

# THE REVIVAL AT MOORE SQUARE



City of Raleigh (COR)

Attn: Ralph Recchie

One Exchange Plaza, Suite 1020 Raleigh, NC 27601

Request for Proposal #274-Plan Dev-Moore Square - Redevelopment of Moore Square East & Moore Square South



June 27, 2022

City of Raleigh (COR)  
Attn: Ralph Recchie  
One Exchange Plaza, Suite 1020  
Raleigh, NC 27601

RE: Request for Proposal #274-Plan Dev-Moore Square - Redevelopment of Moore Square East & Moore Square South

Dear Mr. Recchie:

Integral, along with an exceptional Team, is honored to respond to the Request for Proposals (RFP) for Moore Square East and Moore Square South with our “Revival at Moore Square” vision of a mixed-income, mixed-finance, and mixed-use community of choice that contributes to the vitality and vibrancy of Moore Square Park and downtown Raleigh. A minority-owned firm, Integral has produced innovative and holistic communities of choice for 30 years.

We have assembled a team of nationally and locally recognized firms, comprised of first-class architects, engineers, and other consultants, to ensure that the COR's vision of a vibrant and sustainable mixed-use community will be a resounding success. Collectively, the breadth and depth of our Team's expertise in mixed-income, mixed-use developments through public-private partnerships is evident in our successful transformation and revitalization of communities across the United States.

In fact, Integral co-developed the nation's first HOPE VI community revitalization, Centennial Place, a 60-acre mixed-income, mixed-use development in Atlanta. Designated as HUD's National Model for Urban Revitalization, Centennial Place established the legal, regulatory, and financial model which facilitates the development of mixed-income, mixed-financed, and mixed-use revitalization projects. Today, the work and its core vision have been codified and copied broadly in Atlanta and across the country and are the foundation of what is affectionately known today as “The Atlanta Model”.

Integral continues to bring this creative, innovative, and equitable approach to all its developments, leveraging both Low-Income Housing Tax Credits (LIHTC) and impact investment capital to develop mixed-income, mixed-finance, mixed-use communities. Both financing strategies are very important for the Revival at Moore Square development as today's housing affordability challenges cannot be solved solely with the limited funding offered through the LIHTC Program. Integral has uniquely employed both financing structures to deliver mixed-income communities at all levels of affordability. Our firm has developed strong relationships in this space, including our relationship with our identified anchor limited partner investor that is the impact investment fund called Impact Value Partners launched in 2018 by PGIM Real Estate (the real estate investment business of PGIM, the \$1.4 trillion global investment management business of Prudential Financial, Inc.).

Utilizing both financing strategies is also critical to deliver affordability across the housing spectrum. While the LIHTC program primarily targets affordability at and below 60% AMI (Area Median Income), there is also a housing affordability crisis above 60% AMI, including for many of the employees of COR, Wake County, WakeMed, Wake County Public School System, and private employers.

Raleigh's housing affordability crisis will only worsen as high-paying jobs continue to expand in Raleigh and local, state, and federal housing policies fail to support the development of attainable housing for families between 60% and 120% AMI. Meanwhile, the "Market," particularly downtown, will continue to deliver increasingly expensive units as it looks to pass to its residents the rapidly increasing land prices, construction costs, and interest rates.

Through this RFP, the COR has a rare, generational opportunity to deliver affordable and attainable housing in the core of the city where it is lacking and just as importantly is an ideal location for these families due to its walkability to employment opportunities, public transportation, and cultural and educational amenities. Downtown Raleigh's housing inventory today is not affordable for all families. Only an estimated 1.9% or 149 of downtown Raleigh's housing units are affordable. Our proposal more than doubles the number of affordable units by delivering 184 income-restricted units at or below 80% AMI by leveraging three affordability strategies: LIHTC, mixed-income, and micro-units.

A challenge that Integral does not shy away from is developing in urban communities, particularly in downtowns. Engaging the community and stakeholders at the inception is essential to developing community, transparency, and trust. Integral has done just that over the last few months to learn and understand how we can cultivate a new mixed-income community anchored at Moore Square Park while supporting our potential neighbors. We've already engaged, listened to, and learned from the COR's Park and Recreation Team managing Moore Square Park operations, Marbles Kids Museum, Raleigh Rescue Mission, and Southeast Raleigh Promise. For example, we learned that this COR team is using these parcels for employee parking (15 spaces), vendor parking (30 spaces), 1,000 SF of storage space, and one electric vehicle used for the operations of the park. Our proposal includes replacement parking and storage to ensure this Team can continue to operate the park successfully.

Many of the communities we have transformed include public spaces, either within or adjacent to these communities. For example, the Durham Housing Authority selected our Tribute Rising development plan for the redevelopment of 15 acres adjacent to downtown Durham, particularly due to how we planned a new outdoor public space within the development that is the anchor to this new mixed-income, mixed-use, conventionally financed community. Our approach is to incorporate public space to be supported by density, vibrant ground floor retail spaces, accessible public parking, and complementary placemaking resulting in an inclusive community.

Again, we are honored and excited to submit Revival at Moore Square to the COR. If there are any questions regarding this submission, please feel free to reach out to me as your primary point of contact via email at [vlwilbon@integral-online.com](mailto:vlwilbon@integral-online.com), phone at 404.224.1882 or via mailing address at 191 Peachtree Street, Suite 4100, Atlanta, Georgia 30303.

We look forward to working with COR and eagerly await your response.

Best regards,



Vicki Lundy Wilbon, President  
Integral Real Estate

# PROPOSAL HIGHLIGHTS

Integral has developed its vision for a mixed-income, mixed-use, intergenerational community of choice that A) increases the total number of affordable housing units in downtown Raleigh by more than doubling the 149 existing affordable units, B) sustains Moore Square Park by supporting the City's operations of the park, and C) provides a demonstration project for how Raleigh should be built out as a mixed-income, mixed-use, intergenerational community of choice.

## A MASTER PLAN THAT DELIVERS

- 413 units of multifamily housing
- 190 units of affordable and attainable housing (income-restricted for minimum 30 years)
- 551 structured parking spaces
- 9,610 SF of ground-floor retail space to leverage pedestrian activity
- 30 parking spaces for Moore Square's vendors to use during events and markets
- 15 parking spaces for COR's staff that are part of Moore Square Park's operations
- 1,000 SF of non-conditioned storage space to support the Park's operations
- \$140,100,000 of private investment

## A DEVELOPMENT TEAM THAT EXCELS

- Completed or Developing projects worth over \$4 billion in asset value nationwide
- Created the nation's first holistic mixed-income and community revitalization model
- Planned and implemented 15+ community revitalization projects
- Developed 10,000+ affordable, attainable, and market rate housing units



# — PROPOSAL HIGHLIGHTS —

## A SHARED PROSPERITY PLAN THAT DELIVERS

- Development team guided by a certified national minority-owned business
- A program to build the pipeline of real estate professionals from underrepresented groups through the “Integral Collaborative”
- Construction and engineering professionals/firms leading in minority subcontracting will meet or exceed a commitment of 25% goal of contracts to MBE/WBE businesses
- Credit history building of tenants by rent payment reporting to credit bureaus to support their future homeownership dreams

## DIFFERENTIATORS

- Provides affordable and attainable housing across the development from utilizing LIHTC, mixed-income, and micro-units that are innovatively designed and furnished with technology provided by Ori to enable spaces to live larger.
- Maximizes public benefits including affordability, public parking, shared prosperity, and supporting the Park’s operations.
- Minimizes need for City investment to achieve these public benefits by designing a centrally located parking garage in Moore Square East, innovating with micro-units, phasing development of LIHTC units to access more LIHTC equity, and securing an impact investor.
- Engages, listens to, and learns from local stakeholders (COR’s Park and Recreation Team managing Moore Square Park operations, Marbles Kids Museum, Raleigh Rescue Mission, and Southeast Raleigh Promise) to curate a vision for a community that is locally anchored and supported.
- Supports the operations of Moore Square Park by providing parking spaces for vendors as well as replacement of off-site storage for the COR’s Staff.
- Facilitates interaction of developments with Moore Square Park by integrating a mid-block connection on Person Street as well as intentionally designing means of ingress to Moore Square Park.
- Commits to shared prosperity through (i) a procurement commitment of 25% MBE and WBE, (ii) wealth building through Integral Collaborative’s approach of building the capacity and mentoring of a locally selected minority developer, and (iii) supporting residential tenants to a path of homeownership by building credit through a partnership with Esusu.
- Focuses on sustainability throughout development from micro-units that decrease building size, a carsharing program that utilizes an all-electric fleet, engaging a leading sustainability consultant, and securing a general contractor with a specific focus on sustainability.
- Supports City Market by integrating the existing City Market mid-block connections into the design of a new parking garage as well as preserving a pedestrian corridor between the new development and City Market.



# TEAM EXPERIENCE

# — TEAM EXPERIENCE —

Driven by a mission to create value in cities and (re) build the fabric of communities, Integral is a premier provider of affordable, attainable, and market rate housing throughout the Southeast.

Since its inception in 1993, Integral has been more than a real estate services and development company. In alignment with Raleigh's vision, Integral, as a for-profit yet mission driven real estate company, develops healthy and sustainable communities offering high quality lifestyle opportunities for individuals and families of all incomes while stimulating much needed economic development. Integral fundamentally believes that everyone - regardless of income - deserves access to quality housing, education, health care, and other quality of life amenities.

To that end, Integral has developed hundreds of acres of land in 21 cities and 12 states, developing more than 10,000 housing units, comprised of LIHTC, market, workforce homes. Our Team has successfully transformed well-positioned yet overlooked corridors into vibrant communities of choice while using creative financing to complete the deal.

In 1996, Integral co-developed Centennial Place, the FIRST mixed-income, Hope VI development in the nation. Integral continues to innovate and pioneer new creative financing and housing solutions.

- **2003:** Integral's Community Development Entity received Georgia's FIRST allocation of New Market Tax Credits.
- **2012:** Integral received LIHTC for the FIRST affordable assisted living project in Georgia and Integral developed the FIRST Affordable Senior Assisted Living Facility in Indiana.
- **2013:** Integral received funding for the FIRST preservation project in Georgia, due to expiring Tax Credits, to re-syndicate the credits in Integral's Centennial Place development.
- **2015:** Integral's master planned development, Scholars Landing, became the FIRST community in Georgia to receive the Choice Neighborhood Implementation (CNI) Grant.
- **2017:** Integral's Assembly Community Improvement District (CID) is the FIRST in Georgia to issue tax-exempt bonds with the proceeds financing public improvements throughout the district. The Assembly is a master-planned mixed-use development on a 160-acre former General Motors assembly plant.



## — TEAM EXPERIENCE —

With this innovative experience spanning 30 years, Integral is uniquely positioned to support the COR's efforts to provide affordable and attainable housing as the rising income inequality, combined with high housing costs, and a shortage of affordable rental housing across the nation and particularly in large metropolitan regions, have been creating a significant financial burden for a growing number of working families. In response to limited affordable housing options in the areas where they work, many middle-income workers move to the outer fringes of a region, leading to longer commute times for the worker, higher levels of traffic, and other negative externalities for the surrounding area.

Integral is uniquely positioned to provide an innovative financing plan that addresses the workforce housing issue and provides a mixed-income housing community for a wide spectrum of households. In 2022, Integral secured a \$150 million private equity commitment from PGIM that is focused on the development of workforce housing. Additionally, the Integral Real Estate Fund (the "IREF") is currently raising capital with a targeted initial close of fourth quarter 2022. Its focus is to help meet the affordable workforce housing need while providing meaningful, solid returns, and social impact for investors. The total IREF target amount is \$250 million.

The PGIM commitment or IREF are vehicles that can provide the private equity investment funds to finance the Revival at Moore Square. Integral continues to set trends and leverage its expertise in revitalizing communities. The Integral Team retains strong relationships within the debt and equity markets, allowing it to effectively source financing. Integral is involved with significant public-private partnerships, and we take pride in implementing real estate solutions in which the private and public partners receive clear benefit.

Overall, Integral's experience with developing mixed-income, mixed-financed, mixed-use housing and its financial strength and relationships enables its ability to secure conventional debt and equity to finance the Revival at Moore Square development. Integral is committed to a triple bottom-line philosophy of achieving superior financial results, delivering enhanced quality of life, and incorporating sustainable attributes in all our projects. The firm has raised and invested over \$2 billion of capital on behalf of a diverse group of institutional investors, including sovereign wealth funds, private equity funds, foundations, endowments, and new markets and low-income housing tax credit equity funds. These investments have supported and expanded upon Integral's corporate mission of 'Creating Value in Cities and Rebuilding the Fabric of Communities' and helped to facilitate over \$4 billion of value and development experience in urban master-planned communities and urban mixed-use projects nationwide.





