

**HOUSING RESOURCES BAINBRIDGE**

**HOUSING KITSAP**

**PROPOSAL FOR**

**MIXED INCOME HOUSING DEVELOPMENT**

**NEW BROOKLYN GLEN**

**SUBMITTED TO:**

**CITY OF BAINBRIDGE ISLAND**

**NOVEMBER 30, 2015**



November 30, 2015

Dear City of Bainbridge Island:

Housing Resources Bainbridge and Housing Kitsap are pleased to submit this proposal for the acquisition and mixed-income housing development of the Suzuki property (proposed name - New Brooklyn Glen). The HRB/Housing Kitsap development goal for the property is to create an integrated, economically diverse neighborhood. It will be a safe, healthy, livable neighborhood. A place where children can play safely outdoors. Where public spaces exist for neighbors to gather and socialize. A development that is designed for pedestrians and bicyclists as well as vehicles. A neighborhood that is walkable, accessible to schools and public transportation, close to trails and other natural amenities. The 14-acre Suzuki property is the right place to create a new livable neighborhood here on Bainbridge. The HRB/Housing Kitsap team is committed to developing a model neighborhood that also protects natural resources such as aquifer recharge areas, pond and significant trees, respects the surrounding neighborhoods and fulfills a number of high-priority public policies in our Comprehensive Plan. Our proposal includes the offer to acquire the property for \$2.4M, which we believe provides the City with a fair and equitable financial return given the public benefits that would be provided.

Lack of economic diversity and a shortage of affordable housing are recognized and growing problems. If the City believes that an economically diverse population leads to a healthy and robust community, and that the most effective path to promoting this economic diversity is a range of housing affordable to all who want to live and work on our island, then we submit that the New Brooklyn Glen proposed development is an important step in helping achieve these goals. We are asking the City to agree that now is the time, and this is the place, to build affordable housing on Bainbridge Island.

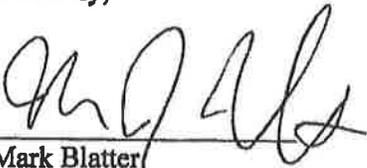
We believe that a clustered 75-home mixed-income development represents optimal use of the Suzuki property to achieve the community's diversity and affordable housing goals. At the same time, we are amenable to work with the City and the neighbors to design a project that addresses their concerns. A successful project on the Suzuki site will require early and frequent engagement of the neighbors and other interested community members as plans are developed and refined, so that the development will be compatible with the surrounding neighborhood and environment. HRB has been awarded a grant from Enterprise Community Partners to engage with the community in a focused master planning effort at the start of the design process. The

HRB/Housing Kitsap team, along with its development team, will facilitate neighborhood meetings and work toward consensus on the final development plan.

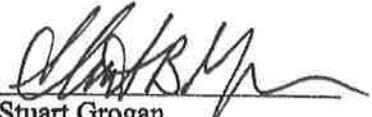
Please let us know if there are any questions regarding our proposal, or any additional information you would like to see. We are also available to meet with the Council to discuss our proposal.

Thank you again for your consideration.

Sincerely,



Mark Blatter  
Executive Director  
Housing Resources Bainbridge



Stuart Grogan  
Executive Director  
Housing Kitsap

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**NEW BROOKLYN GLEN**  
**Proposed Mixed Income Housing Development**

**HOUSING RESOURCES BAINBRIDGE**  
**And**  
**HOUSING KITSAP**

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**1. BACKGROUND AND EXPERIENCE**

**a. Development Team**

**Housing Resources Bainbridge (HRB) and Housing Kitsap (HK) will co-develop New Brooklyn Glen**, our proposed development of the Suzuki Property. Housing Kitsap will lead the development on the multifamily rental apartments, and HRB will lead the development of the single family for-sale homes through a partnership with Central Highlands Inc. Mark Blatter, and Stuart Grogan, Executive Directors of HRB and HK, will be the responsible authorities to represent and make legally binding commitments on behalf of the project team.

Housing Resources Bainbridge

Established in 1989, HRB is the only **non-profit housing organization based on Bainbridge Island**. HRB has had remarkable success in developing and preserving affordable housing for the community's low- and moderate-income individuals and families. Since its inception, HRB has built or preserved 89 units of affordable rental apartments to the local housing stock. In addition to development and rental housing management, HRB works to create lasting impacts by providing a continuum of housing support programs to address the full range of needs experienced in the community. These services include our HomeShare and Independent Living programs, rental assistance for teachers and non-profit workers, and home-finder services. HRB's mission statement makes clear that we believe housing for all residents and workers is a critical community asset and the most effective way to preserve diversity and vitality. To further meet the challenge of affordable housing in a high cost market, HRB initiated affordable home ownership - the Community Land Trust (CLT). HRB's CLT model ensures that its homes will remain affordable in perpetuity. To date, our CLT program has developed 30 single family shared-equity homes for low- and moderate-income working families who would otherwise be excluded from the local housing market.

### Housing Kitsap

The Kitsap County Consolidated Housing Authority, dba **Housing Kitsap (HK)** is a public body, organized under the Housing Authorities Law of the State of Washington (RCW 35.82.300). HK was created in 1982 becoming the first **joint city-county housing authority** in the State. HK's mission is to manage, preserve and build safe affordable housing serving individuals, families and communities throughout Kitsap County. HK's area of operation includes all of Kitsap County except the City of Bremerton. The Board of Commissioners of HK is comprised of the three Kitsap County Commissioners, the Mayors of the cities of Poulsbo, Bainbridge Island, and Port Orchard, and a Resident representative.

### Central Highlands Inc.

Central Highlands Inc. (CHI) is a **local Kitsap developer and home builder** that specializes in entry level residential projects. To date CHI has built and sold over 350 homes with an additional 95 homes planned in Poulsbo. CHI has constructed 13 local residential communities over the last 21 years.

The contractual relationship between the developers and with Central Highlands has only been determined in concept. HRB and HK will be co-developers in the overall development planning and entitlements process. The multifamily apartments will be financed and owned by a Limited Liability Company, with HK serving as managing member, HRB a special member, and an investor member. The LLC will contract with general contractor to build the townhouse apartments, and may contract with Central Highlands for the site work. HRB will facilitate the sale of the SF lots to Central Highlands for construction and marketing.

#### **b. Team Members**

HRB and HK believe that a successful development project must include team members that are highly skilled and experienced in mixed-income site master planning and building design; neighborhood engagement; incorporating sustainability features; and cost-effective construction. Moreover, the team must have a good understanding of what it takes to develop a new mixed income neighborhood on Bainbridge Island. To this end, we have assembled an exceptional team with the expertise and experience to design and build a project that the whole community can be proud of. Supporting HRB/HK are:

- Architecture:
  - **Pyatok Architecture & Urban Design** – Design Lead
  - **Wenzlau Architects**
- Civil Engineering: **Browne-Wheeler Engineering**
- Landscape Architecture: Fischer-Bouma Partnership
- Sustainability Consulting: O'Brien & Co.

- Geotechnical/Hydrogeology: Aspect Consulting
- Land Surveying: Adam/Goldsworthy/Oak Inc.
- Traffic Consulting: Heath & Associates
- Financial Consulting: Sound Community Ventures
- SF Home Builder: Central Highlands Inc.

Detailed information on the qualifications and relevant experience of these team members is attached.

### c. Project Experience

*Housing Resources Bainbridge:* HRB has developed 89 **affordable rental apartments** serving a range of income levels from 30% to 80% of area median income. These properties include Island Terrace Apartments, acquired, renovated, and refinanced using low income housing tax credits and WA State Housing Trust Fund grant. Most properties combine several sources of public and private funds, federal HOME and City of Bainbridge Island Housing Trust Funds among them. Most of the apartment portfolio has long term commitments to provide affordable rents. About 8 years ago, HRB adopted the **community land trust (CLT)** model of affordable homeownership, and now has **30 single family homes and condos**, with another **16 under construction** at Ferncliff Village. These homes are sold on a long term ground lease that enables permanent affordability to households earning 50% to 20% of area median income. The attached matrix highlights the relevant affordable housing development and management experience of HRB.

