



Boston/
New England

Dignity First Homeless to Housed Technical
Assistance Panel – Homeful Village
November 18, 2024

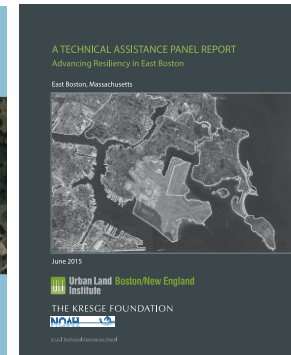


About ULI – the Urban Land Institute

The Urban Land Institute is a global, member-driven organization comprising nearly 45,000 real estate and urban development professionals dedicated to advancing the Institute’s mission of shaping the future of the built environment for transformative impact in communities worldwide.

ULI at the local level

Boston/New England District Council covers nearly all of New England with over 1,300 Members—developers, architects, planners, public officials, financiers, students, etc.



Technical Assistance Panels (TAPs)

ULI Boston/New England is committed to supporting communities in making sound land use decisions and creating better places. A TAP brings together ULI members with a range of professional expertise to provide focused, collaborative consultation to a local government or qualifying non-profit organization.

TAP Impact on Communities:

- **82%** said their behavior and approach to **Municipal Planning and Economic Development Strategies** was affected
- **67%** said there were **increased municipal investments** related to the stated goals and recommendations of their TAP report.
- **62%** said at least **one key developable asset addressed in their TAP report had been redeveloped consistent with ULI Boston/New England recommendations**

Final Deliverable – Written report (10 - 12 weeks) will be available at <http://boston.uli.org>

PANEL SPONSOR:



The Panel

Chair

Larry Spang, Arrowstreet

Melvin Vieira, RE/MAX Destiny The Vieira Group

Panelists

- **Scott Pollack**, SRPlanning
- **Heath Cody**, Gensler
- **Edd Hamzanlui**, MassCan Capital
- **Francis Goyes Flor**, HR&A
- **Vamshi Gooje**, Thornton Tomasetti
- **Gorata Bontle Kgafela**, Harvard Grad Design – Teaching Fellow
- **Matthew Pouliot**, Pouliot Development

ULI Staff

- **Catherine Rollins**, Director
ULI Boston/New England
- **Tim Moore**, Manager
ULI Boston/New England

TAP Writer

- **Mike Hoban**



The Process

Briefing Meeting

Panelists received briefing information from the Dignity First regarding the study area including zoning, past studies, current conditions, etc.

