

# Construction Costs for San Diego Housing Commission Partnership Developments

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San Diego Housing Commission  
March 10, 2017

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# Key Factors Impacting Affordable Housing Costs

- Land Acquisition Costs
- On- and Off-Site Improvements
- Prevailing Wages
- Design/Entitlement Costs
- Permits and Fees
- Financing Costs
- Developer Fees per Tax Credit Program

# Financing Sources and Policy Goals Drive Cost Factors

## Low-Income Housing Tax Credits

- sites/locations
- development features and amenities
- energy efficiency and sustainability

## Community Goals

- quality of materials
- amenities
- ground floor commercial

## Revitalization Efforts

- urban site locations
- extraordinary infrastructure requirements
- demolition and site preparation
- high-density construction / structured parking

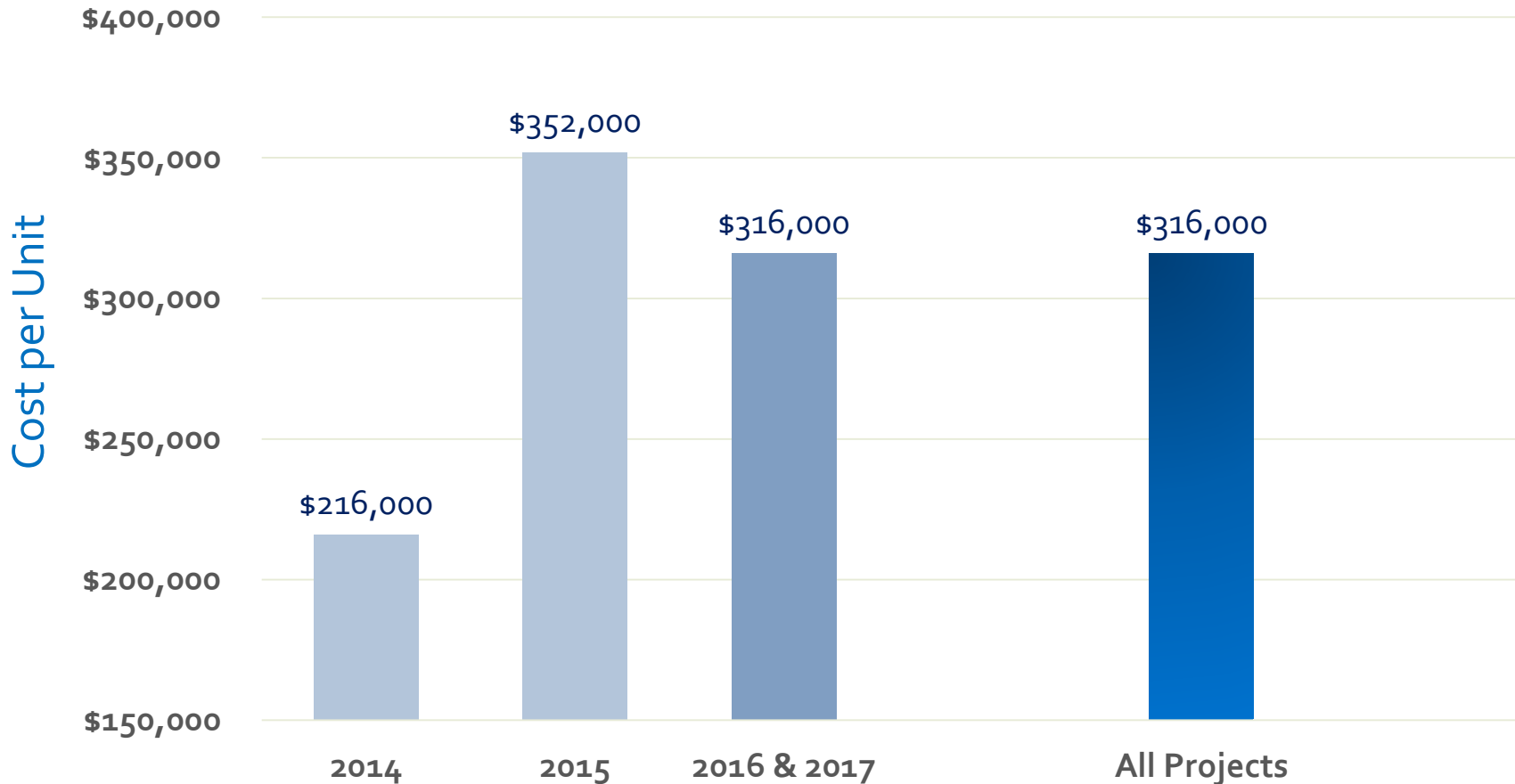
## Total Development Costs per Unit, 2015 Survey <sup>(1)</sup>

Metropolitan Area	Low Cost Per Unit	High Cost Per Unit
SDHC Partnership Developments	\$225,000	\$420,000
Los Angeles/Orange County	\$228,000	\$442,000
San Francisco/Northern California	\$282,000	\$486,000

(1) New construction Type V and Type III projects only. Excludes acquisition costs.