*Housing Kitsap:* HK owns and manages just over **900 units of affordable housing** for low and moderate income households in 22 projects and serving over 2,000 people. This portfolio includes 136 units of federally supported Public Housing and **projects developed and managed using low income housing tax credits, loans from the Department of Rural Development, a variety of grants and conventional financing**. HK has an operating budget of over \$13 million annually. HK offers housing under a variety of programs. For example, we own and manage 136 units of federally supported Public Housing. These sites are available for individuals and families, typically with very low incomes, housing that insures they will have to pay no more than 30% of their income for housing. Over 750 of HK's units are available to a mix of backgrounds and incomes ranging from less than 30% of the area median income (AMI) to nearly market rates. These projects were developed using low income housing tax credits, tax exempt bonds, multifamily loans from the Department of Rural Development, project based Housing Choice vouchers, grants from the WA State Department of Commerce's Housing Trust Fund, Kitsap County, and conventional construction and permanent financing.

*Central Highlands:* CHI's Bainbridge Island experience includes building the 24 single-family homes for HRB at **Ferncliff Village** and the 44 duplex condominiums and 1 single family home at **Stonecress**. CHI is the developer of Poulsbo Place II (122 homes) and Chateau Ridge Poulsbo (40 single-family homes).

## HRB AFFORDABLE HOUSING DEVELOPMENT EXPERIENCE

Project	HRB Role	Project Description	Affordability Mix
Ferncliff Village	Developer	CLT: 24 2 & 3 bedroom single-family detached home ownership	100% affordable; 18 homes under 80% AMI; 6 homes between 80 & 120% AMI
Ferncliff Townhomes	Developer	CLT: 16 2& 3 bedroom townhomes (to be completed in 2016)	100% affordable; affordability mix to be determined
Janet West Home	Developer Manager	one 2-bedroom, eight 1-bedroom apartments	100% affordable; 6 units @ 60% AMI; 3 units @ 50% AMI
Island Home	Developer Manager	four 2-bedroom, six 3-bedroom apartments	100% affordable; 2 units @ 30% AMI; 8 units @ 50% AMI
Sparrows	Developer	two 1-bedroom CLT condos	Under 120% AMI
Village Home	Developer Manager	eleven 1-bedroom apartments	100% affordable; all units @ 50% AMI
Western View Terrace	Owner Manager	eight 2-bedroom apartments	100% affordable; all units @ 80% AMI
Island Terrace	Non-Profit Partner	thirty six 2-bedroom; twelve 1-bedroom apartments	100% affordable; 30%-50% AMI
Forest Home	Owner Manager	one 3-bedroom donated rental home	Home @ 80% AMI
Sadie Woodman	Owner Manager	one 3-bedroom donated rental home	Home @ 80% AMI
Dore Cabin	Owner Manager	one studio donated rental home	Home @ 80% AMI
Vineyard Lane	Ground Lease	four 1-bedroom CLT condos within a market rate development	Under 120% AMI







- — — — — Wildlife Corridors
- • • • • Walkways to School

100' buffer along the north edge

Vegetable Garden

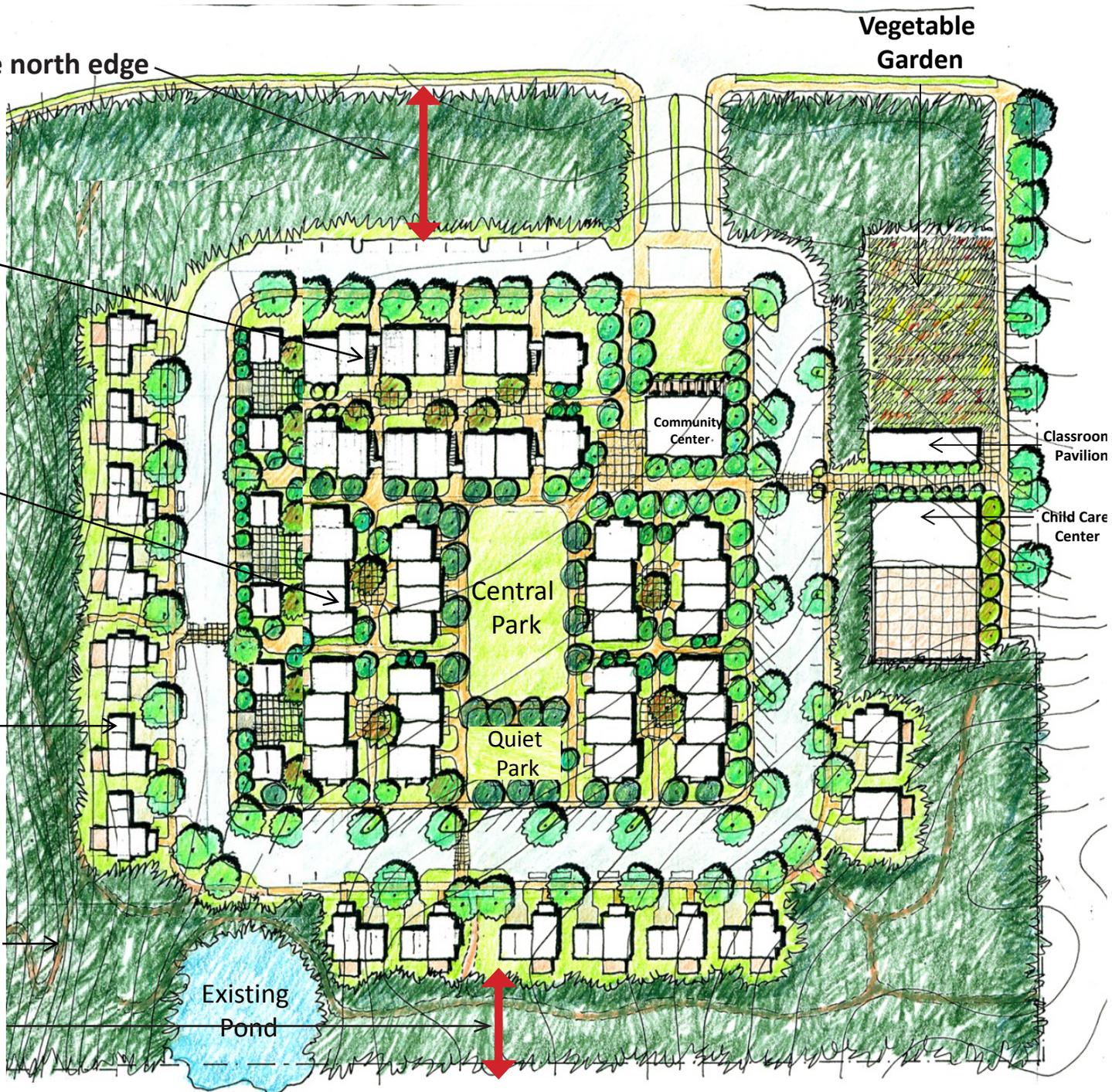
Rental Flats  
(28 - 1 BR Units)

Rental Townhomes  
(20 - 2 BR Units  
12 - 3 BR Units)

Single-family  
Ownership  
(8 - 3 BR  
7 - 2 BR)