# — TEAM EXPERIENCE —

Integral has consistently and successfully implemented its transformative urban models within multifamily developments throughout the United States – designed, financed, and constructed with a strong focus on water and energy conservation, indoor air quality, and reduced environmental impact through our green certification building programs.

Integral is a vertically integrated company with multiple divisions, including Development, Property Management, Construction Management, Asset and Investment Management, and Infrastructure Development. The Team's underwriting process and financial planning have generated sustainable operations in every operational aspect along the development continuum.

## SHARED PROSPERITY

For the entirety of Integral's 30 years of existence, Integral has placed an emphasis on shared prosperity with other underrepresented business entities and individuals. Downtown Raleigh is a perfect destination to continue this work as Integral invites businesses to help create this community revival in Moore Square.

Over the past 10 years, Integral has been a key sponsor of the Real Estate Associate Program (REAP) that is acknowledged by many to be the most successful diversity initiative in the commercial real estate industry in the country. REAP's mission is to advance diversity, equity, and inclusion in the commercial real estate industry through education, mentorship, and partnerships. In addition to being a significant financial sponsor, Integral has hosted the in-class component of the program at its Atlanta headquarters.

Additionally, Integral's Team has:

- Taught courses
- Mentored numerous graduates from the program
- Hired graduates from the program

Furthermore, Integral and its Team is committed to a 25% MBE/WBE participation. Integral and its general contractor in Choate Construction have developed successful track record of executing on these participation commitments by taking a proactive, strategic approach to decreasing barriers to ensure equitable participation.

Lastly, Integral also recognizes that it needs to be focused on the shared prosperity of its own tenants. Through a partnership with Esusu, Integral will help bridge the racial wealth gap by building the credit of its residents to enable their future participation in homeownership opportunities, the largest wealth generation tool in the United States.



# — TEAM EXPERIENCE —

## THE COLLABORATIVE

Furthermore, Integral has recently initiated an even deeper investment into underrepresented entities within the commercial real estate space by launching an initiative called “The Integral Collaborative.” Integral will identify and vet diverse, historically underrepresented real estate developers who have been in business for years, but lack the capital relationships, operational, and execution experience that Integral can provide. In effect, Integral is leveraging its collective development and finance expertise to assist the selected diverse developers involved in both real estate and infrastructure development to tackle the constraints they encounter as they grow their businesses while providing mentorship from the conception of their projects through predevelopment, construction, lease up or sales, asset management and disposition.

The Collaborative initiatives, as a key component of Shared Prosperity, are rooted in Integral’s foundational core values of collaboration, innovation, and excellence. We constantly make efforts to bring residents, businesses, and training vehicles together.

## SUSTAINABILITY

The Revival at Moore Square Team shares COR’s vision of conserving and protecting environmental resources. Each member on our team is committed to meeting COR’s expectation to design, construct, and operate a sustainable community that will last for decades to come. Integral’s approach to community sustainability is achieved through the mix of uses that integrate physical development, economic diversity and human transformation, and an environmental sustainability strategy that responds to the need for responsible stewardship of our environmental resources. Enhancing and protecting the existing neighborhood at Moore Square through sound sustainability practices is a Team priority. We plan to physically enhance the area and seamlessly blend the structures, elevating the overall quality of life for the residents and visitors of the newly developed Revival at Moore Square.

The Revival at Moore Square will meet or exceed energy efficiency and environmental green standards - as Integral has done in thousands of homes throughout the Southeast. The Integral Team truly believes that this effort should not be an afterthought and that a collaborative dialogue in the early phases of development is of great importance. The development, monitoring and refinement of sustainable practices are proven to maximize financial returns and maintain healthy and comfortable living environments for the residents. The Revival at Moore Square will seek to do just this and its team includes one of the Southeast’s leading practitioners in SK Collaborative that Integral has partnered with on many of its developments.



## EVIVA ON CHEROKEE

Denver, Colorado

274 Units / \$91M Development Cost



Standing among the main commercial and entertainment district, **EVIVA ON CHEROKEE**, in The Golden Triangle places you in the center of all the action. The Triangle is home to an incredible variety of landmarks, destinations, restaurants, attractions, and Cherry Creek Trail. Residents of EVIVA on Cherokee thrive in one of Denver's most cultural neighborhoods. Restaurants, clubs and concert venues light up the nightlife. The 18-story community is comprised of 274 apartment homes – including eight for-rent townhomes – featuring a luxurious amenity suite. Located between Denver's CBD and Cherry Creek, the area has abundant dining, bars, retail and entertainment, creating a desirable location for both young professionals and culture-seeking individuals alike.



## EVIVA MISSION BAY

San Francisco, CA

129 Units / \$66M Development Cost

**EVIVA Mission Bay** is a 129-unit mixed-income community located in the highly sought-after Mission Bay neighborhood of San Francisco. Situated adjacent to downtown San Francisco's bustling financial and SoMa districts, Mission Bay lends itself to a live, work, play environment offering access to employers in San Francisco, the Peninsula, Silicon Valley, and Oakland.

This Class "A" Project offers 20% BMR units within walking distance of the new home of the Golden State Warriors (Chase Stadium).





## **EVIVA MIDTOWN**

Sacramento, CA

118 Units \* \$43M Development Cost

**EVIVA Midtown** is a Class “A” mixed use rental community consisting of 118 condo-quality units offering the best luxury living in a phenomenal location – along the 16th Street Corridor, where Downtown and Midtown Sacramento meet. The project features modular construction – the first of its kind in Sacramento – with modern design and top-of-the-line interior finishes. This community is an urban retreat among the hustle and bustle of Sacramento, California.



## **VERANDA AT WHITTED**

Durham, NC

**THE VERANDA AT WHITTED SCHOOL** is just another example of Integral “thinking outside of the box.” The Veranda at Whitted School is an intergenerational community that combines early education through a partnership with Durham Public Schools and 79 age-restricted affordable housing units. Opened in 1921, the Whitted School was Durham's first high school for black students.




## **TRIBUTE RISING**

Durham, NC

The Durham Housing Authority selected Integral's proposed Master Development for the 15-acre Forest Hill Heights site adjacent to downtown Durham called **TRIBUTE RISING**. Through a mixed income/mixed use approach, the development will include 700 multi-family units, 72,000 sf of commercial space, 17,000 sf programmed open space, and along with desirable office space. Integral expects to start construction on this \$200 million development Q1 2023.



Integral is excited to partner with **MICROSOFT** in its mission to provide affordable housing in Georgia. Integral will implement the housing, neighborhood serving retail, and other community components of the 90 acres purchased by Microsoft on Atlanta's North-west side. Integral recently started the master planning to implement Microsoft's goal of creating a mixed-use, mixed-income development that is affordable to all. 



Integral was selected as the co-master development partner with the City of Carrollton and the Dallas Area Rapid Transit Authority ("DART") to develop **TRINITY MILLS**, the largest public-owned 25 acres of TOD site in Dallas, Fort-Worth. The first phase of the multi-phase project (Trinity Mills Station) consists of construction of \$12.5 million of public realm infrastructure and common areas that is currently underway and funded by the City of Carrollton; 125,000 SF of office and 305-unit mixed use multifamily project.



**ASHLEY SCHOLARS LANDING I** is the third phase of the multi-phase development of Scholars Landing. The multi-phased master planned community, consists of senior and multi-family homes. The Veranda at Scholars Landing is a senior community that consists of 100-unit, affordable independent living senior community on the site. The Oasis at Scholars Landing is a 60-unit affordable Independent Living Facility (ILF). The vision for the housing component of the Choice Neighborhood is a multi-generational community that provides rental and homeownership opportunities for people with a mix of income levels and lifestyles.

# TEAM EXPERIENCE

Integral has been in business over 30 years and due to the limited page count, we offer a sampling of relevant project experience below.

Project	Uses				Involvement				Size (SF)	References		
	Affordable Housing	Market Rate Housing	Green Space	Retail/Office	Financial	Management	Implementation	Completion Date				
EVIVA on Cherokee		✓	✓		✓	✓	✓	2018	255,000	Marc de la Vergne	916.324.3913	<a href="mailto:mdelavergne@cadanet.org">mdelavergne@cadanet.org</a>
EVIVA Midtown		✓	✓		✓	✓	✓	2017	105,000	Marc de la Vergne	916.324.3913	<a href="mailto:mdelavergne@cadanet.org">mdelavergne@cadanet.org</a>
EVIVA Mission Bay	✓	✓	✓		✓	✓	✓	2016	125,000	Lydia Ely	415.701.5519	<a href="mailto:lydia.ely@sfgov.org">lydia.ely@sfgov.org</a>
Casa de Rosas	✓				✓	✓	✓	2021	30,537	Lisa Beaumont	646.647.7337	<a href="mailto:lisa.beaumont@rbccm.com">lisa.beaumont@rbccm.com</a>
Villages at Rowlett		✓	✓	✓	✓	✓	✓	2018	280,000	Jim Grabenhorst	214.729.7936	<a href="mailto:jgrabenhorst@ci.rowlett.tx.us">jgrabenhorst@ci.rowlett.tx.us</a>
Veranda at Whitted School	✓		✓		✓	✓	✓	2016	214,787	Steve Napolitano	617.512.6919	<a href="mailto:Steven.Napolitano@bfim.com">Steven.Napolitano@bfim.com</a>
Ashley Scholars Landing I	✓	✓	✓		✓	✓	✓	2019	191,892	Steve Napolitano	617.512.6919	<a href="mailto:Steven.Napolitano@bfim.com">Steven.Napolitano@bfim.com</a>
Centennial Place I	✓	✓	✓		✓	✓	✓	2016	175,704	Kimberly Leaf	410.772.2503	<a href="mailto:kleaf@enterprisecommunity.com">kleaf@enterprisecommunity.com</a>
Centennial Place II	✓	✓	✓		✓	✓	✓	2016	166,282	Kimberly Leaf	410.772.2503	<a href="mailto:kleaf@enterprisecommunity.com">kleaf@enterprisecommunity.com</a>
Centennial Place III	✓	✓	✓		✓	✓	✓	2017	215,766	Kimberly Leaf	410.772.2503	<a href="mailto:kleaf@enterprisecommunity.com">kleaf@enterprisecommunity.com</a>
Centennial Place IV	✓	✓	✓		✓	✓	✓	2020	186,433	Kimberly Leaf	410.772.2503	<a href="mailto:kleaf@enterprisecommunity.com">kleaf@enterprisecommunity.com</a>
Veranda at Groveway	✓	✓	✓		✓	✓	✓	2017	109,593	Steve Napolitano	617.512.6919	<a href="mailto:Steven.Napolitano@bfim.com">Steven.Napolitano@bfim.com</a>
Ashley Union Station	✓	✓	✓		✓	✓	✓	2017	144,405	Lorena Greig	206.204.3423	<a href="mailto:lgreig@enterprisecommunity.com">lgreig@enterprisecommunity.com</a>
Ashley Willowbrook	✓		✓		✓	✓	✓	2021	59,980	Ted Wing Lee	212.723.4656	<a href="mailto:ted.w.lee@citi.com">ted.w.lee@citi.com</a>
Oasis at 56th	✓	✓	✓		✓	✓	✓	2019	95,383	Julie J. Safley	502.581.2802	<a href="mailto:Julie.Safley@pnc.com">Julie.Safley@pnc.com</a>
Assembly	✓	✓	✓	✓	✓		✓	In process	5,532,120	Donna Pittman	404.845.6979	<a href="mailto:dpittman@gmail.com">dpittman@gmail.com</a>
Tribute Rising	✓	✓	✓	✓	✓	✓	✓	In process	649,044	Anthony Snell	919.683.1551 x7250	<a href="mailto:asnell@dha-nc.org">asnell@dha-nc.org</a>
EVIVA at Trinity Mills	✓	✓	✓		✓	✓	✓	In process	169,000	Ravi Shah	214.546.0054	<a href="mailto:ravi.shah@cityofcarrollton.com">ravi.shah@cityofcarrollton.com</a>
Cypress at Pinchback	✓				✓	✓	✓	In process	91,400	George Dupuy	504.883.5536	<a href="mailto:George.Dupuy@home24bank.com">George.Dupuy@home24bank.com</a>
Ashley Scholars Landing 1-C Vine Street	✓	✓			✓	✓	✓	In process	59,623	Kendra Mosku	314.571.5610	<a href="mailto:Kendra.Mosku@sterbank.bank">Kendra.Mosku@sterbank.bank</a>



# — TEAM EXPERIENCE —

We have formed a **UNIQUE TEAM** of **DIVERSE** and **INNOVATIVE** individuals whose collective national experience spans decades. We are **PASSIONATE** about development and **INSPIRED** by the unique honor to create a mixed-use, mixed-income community that will evolve into homes with true affordability in mind. This team's vast **EXPERIENCE** enables us to implement fresh ideas with a **MINDFUL APPROACH** to community and address the challenges of creating housing for all. We are **COMMITTED** to engaging the right team of consultants and **LEADING** them with our vision to break barriers and to develop innovative housing **SOLUTIONS** that we can build today and our residents can call home tomorrow. Our team consists of the following members:

## ARCHITECT

# JHP

Architecture/Urban Design

**135**  
**DESIGN**  
**AWARDS**

**400**  
**MULTI-**  
**FAMILY**  
**PROJECTS**

**50**  
**MIXED-USE**  
**PROJECT**

**30**  
**GREEN**  
**PROJECTS**

JHP Architecture (JHP) will serve as the team's Architect. JHP is an award-winning architecture, planning and urban design firm. With over 40 years in business, JHP is dedicated to providing high quality design solutions through analysis, thoughtful design and professional representation. Recognizing our synergies, Integral has proudly partnered with JHP on past projects. In fact, our most recent collaboration is Tribute Rising in Durham.