Site Visit

Panelists toured the current homeless encampment

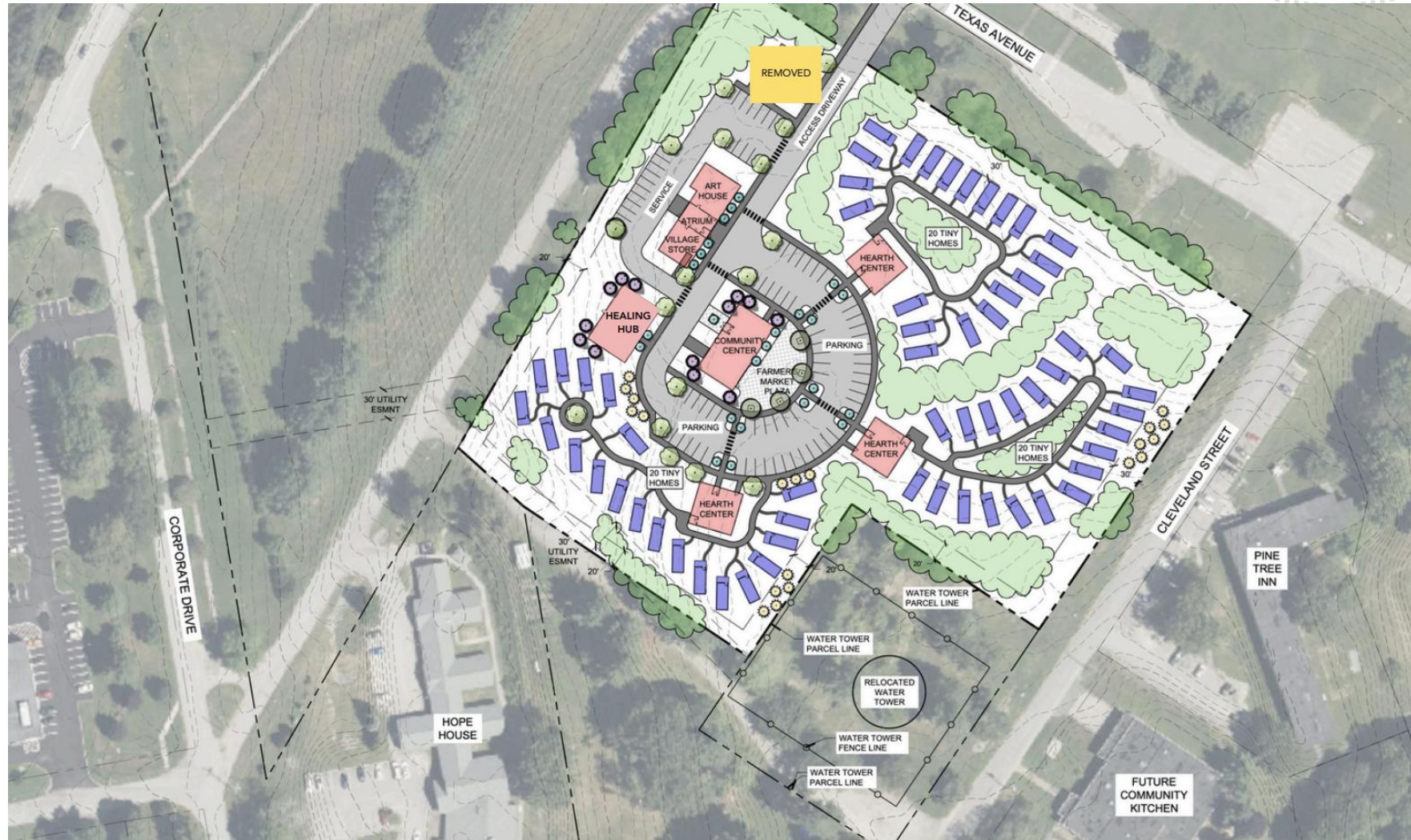
Stakeholder Interviews

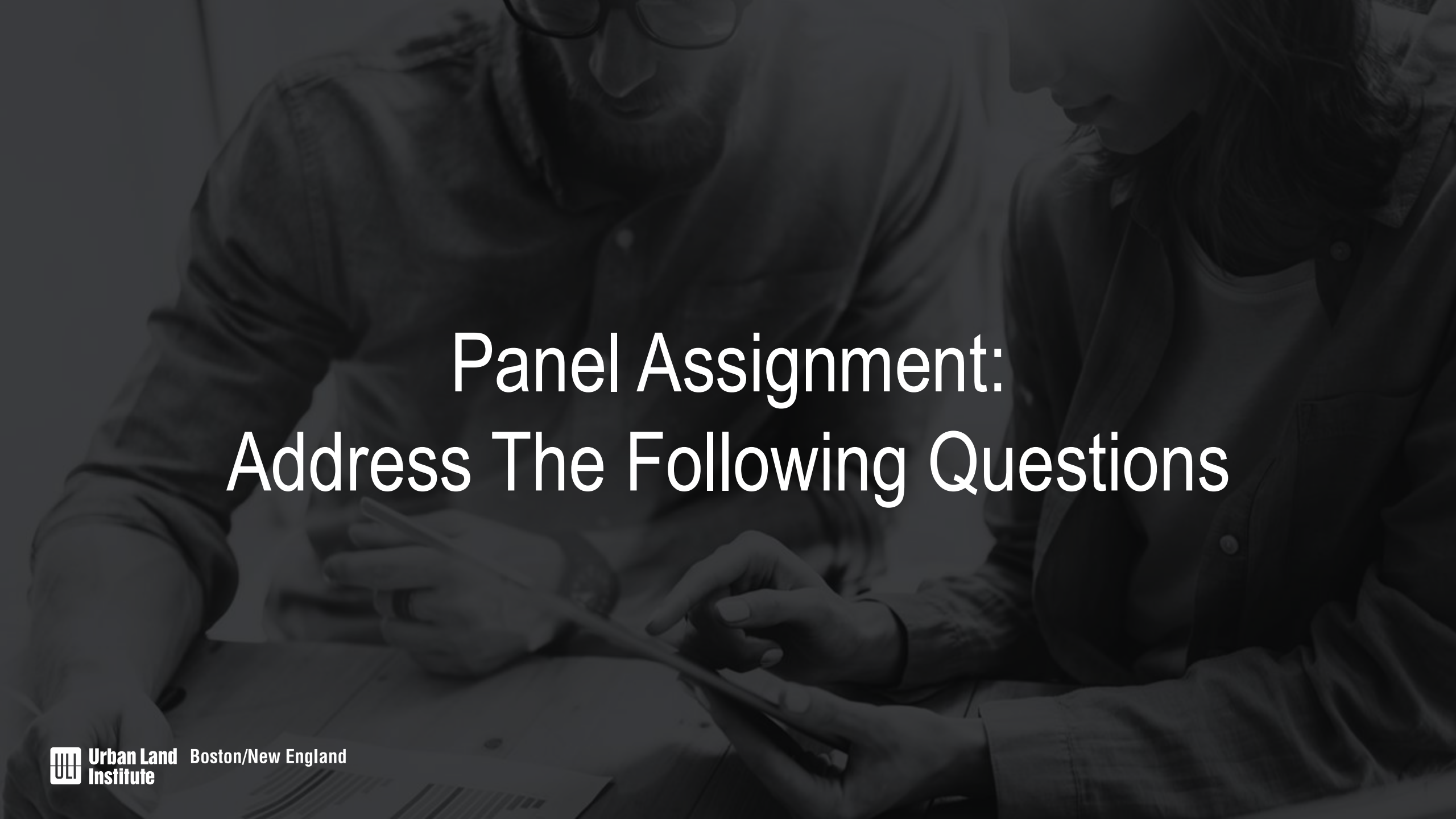
The panelists interviewed encampment residents, community members and organizational leaders to better understand the needs of the neighborhood and the community.

Study Area – Current



Study Area – Current Proposal





Panel Assignment: Address The Following Questions

Key Questions

- 1. How can we design and build a sustainable village in Bangor, Maine, that minimizes environmental impact while considering energy use, renewable resources, building materials water management and affordability?**
- 2. How can we leverage available incentives, grants, and financing options to offset initial investments and enhance the economic viability of the housing development in Bangor, Maine?**
- 3. Given our focus on financial viability and community acceptance in the pre-development stage, what specific financial development strategies and community engagement tactics can we implement to ensure our project's success and secure the resources needed to move forward?**



What did we see?