Trails in the Woods

75' Buffer along the south edge

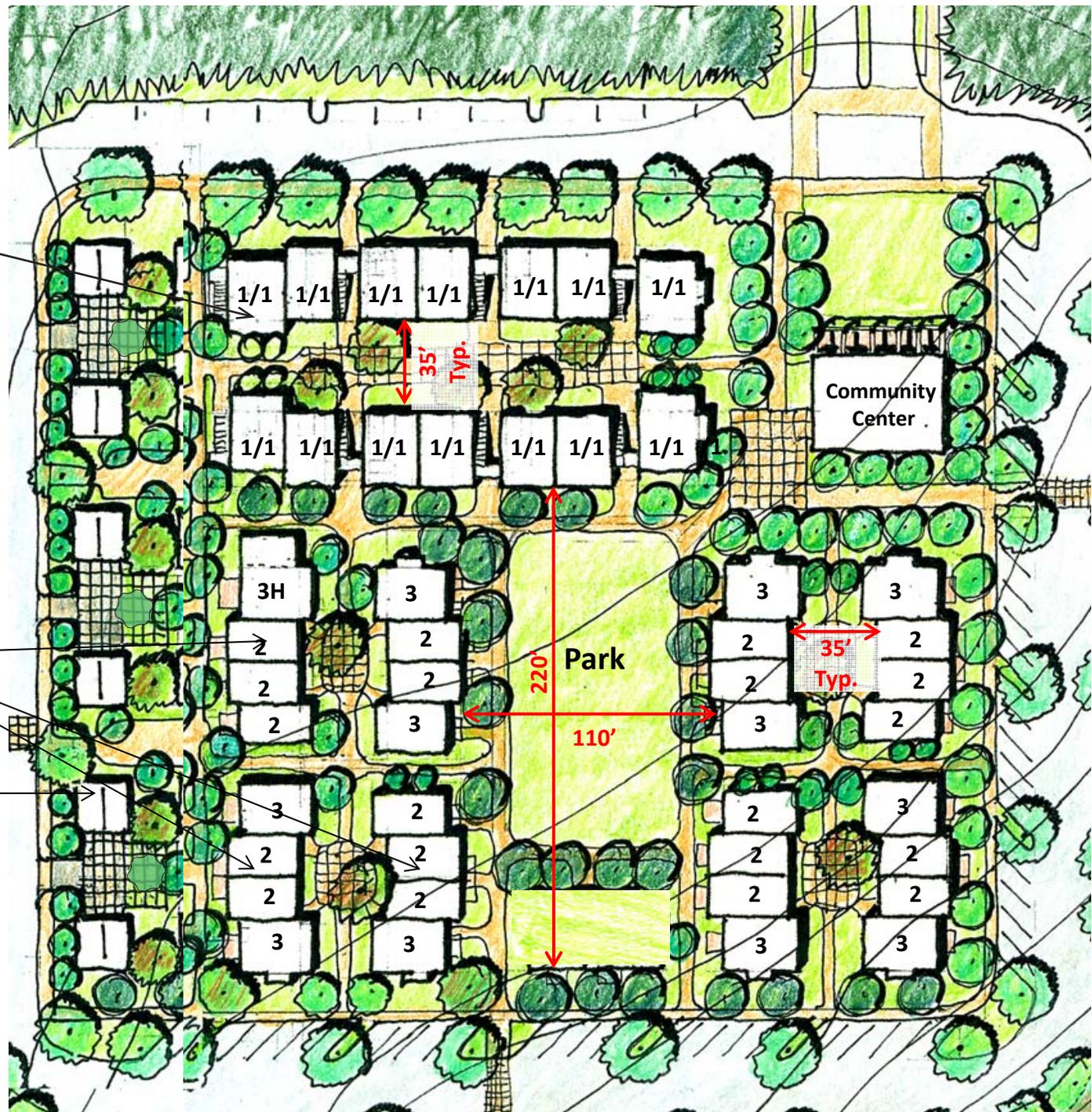


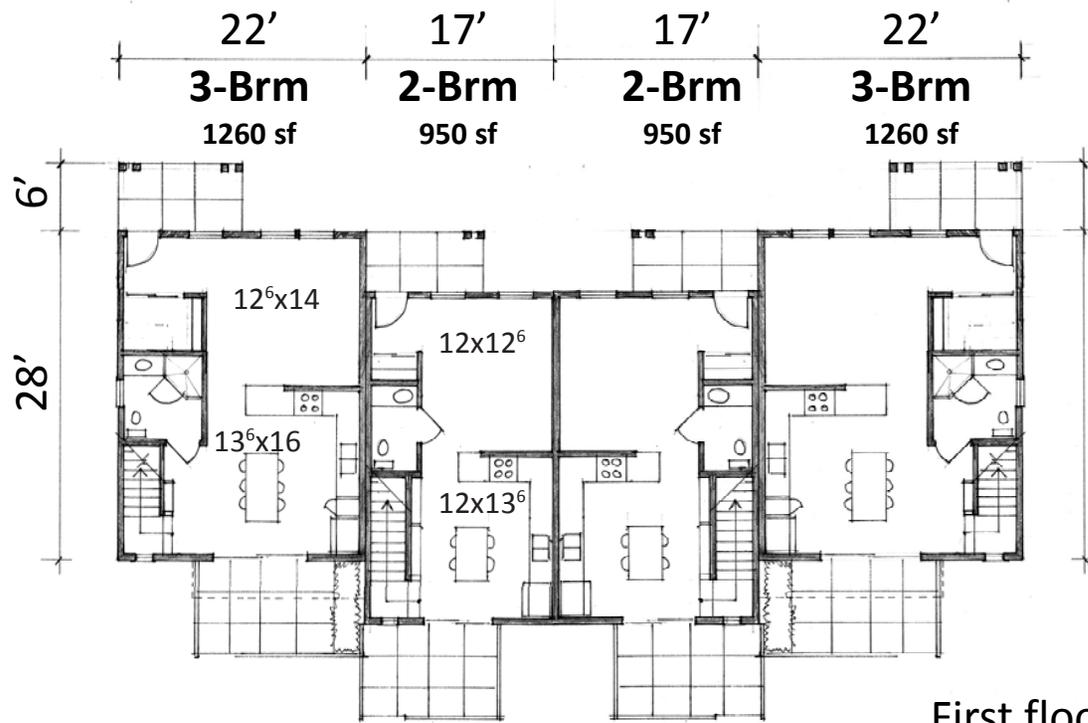
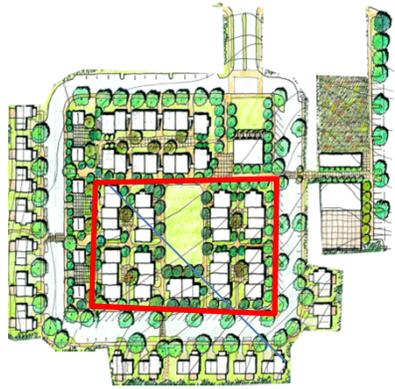
**Rental Flats**  
(28 Ones)

**Rental  
Townhomes**  
(20 - 2 BR, 12 - 3 BR)

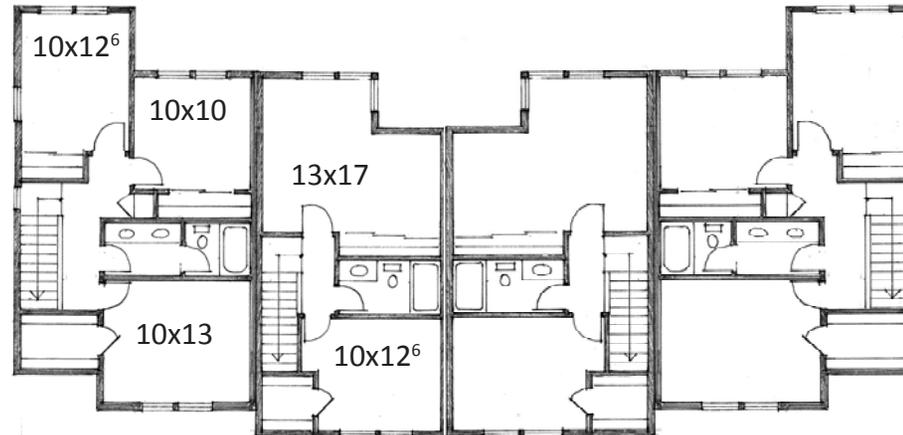
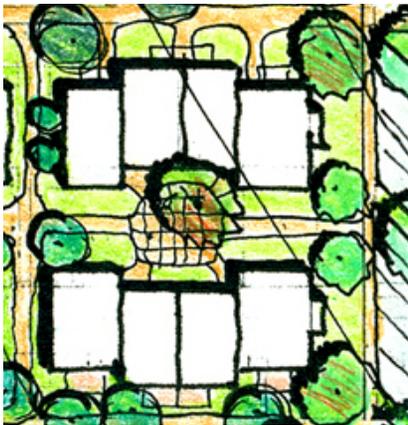
**Rent-to-Own**  
6 - 3 BR Units  
6 - 2 BR Units