With over 400 multifamily projects and dozens of design awards, the JHP embraces the tenets of Whole Community Design, which creates memorable environments for people that are rich in diversity, unique to the place and sustainable over time. JHP's approach to design is predicated on a strong master planning and urban design foundation, influenced by observations and concepts that are often described as Traditional Neighborhood Development (TND). Labels aside, the underlying philosophy is one of respect for the public realm, the environment, for context and connectivity, and solutions that are restorative. This concept to design will help continue the city's mission to protect the environment while seamlessly blending the City's parcel, East and South, into the surrounding, existing neighborhood, thereby contributing to the enhancement of Moore Square.

JHP is steadfast in its belief that environmentally intelligent design, planning and building is essential to world's future. That's why it is the best firm to design the revitalized Moore Square. The firm's obligation to building sustainable communities that thrive unites with The City of Raleigh's mission to provide a placed-based destination for residents and visitors alike. JHP's extensive experience will help ensure that Moore Square will be a well-designed, long-lasting community that Raleigh will be proud of.



## CONTRACTOR



**2.5M SF**  
**Constructed**  
**in Raleigh**

**\$1.4B**  
**Project Cost**  
**In Raleigh**

Founded in 1989, Choate Construction Company (Choate) has grown from a basement start-up to employing over 500 full-time professionals. With an office locally based in Raleigh, Choate will bring its intimate market knowledge and experience to help create a vibrant, mixed-use community in the heart of downtown Raleigh. Choate has extensive experience building throughout Raleigh, including in Downtown Raleigh. One of Choate's marquee developments in downtown Raleigh is the FNB Tower located at 501 Fayetteville Street. Built on an existing subsurface parking deck, the massive tower includes ground level retail and leasing office space, 6 levels of commercial office space occupying floors 2-7, and 258 residential units on floors 9-22. This project was awarded the 2020 GREEN GLOBES PROJECT OF THE YEAR HONORABLE MENTION.

The firm maintains a policy of environmental responsibility. Choate does not view this as a voluntary commitment, recognizing environmental impacts are inherent to the construction industry and sustainability is a mandatory responsibility at the economic, social, and environmental levels. The firm's investment in downtown Raleigh, coupled with its in-depth construction knowledge, are the assets that will contribute to building a transformational mixed-used community in the City of Raleigh.

## CIVIL AND STRUCTURAL ENGINEER

Summit Design & Engineering Services (Summit) will serve as the team's Civil and Structural engineer. Headquartered in Hillsborough, NC, Summit is an award-winning architectural and engineering firm with 14 offices, including Raleigh, where its civil and structural engineering departments operate. Summit has cultivated its expertise to expand what we can offer to our clients. The firm offers the most current technology, innovative design solutions, and comprehensive project management for excellent project delivery. Summit looks at the individual needs of every project and matches it with its proven technical expertise and experience. The firm's structural engineering department has experience working on numerous multi-family housing developments, as well as projects in Downtown Raleigh, including the SECU Tower, Wake County Courthouse, DENR Building, and the Nature Resource Center at the Museum of Natural Science. Summit will bring its nationwide experience to help design a community that emphasizes sustainability and connectivity in every way.





## ENVIRONMENTAL CONSULTANT



Modulus, PLLC (Modulus) will serve as the team's Environmental Consultant. Modulus is a North Carolina based environmental, geotechnical, structural, and civil engineering consulting firm, with staff who live and work out of Central North Carolina. Modulus Engineers' environmental experience spans over 3 decades, consulting on well over 50 Brownfields projects. Brownfields services have consisted of all phases of the process, including application preparation, assessments, remediation, vapor mitigation design and construction, annual reporting, and site closure. Staff experience includes 16 mixed use projects in the Triangle Region over the last 10 years, the majority of which had environmental challenges that Modulus helped to address. It was important to add Modulus to the Revival at Moore Square Team to help navigate through the issues of a brownfield site. Their extensive experience in this field and this community gives our team a unique advantage of gaining a head start to overcoming the complexities that come along with these types of sites. The Team's objective is to improve the environment and create safe and healthy spaces where residents and visitors can confidently embrace and feel at home.

## SUSTAINABILITY CONSULTANT



SK Collaborative will serve as the Team's sustainability expert. Founded in 2014, SK Collaborative has delivered testing and certification services for more than 30,000 apartments and homes, with nearly 32,000 additional units currently underway.

The staff at SK Collaborative serves on boards and committees of local, regional, and national organizations such as RESNET, USGBC Georgia, Atlanta NARI, Greater Atlanta Homebuilders, 2020 IECC ANSI-700 Committee, Georgia Conservancy, and Georgia Governors Energy Policy Council. The firm's principals are the co-authors of *Green Building, Principles and Practices in Residential Construction*, the first college textbook on the subject of residential green building, and lead writers on the *LEED for Homes Version 4 Reference Guide*. SK Collaborative has a deep interest and steadfast dedication to green building and living. The firm is an essential member of the Team and will help ensure that sustainable practices are a priority and green building certification is non-negotiable.

## RESIDENT SERVICES & COMMUNITY BUILDING



Founded and supported by Integral, The Ascent Project (TAP) is a 501(c)(3) that delivers the holistic vision that Integral has always brought to its affordable, mixed income, developments by weaving the fabric of community into urban centers. TAP envisions the development of stable communities by empowering members and by creating an environment of continuous learning and community engagement.

## RESIDENT SERVICES, continued

Integral is passionate about making continued investments in people and communities and playing a meaningful part in making them increasingly vibrant and viable. TAP will be responsible for coordination and delivery of all Resident and Human Service related activities at The Revival at Moore Square. The TAP program is committed to making families a priority and will help to ensure residents at Revival at Moore Square have the proper tools in place to thrive. For adults (18-55 years), the focus is on family support, life skills, job skills development, employment and training, and experiential exposure. For youth (5-17 years), the approach involves programs that support classroom education and expose youth to broader learning experiences designed to channel them toward careers in aviation, hydroponic agriculture, performing arts, coding, robotics, sports, film and music production.

## PROPERTY MANAGEMENT

Integral Property Management (IPM) employs thoughtful, economically viable, and responsible solutions, to maintain communities that enhance residents' lives. Established in 1999, IPM has managed more than \$1.5 billion in multi-family assets and an assortment of other property types. Specifically, its portfolio and expertise includes: multi-family residential, independent senior living, commercial, retail and mixed-use developments. IPM has extensive experience with managing both affordable and market rate homes. This gives our team yet another advantage. Because of our experience of market-rate and affordable homes, we can ensure that the affordable homes meet federal regulations while ensuring that our market rate and all other residents receive the same level of customer service that they expect. IPM currently manages over 7,000 homes. Integral's national portfolio is well maintained, stable and financially sound, touting an average occupancy rate of over 96%. The firm's high occupancy rates reflect successful pre-leasing, leasing, and retention strategies. The property and asset management support for the Integral portfolio is provided by four different support divisions within IPM: Operations, Quality Assurance and Training, Asset Preservation, and Enhancement/ Financial Services. Each division is staffed with an experienced team of industry experts to ensure each community contains a successful management, maintenance, and compliance program.

## MICRO-UNIT LIVABILITY PARTNER

Ori is a robotics and architecture company on a mission to help people live large in a small footprint by making transformable furniture and solutions for a space-challenged world. As the rate of mass urbanization is accelerating, and home sizes are shrinking, Ori combines its engineering, technology, and design expertise to empower people to see and use space differently. The recent increases in construction costs and interest rates have spurred Integral's most recent innovation of micro units. Most developers today view increasing construction costs and interest rates as costs to pass along to its tenants. Integral though is committed to alternative options with one being delivering micro units with accompanying technology to ensure that these smaller spaces are not static, but functional to allow them to live bigger. Through a partnership with Ori Living, Integral will deploy their Pocket Studio technology into all the 300 SF micro units to increase the livability.



## MOBILITY PARTNER



SwayMobility is focused on making sure mobility is equitable and affordable. Without the ability to move freely about a city, we have limited access to its resources, jobs, amenities, and the things most of us take for granted. And that means a limited ability for upward mobility. The Revival at Moore Square has partnered with Sway Mobility to ensure all its residents have equitable and affordable access to mobility. Specifically, Sway Mobility will develop a carsharing program that utilizes a fleet of electric vehicles only. The benefits of this program also align with the Revival at Moore Square's sustainability vision by working to decrease vehicle ownership while promoting the City and County's continued investments in public transportation. Recognizing the potential need for access to the carsharing program from other neighbors, whether at the Raleigh Rescue Mission or Southeast Raleigh, Integral and SwayMobility will offer these electric vehicles for all individuals to use.

## LEGAL SUPPORT



As the Revival at Moore Square's local counsel, Smith Anderson has deep roots within Raleigh. Celebrating 110 years in the city, it is a full-service business law firm that advises clients on transactional, regulatory and litigation matters within the state and on a regional and national basis. Co-chaired by Wayne Maiorano, Smith Anderson's Real Estate Development Group has one of the largest concentrations of real estate and construction legal expertise in N.C. The firm is especially known for complex mixed use and multi-family projects and its expertise in financing deals, including construction and permanent financing; securitized loans; sale/leaseback transactions; joint ventures; like-kind exchanges; and property assemblages. Its Construction team has been involved in many of the state's largest and most complex private commercial and public construction and infrastructure projects. They are recognized leaders in real estate development and construction law by industry-leading ranking publications, most notably Chambers USA: America's Leading Lawyers for Businesses, receiving the highest ranking available.

To complement Smith Anderson, Revival at Moore Square will also engage Arnall, Golden, Gregory LLP (AGG). AGG provides a wide range of transactional, litigation and other legal services to a diverse business and industrial client base with local, national, and international interests. AGG has closed hundreds of mixed-income revitalization transactions with a public housing component, involving various financing structures. AGG has represented Integral in a range of transactions, including development, and financing of mixed-use residential, for-sale and retail projects. AGG's long history with mixed-finance strategies will come to bear at closing and help overcome any obstacles the project might face.



