

Chris Austin

From: Roy Helm <rhelm@wesleycdc.com>
Sent: Monday, October 30, 2017 6:34 PM
To: Chris Austin
Subject: Construction Pricing

Chris I enjoyed your presentation last week at the Conference. It was surprising how many folks seemed to be confused about the parking requirements in the 2018 QAP. We appreciate the reduction to 1.75 spaces for family projects with the resulting reduction in project cost.

I am hearing some very ominous forecasts for increases in construction cost in 2018 and 2019. A general contractor that we have considerable experience with on previous projects is projecting the cost of family units from \$82,000 per unit to \$86,700, and the cost of elderly units from \$78,000 to \$84,000. It is unfortunate that prices at this level will result in a huge drop in the number of units that can be delivered.

Thanks for taking the straw vote regarding the formula for awarding points for pricing. There appears to be a clear preference for the formula that was in the first draft of the 2018 QAP. Take care.

Roy Helm
President



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