Study Area – Current



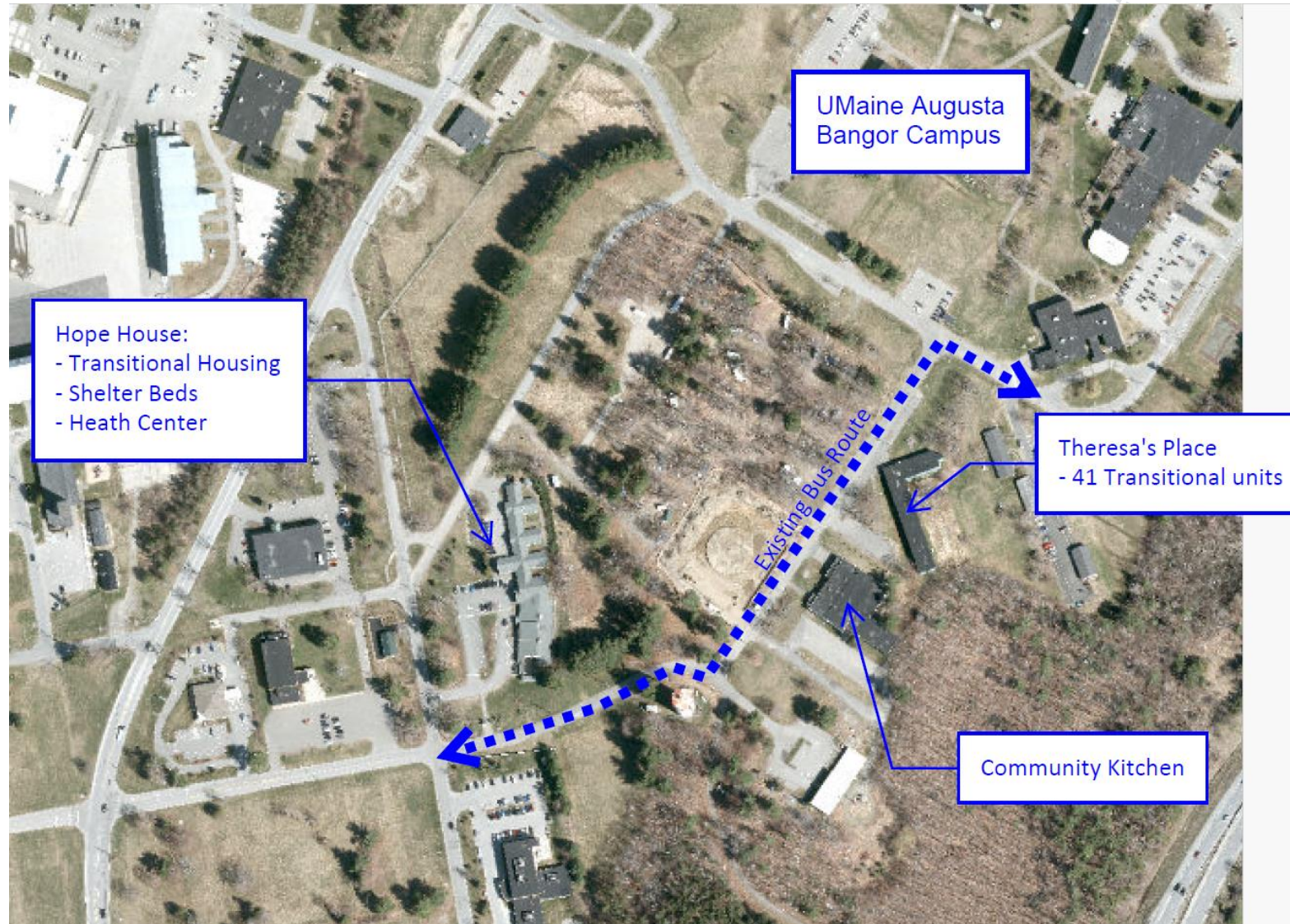
Existing Conditions





Opportunities and Challenges

Neighborhood Context



Integrated Services Opportunities



Challenges

Construction and Development Phase:

- Initial site infrastructure costs (estimated \$2.50M-\$3.0M) that need to be deployed upfront (approximately 70%-80%)
- Development costs
- Short construction season
- Unknown site contamination condition

Post Construction - Operations:

- Property Operating Costs (management and admin, utilities, repairs and maintenance, insurance, real estate taxes, replacement reserves)
- Community Operating Costs (supportive services staff, onsite management/care)

Community Engagement

- **Social Benefits of PSH >> Social Costs of Homelessness**

"How can we best highlight the things that people are concerned about to make sure that we get enough community buy-in?"

- **Social Costs of Homelessness**

- CDC: In 2019, **people aged 1–64 living below 100% of Federal Poverty Level** (10.1%, age adjusted) were the **most likely to have a hospital stay** in the past year
- **average adjusted cost of \$14,101 per inpatient stay at community hospitals in 2019**
- Journal of Maine Medical Science: **3.8-fold higher than housed persons**, and people experiencing homelessness are more likely to be high-utilizers of the emergency department (ED).^{2,3,10-14}
- NY Times: **1 in 8** NYC public school students was homeless last year
- The number of unhoused public school students **rose by 23%** last year (2023-2024).