# — REFERENCES AND POINT OF CONTACTS —

REFERENCES					
	Name	Company	Title	Email	Phone
Choate Construction	Dylan Elkind	Equator Capital Management	VP Real Estate	<a href="mailto:delkind@eqtcap.com">delkind@eqtcap.com</a>	973.919.9148
	Drew Wilkinson	Facilities Manager	Johnson Automotive Group	<a href="mailto:dwilkinson@johnsonautomotive.com">dwilkinson@johnsonautomotive.com</a>	919.877.1955
Summit Design and Engineering	John Plageman	Plageman Architect	Owner	<a href="mailto:jplageman@plagemanarchitecture.com">jplageman@plagemanarchitecture.com</a>	919.619.5012
	Jamie Applequist	State Employees' Credit Union	Chief Admin Office	<a href="mailto:jamie.applequist@ncsecu.org">jamie.applequist@ncsecu.org</a>	800.438.1104
Modulus Engineering	Patty Segar	Dogwood Residential	President	<a href="mailto:apsegar@livedw.com">apsegar@livedw.com</a>	650.270.7067
	Rory Dowling	1st & Main Development	Principal	<a href="mailto:rory@1standmaindevelopment.com">rory@1standmaindevelopment.com</a>	919.616.6216

Redevelopment of Moore Square East and South				
POINT OF CONTACTS				
Company	Role	Contact Name	Number	Email
JHP	Architect	Brian Keith	214.363.5687	<a href="mailto:bkeith@jhparch.com">bkeith@jhparch.com</a>
Choate Construction	Contractor	Wendy Bridgham	919.345.4658	<a href="mailto:wbridgham@choateco.com">wbridgham@choateco.com</a>
Summit Design & Engineering	Civil and Structural Engineer	Chris Berg	919-623-7300	<a href="mailto:chris.berg@summitde.com">chris.berg@summitde.com</a>
Modulus	Environmental Engineer	Aric Geda	919-800-9093	<a href="mailto:aric@moduluspllc.com">aric@moduluspllc.com</a>
Smith Anderson	Attorney (Local)	Wayne Maiorano	919-821-6684	<a href="mailto:wmaiorano@smithlaw.com">wmaiorano@smithlaw.com</a>
AGG	Attorney	Jonathan Eady	404-873-8656	<a href="mailto:jonathan.eady@agg.com">jonathan.eady@agg.com</a>
TAP	Resident Services	Jill Mitchell	404.343.6712	<a href="mailto:jillm@theascentproject.org">jillm@theascentproject.org</a>
Ori Living	Micro-Unit Livability Partner	Philip Jacobs	717-847-3522	<a href="mailto:philip.jacobs@oriliving.com">philip.jacobs@oriliving.com</a>
SwayMobility	Mobility Partner	Michael Peters	646-322-8787	<a href="mailto:michael@swaymobility.com">michael@swaymobility.com</a>
SK Collaborative	Sustainability Partner	Abe Kruger	215-385-6891	<a href="mailto:abe@skcollaborative.com">abe@skcollaborative.com</a>
IPM	Property Manager	Ericka Platt	404.224.1860	<a href="mailto:eplatt@integral-online.com">eplatt@integral-online.com</a>



# CONCEPT DESCRIPTION

THE WORKSHOP CAFE



## — CONCEPT DESCRIPTION —

For 30 years, Integral's mission has been focused on the revival of urban communities. This is what inspired Egbert Perry, our Founder and Chairman, to start Integral. After growing HJ Russell & Company in Atlanta to the country's 3rd largest minority-owned development and construction company, Mr. Perry wanted to create even more impact starting in his adopted community of Atlanta.

From his travels across the United States in the 1980s and early 1990s, one key theme stuck out to Mr. Perry: despite highly desirous urban locations, many of the country's public housing communities were distressed and failing their families. For Mr. Perry, reviving these communities was possible due to their urban locations and walkable amenities, but needed to be rebuilt with a new mixed-income, mixed-financed, and mixed-use framework. Thirty years later, Integral continues to innovate and adapt this legacy across the United States.

Moore Square East and Moore Square South are ideal locations for Integral's mission of revival of urban areas into diverse, healthy, and safe communities. This is achieved by intentionally serving as the master developer and understanding how to curate a community within the master development as well as how to facilitate this community within the existing built fabric of urban areas.

This approach to Integral's revival efforts of creating holistic communities of choice likely aligns with how William Christmas approached his 1792 plan for Raleigh. Mr. Christmas intentionally identified the need for four, four-acre public squares to support communities or neighborhoods anchored by these public spaces.

The history of development around Moore Square Park is one of community, commerce, and culture. Today, the commerce and culture still thrive thanks to City Market and Marbles Kids Museum. However, a true sense of community is missing from the dynamics around Moore Square Park, as the majority of Raleigh's residents cannot afford to live in this area of downtown.

Integral's Revival at Moore Square will build and innovate on the 30-year track record it has of reviving urban communities across the United States. Revival at Moore Square will be anchored by Moore Square Park and focused on building a dense, mixed-income residential community of choice. Integral will build out two 9% LIHTC phases as well as bring its successful EVIVA brand of workforce residential across from the Park. The EVIVA brand is anchored on this "revival" legacy by dropping the "r" at the beginning and the "l" at the end, we are left with "EVIVA."



# — CONCEPT DESCRIPTION —

**“For lower-income households and households of color... the pressure of high housing costs is unlikely to relent. The surge in prices of gas, food, and other necessities has made matters worse.”**

*The State of the Nation's Housing 2022 Report issued by the Joint Center for Housing Studies of Harvard University*



Like most urban communities, Raleigh is facing a housing crisis that existing tools and approaches are not sufficient to address fully, particularly as higher paying jobs continue to locate and the escalating costs in land prices, construction, and interest rates are forcing developers to charge even more.

Today, downtown Raleigh's housing stock only includes an estimated 149 income-restricted units of the estimated 7,914 total units or 1.9%. Outside of this development opportunity, the pipeline for affordability in downtown Raleigh is weak with just 1.3% of additional residential units either under construction or planned identified only as workforce housing with no known income-restricted units in the pipeline. In comparison, downtown Nashville, TN—with a comparable residential base to downtown Raleigh—has 4% of its downtown housing stock in income-restricted affordable units. Within the region, Durham's downtown affordable housing stock is much stronger at 12% with an additional 400 income-restricted units in the pipeline.



# — CONCEPT DESCRIPTION —

## PUBLIC BENEFITS

As a socially responsible company, one of Integral's goals for Revival at Moore Square is to generate significant public benefits. From its first development project that was Designated as HUD's National Model for Urban Revitalization, Integral continues to engage its communities, listen to key stakeholders, and learn about how it can deliver these public benefits as part of its development projects.

Another great example of delivering public benefits through engagement, listening, and learning is The Veranda at Whitted School. Through a local partner, Integral learned that Durham's first high school built to educate African Americans was dilapidated and needed a developer to revitalize the building. While Integral proposed a development plan of age-restricted affordable housing, through its engagement and listening efforts, Integral learned that the community also wanted to see the building restored with an early childhood education component that would create an intergenerational opportunity. From learning about these desired public benefits, Integral formed a relationship with Durham Public Schools (DPS) to expand its development plan to also include pre-kindergarten classrooms. Opened in 2018, The Veranda at Whitted School is vibrant and thriving once again, educating Durham's next generation students in eight DPS pre-kindergarten classrooms, and providing 79 age-restricted affordable housing units.





# — CONCEPT DESCRIPTION —

For the Revival at Moore Square, Integral has started to engage, listen to, and learn from key stakeholders: COR's Park and Recreation Team managing Moore Square Park operations, Marbles Kids Museum, Raleigh Rescue Mission, and Southeast Raleigh Promise (letter of support from CEO Yvette Holmes available upon request). Upon selection, Integral will start to engage deeper with these stakeholders and others.

With the feedback from these stakeholders and its own due diligence, Integral has planned Revival at Moore Square to provide significant public benefits, particularly affordable housing. Integral will more than double the existing affordable housing in downtown Raleigh with delivering 190 affordable units or 46% of all its units as income-restricted at or below 80% AMI for a minimum of 30 years.

## Revival at Moore Square will also deliver other types of public benefits:

- **PUBLIC PARKING:** Recognizing that Moore Square East and Moore Square South both currently offer public parking, Revival at Moore Square will do the same. However, not all public parking will be replaced. As identified later in this section, according to COR staff, many of the City's parking garages are underutilized and additional supply of parking is anticipated to be delivered in other downtown projects, thereby reducing the need to replace public parking on these blocks. |
- **SHARED PROSPERITY:** As a minority owned development company, Integral has placed an emphasis on shared prosperity with other underrepresented business entities and individuals. Shared prosperity will be delivered through a 25% MBE/WBE commitment, selection of a local underrepresented firm to participate in Integral Collaborative (see Tab #2 – Team Background and Experience), and partnering with Esusu to help bridge the racial wealth gap.
- **SUPPORT FOR MOORE SQUARE PARK:** With a key goal of supporting Moore Square Park, Integral met with the COR Staff that manages the Park to understand how its development could impact their operations. From listening and learning, Integral adjusted its development plan to include parking (employee, vendors, and the Staff's electric vehicle) and storage for the Park's operations. Further, Revival at Moore Square's plan for Moore Square East integrates a new mid-block crossing between Hargett and Martin Streets to enable better pedestrian connectivity. This is the only block around the Park that does not offer a mid-block pedestrian connection.



# CONCEPT DESCRIPTION

From its 30-year legacy, Integral strongly believes that the location of the public benefits, particularly affordable housing, is as important as the scale of public benefits. Downtown Raleigh today is an ideal location for many of Raleigh's residents due to its proximity and walkability to employment opportunities, public transportation, and various amenities. According to Walk Score®, Moore Square East and Moore Square South offer a "Walker's Paradise" Walk Score of 96 and "Excellent Transportation" with a Transit Score of 76. Not all locations where the COR is funding affordable housing through its Gap Financing Rental Development Program is as strong of a location for Raleigh's residents. The average Walk Score for the COR's previous five awards is 36 and the average Transit Score is 24.

Revival at Moore Square though does recognize that developing affordable housing and delivering these other public benefits in downtown Raleigh is a public investment decision for the COR. With its 30-year track record of transforming communities and delivering public benefits across the United States, Integral has strategically planned Revival at Moore Square as efficiently as possible to deliver these public benefits at a lower public investment:

- **Designing a centrally located parking garage in Moore Square East:** A centrally located parking garage in Moore Square East generates several benefits for Revival at Moore Square. With structured parking, Revival at Moore Square can develop two phases of LIHTC developments therefore delivering more than the maximum unit count of a single phase while doubling the amount of LIHTC equity versus a single phase. Further, Building A1 is able to provide more affordability as its cost of parking is less expensive as a standalone pre-cast parking garage than if Building A1 had to build a cast-in-place parking garage within its building stack.
- **Innovating with micro-units:** Recognizing that not all of Raleigh's residents desires a large apartment, Revival at Moore Square is also delivering micro-units for the first time to Raleigh. By decreasing the size of the units, Revival at Moore Square is able to deliver these units at or below 80% AMI. To ensure the livability of these units, Revival at Moore Square has partnered with Ori to install their Pocket Studio space-saving furniture technology to make the space function larger and make it affordable, particularly to downtown service industry employees.
- **Maximizing LIHTC units while minimizing gap financing:** Revival at Moore Square chose to maximize the number of affordable housing units it could deliver through two phases of 9% LIHTC awards rather than a single phase, which would be capped at 120 units based on NC Housing Finance Agency parameters.. This approach will also allow the development to raise twice as much LIHTC equity across two awards, thereby reducing the need for additional public subsidy



# —CONCEPT DESCRIPTION—

- **Maximizing attainable housing in the “missing middle”:** Revival at Moore Square takes the innovative approach of balancing the economic potential of market-rate housing in this desirable urban location, while delivering the most attainable rents possible across the spectrum of household incomes. On the one hand, traditional market-rate developers must continually chase the top-of-the-market rents—now pushing north of 120% AMI—in order to cover investor return expectations against rapidly escalating land and construction costs. And, on the other hand, traditional affordable housing developers cannot tap into the full value of urban locations—with all of their unit mix constrained to less than 80% AMI—in order to raise more private capital for housing projects that create communities of choice for a broad range of renters. In comparison, Integral maximizes the amount of affordability it can deliver while minimizing the requirements for public investment through program design and capital strategies that can tap into the value of the missing middle-income housing (80%-120% AMI). Our current underwriting targets delivering our unrestricted units at rents at or below 115% AMI.
- **Securing an impact investor:** With an equity commitment from Impact Value Partners Fund that was launched in 2018 by PGIM Real Estate, Integral can drive more public benefits into the Revival at Moore Square. Most institutional limited partner equity investors solely underwrite deals based on financial returns. PGIM’s IVP Fund intentionally targets its investments into transformational projects that deliver affordable and workforce housing through public-private partnership

## Density of Moore Square East and Moore Square South

Revival at Moore Square will be developed with four to seven story structures. The developments intentionally do not maximize allowable densities around Moore Square. With lower densities in the blocks North and South of Moore Square Park, developing a 20-story high rise tower or taller in the Moore Square East Block appeared disconnected from the existing historic fabric around Moore Square Park. The proposed four to seven story buildings are more appropriate to enable placemaking around the Park.

However, these lower building heights do not decrease the overall yield of residential units in the project due to the Team’s development approach of building a centrally located parking garage to service all of Moore Square East. With this centrally located parking garage, Revival at Moore Square can build parking more efficiently and physically locate it outside of the Building A1 footprint therefore decreasing the height of this structure.



# —CONCEPT DESCRIPTION—

Ideally, this parking facility will include an estimated 2,400 SF of land located in the Northeast corner of the parcel owned by Mr. And Mrs. Hadley at 313 E Martin Street. Integral has met three times with the Hadleys to engage, listen to, and learn about their interest in selling this small undeveloped portion of their parcel. In these meeting, the Hadleys have expressed their interest to work with our Team due to our focus on affordability and mixed-income, as well as our vision of lower densities. Further, the Hadleys appreciated our focus on building relationships with other adjacent property owners, including the Raleigh Rescue Mission where Mrs. Hadley previously volunteered when she was a WCPSS Teacher.

