

6 TECHNICAL AND FINANCIAL CAPACITY

6.1 TECHNICAL CAPACITY

The applicant has assembled a highly qualified team of professionals to plan, permit, and develop construction documents for the project. The Team is working under the direction of Maine Workforce Housing as Project Developers. Professional services will be provided by the following companies and their respective team leaders:

6.2 CONSULTANT TEAM

<i>Civil Engineer</i>	Michael Tadema-Wielandt, P.E. Terradyn Consultants, LLC 565 Congress Street Portland, ME 04101 (207) 632-9010 – Cell (207) 221-1317 – Fax mtw@terradyconsultants.com
<i>Surveyor</i>	Randy Loubier Owen Haskell, Inc. 390 US Route 1, Unit 10 Falmouth, Maine 04105 (207) 774-0424 – Work (207) 774-0511 – Fax rloubier@owenhaskell.com
<i>Architect</i>	David Lloyd Archetype, PA 48 Wharf Street Portland, ME 04101 (207) 772-6022 – Work (207) 772-4056 – Fax lloyd@archetypepa.com
<i>Electrical/ Mechanical Engineer</i>	William Bennett Bennett Engineering P.O. Box 297 Freeport, ME 04032 (207) 865-9475 will@bennettengineering.net

6.3 EXPERIENCE OF PROJECT TEAM

The team of consultants retained by the Developer has expertise and experience in the design of similar projects. Resumes of key personnel for the development team can be provided upon request.

The applicant, Maine Workforce Housing, LLC, has experience in the development and management of residential projects of this scale. A company resume is included in Attachment 6-A.

6.4 FINANCIAL CAPACITY

The applicant has the capacity to finance the proposed project. Evidence of financial capacity for the project is contained in Attachment 6-B.

6.5 CONSTRUCTION COST ESTIMATE

The project has an overall construction cost estimate of \$6.6 million. This construction cost value is considered preliminary and subject to change as building design and project layout is refined, etc.

6.6 ATTACHMENTS

Attachment 6-A – Maine Workforce Housing Resume

Attachment 6-B – Evidence of Financial Capacity

ATTACHMENT 6-A

Maine Workforce Housing Resume

Resume of Maine Workforce Housing, LLC

Maine Workforce Housing, LLC has successfully developed the following Low-Income Housing Tax Credit financed properties in Maine:

- Casco Terrace (2004)
- Walker Terrace (2006)
- 53 Danforth (2009)
- The Mill at Saco Falls (2010)
- The Lofts at Saco Falls (2016)
- Huse School Apartments (2017)

In addition to the projects listed above, other projects developed by affiliate companies of Maine Workforce Housing, with the same personnel, include:

- The Squamscott Block (2007) – A New Hampshire Housing Finance Agency project
- The Lofts at Bates Mill (2012)

Maine Workforce Housing, LLC is currently developing a Low-Income Housing Tax Credit project in Lewiston, Maine, The Hartley Block. Once this building is completed (expected 2019), the total will be 456 units of housing in nine projects.

The principals of Maine Workforce Housing, LLC are Nathan Szanton (75% interest and Managing Member) and Robert Monks (25% interest). Complete resumes for Nathan and Bobby are attached.

ATTACHMENT 6-B

Evidence of Financial Capacity

178 Kennebec Street

Financial Capacity

The total project budget is approximately \$10,000,000. Financing sources are projected as follows:

After Occupancy

Amount	Source	Description / Notes
\$5,040,000	Low-Income Housing Tax Credit (LIHTC) Equity	<p>To be allocated by MaineHousing following their competitive process. Applications are due in September 2018 and notifications are expected in October 2018.</p> <p>MaineHousing allocates the right to take these tax credits, which are spaced out over ten years. These tax credits are sold to investors and the proceeds are used as equity to pay for the construction and other costs of the development.</p>
\$780,000	Low-Income Housing Subsidy	Subsidy from MaineHousing that is tied to the allocation of LIHTCs.
\$3,015,000	MaineHousing debt	An interest-bearing mortgage on the property and improvements from MaineHousing.
\$325,000	City HOME Funding	Deferred loan from the City of Portland. We are applying for this source in April 2018.
840,000	Ross Furman	Unit 1 (first floor) will be owned and financed by Ross Furman.

During Construction

Note: total amount needed during construction is approximately \$9,035,462, which is the portion of the total budget required during construction. This total does not include approximately \$1,564,000 that is paid at permanent loan closing, including a portion of developer fees; tax/insurance reserves; operating reserves; rent-up reserves; capital replacement reserves; and tax credit monitoring fees.

Amount	Source	Description / Notes
\$7,475,000	Construction Loan from Bank (letter of interest to be obtained as part of tax credit application)	Construction loan for the duration of construction and lease-up, typically 12-14 months.
\$1,000,000	Low-Income Housing Tax Credit Equity	A portion of the tax credit equity is contributed during construction, per IRS rules.
\$320,000	MaineHousing Subsidy	50% of their total award is available for construction financing.
\$162,500	City HOME Funding	We will ask for the City to provide 50% of their award for construction financing.