# SDHC Partnership Developments - New Construction

## Median Cost per Unit by Year\*



\* Total development costs excluding acquisition

# SDHC Partnership Developments New Construction, 2014-2017

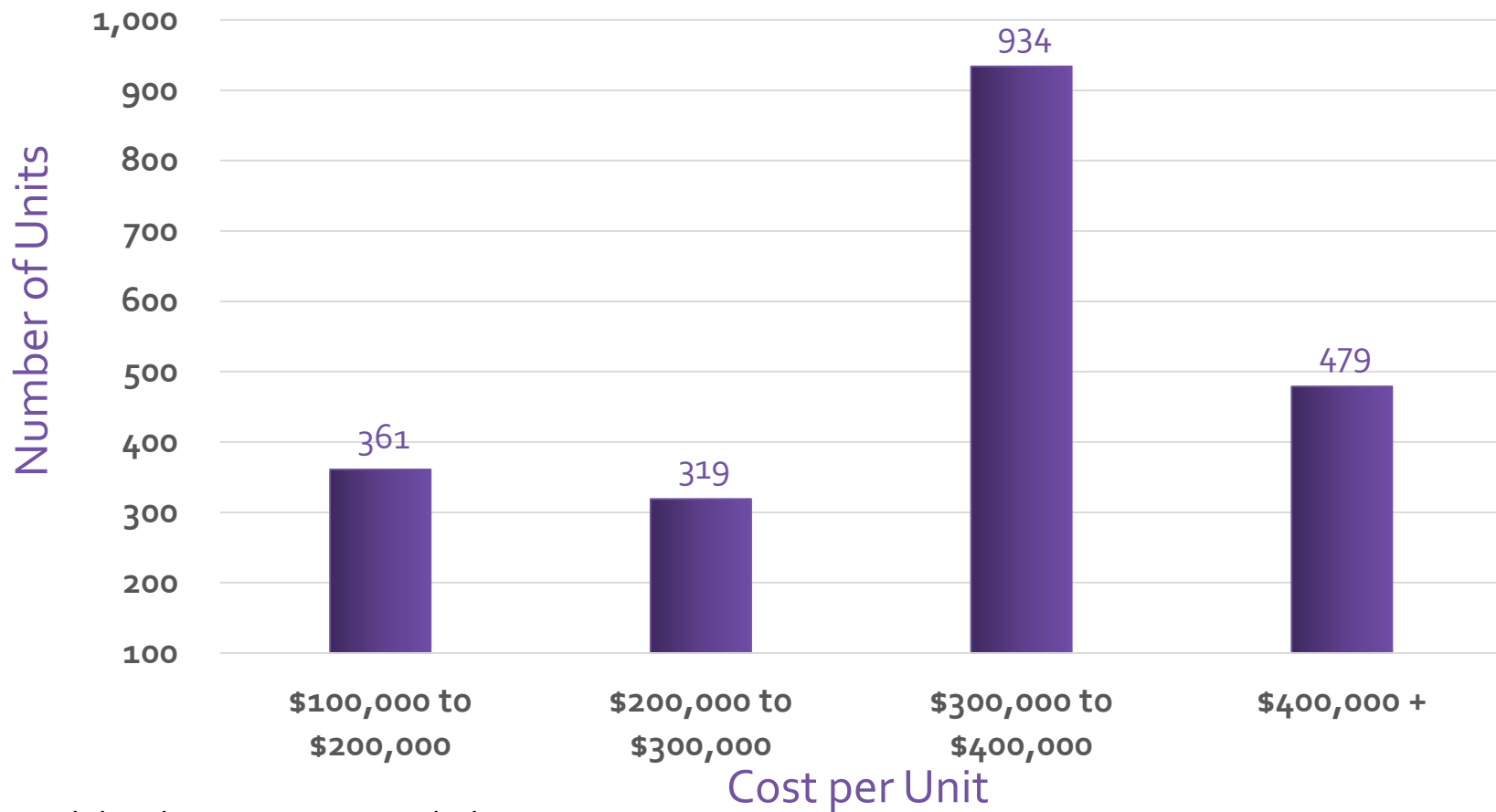
## Median Cost per Unit by Prevailing Wage Factor\*