The Hadleys provided a letter that is available upon request and it states “Integral has discussed with us their interest in purchasing the small portion of our property located north of our parking lot. While we appreciate their (Integral) time with us and their vision for developing affordable and mixed-income housing at these properties adjacent to Moore Square Park, we aren’t prepared to make any decisions at this time. However, if Integral is selected by City Council for this RFP, we would consider continuing these discussions.”

With this additional site control, Revival at Moore Square will build an efficient, cost-effective precast concrete parking garage with approximately 98 spaces per level. Alternatively, if Revival at Moore Square cannot purchase this 2,400 SF of undeveloped land from the Hadleys, Revival at Moore Square can reconfigure the footprint of the parking deck and buildings that wrap it.

Lastly, with increasing construction and interest rates, taller buildings—particularly with parking built under their footprint—cost a premium to build, and thus require the owners to push a rent premium to make the investment returns feasible. Meanwhile, Revival at Moore Square will be able to satisfy financial feasibility for its impact equity investors while conservatively underwriting to rents that don’t push the downtown Raleigh rental market to new heights of unaffordability. If available today, the Revival at Moore Square’s average monthly rents would be 23% less than the Peace Raleigh Apartments and 18% less than The Line Downtown Apartments. All the unrestricted would still be attainable to households at or below 115% AMI.

## Parking

Through site control of a portion of an adjacent parcel, Revival at Moore Square can cost effectively deliver a pre-cast, central parking garage in the Moore Square East Block to deliver 441 parking spaces to service Buildings A1, A2, and A3. Building B will be built on top of a two-story parking podium with 110 parking spaces. Revival at Moore Square will program both parking garages to enable hourly parking to visitors. Both parking garages will also offer electric vehicle chargers.

While Revival at Moore Square is providing some public parking, it is not replacing one-for-one all publicly available parking spaces today on Moore Square East and Moore Square South due to the excess parking capacity that already exists in



# CONCEPT DESCRIPTION

downtown Raleigh. According to the City's own parking demand analysis presented to City Council on May 17, 2022, the pre-COVID occupancy rate of five of the City's downtown parking garages was 55%. Further, at the March 10, 2020, presentation to City Council, COR staff projected an excess parking supply in downtown of 7,695.

## Program for LIHTC Program (Buildings A2 and A3)

To increase the number of LIHTC units and to decrease gap financing needs, Revival at Moore Square plans to apply for two consecutive years of 9% LIHTC awards. Integral's analysis anticipates that Revival at Moore Square will receive a perfect NCHFA site score for these two 9% applications. Phase 1 in Building A2 will include 60 residential units along with all amenities and leasing office/common areas that will also support a Phase 2 in Building A3, delivering 74 residential units and supplemental amenities. The following table breaks down the program for the two combined LIHTC developments.

Unit Types for Buildings A2 & A3	Total # of LIHTC Units	% of Units	# of 30% AMI Units	% of Units at 30% AMI	# of 60% AMI Units	% of Units at 30% AMI	# of 80% AMI Units	% of Units at 80% AMI
1 Bedroom Units (660 SF)	47	35%	9	20%	26	55%	12	25%
2 Bedroom Units (900 SF)	74	55%	15	20%	41	55%	19	25%
3 Bedroom Units (1,100 SF)	13	10%	3	20%	7	55%	3	25%
<b>Total</b>	<b>134</b>	<b>100%</b>	<b>27</b>	<b>20%</b>	<b>74</b>	<b>55%</b>	<b>34</b>	<b>25%</b>



# — CONCEPT DESCRIPTION —

## Phased 9% LIHTC Strategy

Revival at Moore Square is delivering two phases of 9% LIHTC in order to deliver more LIHTC units. The North Carolina Housing Finance Agency's (NCHFA) max unit count for 9% applications for Wake County is 120 units. By developing two phases of 9% LIHTC phases, Revival at Moore Square can deliver 134 units—a 12% increase over max allowable unit count for one project. Delivering affordable housing units is critical not only due to the ever-increasing demand for the units, but also the decrease in supply pipeline.

From 2018 through 2021, the number of COR's Gap Financing Rental Development Program awards continues to decrease. Except for maybe 2018, the COR has not allocated 100% of its available funding due to lack of proposed developments, despite increasing gap financing requests per unit.

Year	# of Awards	Total Units	Total Investment	Gap Financing per Unit
2018	9	1,090	\$ 19,150,000	\$ 17,569
2019	6	645	\$ 8,575,704	\$ 13,296
2020	4	372	\$ 7,950,000	\$ 21,371
2021	2	282	\$ 6,350,000	\$ 22,518
2022	3	344	\$ 7,613,979	\$ 22,134

The second important reason why Revival at Moore Square will phase its 9% LIHTC development is to increase the amount of LIHTC equity available to fund the development costs of the projects, thereby decreasing public gap financing requests.

This financial feasibility challenge is even more difficult for downtown developments that require structured parking, including the Revival at Moore Square, to facilitate higher densities. NCHFA requires exclusive parking for its developments, and this requirement is not waived due to COR's recent policy change of removing parking requirements. Both phases of the LIHTC developments will pay a capitalized lease payment for its parking within the centrally provided parking garage. The phases will pay for this parking at cost. Revival at Moore Square is underwriting a 1.25 parking space/unit requirement, which is lower than the NCHFA standard of 1.75 spaces per unit.



## — CONCEPT DESCRIPTION —

In North Carolina, the NCHFA has capped the size of the 9% LIHTC award to \$1,200,000. Revival at Moore Square's analysis of a single phase 120-unit 9% LIHTC development could support an award of \$2,600,000. Therefore, splitting this development into two phases enables two \$1,200,000 awards therefore doubling the amount of LIHTC equity from \$10,438,956 to \$20,877,912.

Revival at Moore Square also modeled a 4% LIHTC scenario for the 134 units and could pursue this option, if desired by COR, but the gap financing required by the City and Wake County more than doubles, despite an income-averaging assumption. This gap is larger than typical for 4% LIHTC deals, as this development is not located in a Qualified Census Tract that would boost the LIHTC equity by 30%. A 4% LIHTC scenario will be considered by the Revival at Moore Square if NCHFA elects not to select the development for 9% LIHTC awards.

Revival at Moore Square is proposing income-averaging for both phases of its 9% LIHTC developments due to increasing construction costs and interest rates. Income-averaging is not our preferred approach, but in an effort to be good partners with the COR and Wake County, this strategy helps to offset the extraordinarily high gap financing required due to increasing construction costs and interest rates as well as higher development costs to develop in a high-opportunity and resource-rich location for future families in downtown Raleigh. An income-averaging approach decreases the gap financing by 21% to \$7,135,000.

Revival at Moore Square is not currently underwriting any additional gap financing support from NCHFA outside of two 9% LIHTC awards. If Revival at Moore Square is able to obtain additional gap financing from NCHFA, Federal Home Loan Banks, or other gap financing providers, Revival at Moore Square would propose deeper affordability. Integral has a strong track record over the last 30 years of successfully obtaining these additional types of gap financing.

To protect the City's long-term desire to keep these units affordable, Revival at Moore Square proposes a 99-year ground lease with COR at a nominal lease payment.



# — CONCEPT DESCRIPTION —

## Program for Mixed-Income Development (Buildings A1 and Building B)

Revival at Moore Square will deliver 279 residential units, plus 9,610 SF of ground floor retail space targeted for local and minority entrepreneurs. A portion of this retail space will be delivered in the historically renovated Esso gas station with the remainder in Building A1 to curate placemaking in this block.

Of the 279 residential units, 56, or 20%, will be income-restricted at 80% AMI with 14 of these units designed to be naturally occurring affordable housing units through the innovative approach of delivering 300 SF micro-units. Revival at Moore Square commits to restrict these 56 units for 30 years through a land use restrictive covenant established at closing.

To ensure these micro-units live and function larger, Revival at Moore Square will partner with Ori that provides space-saving, transformable furniture. Specifically, Revival at Moore Square will install their Ori Pocket Studio. Integral recognizes that these micro-units will not be compatible with all households, but is an innovative approach to providing naturally occurring affordable housing to some single households, particularly those service workers that work in downtown Raleigh. These service workers used to live in downtown Raleigh, but no longer have this opportunity due to the increase in cost of living in and around downtown Raleigh.

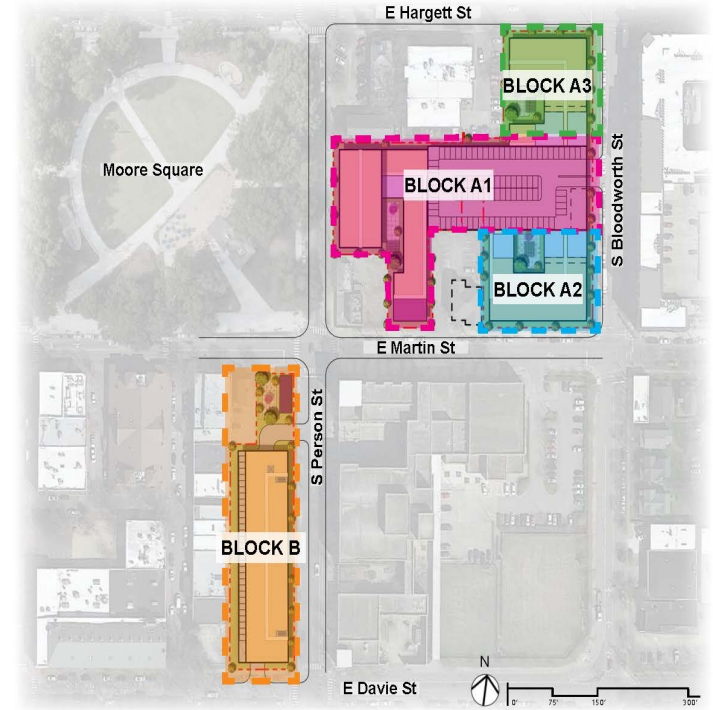




# CONCEPT DESCRIPTION

The following table identifies the proposed program for the impact equity-financed development.

Unit Types for Buildings A1 & B	Total # of Units	% of Units	# of 80% AMI Units	% of Units Income-Restricted
Micro-Units (300 SF)	13	5%	14	100%
Studio Units (500 SF)	42	15%	8	20%
1 Bedroom Units (675 SF)	145	52%	23	15%
2 Bedroom Units (1,050 SF)	70	25%	10	15%
3 Bedroom Units (1,250 SF)	78	3%	1	15%
<b>Total</b>	<b>279</b>	<b>100%</b>	<b>56</b>	<b>20%</b>



# —CONCEPT DESCRIPTION—

## Supporting Moore Square Park

Revival at Moore Square is designed and envisioned to ensure Moore Square Park will continue to be a destination park and gathering space for decades to come. To study how to support the Park, Integral had several conversations with the COR's operations team for Moore Square Park. Based on these discussions, Revival at Moore Square will replace the existing off-site parking and storage needs for the Park to continue operating well and providing strong programming.

Through its 30 years of work of reviving urban communities, Integral brings its strong experience of developing around public spaces as well as a track record of developing its own public spaces. For example, the Durham Housing Authority (DHA) recently selected Integral to redevelop its 15-acre existing public housing property called Forest Hill Heights on the South side of the Durham Freeway from the Durham Bulls Stadium. Integral engaged local stakeholders, listened to their feedback and desires for the site, and learned that a new public space on the South side of Durham Freeway would be a welcomed public benefit.

Integral, with its experience transforming communities, did not desire to just dedicate land for the public space, but intentionally planned the entire community around this public space. Further, Integral designed the public space to honor the history and legacy of Durham's Hayti community with a rising terrace approach that replicates a well-known Hayti mural.

While one focus is on supporting the Park's operations, Integral also integrated other strategies into the Revival at Moore Square:

- Adding density of diverse residential households that will interact with the Park in different ways;
- Creating vibrant ground floor retail spaces to expand the placemaking efforts of the Park all the way around the Park;
- Designing a new mid-block pedestrian crossing at Person Street between Hargett and Martin Streets; and
- Providing public parking.



# DESIGN PROPOSAL



LEASING

PARKING

MOORE

S

# DESIGN PROPOSAL

The design direction for the Revival at Moore Square is focused on bridging downtown Raleigh's past and the future. Elements of where Raleigh's vibrant downtown community has come from, and where the community is going are both manifest in our proposed built forms.

Some of the materials draw from a historical perspective as with rustication in the brick detailing and the austerity of the dark windows, while other materials elevate with glazing embracing the incredible views into the North Carolina sky. Blank walls are avoided and transparency embraced. Simple yet engaging patterns in windows and materials are emphasized, and personified, alluding to the downtown artistic vibe in Raleigh and translating it into the surrounding buildings.

