422	\$105,500	170	\$422	\$71,740
50% AMI	125	\$693	\$86,625	60	\$693	\$41,580	165	\$693	\$114,345
60% AMI	125	\$831	\$103,875	190	\$831	\$157,890	165	\$831	\$137,115
	500		\$296,000	500		\$304,970	500		\$323,200
Per Qtr.			\$888,000			\$914,910			\$969,600
Variance			\$0			\$26,910			\$81,600
Per Year			\$3,552,000			\$3,659,640			\$3,878,400
Variance			\$0			\$107,640			\$326,400

RBJ Strategic Master Plan Report

Exhibit 15 Cash Flow Tables

Austin Geriatric Center - New RBJ Center

(Gross) Cash Flow Projections: 5 year Planning Window

A		Quarter	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	Total
		Phase 1																					
		Phase 2																					
		Phase 3																					
	Pre-Development	\$856,000	\$214,000	\$214,000	\$214,000	\$214,000																	
	Infrastructure																						
	Soft Costs	\$1,295,520		\$215,920	\$215,920	\$215,920	\$215,920	\$215,920	\$215,920														\$1,295,520
	Hard Costs	\$6,500,148					\$2,166,716	\$2,166,716	\$2,166,716														\$6,500,148
	New Senior Housing																						
	Soft Costs	\$6,116,272				\$764,534	\$764,534	\$764,534	\$764,534	\$764,534	\$764,534	\$764,534	\$764,534										\$6,116,272
	Hard Costs	\$30,687,820							\$6,137,564	\$6,137,564	\$6,137,564	\$6,137,564	\$6,137,564										\$30,687,820
	Renovated Senior Housing (Tower)																						
	Soft Costs	\$2,258,139								\$282,267	\$282,267	\$282,267	\$282,267	\$282,267	\$282,267	\$282,267	\$282,267						\$2,258,139
	Hard Costs	\$11,825,000												\$2,956,250	\$2,956,250	\$2,956,250	\$2,956,250						\$11,825,000
	Structured Parking																						
	Soft Costs	\$0	Structured Parking not applicable in this Option.																				\$0
	Hard Costs	\$0	Structured Parking not applicable in this Option.																				\$0
CAP. EXPENSE TOTAL FORECAST		\$59,538,899	\$214,000	\$429,920	\$429,920	\$1,194,454	\$3,147,170	\$3,147,170	\$9,284,734	\$7,184,365	\$7,184,365	\$7,184,365	\$7,184,365	\$3,238,517	\$3,238,517	\$3,238,517	\$3,238,517	\$0	\$0	\$0	\$0	\$0	\$59,538,899
CUMULATIVE EXPENSE FORECAST			\$214,000	\$643,920	\$1,073,840	\$2,268,294	\$5,415,464	\$8,562,634	\$17,847,368	\$25,031,733	\$32,216,099	\$39,400,464	\$46,584,829	\$49,823,347	\$53,061,864	\$56,300,381	\$59,538,899	\$59,538,899	\$59,538,899	\$59,538,899	\$59,538,899	\$59,538,899	
	Revenue																						
	Grayco	\$1,000,000	\$ 500,000	\$ 500,000																			\$1,000,000
	Land Sales	\$0	Land Sales not applicable in this Option.																				\$0
	Other (HUD Reserves)	\$350,000	\$ 175,000	\$ 175,000																			\$350,000