**Garages for  
Rent-to-Own**





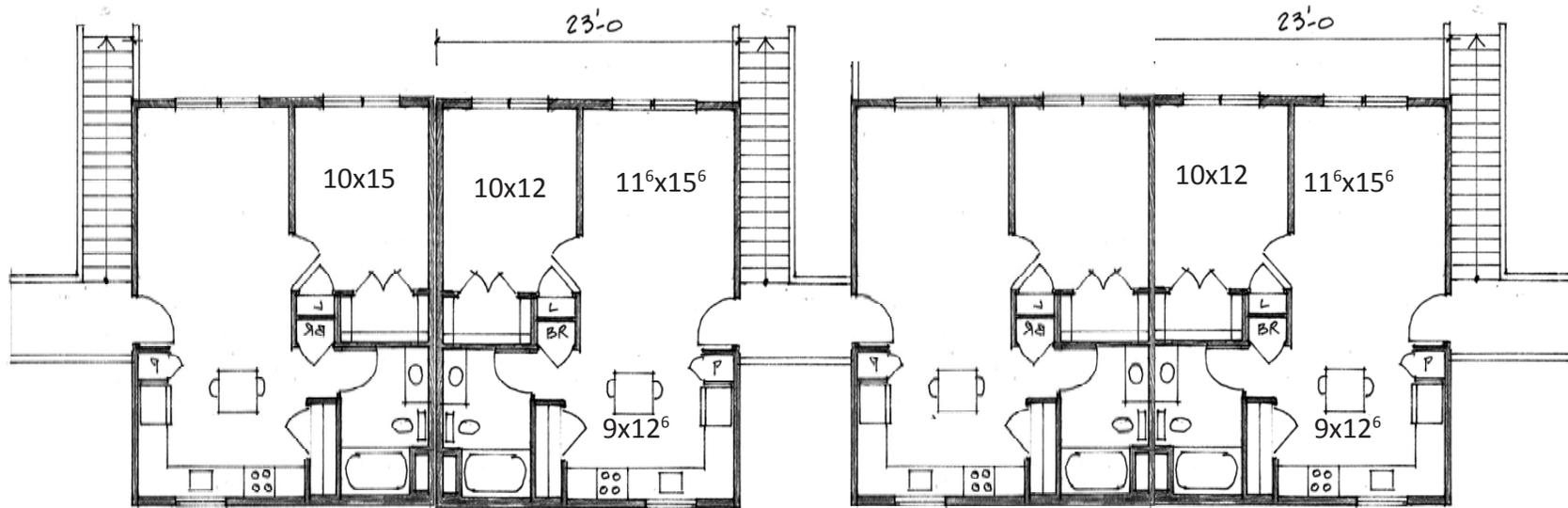
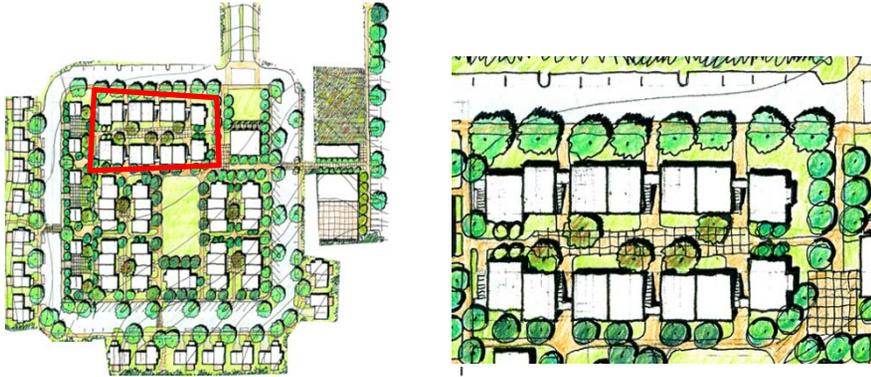
First floor