Community Engagement

○ Social Benefits of PSH

- Community Integration– Wrap-around services
 - Theresa's Place – Laundry services
 - Community Kitchen
 - Hope House
 - Portland, Maine study : Preble Street Learning Collaborative (PSLC) engagement was associated with decreased ED visits
- Sustainability Targets
- Housing at or below 30% of AMI.
- Community Integration
- Transportation options
- Personalization
- Flexible spaces to allow for resident customization and a rich community life.

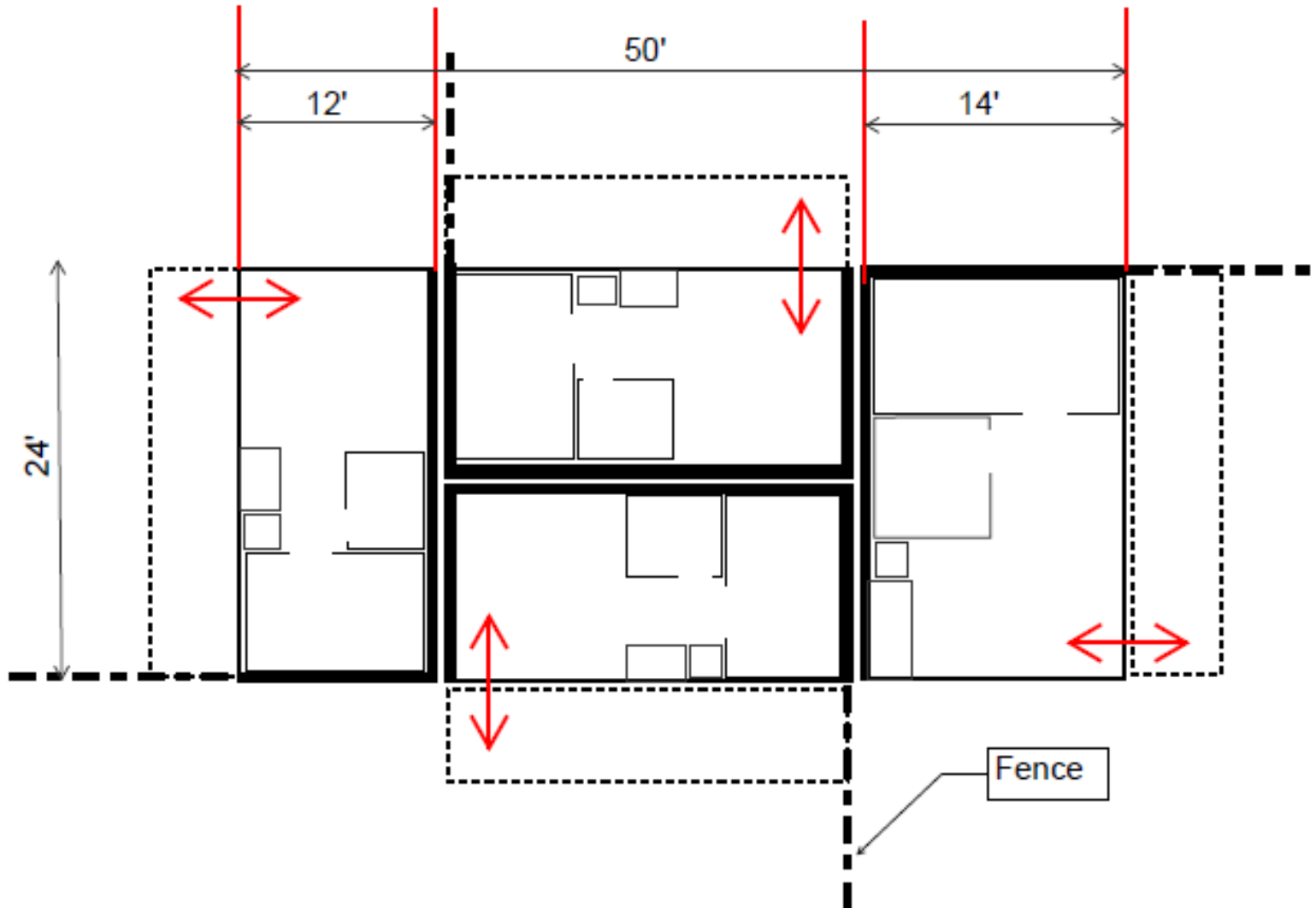


Recommendations

Phasing Strategy



Precedent Images – Unit Configuration



- 4 Unit Building
 - Each unit has its own front door
 - on its own side
 - with its own yard
 - High STC walls/sound separation between units
 - Can still be built modular More sustainable/efficient
 - 50% less exterior wall
 - Less expensive foundation
 - Single water/sewage/electric vs 4 separate lines
 - Lower operational (heating) and maintenance costs
 - Pads can be used for other purposes until houses build
 - HUD/FHA/Voucher compliant
 - One FHA compliant /Type B accessible per building
 - For older population
 - For residents with accessibility issues