	Tax Credit Equity - New	\$10,826,927								\$ 4,330,771	\$ 2,165,385	\$ 2,165,385	\$ 2,165,385										\$10,826,927
	Tax Credit Equity - Tower	\$2,000,000												\$ 500,000	\$ 500,000	\$ 500,000	\$ 500,000						\$2,000,000
	Bond Proceeds - New	\$11,582,837								\$ 2,895,709	\$ 2,895,709	\$ 2,895,709	\$ 2,895,709										\$11,582,837
	Bond Proceeds - Tower	\$11,268,781												\$ 2,817,195	\$ 2,817,195	\$ 2,817,195	\$ 2,817,195						\$11,268,781
	Debt, Cap. Campaign, Other																						\$0
CAP. REVENUE TOTAL FORECAST		\$37,028,545	\$675,000	\$675,000	\$0	\$0	\$0	\$0	\$0	\$7,226,480	\$5,061,095	\$5,061,095	\$5,061,095	\$3,317,195	\$3,317,195	\$3,317,195	\$3,317,195	\$0	\$0	\$0	\$0	\$0	\$37,028,545
CUMULATIVE REVENUE FORECAST			\$ 675,000	\$ 1,350,000	\$ 1,350,000	\$ 1,350,000	\$ 1,350,000	\$ 1,350,000	\$ 1,350,000	\$ 8,576,480	\$ 13,637,575	\$ 18,698,669	\$ 23,759,764	\$ 27,076,959	\$ 30,394,155	\$ 33,711,350	\$ 37,028,545	\$ 37,028,545	\$ 37,028,545	\$ 37,028,545	\$ 37,028,545	\$ 37,028,545	
NET TOTAL FORECAST		\$22,510,354	\$461,000	\$245,080	\$429,920	\$1,194,454	\$3,147,170	\$3,147,170	\$9,284,734	\$42,115	\$2,123,271	\$2,123,271	\$2,123,271	\$78,678	\$78,678	\$78,678	\$78,678	\$0	\$0	\$0	\$0	\$0	\$22,510,354
CUMULATIVE NET FORECAST			\$461,000	\$706,080	\$276,160	\$918,294	\$4,065,464	\$7,212,634	\$16,497,368	\$16,455,253	\$18,578,524	\$20,701,795	\$22,825,065	\$22,746,387	\$22,667,710	\$22,589,032	\$22,510,354	\$22,510,354	\$22,510,354	\$22,510,354	\$22,510,354	\$22,510,354	
			AGC Debt Retires in 2013																				
	Rental Income - Res.	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$457,455	\$457,455	\$457,455	\$457,455	\$457,455	\$457,455	\$457,455	\$457,455	\$457,455	\$914,910	\$914,910	\$914,910	\$914,910	\$914,910	\$8,691,645
	Rental Income - Non Res.	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$64,000	\$64,000	\$64,000	\$64,000	\$64,000	\$64,000	\$64,000	\$64,000	\$64,000	\$576,000
	O&M Expenses - New	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$206,358	\$206,358	\$206,358	\$206,358	\$206,358	\$206,358	\$206,358	\$206,358	\$206,358	\$1,857,222
	O&M Expenses - Tower	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$298,883	\$298,883	\$298,883	\$298,883	\$298,883	\$0	\$0	\$0	\$0	\$239,106	\$239,106	\$239,106	\$239,106	\$239,106	\$2,689,945
Total Operating			\$0	\$0	\$0	\$0	\$0	\$0	\$158,572	\$158,572	\$158,572	\$158,572	\$158,572	\$315,097	\$315,097	\$315,097	\$315,097	\$533,446	\$533,446	\$533,446	\$533,446	\$533,446	\$4,720,478