Urban street level connections at the ground levels are key, along with prominent street entries emphasized through stoops along with active patios/terraces on display. Residents routinely connect with their outside (community) through their balconies, terraces, and amenity spaces. The residential mid-rise buildings facing Moore Square draws from the vibrancy and redevelopment of this public park, building on this activity, pulling it eastward across Person Street.

Scale is important. Block faces are broken down into multiple, individual facades that work together to create a cohesive whole, reinforcing downtown Raleigh's historic morphology, context, and the all-around soul of Raleigh pervasively. Further, building height is minimized not to tower over Moore Square Park, but to create a seamless street wall around the Park.



# DESIGN PROPOSAL

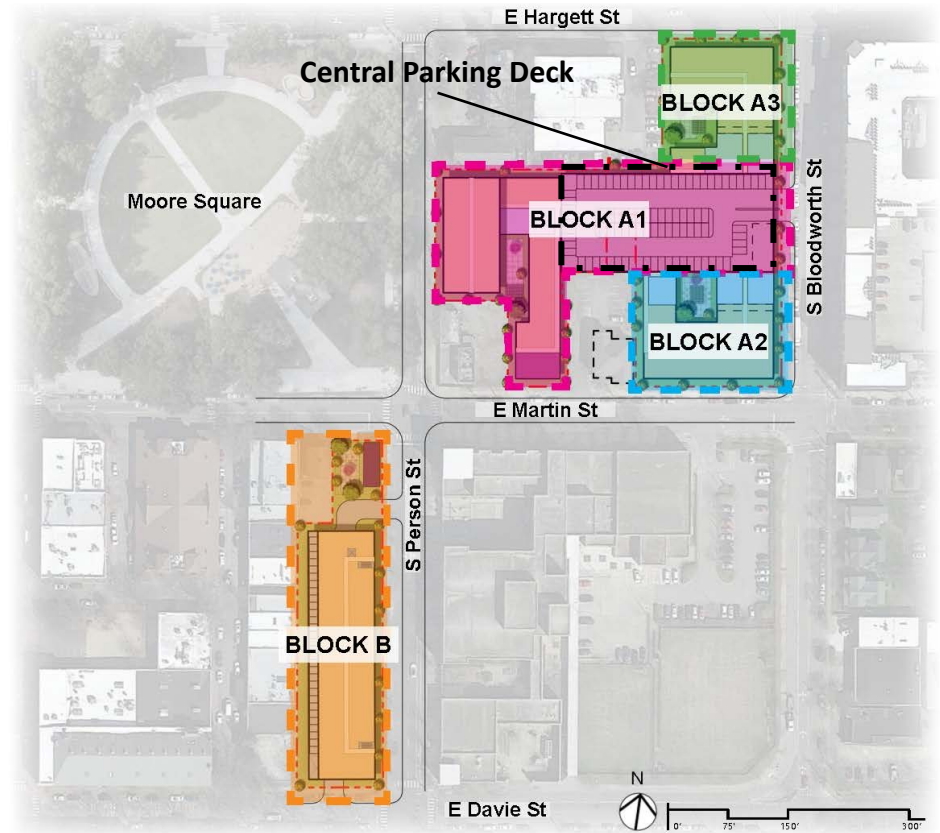
Revival at Moore Square is planning to execute its developments through several construction methodologies:

**Building A1:** This 7-story mid-rise building will be built with 2 floors of concrete podium (Type I) with 5 floors wood (Type IIIA).

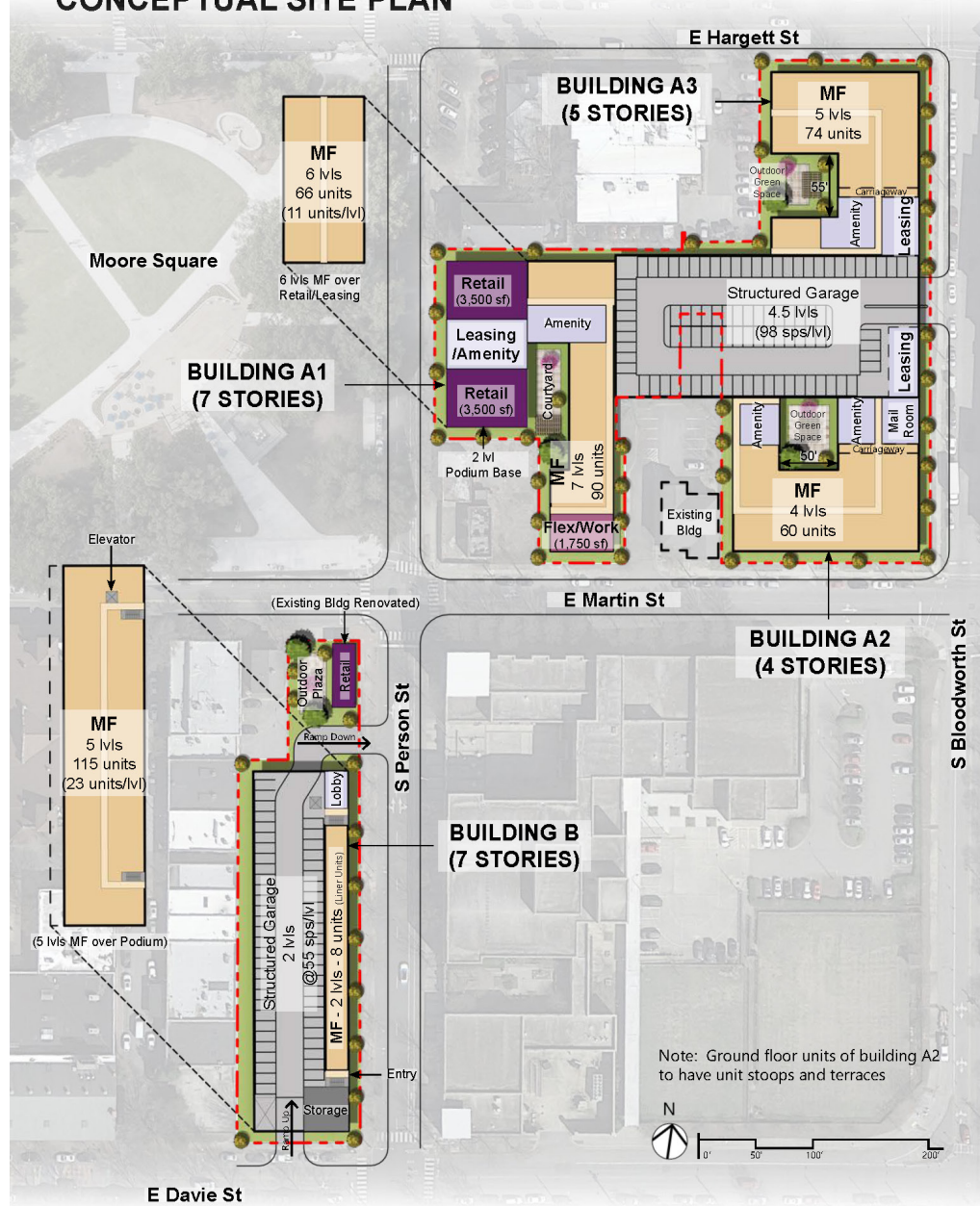
**Moore Square East Central Parking:** Due to plans for acquisition of additional site control (the Hadley property), Revival at Moore Square can develop a central parking facility through the most efficient and cost-effective construction delivery of pre-cast concrete to park all of Moore Square East. This central deck will be delivered as part of project to construct Building A1.

**Buildings A2 and A3:** Both structures will be built with wood frame construction on grade, with A2 at four stories (Type IIIA) and A3 at five stories (Type IIIA).

**Building B:** Leveraging the grade change along Person Street, Revival at Moore Square will develop an efficient two-level cast-in-place parking podium with no internal ramping with a five-story wood frame building (Type IIIA) constructed on top.



# CONCEPTUAL SITE PLAN

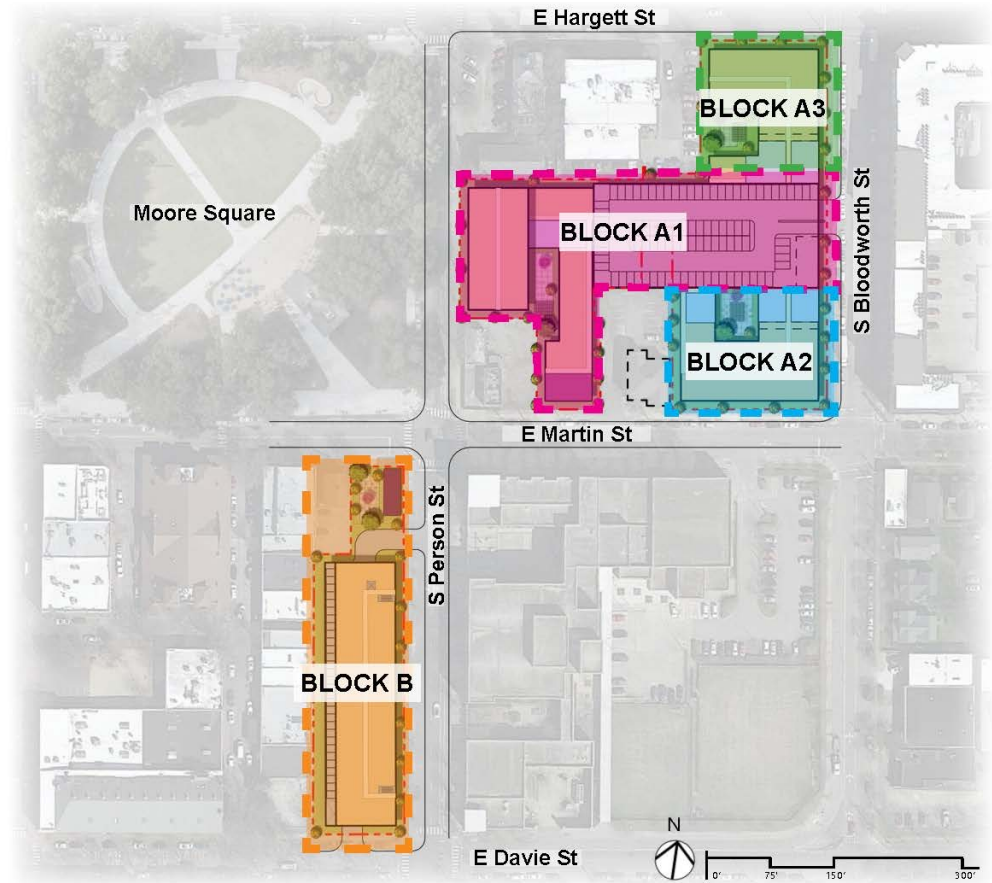


# DESIGN PROPOSAL

## Conceptual Development Master Plan

TOTAL PROJECT DATA	
<b>Residential</b>	<b>413 units</b>
<b>Leasing/Amenity</b>	14,840 s.f.
<b>Retail</b>	7,860 s.f.
<b>Flex/Work</b>	1,750 s.f.
<b>Parking Required</b>	Residential: 490 sps Retail & Flex/Work: 33 sps <b>Total: 523 sps</b>
<b>Parking Provided</b>	Block A Structured Garage: 441 sps Block B Structured Garage: 110 sps <b>Total: (1.3 sps/unit) 551 sps</b>
<b>Site Area</b>	3.61 acres
<b>Density</b>	114.4 units/acre

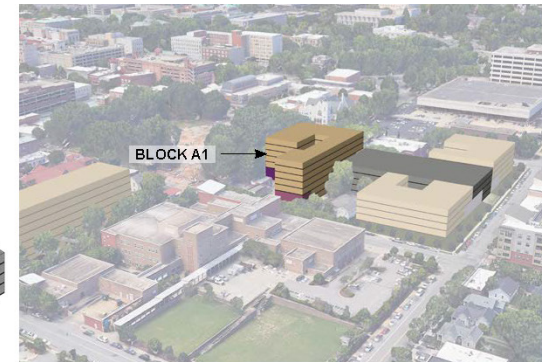
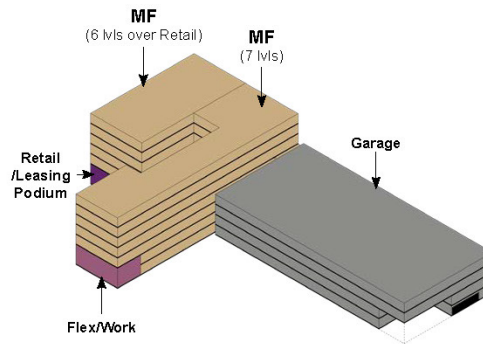
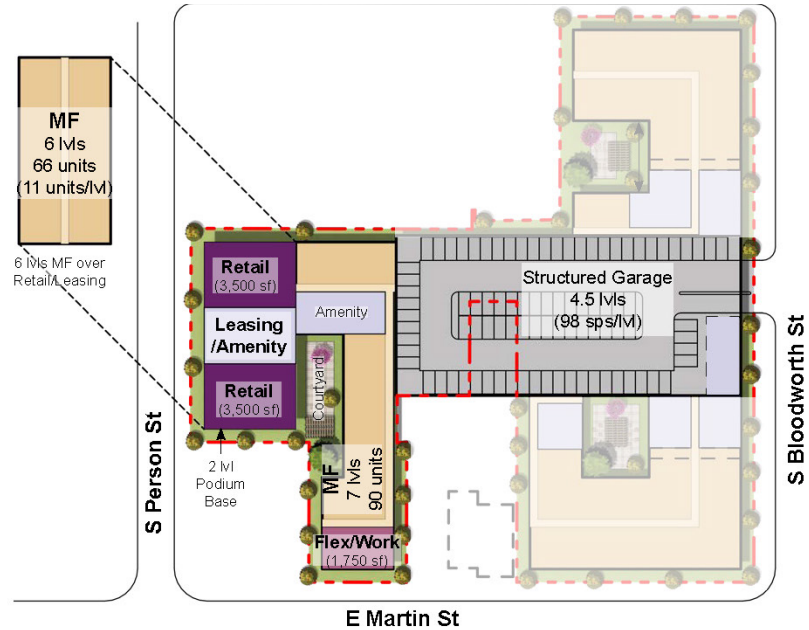
BLOCK SUMMARY	
<b>Block A1</b>	Units: 156 units Leasing/Amenity: 5,200 s.f. Retail: 7,000 s.f. Flex/Work: 1,750 s.f.
<b>Block A2</b>	Units: 60 units Leasing/Amenity: 5,300 s.f.
<b>Block A3</b>	Units: 74 units Leasing/Amenity: 3,700 s.f.
<b>Block B</b>	Units: 123 units Leasing/Amenity: 640 s.f. Retail: 860 s.f.