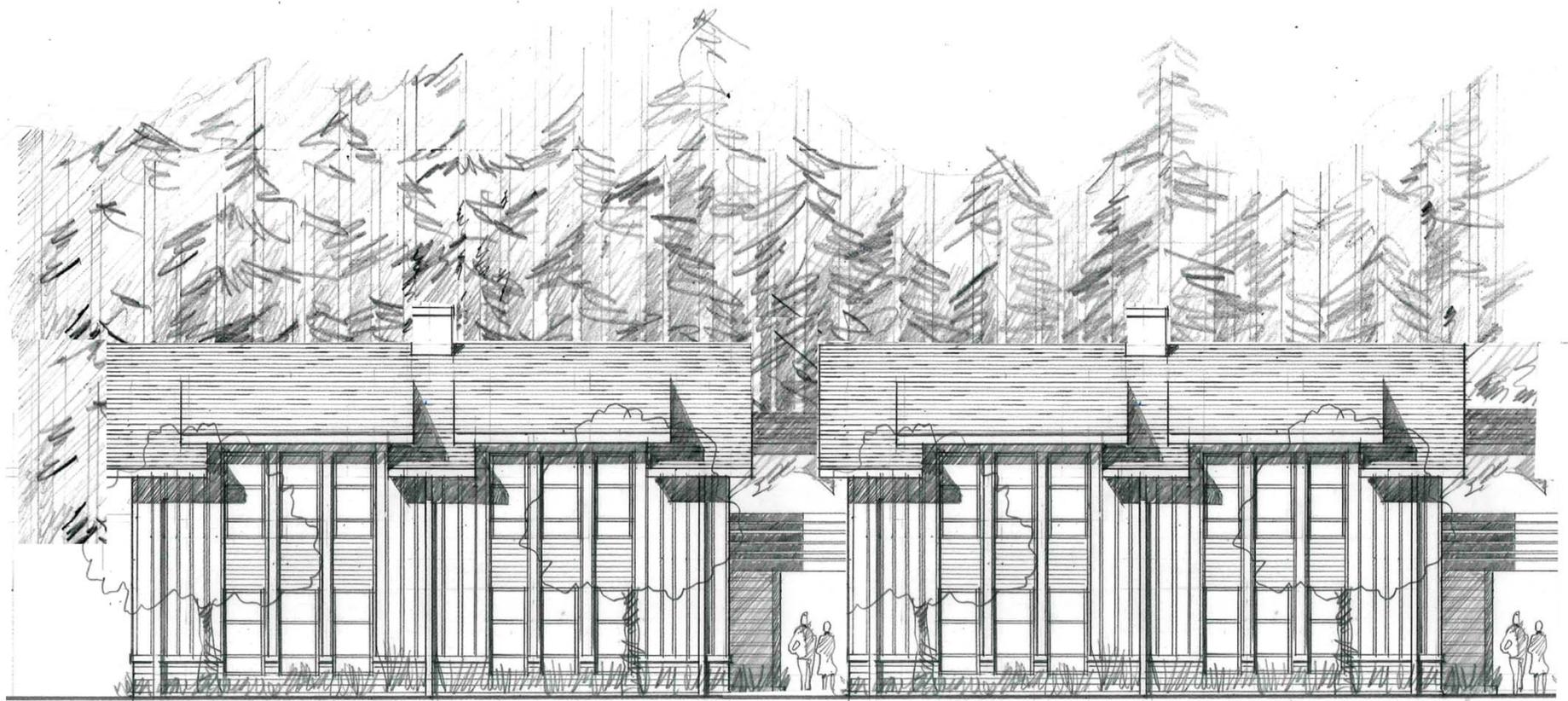


Second floor



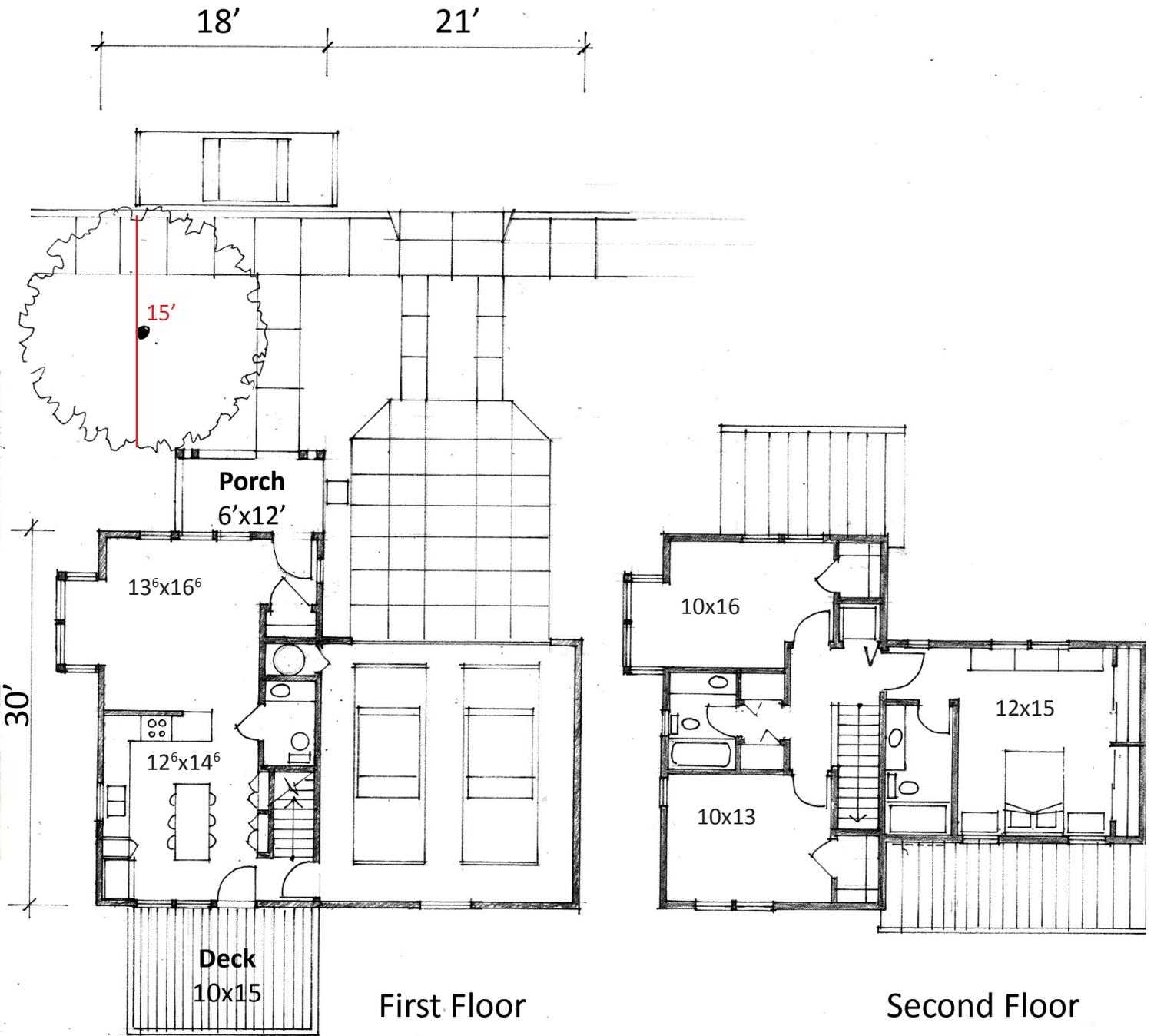
# 1-BRM APARTMENTS - 650 SF

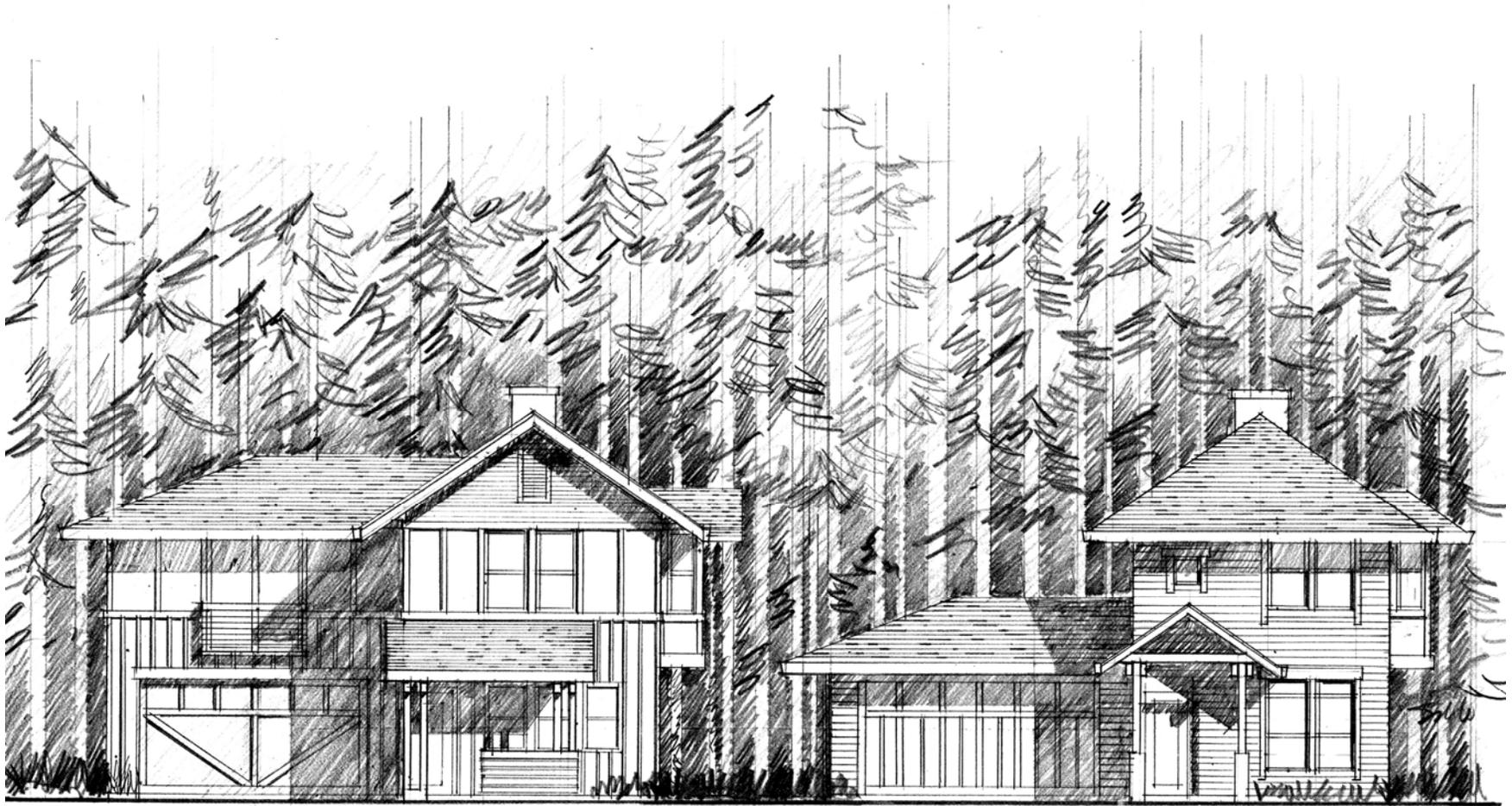




# 3-BRMS - 1600 SF

(Note: 2-BRM homes at 1200 SF excludes bedroom above garage)



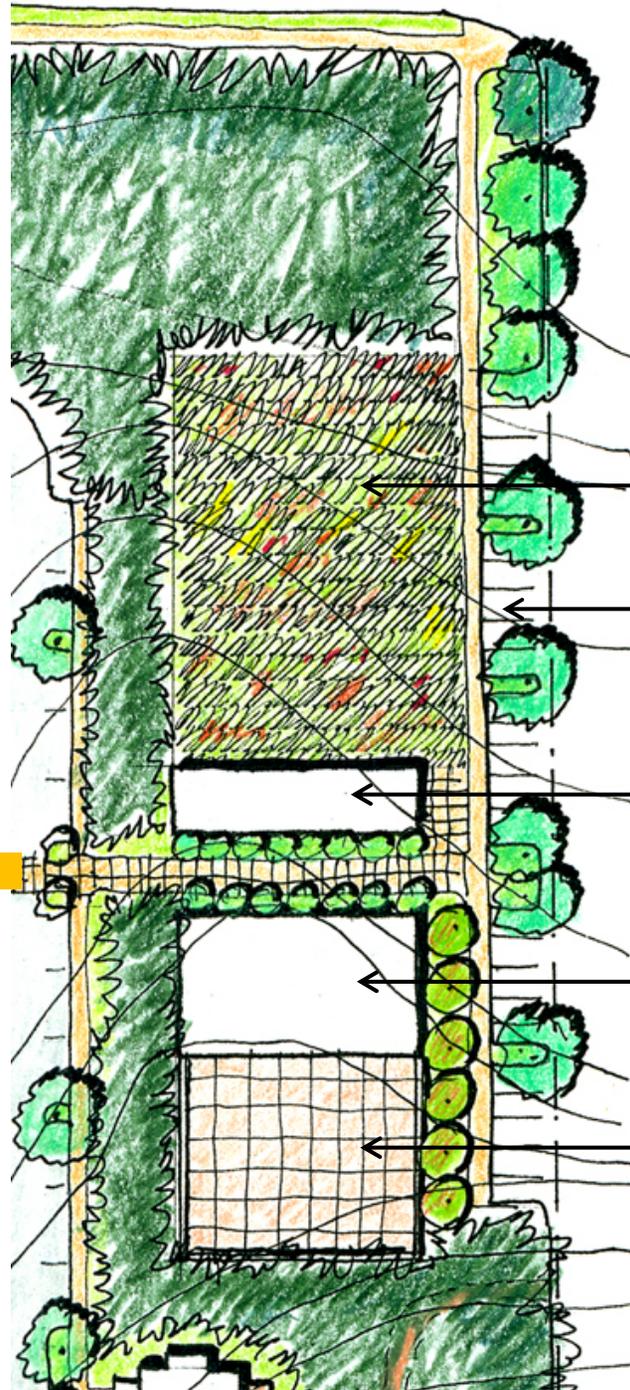


3-Brm

2-Brm



To Residential Community Center and Housing



Vegetable Garden  
(10,000 sf)