Assumes no rent or expense escalation.

Austin Geriatric Center - New RBJ Center

(Gross) Cash Flow Projections: 5 year Planning Window

B		Quarter	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	Total	
		Phase 1																						
		Phase 2																						
		Phase 3																						
	Pre-Development	\$888,000	\$222,000	\$222,000	\$222,000	\$222,000																		
	Infrastructure																							
	Soft Costs	\$1,258,868		\$209,811	\$209,811	\$209,811	\$209,811	\$209,811	\$209,811														\$1,258,868	
	Hard Costs	\$6,304,297					\$2,101,432	\$2,101,432	\$2,101,432														\$6,304,297	
	New Senior Housing																							
	Soft Costs	\$5,720,635				\$817,234	\$817,234	\$817,234	\$817,234	\$817,234	\$817,234	\$817,234											\$5,720,635	
	Hard Costs	\$28,648,420							\$7,162,105	\$7,162,105	\$7,162,105	\$7,162,105											\$28,648,420	
	Renovated Senior Housing (Tower)																							
	Soft Costs	\$2,262,421							\$282,803	\$282,803	\$282,803	\$282,803	\$282,803	\$282,803	\$282,803	\$282,803							\$2,262,421	
	Hard Costs	\$11,825,000											\$2,956,250	\$2,956,250	\$2,956,250	\$2,956,250							\$11,825,000	
	Structured Parking																							
	Soft Costs	\$0	Structured Parking not applicable in this Option.																				\$0	
	Hard Costs	\$0	Structured Parking not applicable in this Option.																				\$0	
EXPENSE TOTAL FORECAST		\$56,907,641	\$222,000	\$431,811	\$431,811	\$1,249,045	\$3,128,477	\$3,128,477	\$10,573,385	\$8,262,141	\$8,262,141	\$8,262,141	\$3,239,053	\$3,239,053	\$3,239,053	\$3,239,053	\$0	\$0	\$0	\$0	\$0	\$0	\$56,907,641	
CUMULATIVE EXPENSE FORECAST			\$222,000	\$653,811	\$1,085,623	\$2,334,668	\$5,463,145	\$8,591,622	\$19,165,007	\$27,427,148	\$35,689,289	\$43,951,431	\$47,190,483	\$50,429,536	\$53,668,589	\$56,907,641	\$56,907,641	\$56,907,641	\$56,907,641	\$56,907,641	\$56,907,641	\$56,907,641		
	Revenue																							
	Grayco	\$1,000,000	\$ 500,000	\$ 500,000																			\$1,000,000	
	Land Sales	\$5,336,100					\$5,336,100																\$5,336,100	
	Other (HUD Reserves)	\$350,000	\$ 175,000	\$ 175,000																			\$350,000	
	Tax Credit Equity - New	\$9,573,443							\$ 3,829,377	\$ 1,914,689	\$ 1,914,689	\$ 1,914,689											\$9,573,443	
	Tax Credit Equity - Tower	\$2,000,000											\$ 500,000	\$ 500,000	\$ 500,000	\$ 500,000								
	Bond Proceeds - New	\$10,598,456							\$ 2,649,614	\$ 2,649,614	\$ 2,649,614	\$ 2,649,614											\$10,598,456	
	Bond Proceeds - Tower	\$11,268,781											\$ 2,817,195	\$ 2,817,195	\$ 2,817,195	\$ 2,817,195							\$11,268,781	
	Debt, Cap. Campaign, Other																						\$0	
CAP. REVENUE TOTAL FORECAST		\$40,126,780	\$675,000	\$675,000	\$0	\$0	\$5,336,100	\$0	\$6,478,991	\$4,564,303	\$4,564,303	\$4,564,303	\$3,317,195	\$3,317,195	\$3,317,195	\$3,317,195	\$0	\$0	\$0	\$0	\$0	\$0	\$40,126,780	
CUMULATIVE REVENUE FORECAST			\$ 675,000	\$ 1,350,000	\$ 1,350,000	\$ 1,350,000	\$ 6,686,100	\$ 6,686,100	\$ 13,165,091	\$ 17,729,394	\$ 22,293,696	\$ 26,857,999	\$ 30,175,194	\$ 33,492,390	\$ 36,809,585	\$ 40,126,780	\$ 40,126,780	\$ 40,126,780	\$ 40,126,780	\$ 40,126,780	\$ 40,126,780	\$ 40,126,780		
NET TOTAL FORECAST		\$16,780,861	\$453,000	\$243,189	\$431,811	\$1,249,045	\$2,207,623	\$3,128,477	\$4,094,394	\$3,697,839	\$3,697,839	\$3,697,839	\$78,143	\$78,143	\$78,143	\$78,143	\$0	\$0	\$0	\$0	\$0	\$0	\$16,780,861	
CUMULATIVE NET FORECAST			\$453,000	\$696,189	\$264,377	\$984,668	\$1,222,955	\$1,905,522	\$5,999,916	\$9,697,754	\$13,395,593	\$17,093,432	\$17,015,289	\$16,937,146	\$16,859,004	\$16,780,861	\$16,780,861	\$16,780,861	\$16,780,861	\$16,780,861	\$16,780,861	\$16,780,861		
			AGC Debt Retires in 2013																					
	Rental Income - Res.	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$ 457,455	\$ 457,455	\$ 457,455	\$ 457,455	\$ 457,455	\$ 457,455	\$ 457,455	\$ 457,455	\$ 914,910	\$ 914,910	\$ 914,910	\$ 914,910	\$ 914,910	\$ 914,910	\$9,149,100	
	Rental Income - Non Res.	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$ 64,000	\$ 64,000	\$ 64,000	\$ 64,000	\$ 64,000	\$ 64,000	\$ 64,000	\$ 64,000	\$ 64,000	\$ 64,000	\$640,000	
	O&M Expenses - New	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$206,358	\$ 206,358	\$ 206,358	\$206,358	\$206,358	\$206,358	\$206,358	\$206,358	\$206,358	\$206,358	\$2,063,580	
	O&M Expenses - Tower	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$ 298,883	\$ 298,883	\$ 298,883	\$ 298,883	\$0	\$0	\$0	\$0	\$ 239,106	\$ 239,106	\$ 239,106	\$ 239,106	\$ 239,106	\$ 239,106	\$2,630,168	
	Total Operating		\$0	\$0	\$0	\$0	\$0	\$0	\$158,572	\$158,572	\$158,572	\$158,572	\$315,097	\$315,097	\$315,097	\$315,097	\$533,446	\$533,446	\$533,446	\$533,446	\$533,446	\$533,446	\$5,095,352	