# DESIGN PROPOSAL

## Building A1: Program

BUILDING A1 DATA		
<b>Residential</b>	(741 avg unit net sf)	<b>156 units</b>
<b>Leasing/Amenity</b>		5,200 s.f.
<b>Retail</b>		7,000 s.f.
<b>Flex/Work</b>		1,750 s.f.
<b>Parking Required</b>	Residential (1.18 sps/unit):	185 sps
	Retail & Flex/Work (1 sp/300 sf):	30 sps
	<b>Total:</b>	<b>215 sps</b>
<b>Parking Provided</b>	Structured Garage:	441 sps (Shared between All Block A Buildings)
<b>Building Area</b>		162,575 sf (gross)
		129,546 sf (net)





# DESIGN PROPOSAL

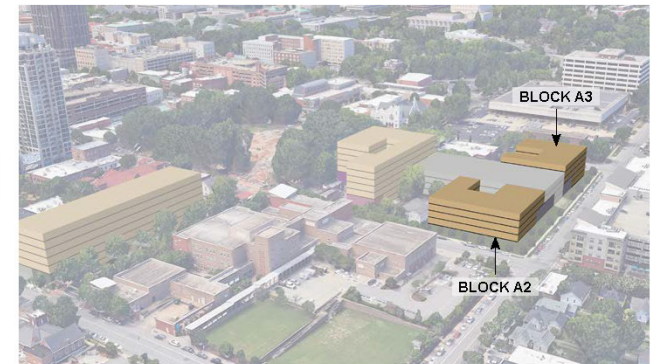
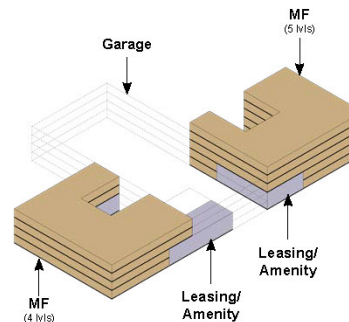
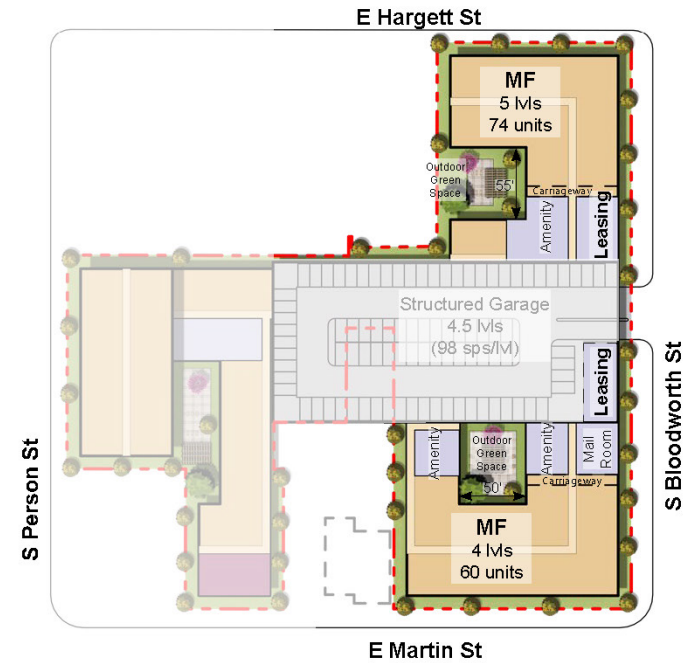
## Buildings A2 & A3: Program

### BUILDING A2 DATA

<b>Residential</b>	(835 avg unit net sf)	<b>60 units</b>
<b>Leasing/Amenity</b>		5,300 s.f.
<b>Parking Required</b>	Residential (1.18 sps/unit):	71 sps
<b>Parking Provided</b>	Structured Garage: (Shared between All Block A Buildings)	441 sps
<b>Building Area</b>		75,620 sf (gross) 55,400 sf (net)

### BUILDING A3 DATA

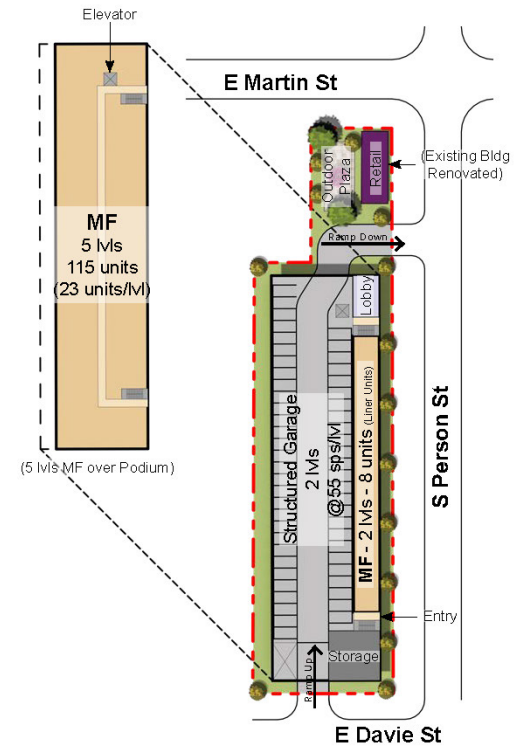
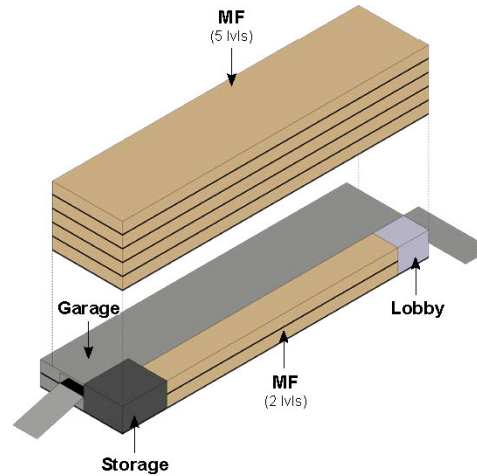
<b>Residential</b>	(835 avg unit net sf)	<b>74 units</b>
<b>Leasing/Amenity</b>		3,700 s.f.
<b>Parking Required</b>	Residential (1.18 sps/unit):	88 sps
<b>Parking Provided</b>	Structured Garage: (Shared between All Block A Buildings)	441 sps
<b>Building Area</b>		84,775 sf (gross) 65,490 sf (net)



# DESIGN PROPOSAL

## Building B: Program

BUILDING B DATA		
<b>Residential</b>	(741 avg unit net sf)	<b>123 units</b>
<b>Amenity</b>		640 s.f.
<b>Retail</b>		860 s.f.
<b>Parking Required</b>	Residential (1.18 sp/s/unit): Retail (1 sp/300 s.f.):	146 sps 3 sps
	<b>Total:</b>	<b>149 sps</b>
<b>Parking Provided</b>	Structured Garage:	110 sps
<b>Building Area</b>		100,388 sf (gross) 93,283 sf (net)



# CONSTRUCTION AND OPERATION

THE WORKSHOP CAFE

# — CONSTRUCTION & OPERATIONS —

Our development execution and implementation approach will be driven by the following guiding principles:

- **Community-Oriented Implementation Approach:** We believe that a comprehensive, well-conceived and long-term community outreach and public engagement plan is critical and essential to a successful project. We will continue to engage, listen to, and learn from stakeholders.
- **Distinctive Place-Making:** We will endeavor to create a place – Revival at Moore Square, that will integrate existing elements such as Moore Square Park and City Market, to reinvigorate and create a sense of place with a soul and energy.
- **Housing Affordability:** We understood the City Council’s commitment to affordable housing, and this represents an integral component of our execution plan in the communities we create and develop.
- **Sustainability:** We believe that sustainability is about taking the long-term view. To accomplish this, we will be sensitive and intentional to not only the materials and construction practices, but also to the green spaces and how the overall project impacts surrounding neighborhoods now and for generations to come.

## DEVELOPMENT SCHEDULE

The critical path item is executing Brownfields Agreements with the Department of Environmental Quality (“NCDEQ”). Today there is only an existing Brownfields Agreement for Moore Square South. According to our environmental engineer, the Brownfields process for Moore Square East could take 18 to 24 months. However, the project requires the liability risk mitigation associated with the brownfields agreement to secure financing and will offset the associated cost of environmental remediation by taking advantage of the 5-year graduated property tax abatements conferred by the State brownfields program.

We will work to accelerate this timeline by: (i) paying a \$30,000 acceleration fee to submit its Application through NCDEQ’s “Ready Now” program and (ii) starting this process immediately upon selection by COR.

## Construction Delivery

Based on prior work relationship and their proven track-record, Integral has selected Choate Construction as its general contractor with a guaranteed maximum price contract for all developments. Choate has proven locally that it can execute complex construction projects, particularly through its successful execution of the FNB Tower located at 501 Fayetteville Street. Choate is local with a Raleigh office, 100% employee owned, has its own sustainability team that focuses on green building, and commits to meet Revival at Moore Square’s 25% MBE/WBE target.