25 parking stalls

Classroom / Dining Pavilion  
(800 s.f. /800 s.f.)

Childcare Center  
(3600 s.f.)

Play Yard (4500 s.f.)

## 2. PROJECT AND SCHEDULE

### a. Project Narrative

The HRB/HK development goal for the New Brooklyn Glen project is to create a **new model mixed-income neighborhood** that integrates affordable and market rate homes in an **economically and socially diverse** neighborhood. It will be a neighborhood that promotes diversity, protects natural resources such as the aquifer recharge area, pond and significant trees, respects the surrounding neighborhoods and fulfills a number of important public policies in our Comprehensive Plan. The homes will be clustered on the site to support community-building, as well as to **maximize protection of open spaces and natural areas**, and enhance visual buffers for the surrounding neighbors. As currently envisioned (and as shown on the enclosed concept plans), the HRB/HK proposed development of the Suzuki Property would consist of:

- 15 detached 2- and 3-bedroom single family market-rate homes on the outer edge of the loop road with front porches facing the street and rear decks off the kitchen/dining facing the forest
- 12 rent-to-own 2- and 3-bedroom affordable townhomes with their own garages on the west side of the rental townhomes
- 48 1-, 2- and 3-bedroom affordable rental townhomes grouped around a central park
- Small/energy efficient homes with sizes ranging from 650 SF to a maximum of only 1,600 SF
- A number of both the rental units and the homeownership units that will be designed to meet both ADA accessibility standards and aging-in-place guidelines
- A ½ acre centralized neighborhood courtyard/social gathering area/quiet park. The central open space is a park without trees to keep it open to the sun
- A 4,500 square-foot children's play area
- A ¼ acre area set-aside for the community vegetable garden
- A new 3,400 square-foot facility for the Bainbridge Island Child Care Center
- A community center, approx. 2,200 square feet, to serve the residents. The community center is visible across an open lawn at the front entry drive
- A pedestrian connection from the center of the site to the child care center and community garden area to the east
- Dedicating a significant portion of the site -- approx. 53% -- for preservation and protection of open spaces and mature trees
- An extensive inter-connected public trail system within and throughout the site with direct connections to schools

The proposed development will consist of the following mix of affordable multi-family rentals, affordable homeownership units and market rate homeownership units:

- 48 permanently affordable rental units -- serving income-qualified families at 30%-50% Kitsap AMI:
  - 28 1-bedroom apartments
  - 14 2-bedroom apartments
  - 6 3-bedroom apartments
- 12 affordable rent-to-own homeownership units -- rental units converted to permanently affordable home ownership in year 15 - and serving income-qualified families at 80% AMI:
  - 6 2-bedroom homes
  - 6 3-bedroom homes
- 15 market rate homes – not income restricted, but serving families up to 150% Kitsap AMI. Homes not to exceed 1,600 square feet:
  - 5 2-bedroom homes
  - 10 3-bedroom homes

The homes are ringed by a road that provides convenient parking and access for emergency vehicles. An additional emergency access gravel drive could be provided by connecting the school district's service road to the ring road just south of the Child Care playground, if necessary. The **ring road** has **pedestrian crossings** at the centers of its east, west and south legs, designed as 'pedestrian tables' to discourage speeding. The ring road allows the entire center of the development to be **an auto-free, pedestrian district**. The **rental family homes** are clustered in **intimate groupings of 8** to allow immediate neighbors to know each other, to watch out for each other's children and to provide a protected play environment for the youngest children. The singles and couples in the one-bedroom flats have their own defined courtyard to establish their own territory. All of the 60 households in the pedestrian district wrap a **half-acre central park** that will have play equipment for different ages, a large open space for more active play and for general gatherings, a smaller open space at the south end for quieter activities, such as bocce ball, horseshoe pitching, shuffleboard. BBQ areas will be defined and accompanied by benches and picnic tables. The **single-family homeowners** face onto the ring road with their **front porches** and have easy access to the central park across the road and to the community center at the north end of the park. The **back decks** of these homes are entered from their dining/kitchen areas which **overlook the surrounding woods**. A **network of paths** traverses the surrounding woods and can be entered both from the surrounding streets and from the Village.

New Brooklyn Glen's **community center** is located at the end of the drive entering from New Brooklyn Road, and its front covered veranda overlooks a welcoming lawn (50'x70') for special events. To the immediate west of the facility is a paved plaza (35'x45') also for special events. This plaza links the community center directly with the central park to its southwest.

New Brooklyn Glen

A wide pedestrian path links the community center with a **vegetable garden** (10,000 sf) on the east side of the Village. This may be a learning garden for the nearby schools, accompanied by a classroom (800 sf) equipped with a teaching kitchen. Adjacent to the classroom will be a covered outdoor dining pavilion (800 sf) and BBQ pit for large gatherings enjoying the results of the cooking classes.

Supporting families with children will be a brand **new facility for the non-profit Bainbridge Island Child Care Center**. BICCC has been a valuable member of our community since 1974 and will provide our New Brooklyn Glen families, as well as other families, with quality on-site programs for both during and after school care. The child care facility is located to the south of the classroom across the east-west walk. It can serve 75-100 children (3600 sf) with its own playground (4500 sf). The community garden and Child Care Center have a shared parking area for 25 autos along a widened service road on the east side of the property.

The amount of **on-site parking** will be determined by our transportation study, but the concept site plans has **capacity for 92 resident spaces and as many as 85 additional guest spaces**. We include 15 single-family detached homes with 30 cars in garages, 30 guest stalls on driveway aprons, and another 18 parallel stalls at the curbs in front of them for a total of 78 stalls. 48 of the rental units have 50 back-in diagonal stalls, and 25 parallel stalls along curbsides in front of them for a total of 75. The 12 rent-to-own townhomes each have a one-car garage nearby and another open-air stall near their garage for a total of 24 parking spaces. In addition, there are 25 proposed perpendicular parking spaces on site provided for the Child Care Center and community garden along the expanded service road. The goal of our on-site parking plan will be to avoid potential spill-over of cars and parking to the adjacent neighborhoods.

Resolving automobile access, parking and circulation issues, as well as potential neighborhood traffic and safety impacts, will be a critical focus during the planning of the project. The final plans will benefit from working with our neighbors. To support this effort, our traffic consultant will begin early in the process to address:

- Providing **safe pedestrian access to schools**
- Finalizing the number and location of **on-site parking**
- Evaluating roads for **left turning lanes** requirements
- Careful placement of **project access** points with neighboring accesses
- Considering access points to and from the **service road**
- Evaluating nearby **intersections** and recommending appropriate **improvements**
- Access to **public transportation**
- Reviewing trip generation data and **transportation demand measures** that might serve development and reduce project trip generation

HRB and HK are committed to developing the Suzuki property to the highest feasible standards of sustainable and low impact development. Our goal is to develop a **net zero-ready project** for energy use, and site development measures that eliminate or reduce storm water runoff. Our team includes O'Brien & Company, a leader in sustainable development. O'Brien will play a critical advisory role in the early stages of planning both the site and the homes themselves. Special attention will be paid to **stormwater management and onsite treatment, native non-irrigated landscaping**, energy efficient home features, as well as potentials for net zero development, passive heating, and solar panels to generate electricity. Developing the project under the City's HDDP Tier 3 requirements insures that the project will incorporate significant **low impact development** and sustainability features. New Brooklyn Glen will also exceed the sustainability and green building design requirements of Washington State's Evergreen Sustainable Development Standard.