Assumes no rent or expense escalation.

Austin Geriatric Center - New RBJ Center

(Gross) Cash Flow Projections: 5 year Planning Window

C		Quarter	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	Total
		Phase 1																					
		Phase 2																					
		Phase 3																					
	Pre-Development	\$882,000	\$220,500	\$220,500	\$220,500	\$220,500																	
	Infrastructure																						
	Soft Costs	\$1,046,323		\$174,387	\$174,387	\$174,387	\$174,387	\$174,387	\$174,387														\$1,046,323
	Hard Costs	\$5,382,903					\$1,794,301	\$1,794,301	\$1,794,301														\$5,382,903
	New Senior Housing																						
	Soft Costs	\$6,146,457				\$878,065	\$878,065	\$878,065	\$878,065	\$878,065	\$878,065	\$878,065											\$6,146,457
	Hard Costs	\$31,621,000							\$7,905,250	\$7,905,250	\$7,905,250	\$7,905,250											\$31,621,000
	Renovated Senior Housing (Tower)																						
	Soft Costs	\$2,202,314							\$275,289	\$275,289	\$275,289	\$275,289	\$275,289	\$275,289	\$275,289	\$275,289							\$2,202,314
	Hard Costs	\$11,825,000											\$2,956,250	\$2,956,250	\$2,956,250	\$2,956,250							\$11,825,000
	Structured Parking																						
	Soft Costs	\$994,645					\$248,661	\$248,661	\$248,661	\$248,661													\$994,645
	Hard Costs	\$5,117,040							\$1,705,680	\$1,705,680	\$1,705,680												\$5,117,040
EXPENSE TOTAL FORECAST		\$65,217,682	\$220,500	\$394,887	\$394,887	\$1,272,953	\$3,095,415	\$3,095,415	\$12,981,634	\$11,012,946	\$10,764,285	\$9,058,605	\$3,231,539	\$3,231,539	\$3,231,539	\$3,231,539	\$0	\$0	\$0	\$0	\$0	\$0	\$65,217,682
CUMULATIVE EXPENSE FORECAST			\$220,500	\$615,387	\$1,010,274	\$2,283,227	\$5,378,642	\$8,474,056	\$21,455,690	\$32,468,636	\$43,232,921	\$52,291,525	\$55,523,064	\$58,754,604	\$61,986,143	\$65,217,682	\$65,217,682	\$65,217,682	\$65,217,682	\$65,217,682	\$65,217,682	\$65,217,682	
	Revenue																						
	Grayco	\$1,000,000	\$ 500,000	\$ 500,000																			\$1,000,000
	Land Sales	\$13,416,480					\$13,416,480																\$13,416,480
	Other (HUD Reserves)	\$350,000	\$ 175,000	\$ 175,000																			\$350,000
	Tax Credit Equity	\$10,730,051							\$ 4,292,020	\$ 2,146,010	\$ 2,146,010	\$ 2,146,010											\$10,730,051
	Tax Credit Equity - Tower	\$2,000,000											\$ 500,000	\$ 500,000	\$ 500,000	\$ 500,000							