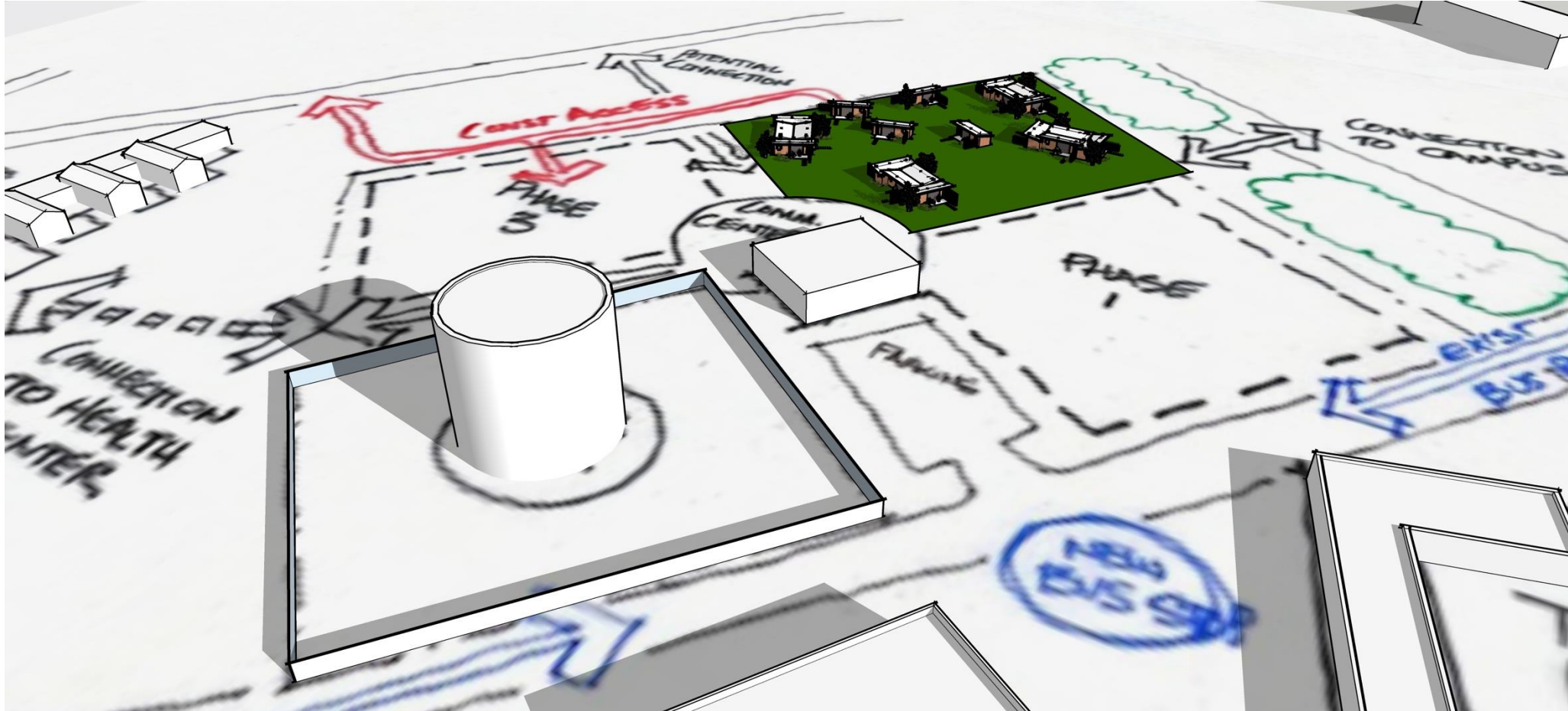
Precedent Images – Unit Configuration



Precedent Images – Unit Configuration



Precedent Images - Phasing



Recommendations

○ Development Recommendations

- **Initiate due diligence to limit surprise costs**
 - Environmental review (potential REC and HREC challenges)
- **Increase design efficiency to lower development and ongoing costs**
 - Build site infrastructure up front to allow for liveable pad sites
 - Prioritize fourplexes or quads to lower costs and increase energy savings
 - Limit community spaces and rely on greater neighborhood services
- **Leverage local, state, and national sources for funding development costs**
 - Continue seeking partnerships for competitive sources of funding
 - Identify local funders to limit reliance on national subsidies

Development Costs

Development Costs:

- I. Site acquisition (assumed to be a nominal amount) - Account for legal and closing costs.
- II. Construction Costs (based on 60-unit & 3-phase model)
- III. Soft Costs
- IV. Financing Costs (assumed no construction loan – assumed to be a nominal amount)

Development Costs

II. Construction Costs (based on 60-unit & 3-phase model):

- Site/Utilities infrastructure costs
- Building Costs:
 - Traditional Construction
 - Off-site strategies (we need to account for foundation and tie-ins):
 - 3D Printing Prototype (sponsored for 9 units)
 - Modular Building
 - Manufactured Housing
- Permitting & Utilities Fees

III. Soft Costs:

- Civil Engineering & Surveying
- Architectural/Engineering: Minimal with offsite
- Miscellaneous Consulting (environmental, energy, geotech, etc.)

Development Costs

Total Gross SF			288	17,280				Phase One	Phase Two	Phase Three		
# of Units			60				Per Unit	Per GSF	Total			
Construction Costs												