\* Total development costs excluding acquisition

# SDHC Partnership Developments New Construction, 2014-2017

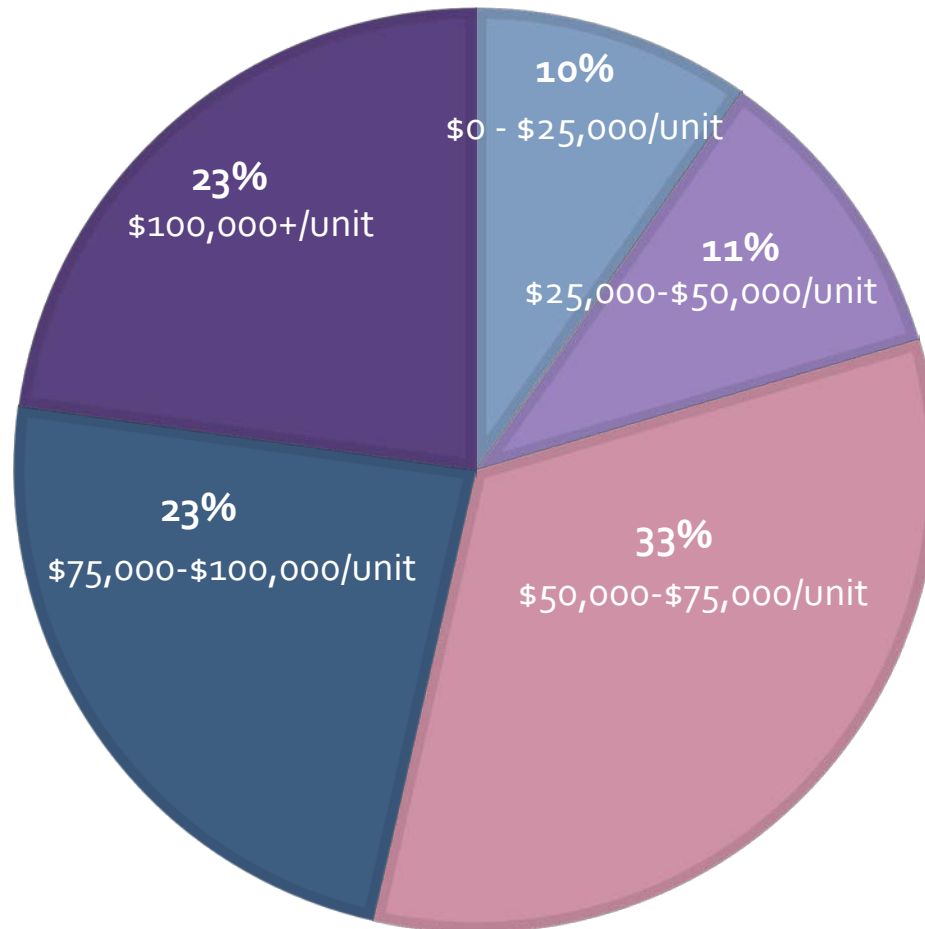
## Distribution of Units by Cost Range\*