	Bond Proceeds - New	\$11,160,968							\$ 2,790,242	\$ 2,790,242	\$ 2,790,242	\$ 2,790,242											\$11,160,968
	Bond Proceeds - Tower	\$11,268,781											\$ 2,817,195	\$ 2,817,195	\$ 2,817,195	\$ 2,817,195							\$11,268,781
	Debt, Cap. Campaign, Other																						\$0
CAP. REVENUE TOTAL FORECAST		\$49,926,280	\$675,000	\$675,000	\$0	\$0	\$13,416,480	\$0	\$7,082,262	\$4,936,252	\$4,936,252	\$4,936,252	\$3,317,195	\$3,317,195	\$3,317,195	\$3,317,195	\$0	\$0	\$0	\$0	\$0	\$0	\$49,926,280
CUMULATIVE REVENUE FORECAST			\$ 675,000	\$ 1,350,000	\$ 1,350,000	\$ 1,350,000	\$ 14,766,480	\$ 14,766,480	\$ 21,848,742	\$ 26,784,995	\$ 31,721,247	\$ 36,657,499	\$ 39,974,694	\$ 43,291,890	\$ 46,609,085	\$ 49,926,280	\$ 49,926,280	\$ 49,926,280	\$ 49,926,280	\$ 49,926,280	\$ 49,926,280	\$ 49,926,280	
NET TOTAL FORECAST		\$15,291,402	\$454,500	\$280,113	\$394,887	\$1,272,953	\$10,321,065	\$3,095,415	\$5,899,372	\$6,076,694	\$5,828,032	\$4,122,352	\$85,656	\$85,656	\$85,656	\$85,656	\$0	\$0	\$0	\$0	\$0	\$0	\$15,291,402
CUMULATIVE NET FORECAST			\$454,500	\$734,613	\$339,726	\$933,227	\$9,387,838	\$6,292,424	\$393,052	\$5,683,641	\$11,511,674	\$15,634,026	\$15,548,370	\$15,462,714	\$15,377,058	\$15,291,402	\$15,291,402	\$15,291,402	\$15,291,402	\$15,291,402	\$15,291,402	\$15,291,402	
			AGC Debt Retires in 2013																				
	Rental Revenue - Res.	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$ 457,455	\$ 457,455	\$ 457,455	\$ 457,455	\$ 457,455	\$ 457,455	\$ 457,455	\$ 457,455	\$ 914,910	\$ 914,910	\$ 914,910	\$ 914,910	\$ 914,910	\$ 914,910	\$9,149,100
	Rental Revenue - Non Res.	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$ 80,000	\$ 80,000	\$ 80,000	\$ 80,000	\$ 80,000	\$ 80,000	\$ 80,000	\$ 80,000	\$ 80,000	\$ 80,000	\$800,000
	O&M Expenses - New	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$171,965	\$171,965	\$171,965	\$171,965	\$171,965	\$171,965	\$171,965	\$171,965	\$171,965	\$171,965	\$1,719,650
	O&M Expenses - Tower	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$ 298,883	\$ 298,883	\$ 298,883	\$ 298,883	\$0	\$0	\$0	\$0	\$ 239,106	\$ 239,106	\$ 239,106	\$ 239,106	\$ 239,106	\$ 239,106	\$2,630,168
	Total Operating		\$0	\$0	\$0	\$0	\$0	\$0	\$158,572	\$158,572	\$158,572	\$158,572	\$365,490	\$365,490	\$365,490	\$365,490	\$583,839	\$583,839	\$583,839	\$583,839	\$583,839	\$583,839	\$5,599,282

Assumes no rent or expense escalation.