Site & Infrastructure Costs			\$50,000	\$174	\$3,000,000		\$2,500,000	\$250,000	\$250,000			
Site Contamination Remediation			\$8,333	\$29	\$500,000		\$500,000	\$0	\$0			
Building Costs			\$100,800	\$350	\$6,048,000		\$2,016,000	\$2,016,000	\$2,016,000			
Permitting & Other Municipalities Costs			\$1,500	\$5	\$90,000		\$30,000	\$30,000	\$30,000			
Construction Costs Subtotal			\$160,633	\$558	\$9,638,000		\$5,046,000	\$2,296,000	\$2,296,000			
General Conditions	12%		\$19,276	\$67	\$1,156,560		\$385,520	\$385,520	\$385,520			
GC Overhead & Profit	5%		\$8,032	\$28	\$481,900		\$160,633	\$160,633	\$160,633			
Insurances	4%		\$6,425	\$22	\$385,520		\$128,507	\$128,507	\$128,507			
Construction Costs Total			\$194,366	\$675	\$11,661,980		\$5,720,660	\$2,970,660	\$2,970,660			
Hard Costs Contingency	15%		\$29,155	\$101	\$1,749,297		\$583,099	\$583,099	\$583,099			
Total Hard Costs			\$223,521.28	\$776.12	\$13,411,277		\$6,303,759	\$3,553,759	\$3,553,759			
Soft Costs												
Civil Engineering & Surveying			\$2,000	\$7	\$120,000		\$120,000	\$0	\$0			
Testing			\$750	\$3	\$45,000		\$15,000	\$15,000	\$15,000			
Architectural & Engineering	5.00%		\$9,718	\$34	\$583,099		\$349,859	\$116,620	\$116,620			
Geotech			\$250	\$1	\$15,000		\$15,000	\$0	\$0			
Other consultants (energy, traffic, etc.)			\$833	\$3	\$50,000		\$30,000	\$10,000	\$10,000			
Legal & Accounting			\$2,500	\$9	\$150,000		\$90,000	\$30,000	\$30,000			
Soft Costs Subtotal			\$16,052	\$56	\$963,099		\$619,859	\$171,620	\$171,620			
Soft Costs Contingency	7%				\$67,417		\$22,472	\$22,472	\$22,472			
Total Soft Costs			\$17,175	\$59.64	\$1,030,516		\$642,332	\$194,092	\$194,092			
Financing Costs												
Allowances for Applications and Filings			\$833	\$3	\$50,000		\$50,000	\$0	\$0			
Total Development Costs			\$241,530	\$839	\$14,491,793		\$6,996,091	\$3,747,851	\$3,747,851			