HRB and HK recognize the importance of the particular ecological functions, pond, and surface/groundwater areas associated with the southern and western portions of the site. In order to investigate and analyze aquifer recharge and evaluate the near surface site conditions for the proposed structures, utilities, and parking areas, our geotechnical and hydrogeology specialists at Aspect Consulting will conduct tests to sample and observe the soils across the site and in the vicinity of key improvements. These will be conducted early on in the design stage. Our geotechnical and civil engineering team members will explore on-site stormwater detention and other creative systems in order to **treat runoff through bio-filtration and preserve infiltration to the aquifer recharge areas**. Consideration will also be given to the opportunities to not only protect the existing pond, but also to enhance its qualities, possibly making use of it as part of the project storm water management system.

To ensure that the proposed development is not perceived to crowd the surrounding neighborhoods, **significant buffers and screening** will be incorporated. The clustered development is intentionally tucked into the woods so that it is screened from the surrounding streets. The neighbors will continue to perceive the wooded edge to which they have grown accustomed along New Brooklyn Road and Sportsman Club Road. The northern edge of the homes will be set back about 100 feet from New Brooklyn Road, 150 feet to 500 feet from Sportsman Club Road, and about 75 feet from the southern boundary of the site. The buffer of remaining woods will be cleared of waste and debris, and a network of public pathways will be created for the convenience and enjoyment of the neighborhood.

We believe that our clustered 75-home mixed-income development represents the optimal use of the Suzuki property to help achieve the community's diversity and affordable housing goals. The proposed development is higher density – more units per acre - than surrounding neighborhoods, but the fact that most of the units at New Brooklyn Glen are small and affordable will mean the project will have similar impacts to alternatives with fewer but larger and more

expensive units. The average overall unit size is just over 1,000 SF. The average income level will be about 65% AMI.

Above all, we believe careful planning and good design can create a neighborhood that fits into the community and provides essential affordable housing. While we propose to utilize Tier 3 of the HDDP, we are amenable to **working with the City and the neighbors** to design a project that addresses not only the affordable housing shortage but also concerns about impacts. We believe that a successful development project on the Suzuki site requires the early engagement of both the adjacent neighbors and the larger community to develop the best plan. Such a community-focused planning effort will be an integral part of our work following selection.

**b. Project Schedule**

<b>YEAR</b>	<b>ACTION/MILESTONE</b>	<b>DATE</b>
<b>2016</b>	<b>COBI Council Selection</b>	<b>February 1</b>
	Begin Community Engagement/Planning Process	
	WA Housing Trust Fund Application (Stage 1)	
	COBI Approval Exclusive Negotiating Agreement	April 1
	Site Plan and Cost Estimate	August 1
	<b>COBI Approval Disposition/Development Agreement</b>	<b>August 1</b>
<b>2017</b>	WA Housing Trust Fund Application (Stage 2)	
	WA Housing Trust Fund Application Award	December 1
	LIHTC Application (9% credit)	January 5
	LIHTC Notice of Allocation	February 5
	HDDP/CUP/Preliminary Plat Application	April 1
	Kitsap County Consolidated Grant Application	July 5
	<b>HDDP/CUP/Preliminary Plat Approval</b>	<b>October 1</b>
<b>Close Land Purchase - Single Family Lots</b>	<b>November 1</b>	
<b>2018</b>	Kitsap County Consolidated Grant Award	
	Site Utilities Permits Application	December 1
	Building Permit Application	January 5
	Contractor Selection	February 1
	<b>Site Utilities Permits Approval</b>	<b>March 1</b>
	<b>Building Permits Ready to Issue</b>	<b>March 1</b>
	MF Construction Contract Signed	April 1
	LIHTC/Construction Loan Closing	May 1
	<b>Close Land Purchase</b>	<b>May 1</b>
	<b>Construction Start - Site</b>	<b>June 1</b>
<b>Final Plat Approval</b>	<b>September 1</b>	
<b>Building Permits Issued - Building Construction Start</b>	<b>September 10</b>	
<b>2019</b>	<b>Building Construction Completed</b>	<b>August 1</b>
	<b>Rent Up/Sales Completed</b>	<b>November 1</b>

The proposed schedule can be achieved if we are successful negotiating the Disposition and Development Agreement by August 2016, allowing the development team to apply immediately for the critical State Housing Trust Fund and tax credit commitments.

**c. Proposed Site Plan/Conceptual Drawings**

See attached proposed site plans, unit descriptions, floor plans and building elevations.

**d. Financial Capacity**

*Housing Resources Bainbridge:* **HRB** is a Washington non-profit corporation with a Section 501c3 federal tax exemption. Though relatively small, with annual operations under \$1M per year, our **balance sheet is strong** primarily as a result of our successful development and sales of recent CLT homeownership projects. Our **income sources are diversified** and include: earned income from rental property operations; program support from the City, County, and private donors; corporate and foundation grants, and contributions from donors in our community. HRB is audited annually has had no findings or management issues in any recent audits. A copy of our most recent financial statement is available on request.

*Housing Kitsap:* As noted above, **Housing Kitsap (HK)** is a public housing authority created in 1982, with an area of operation including all of Kitsap County except the City of Bremerton. The Board of Commissioners of HK is comprised of the three Kitsap County Commissioners, the Mayors of the cities of Poulsbo, Bainbridge Island, and Port Orchard, and a Resident representative. HK owns and manages just over 900 units of affordable housing for low and moderate income households in 22 projects and serving over 2,000 people. This portfolio includes 136 units of federally supported Public Housing and projects developed and managed using low income housing tax credits, loans from the USDA Rural Development, a variety of grants and conventional financing. HK has an **operating budget of over \$13 million** annually.

The New Brooklyn Glen development team proposes an initial development with two housing components, each of which will be financed separately. The **multifamily townhomes are an affordable rental apartment** project that will be financed with low income housing tax credits (LIHTC), WA State Housing Trust Fund (HTF) deferred loan, bank permanent loan, and grants from the County and City. In summary, the **development budget** is:

**Multi Family Sources of Funds**

Bank Debt –First Mortgage	\$1,025,000
LIHTC Equity	11,936,800
WA State HTF	3,000,000
HOME or COBI HTF	200,000
Deferred Developer Fee	<u>155,000</u>
<b>Total Sources</b>	<b>16,316,800</b>

New Brooklyn Glen

### **Multi Family Uses of Funds**

Land	\$1,915,000
Construction	12,181,016
Soft Costs	1,605,371
Financing and Closing	<u>615,412</u>
<b>Total Uses</b>	<b>16,316,800</b>

The project has been planned carefully to meet the requirements and **compete successfully for LIHTCs**. We've discussed the project and have a letter of interest from the nation's foremost nonprofit syndicator of tax credits, **Enterprise Community Investment**. We've also reviewed the development budget and pro forma with several regional and national lenders regarding construction and permanent debt financing and have letters of interest demonstrating the viability of the proposal. Letters of interest are enclosed from Umpqua Bank, JP Morgan Chase Bank and Washington Community Investment Association.

The multifamily project will be developed with support from Bob Powers of **Sound Community Ventures** (Bainbridge Island), a very experienced housing consultant with several projects funded in recent LIHTC and HTF rounds. We understand that obtaining the necessary public financing commitments may lengthen the development schedule somewhat over a privately financed deal. And so, we will do everything possible to accelerate the process and if we are able to secure the DDA by August 1, 2016, we will **submit funding applications for the soonest available 2016 and 2017 rounds for the critical HTF and LIHTC commitments**.

The **single family market rate housing** component would be developed and **financed by Central Highlands**. Sale of the lots to CHI would fund part of the land price (\$600,000) to COBI, and a partial sale of the land with proceeds to the City by November of 2017 is possible. HRB, HK, and Central Highlands would work together to finance and complete site development, possibly with CHI serving as site development contractor for the whole development. Based on a comparative market assessment, the 1,600 SF homes would sell for \$450,000 - \$500,000, well under the Island's current median home price.