Austin Geriatric Center - New RBJ Center

(Gross) Cash Flow Projections: 5 year Planning Window

D		Quarter	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	Total
		Phase 1																					
		Phase 2																					
		Phase 3																					
	Pre-Development	\$1,105,000	\$221,000	\$221,000	\$221,000	\$221,000	\$221,000																
	Infrastructure																						
	Soft Costs	\$1,053,281			\$175,547	\$175,547	\$175,547	\$175,547	\$175,547	\$175,547													\$1,053,281
	Hard Costs	\$5,419,859						\$1,806,620	\$1,806,620	\$1,806,620													\$5,419,859
	New Senior Housing																						
	Soft Costs	\$6,145,138					\$877,877	\$877,877	\$877,877	\$877,877	\$877,877	\$877,877	\$877,877										\$6,145,138
	Hard Costs	\$31,621,000								\$7,905,250	\$7,905,250	\$7,905,250	\$7,905,250										\$31,621,000
	Renovated Senior Housing (Tower)																						
	Soft Costs	\$2,201,841								\$275,230	\$275,230	\$275,230	\$275,230	\$275,230	\$275,230	\$275,230	\$275,230						\$2,201,841
	Hard Costs	\$11,825,000												\$2,956,250	\$2,956,250	\$2,956,250	\$2,956,250						\$11,825,000
	Structured Parking																						
	Soft Costs	\$ 994,432						\$248,608	\$248,608	\$248,608	\$248,608												\$994,432
	Hard Costs	\$5,117,040								\$1,705,680	\$1,705,680	\$1,705,680											\$5,117,040
EXPENSE TOTAL FORECAST		\$65,482,591	\$221,000	\$221,000	\$396,547	\$396,547	\$1,274,424	\$3,108,651	\$3,108,651	\$12,994,811	\$11,012,645	\$10,764,037	\$9,058,357	\$3,231,480	\$3,231,480	\$3,231,480	\$3,231,480	\$0	\$0	\$0	\$0	\$0	\$65,482,591
CUMULATIVE EXPENSE FORECAST			\$221,000	\$442,000	\$838,547	\$1,235,094	\$2,509,517	\$5,618,168	\$8,726,820	\$21,721,631	\$32,734,276	\$43,498,313	\$52,556,670	\$55,788,150	\$59,019,630	\$62,251,110	\$65,482,591	\$65,482,591	\$65,482,591	\$65,482,591	\$65,482,591	\$65,482,591	
	Revenue																						
	Grayco	\$1,000,000	\$ 500,000	\$ 500,000																			\$1,000,000
	Land Sales	\$13,416,480						\$13,416,480															\$13,416,480
	Other (HUD Reserves)	\$350,000	\$ 175,000	\$ 175,000																			\$350,000
	Tax Credit Equity	\$10,730,051								\$ 4,292,020	\$ 2,146,010	\$ 2,146,010	\$ 2,146,010										\$10,730,051
	Tax Credit Equity - Tower	\$2,000,000												\$ 500,000	\$ 500,000	\$ 500,000	\$ 500,000						
	Bond Proceeds - New	\$11,160,968								\$ 2,790,242	\$ 2,790,242	\$ 2,790,242	\$ 2,790,242										\$11,160,968
	Bond Proceeds - Tower	\$11,268,781												\$ 2,817,195	\$ 2,817,195	\$ 2,817,195	\$ 2,817,195						\$11,268,781
	Debt, Cap. Campaign, Other																						\$0
CAP. REVENUE TOTAL FORECAST		\$49,926,280	\$675,000	\$675,000	\$0	\$0	\$0	\$13,416,480	\$0	\$7,082,262	\$4,936,252	\$4,936,252	\$4,936,252	\$3,317,195	\$3,317,195	\$3,317,195	\$3,317,195	\$0	\$0	\$0	\$0	\$0	\$49,926,280
CUMULATIVE REVENUE FORECAST			\$ 675,000	\$ 1,350,000	\$ 1,350,000	\$ 1,350,000	\$ 1,350,000	\$ 14,766,480	\$ 14,766,480	\$ 21,848,742	\$ 26,784,995	\$ 31,721,247	\$ 36,657,499	\$ 39,974,694	\$ 43,291,890	\$ 46,609,085	\$ 49,926,280	\$ 49,926,280	\$ 49,926,280	\$ 49,926,280	\$ 49,926,280	\$ 49,926,280	
NET TOTAL FORECAST		\$15,556,311	\$454,000	\$454,000	\$396,547	\$396,547	\$1,274,424	\$10,307,829	\$3,108,651	\$5,912,549	\$6,076,393	\$5,827,785	\$4,122,105	\$85,715	\$85,715	\$85,715	\$85,715	\$0	\$0	\$0	\$0	\$0	\$15,556,311
CUMULATIVE NET FORECAST			\$454,000	\$908,000	\$511,453	\$114,906	\$1,159,517	\$9,148,312	\$6,039,660	\$127,111	\$5,949,281	\$11,777,066	\$15,899,171	\$15,813,456	\$15,727,741	\$15,642,026	\$15,556,311	\$15,556,311	\$15,556,311	\$15,556,311	\$15,556,311	\$15,556,311	
			AGC Debt Retires in 2013																				
	Rental Income - Res.	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$ 457,455	\$ 457,455	\$ 457,455	\$ 457,455	\$ 457,455	\$ 457,455	\$ 457,455	\$ 457,455	\$ 457,455	\$ 914,910	\$ 914,910	\$ 914,910	\$ 914,910	\$ 914,910	\$8,691,645
	Rental Income - Non Res.	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$720,000
	O&M Expenses - New	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$171,965	\$171,965	\$171,965	\$171,965	\$171,965	\$171,965	\$171,965	\$171,965	\$171,965	\$1,547,685
	O&M Expenses - Tower	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$ 298,883	\$ 298,883	\$ 298,883	\$ 298,883	\$ 298,883	\$0	\$0	\$0	\$0	\$ 239,106	\$ 239,106	\$ 239,106	\$ 239,106	\$ 239,106	\$2,689,945
	Total Operating		\$0	\$0	\$0	\$0	\$0	\$0	\$158,572	\$158,572	\$158,572	\$158,572	\$158,572	\$365,490	\$365,490	\$365,490	\$365,490	\$583,839	\$583,839	\$583,839	\$583,839	\$583,839	\$5,174,015