(+) Community Building @ 4,000 sf

\$400 \$1,600,000

Development Costs

Target <\$300/SF; Cluster Units

- Meet HUD standards & State code (MUBEC)
- Design by Suppliers
- Economical and efficient production process.
- Less waste due to precise cutting/manufacturing
- Support local economy

Focused on energy efficiency and minimal environmental impact.

- Several local suppliers
 - KBS Builders
 - Bright Built Homes
 - Hancock Lumber

Configuration Choices:

- A mix of Single & Cluster Units



Recommendations

○ Development Funding Sources

■ National

- Enterprise Community Partners (construction and permanent loan)
- Local Initiatives Support Coalition – LISC (construction and permanent loan)
- Inflation Reduction Act credits (GGRF) - ~30% of cost reduction

■ Regional

- Federal Home Loan Bank of Boston (FHLB)
 - Affordable Housing Program (<\$65K/unit)

■ State

- Continuum of Care funding
- Housing First program
- Supportive Housing Program
- Brownfield Redevelopment
- Additional state grants

■ Local

- Bangor Savings Bank
 - Community Reinvestment Act (construction and permanent loan)
 - Bangor Savings Bank Foundation (grant funding)
- Stephen and Tabitha King Foundation (grant funding)
- Construction volunteers
 - Encampment residents
 - Habitat for Humanity

Recommendations

○ Operations Recommendations

■ Learn from the Best

- Connect with organizations with similar initiatives (Neighborworks, LISC) for a staffing plan

■ Minimize operational costs by maintaining a lean staff

- Prioritize on-the-ground staff (management and community services) and fundraising
- Contract property management services

■ Share the neighborhood's resources

- Rely on MOUs for supportive service provision and other community engagement initiatives
- Connect with University of Maine for Entrepreneur Hub / Art House

■ Identify additional revenue sources

- Gardening, microenterprises, recycling, etc.
- Phased approach allows tents/RVs to be used while permanent homes are created

Recommendations

○ Operational Funding Sources

■ National

- Inflation Reduction Act credits (GGRF) - Subsidies to support energy efficiency, up to ~30% of cost reduction
- NeighborWorks America

■ State

- Continuum of Care funding may be available through existing NOFAs and relationships with local hospitals
- Project-based vouchers
- Mobile vouchers
- Housing First program
- Supportive Housing Program

■ Local

- Bangor Rental Assistance Program
- Payment in Lieu of Taxes (PILOT)/real estate tax waiver

Operational Costs

Key Features: Energy Efficiency and Sustainability

- Well-insulated envelope exceeding MUBEC standards for heating needs.
- Cooling through natural ventilation.
- Electric Baseboards for heating- cost effective + low maintenance.
- Ventilation units
- Utilities reduced through energy-efficient design
 - Operating energy cost: ~30 cents/KWH (Electric Use Projection)
 - \$3.75/SF-yr for single units- \$1125/yr-unit for a 300 SF house
 - \$2.35/SF-yr for cluster units- \$705/yr-unit for a 300 SF house
 - Savings \$421/yr-unit
 - Additional \$1.05/SF for water/sewer

Operational Costs

Key Features: Energy Efficiency and Sustainability

- Rooftop of adjacent services buildings
- PPA Set up
- IRA incentives
- Offset utility usage



3,750 KWH/Unit

225,000 KWH- Homes only

195 KW-All Phases (Minus Service bldgs)

14,625 SF-PV Area (Minus Service Bldgs)

Next Steps

- RFP for modular construction
- Talk to NeighborWorks & LISC
- Site due diligence
- Focus on operational costs

Q&A

Dignity First Homeless to Housed Technical Assistance Program

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