\* Total development costs excluding acquisition

# SDHC Partnership Developments New Construction, 2014-2017

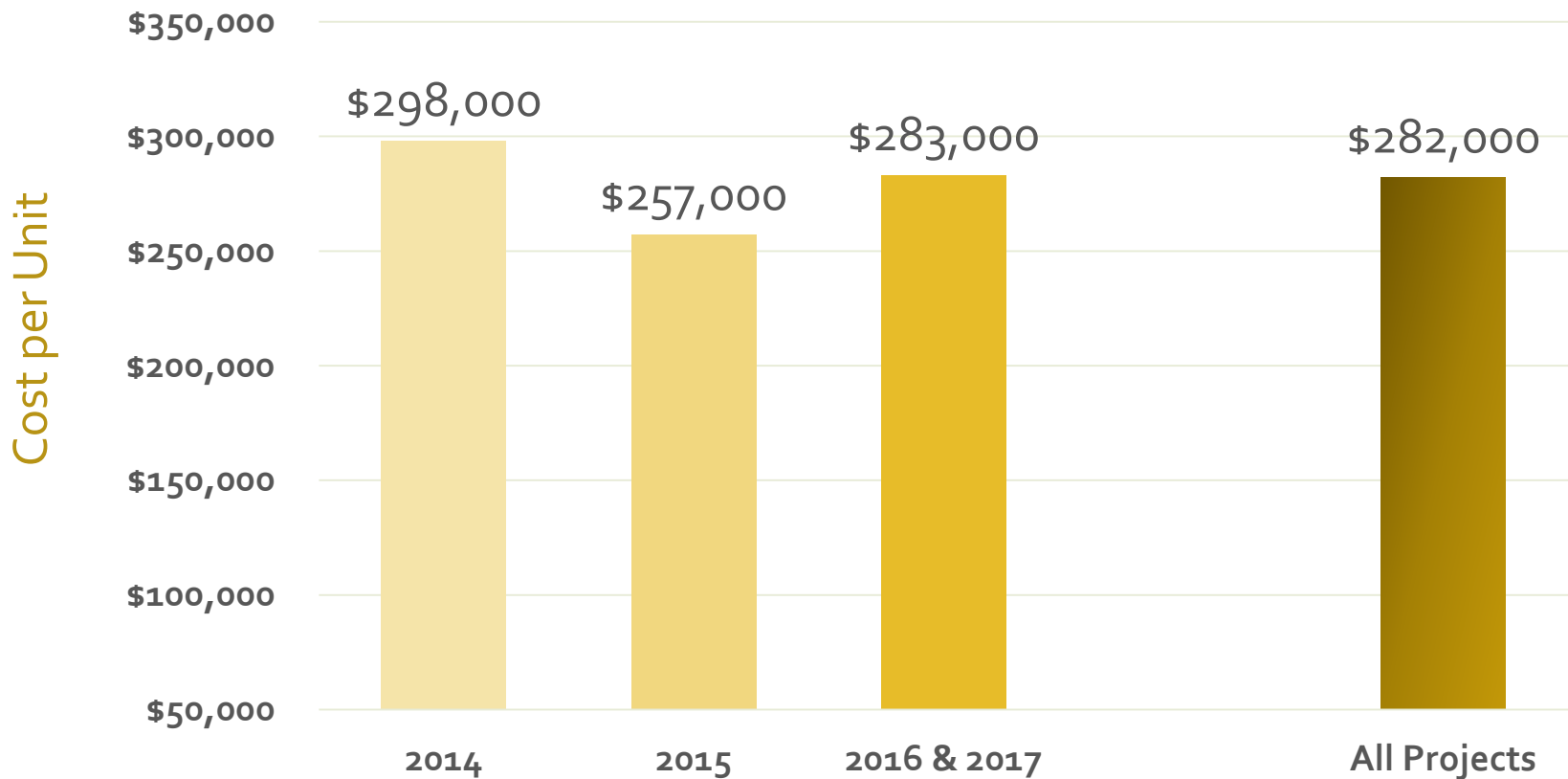
## Distribution of Units by SDHC Loan Amount