Assumes no rent or expense escalation.

Austin Geriatric Center - New RBJ Center

(Gross) Cash Flow Projections: 5 year Planning Window

E		Quarter	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	Total
		Phase 1																					
		Phase 2																					
		Phase 3																					
	Pre-Development	\$1,530,000	\$191,250	\$191,250	\$191,250	\$191,250	\$191,250	\$191,250	\$191,250	\$191,250													
	Infrastructure																						
	Soft Costs	\$1,233,731						\$205,622	\$205,622	\$205,622	\$205,622	\$205,622	\$205,622										\$1,233,731
	Hard Costs	\$6,383,474									\$2,127,825	\$2,127,825	\$2,127,825										\$6,383,474
	New Senior Housing																						
	Soft Costs	\$6,111,374								\$873,053	\$873,053	\$873,053	\$873,053	\$873,053	\$873,053	\$873,053							\$6,111,374
	Hard Costs	\$31,621,000											\$7,905,250	\$7,905,250	\$7,905,250	\$7,905,250							\$31,621,000
	Renovated Senior Housing (Tower)																						
	Soft Costs	\$2,189,743											\$273,718	\$273,718	\$273,718	\$273,718	\$273,718	\$273,718	\$273,718	\$273,718			\$2,189,743
	Hard Costs	\$11,825,000															\$2,956,250	\$2,956,250	\$2,956,250	\$2,956,250			\$11,825,000
	Structured Parking																						
	Soft Costs	\$988,968									\$247,242	\$247,242	\$247,242	\$247,242									\$988,968
	Hard Costs	\$5,117,040											\$1,705,680	\$1,705,680	\$1,705,680								\$5,117,040
EXPENSE TOTAL FORECAST		\$67,000,330	\$191,250	\$191,250	\$191,250	\$191,250	\$191,250	\$396,872	\$396,872	\$1,269,925	\$3,453,742	\$3,453,742	\$13,338,390	\$11,004,943	\$10,757,701	\$9,052,021	\$3,229,968	\$3,229,968	\$3,229,968	\$3,229,968	\$0	\$0	\$67,000,330
CUMULATIVE EXPENSE FORECAST			\$191,250	\$382,500	\$573,750	\$765,000	\$956,250	\$1,353,122	\$1,749,994	\$3,019,919	\$6,473,661	\$9,927,403	\$23,265,793	\$34,270,736	\$45,028,437	\$54,080,459	\$57,310,427	\$60,540,395	\$63,770,362	\$67,000,330	\$67,000,330	\$67,000,330	
	Revenue																						
	Grayco	\$1,000,000	\$ 500,000	\$ 500,000																			\$1,000,000
	Land Sales	\$13,264,020									\$13,264,020												\$13,264,020
	Other (HUD Reserves)	\$350,000	\$ 175,000	\$ 175,000																			\$350,000
	Tax Credit Equity	\$10,730,051											\$ 4,292,020	\$ 2,146,010	\$ 2,146,010	\$ 2,146,010							\$10,730,051
	Tax Credit Equity - Tower	\$2,000,000															\$ 500,000	\$ 500,000	\$ 500,000	\$ 500,000			