# CONSTRUCTION & OPERATIONS

Revival at Moore Square - Project Implementation Schedule

Activity	Trigger	Start Date	Duration	Milestone End	Year Begin Quarter	Jun-22				Jun-23				Jun-24				Jun-25				Jun-26				Jun-27			
						1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24
<b>* Solicitation &amp; Master Development Agreement</b>																													
RFP & Developer Selection		6/27/22	2 months	8/31/22		█	█	█	█																				
MDA Executed		8/31/22	6 months	2/28/23		█	█	█	█	█	█	█	█																
<b>Master Plan Prerequisite</b>																													
Brownfields Agreement	after Developer Selection	8/31/22	18 months	2/29/24		█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█			
Site Due Diligence	after MDA execution	2/28/23	2 months	4/30/23			█	█																					
Masterplanning	after Site Due Diligence	4/30/23	3 months	7/31/23			█	█	█																				
Community Engagement	after Site Due Diligence	4/30/23	3 months	7/31/23			█	█	█																				
Parcel recombination/subdivision	after Masterplanning	7/31/23	1 months	8/31/23				█																					
<b>* Project 1 - Building A2 - Affordable, 9% LIHTC (60 Units)</b>																													
Design:																													
Schematic	after MDA execution	2/28/23	2 months	4/30/23				█																					
DD	after LIHTC award	9/30/23	2 months	11/30/23					█	█																			
Bid Set	after DD set	11/30/23	2 months	1/31/24						█	█																		
Construction Set	after Bid set	1/31/24	1 months	2/29/24							█																		
LIHTC application & award		1/30/23	8 months	9/30/23				█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█			
Government planning approvals	after MDA execution	2/28/23	10 months	12/31/23				█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█			
Building permits	after Bid set	1/31/24	2 months	3/31/24							█	█																	
Bidding	after Bid set	1/31/24	2 months	3/31/24							█	█																	
Financing approvals	after Bid set	1/31/24	2 months	3/31/24							█	█																	
Financial closing	after Financing Approvals	3/31/24	2 months	5/31/24								█	█																
Construction	after Closing	5/31/24	18 months	11/30/25									█	█	█	█	█	█	█	█	█	█	█	█	█	█			
First occupancy	after Construction	11/30/25		11/30/25																									
Lease-up & Stabilization		11/30/25	12 months	11/30/26																									
<b>* Project 2 - Buildings A1 &amp; B1 - Mixed Income (279 units) + Moore Square East Central Parking Garage</b>																													
Design:																													
Schematic	after Masterplanning	7/31/23	2 months	9/30/23					█																				
DD	after Schematic	9/30/23	2 months	11/30/23						█	█																		
Bid Set	after DD set	11/30/23	2 months	1/31/24							█	█																	
Construction Set	after Bid set	1/31/24	1 months	2/29/24								█																	
Government planning approvals	after Masterplanning	7/31/23	10 months	5/31/24					█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█			
Building permits	after Bid set	1/31/24	2 months	3/31/24								█	█																
Bidding	after Bid set	1/31/24	3 months	4/30/24								█	█	█															
Financing approvals	after Brownfields Agreement	2/29/24	2 months	4/30/24									█	█															
Financial closing	after Financing Approvals	4/30/24	1 months	5/31/24										█															
Construction	after Closing	5/31/24	24 months	5/31/26											█	█	█	█	█	█	█	█	█	█	█	█			
First occupancy	after Construction	5/31/26		5/31/26																									
Lease-up & Stabilization		5/31/26	12 months	5/31/27																									
<b>* Project 3 - Building A3 - Affordable, 9% LIHTC (74 Units)</b>																													
Design:																													
Schematic	after LIHTC application	1/30/24	2 months	3/31/24									█																
DD	after LIHTC award	9/30/24	2 months	11/30/24										█	█														
Bid Set	after DD set	11/30/24	2 months	1/31/25											█	█													
Construction Set	after Bid set	1/31/25	1 months	2/28/25												█													
LIHTC application & award		1/30/24	8 months	9/30/24												█	█	█	█	█	█	█	█	█	█	█			
Government planning approvals	after LIHTC application	1/30/24	10 months	11/30/24												█	█	█	█	█	█	█	█	█	█	█			
Building permits	after Bid set	1/31/25	2 months	3/31/25													█	█											
Bidding	after Bid set	1/31/25	2 months	3/31/25													█	█											
Financing approvals	after Bid set	1/31/25	2 months	3/31/25													█	█											
Financial closing	after Financing Approvals	3/31/25	2 months	5/31/25														█	█										
Construction	after Closing	5/31/25	18 months	11/30/26														█	█	█	█	█	█	█	█	█			
First occupancy	after Construction	11/30/26		11/30/26																									
Lease-up & Stabilization		11/30/26	12 months	11/30/27																									

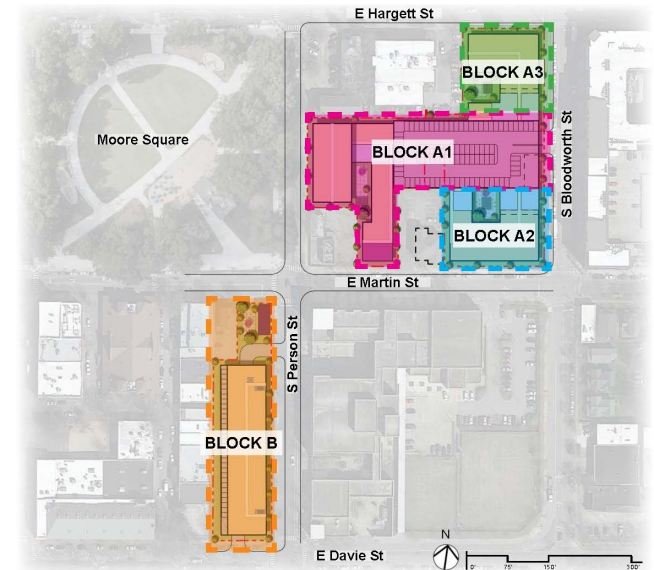


# — CONSTRUCTION & OPERATIONS —

## PROPOSED FINANCING METHOD

We are committed to delivering affordable and workforce housing units at scale and within a shorter duration as practically as possible. To accomplish this, we are proposing both a conventional financing and a LIHTC financing method. As a result, Integral is planning three separate financial transactions and therefore three different projects to build out the Moore Square East and Moore Square South parcels:

- **Project #1: Building A2 (60 9% LIHTC units).** Starting immediately upon selection by COR, Integral will begin its due diligence to submit Building A2 for the January 2023 9% tax credit preliminary application. As 9% LIHTC applications are due to the NCHFA only once a year, it is critical that we immediately begin this work to enable the first phase of LIHTC units to start construction May 2024.
- **Project #2: Building A1 (154 mixed-income units), Moore Square East central parking garage, and Building B (123 mixed-income units).** Integral is targeting a financing close with impact investment equity and debt capital for Project #2 simultaneously with Project #1. The reason is because Project #2 will pay for all environmental costs for Moore Square East. Further, Project #2 will lead the design and construction efforts for the Moore Square East central parking garage that will also park Project #1.
- **Project #3: Building A3 (74 9% LIHTC units).** The second 9% LIHTC phase of 74 LIHTC units is planned to stagger Project #1 by one year. Therefore, Project #3 will submit its preliminary tax credit application January 2024 with the goal of starting construction May 2025. This staggered approach will also enable Revival at Moore Square to achieve some construction efficiencies as Project #2 will be under construction for about two thirds of the time that Project #3 is being built.



# — CONSTRUCTION & OPERATIONS —

## Projects #1 & #3 - Proposed Financing Method for Buildings A2 and A3

As discussed in more depth in Tab 3 – Concept Vision, Projects #1 and #3 do present with financing gaps due to increasing construction costs and interest rates along with the site constraints of the COR-owned properties that necessitate structured parking to achieve the overall density and vision for Moore Square East. Integral is proposing two strategies to decrease the financing gap: (i) phasing the LIHTC development into two 9% projects to double the amount of federal LIHTC equity and (ii) utilizing income-averaging. With these two combined strategies, the overall gap financing required decreases from \$15,016,000 for a single-phase, 120-unit 9% LIHTC development without income-averaging to the proposed \$7,135,000 gap financing required for a two-phase, 134-unit 9% LIHTC development with income-averaging. This represents a 52% decrease in gap financing required while providing additional affordable units.

Based on our commitment on deeper affordability for Projects #1 and #3, we will pursue additional gap financing options from other funding partners such as NCHFA and Federal Home Loan Banks. Over the last 30 years, Integral has developed an extremely strong track record of delivering deeper affordability through securing additional sources of gap financing and plans to secure similar funds for Projects #1 and #3. Today, as a conservative approach, Integral is not assuming these additional sources of subsidy, but is highly confident in its ability to secure this type of capital.

Funding Source	Building A2 (60 Units)			Building A3 (74 Units)		
	Amount	\$/Unit	% of Total	Amount	\$/Unit	% of Total
Federal 9% Tax Credits	\$10,438,956	\$175,983	56.3%	\$10,438,956	\$141,067	46.7%
Permanent Loan	\$5,750,000	\$95,833	31.0%	\$7,100,000	\$95,946	31.8%
Gap Financing	\$2,342,682	\$39,045	12.6%	\$4,792,382	\$64,762	21.5%
<b>Total</b>	<b>\$18,531,638</b>	<b>\$308,861</b>	<b>100.0%</b>	<b>\$22,331,338</b>	<b>\$301,775</b>	<b>100.0%</b>



# CONSTRUCTION & OPERATIONS

Structured parking enables higher density of 288 units on Moore Square East. While the cost of structured parking is as cost efficient as possible, this is still a significant cost for the income-constrained financial transactions of LIHTC. This cost of parking represents about 53% of these two LIHTC gap financing needs. Without this cost of parking, the gap financing per unit would be relatively small, particularly considering the rapidly increasing cost of construction and interest rates, due to this phased approach.

	With Parking	Without Parking
Total Gap	\$7,135,064	\$2,804,433
Gap Per Unit	\$52,852	\$20,774

Please note that while the estimated direct and indirect costs (25% underwriting assumption for soft costs) of the pre-cast structured parking spaces is \$25,664, the table above shows a higher number due to the associated financing costs for Projects #1 and #3 with paying this capitalized lease payment.

Due to the shortage of existing and pipeline affordable housing in downtown Raleigh today, Integral looks to leverage this generational opportunity to develop a holistic, mixed-income community of choice with 48% of all residential units as income-restricted. Downtown Raleigh is an ideal location for these income-restricted units.





# CONSTRUCTION & OPERATIONS

## Project #2 - Proposed Financing Method for Building A1, Moore Square East central parking garage, and Building B

Integral will utilize impact investment equity and construction debt for Financial Transaction #1 to deliver 279 residential units (20% affordable at 80% AMI), 9,567 SF of ground floor retail space, and 551 parking spaces. PGIM and Berkadia have submitted Letters of Support to invest and secure financing required for this estimated \$99.3 million transaction. These letters are available upon request.

Sources & Uses	Trended to Closing of	7/2024
<b>Budget</b>	<b>\$</b>	<b>%</b>
Acquisition	\$ 5,200,000	6%
Hard Costs	\$ 78,407,860	80%
Commercial Leasing Costs	\$ 1,297,142	1%
Soft Costs	\$ 10,937,048	12%
Financing Costs	\$ 3,502,563	4%
<b>Total Development Cost</b>	<b>\$ 99,344,612</b>	<b>100%</b>

Capital Sources	\$	%
Construction Loan	\$ 61,095,251	62%
Capitalized Lease (Moore Square storage)	\$ 206,250	0%
Parking Cost share (Moore Square ops)	\$ 1,409,305	2%
Parking Cost share (LIHTC Projects)	\$ 4,298,627	4%
Equity	\$ 31,278,872	32%
<b>Total Sources</b>	<b>\$ 99,344,612</b>	<b>100%</b>

Income Statement	Trended to Stabilization of			2/2027
	Annual	\$/unit	% GPR	
GPR - Market	\$ 6,398,311	\$ 23,099	79.6%	
GPR - Affordable	\$ 1,046,953	\$ 3,780	13.0%	
Other Income	\$ 591,477	\$ 2,135	7.4%	
<b>Gross Potential Rent (GPR)</b>	<b>\$ 8,036,741</b>	<b>\$ 29,104</b>	<b>100.0%</b>	
Vacancy/Loss	\$ (497,909)	\$ (1,798)	-6.2%	
<b>Rental Revenue</b>	<b>\$7,818,335</b>	<b>\$ 28,225</b>	<b>93.8%</b>	
Commercial Income	\$ 279,523	\$ 1,009	3.5%	
<b>Effective Gross Income (EGI)</b>	<b>\$ 7,818,355</b>	<b>\$ 28,225</b>	<b>97.3%</b>	
Operating Expenses	\$ 2,614,974	\$ 9,440	32.8%	
<b>Net Operating Income (NOI)</b>	<b>\$ 5,203,382</b>	<b>\$ 18,785</b>	<b>64.8%</b>	



# CONSTRUCTION & OPERATIONS

## Proposed City Investment

As discussed in Tab 3, Integral is focused on maximizing public benefits, which is supported by a proven track record of not only delivering these public benefits, but efficiently doing so through creative and innovative strategies.

Integral proposes to enter into a Master Development Agreement with the COR with the following high-level deal points. We have selected a relatively clean and simple deal structure with the COR instead of looking to integrate other COR policies such as its Tax Increment Grant policy. However, Integral remains open to COR feedback on the optimal deal structure to achieve our mutual objectives.

- Purchase price for the land for Buildings A1, Moore Square East central parking garage, and Building B of **\$5,200,000 that will be paid at financial closing.**
- A land use covenant on Building A1 and Building B to **restrict the incomes of 20% of their resident units at or below 80% AMI for 30 years.**
- **Ground lease of 99 years at a nominal lease rate for the two LIHTC phases** identified as Building A2 and Building A3.
- City pays a capitalized **lease payment of approximately \$1,615,555** for access to 45 parking spaces and up to 1,500 SF of storage space to support the Moore Square Park operations with assumed cost 100% of attributable construction costs and soft costs (assumed today at 25% of construction costs).
- COR agrees to **work with Integral to pursue Brownfields Agreement** with tax abatement for costs of brownfield remediation on Moore Square East, running the environmental investigation and application expenses concurrently with MDA negotiations to expedite predevelopment activities.
- COR agrees to **work with Integral to secure gap financing and any operating subsidies** from NCHFA, Federal Home Loan Banks, Wake County, and the Raleigh Housing Authority.