# SDHC Partnership Developments Acquisition / Rehabilitation

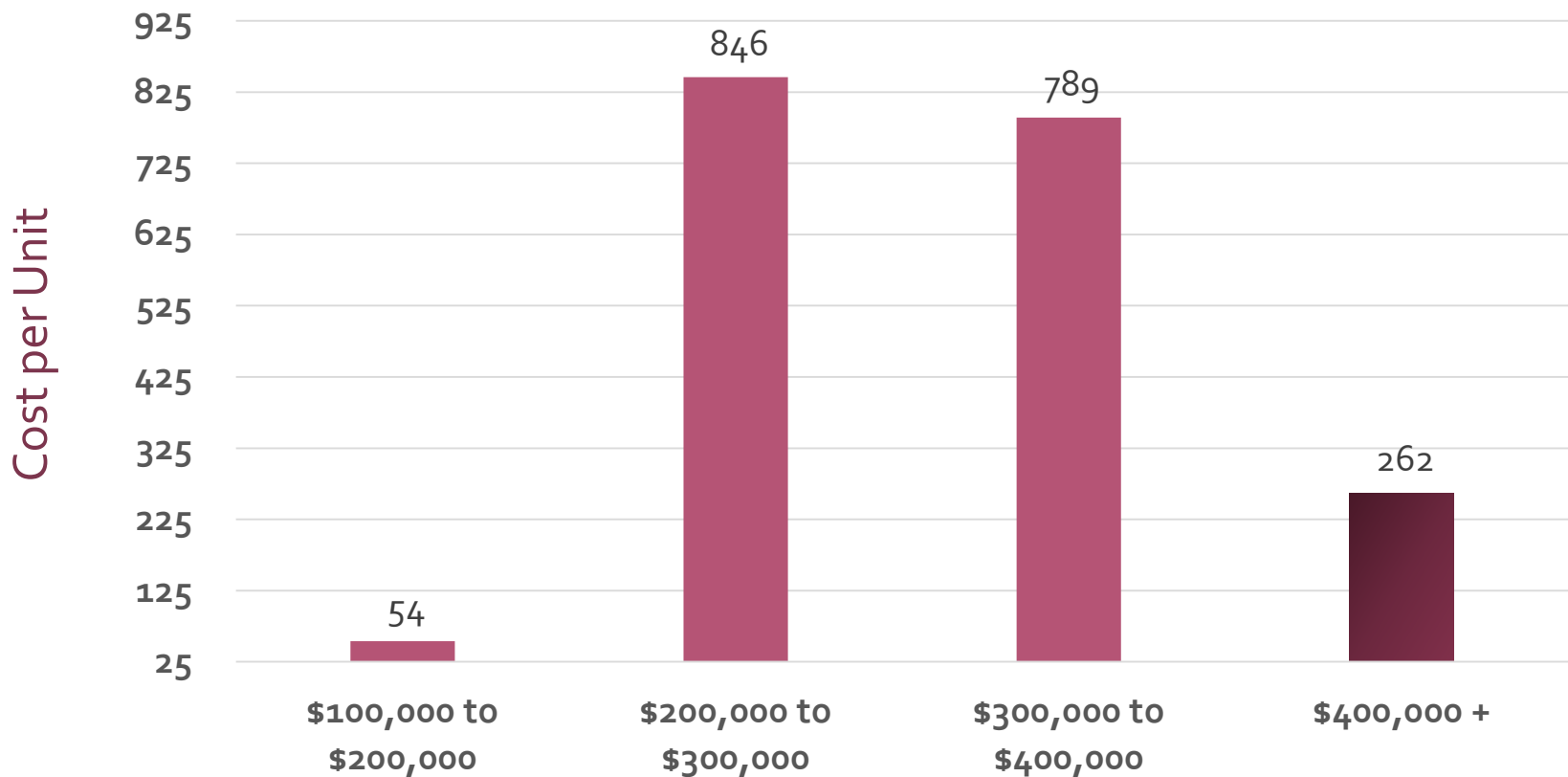
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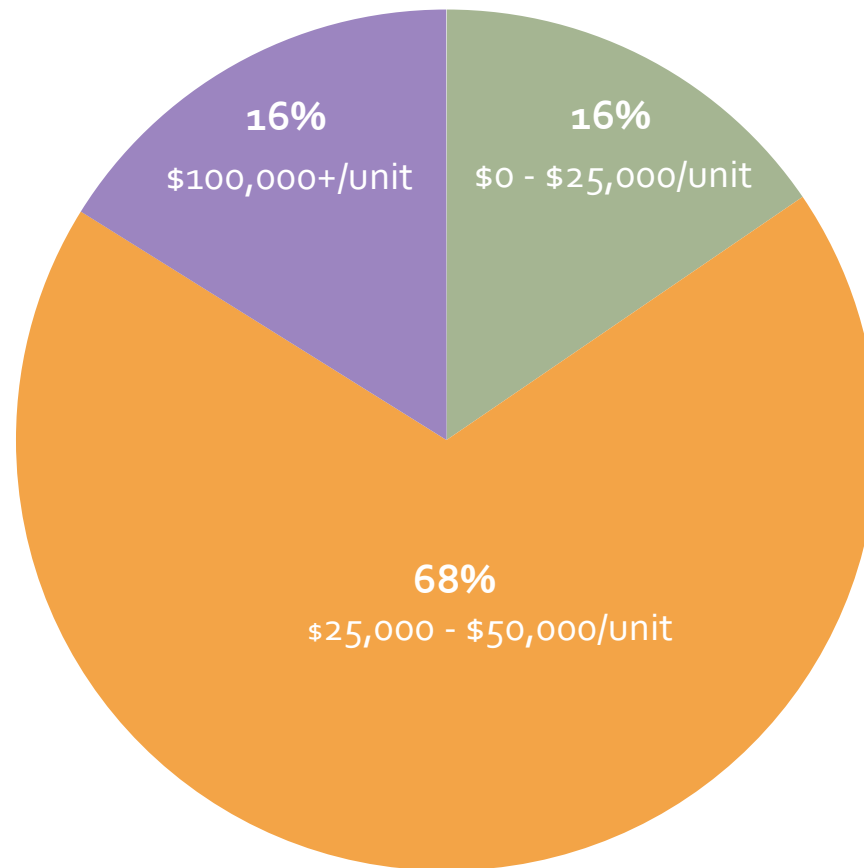
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# SDHC Partnership Developments Acquisition / Rehabilitation, 2014-2017

## Distribution of Units by SDHC Loan Amount



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