	Bond Proceeds - New	\$11,160,968											\$ 2,790,242	\$ 2,790,242	\$ 2,790,242	\$ 2,790,242							\$11,160,968
	Bond Proceeds - Tower	\$11,268,781															\$ 2,817,195	\$ 2,817,195	\$ 2,817,195	\$ 2,817,195			\$11,268,781
	Debt, Cap. Campaign, Other																						\$0
CAP. REVENUE TOTAL FORECAST		\$49,773,820	\$675,000	\$675,000	\$0	\$0	\$0	\$0	\$0	\$0	\$13,264,020	\$0	\$7,082,262	\$4,936,252	\$4,936,252	\$4,936,252	\$3,317,195	\$3,317,195	\$3,317,195	\$3,317,195	\$0	\$0	\$49,773,820
CUMULATIVE REVENUE FORECAST			\$ 675,000	\$ 1,350,000	\$ 1,350,000	\$ 1,350,000	\$ 1,350,000	\$ 1,350,000	\$ 1,350,000	\$ 1,350,000	\$ 14,614,020	\$ 14,614,020	\$ 21,696,282	\$ 26,632,535	\$ 31,568,787	\$ 36,505,039	\$ 39,822,234	\$ 43,139,430	\$ 46,456,625	\$ 49,773,820	\$ 49,773,820	\$ 49,773,820	
NET TOTAL FORECAST		\$17,226,510	\$483,750	\$483,750	\$191,250	\$191,250	\$191,250	\$396,872	\$396,872	\$1,269,925	\$9,810,278	\$3,453,742	\$6,256,127	\$6,068,691	\$5,821,449	\$4,115,769	\$87,227	\$87,227	\$87,227	\$87,227	\$0	\$0	\$17,226,510
CUMULATIVE NET FORECAST			\$483,750	\$967,500	\$776,250	\$585,000	\$393,750	\$3,122	\$399,994	\$1,669,919	\$8,140,359	\$4,686,617	\$1,569,510	\$7,638,201	\$13,459,651	\$17,575,420	\$17,488,192	\$17,400,965	\$17,313,738	\$17,226,510	\$17,226,510	\$17,226,510	
			AGC Debt Retires in 2013																				
	Rental Income - Res.		\$0	\$0	\$0	\$0	\$0	\$0	\$ 457,455	\$ 457,455	\$ 457,455	\$ 457,455	\$ 457,455	\$ 457,455	\$ 457,455	\$ 457,455	\$ 457,455	\$ 457,455	\$ 457,455	\$ 457,455	\$ 914,910	\$ 914,910	\$7,319,280
	Rental Income - Non Res.		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$48,000	\$48,000	\$48,000	\$48,000	\$48,000	\$48,000	\$288,000
	O&M Expenses - New		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$ 171,965	\$ 171,965	\$ 171,965	\$ 171,965	\$ 171,965	\$ 171,965	\$1,031,790
	O&M Expenses - Tower		\$0	\$0	\$0	\$0	\$0	\$0	\$ 298,883	\$ 298,883	\$ 298,883	\$ 298,883	\$ 298,883	\$ 298,883	\$ 298,883	\$ 298,883	\$0	\$0	\$0	\$0	\$ 239,106	\$ 239,106	\$2,869,274
	Total Operating		\$0	\$0	\$0	\$0	\$0	\$0	\$158,572	\$158,572	\$158,572	\$158,572	\$158,572	\$158,572	\$158,572	\$158,572	\$333,490	\$333,490	\$333,490	\$333,490	\$551,839	\$551,839	\$3,706,216

Assumes no rent or expense escalation.



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