

Tab 24 Development Cost Savings

The Agency may award up to ten points to Applications demonstrating costs less than the median total development costs of the total applications submitted in a cycle. The Agency will determine the median total development cost per square foot (less the cost of acquisition, reserves, and commercial space) and will award points based on certain ranges. Preservation Applications and those located in Philadelphia will not be included when determining the median costs in a cycle. The Agency will award points to Preservation and Philadelphia Applications as they compare against each other. For all other developments, the Agency will award points based upon the construction type: single family/townhouse, multi-story multifamily buildings, and adaptive re-use buildings as they compare against each other. In addition to submission of certifications that the building as designed and as constructed will meet/meets all labor and material standards set forth in applicable local or statewide codes (without sacrificing unit size and other building amenities), the Agency reserves the right to require additional certifications from local officials or building design professionals prior to the issuance of an IRS Form 8609 for the building or to conduct its own site visits during construction to ensure that the quality of construction is not compromised by cost savings.

- The development costs must be controlled through construction in a manner that at completion would allow the development to maintain its original ranking for this criterion.
- To be considered for this selection criterion, a written certification from the applicant must be provided acknowledging that the cost of the project will be re-evaluated by staff at cost certification and if warranted, adjusted to maintain the development’s original ranking.
- A certification from the applicant must also be provided stating that the building as designed and constructed will meet all labor and material standards set forth in applicable local or statewide codes (without sacrificing unit size and other building amenities).
- The certification should include the applicant’s calculation of cost per square foot, as noted below. (Any subsequent change in the building plans that results in a change in square footage must be evaluated to determine if it results in a higher cost per square foot than that submitted with the initial application.)

<u>Total Development Cost</u>	\$
<u>Less:</u>	
<u>Acquisition Cost</u>	\$
<u>Reserves and Escrows</u>	\$
<u>Cost of Commercial Space</u>	\$
<u>Net Development Cost</u>	\$
<u>Square footage net of commercial space</u>	
<u>Cost per square foot</u>	\$