#### **e. City Requirements**

The HRB/HK development team understands that the City may impose requirements for utility undergrounding, water/sewer connections, road improvements, installation of curb/gutter/sidewalk, and traffic studies. These requirements are often conditions for projects of this scale and complexity, and we have experience planning and engaging with the City to determine the specific requirements and best ways to provide and finance them. We have budgeted what we project will be needed for onsite infrastructure and improvements, and HRB/HK and Central Highlands will provide these. To the extent that they fit within the budget,

any offsite improvements will also be provided. **Extraordinary offsite improvements or mitigation**, for example, improvements to the intersection of New Brooklyn and Sportsman's Club Roads, which are unknown at this time, **would be paid for by the development team if additional financing can be secured.** Otherwise we would propose to adjust the purchase price to the City to cover this additional cost. Details of this cost sharing proposal for extraordinary offsite improvements would be worked out as part of the DDA.

### 3. BUSINESS TERMS

Based on the housing program described in our proposal, HRB and HK are prepared to offer the City **\$2.4M** for the property. The amount is based on the ability to secure approvals to develop 60 affordable multifamily apartments and 15 market rate single family homes for sale. The offer price is based on \$30K per multi-family apartment and \$40K per single family home lot. To the extent that the number of units achieved is reduced by more than 10%, the land price would be reduced accordingly. This offer represents the land value for the housing uses proposed, and, we believe, **full market value as adjusted for the community benefits** provided (affordable housing, nonprofit child care, and public trails improvements.)

Terms of the purchase and sale would be negotiated as part of the DDA. HRB and HK would request reasonable feasibility, entitlement and financing contingency periods for a deal of this nature. **Closing** on the purchase of the property from COBI would take place **after land use approvals are secured and simultaneously with the closing of project financing**. Purchase of the single family lots could occur earlier, once the preliminary plat and HDDP approvals are complete.

The New Brooklyn Glen mixed-income project is designed to meet **Tier 3 of the City's Housing Design Demonstration Program ordinance**. Conditional use approval for the multifamily apartments and, if it goes forward, the child care center would be required, as well as plat approval to subdivide the property. We anticipate a **coordinated application and review process combining HDDP, conditional use and preliminary subdivision approvals**. **No other special use permits or waivers of City requirements are expected.**

## 4. Proposal Evaluation Criteria

**Varied Housing Mix:** The HRB/HK development plan for New Brooklyn Glen provides a truly diverse mix of housing that not only meets the goals and policies of the Comprehensive Plan but also addresses the growing need for affordable housing. As proposed, the varied housing mix includes rental flats and townhomes, rent-to-own townhomes, and single family detached homes. Units range in size from about. 650 SF to a maximum of 1,600 SF, and comprise:

- 48 1-, 2- and 3-bedroom rental townhomes (64%)
- 12 eventual 2- and 3-bedroom homeownership townhomes through an innovative CLT rent-to-own program (16%)
- 15 2- and 3-bedroom detached single-family homes (20%)

The homes will be clustered on the site to maximize protection of open spaces and natural areas, as well as enhance landscape buffers for the surrounding neighbors. The mixed income housing will be integrated within the clustered area, supporting a community of economically diverse families.

The HRB/HK plan provides a significant number of affordable rental and homeownership units - 80% of the total proposed development. The 60 rental apartments will be targeted to individuals and households earning 30% to 50% of Kitsap County (Bremerton/Silverdale) Area Median Income (AMI.) After 15 years of operating as affordable rentals, 12 of the townhomes will be sold to their residents or other households earning 80% AMI or less. The market rate single family homes are not proposed to be sold with income qualifications but because of size are expected to sell at prices affordable to families with incomes in the 120% to 150% AMI.

The need for a mix of affordable housing is critical in our community. The City Council-sponsored Suzuki Task Force recommended that affordable housing be included in any development plans for the Suzuki property, a recommendation approved by the Council in 2008. The City's 2013 Citizen's Survey (and reiterated again in this year's new Survey results) found the lack of affordable housing to be one of the top three concerns of Island residents. The State's recent Housing Affordability Analysis found that Kitsap County and Bainbridge Island had an affordability gap – the difference between supply and demand for homes affordable to low income families - among the highest in the State.

The City's 2014 Draft Housing Needs Assessment also highlighted this gap and the need for more assertive actions by the City to relieve the affordable housing shortage. The Assessment revealed that 40% of all renter households are considered cost burdened – spending more than

30% of their income on rent. Twenty percent of all owner-occupied households are cost burdened as well. Median price for a market-rate home on Bainbridge exceeds \$600,000. Average market rate rent for a 1-bedroom apartment is about \$1,200 per month, and for a 3-bedroom, over \$1,800 per month. HRB and Housing Kitsap homes can, in contrast, offer attractive affordable alternatives. Affordable rents at New Brooklyn Glen will range from \$343 per month for a 1-bedroom apartment to \$845 per month for a 3-bedroom apartment.

The addition of the 60 affordable homes and rentals at New Brooklyn Glen will make a significant and important contribution to easing the affordable housing shortage.

**Permanent Affordability:** The HRB/Housing Kitsap plan dedicates 60 units (80% of the total) to serve families with incomes at or below 120% Kitsap AMI. Given HRB and Housing Kitsap's funder requirements, the rental apartments will remain affordable for at least 50 years, the useful life of the project. The 12 rent-to-own units will come into HRB's Community Land Trust (CLT) model at the time of sale, providing permanent affordability.

A CLT is a non-profit organization created to acquire and hold land for the benefit of the community and to provide secure affordable housing for income-qualified residents. CLT's are able to produce high-quality affordable housing, and keep them affordable in perpetuity, an important goal of the Suzuki RFP. According to the Institute for Community Economics, CLT's are an important tool for providing affordable housing, promoting resident involvement, capturing the value of public investment for long-term community benefit, and building a strong base for community action. Developing and managing the affordable New Brooklyn Glen homeownership units as CLT homes ensures that the goals of the RFP as well as the City's Comprehensive Plan are implemented.

As an example of the community benefits of the CLT model, HRB's Ferncliff Village has proven highly desirable to Bainbridge's low- and moderate-income and local workforce families that wish to own a home here. All 24 homes were sold at below-market-rate prices within 12 months, and will remain affordable permanently thanks to the resale provisions of HRB's long term ground leases. All 24 households are income-qualified (under 120% Kitsap AMI with most under 80% AMI), 18 family members work on the Island, 9 families have one or more children in the local schools, 2 of the families are single moms with children, 5 families are retired senior citizens. HRB is also developing a growing waiting list of local income-qualified families for the next phase of Ferncliff - 16 CLT townhomes, adjacent to Ferncliff Village, expected to be completed in 2016.

**Green and Sustainable Construction:** The HRB/Housing Kitsap New Brooklyn Glen development plan is designed to meet the requirements of Tier 3 of the City's Housing Design Demonstration Program (HDDP). Tier 3 HDDP projects are the most demanding, intended to

promote development of progressive residential projects and provide a greater diversity of housing options and affordability, while utilizing sustainable development practices. The Tier 3 HDDP approval process allows us to take advantage of a number of development incentives while providing the community with a diverse mix of affordable and market rate homes and rental townhomes. All homes will meet or exceed Washington State Evergreen Sustainable Development Standards, Northwest Energy Star Program and the Kitsap Built Green Program. Our goal is a “net zero ready” development, in which all energy consumed on site (heating, lighting, appliances, etc.) is generated on site. Special funding from the State is now available for affordable housing projects with HTF grants that achieve net zero energy use. We plan to reach these goals by utilizing a wide range of sustainable building techniques and products, such as orientation for passive solar heating, advanced framing techniques, high value insulation and high performance windows, air leakage testing and sealing, high efficiency ductless heat pumps (or source heat pumps for water and space heating), solar PV for electrical generation (or wiring for future installation at a minimum.) These features will save energy but also provide greater comfort while lowering energy and water costs for New Brooklyn Glen residents.

Low impact site development measures will be employed under the HDDP. Special attention will be paid to storm water management and onsite treatment, native non-irrigation landscaping. Storm water runoff will be conveyed and filtered by natural drainage swales.

Social and community aspects of sustainability will also be direct goals of the project. Resident health and well-being will be major factors in housing design and management. Opportunities for resident engagement, activities, and an active lifestyle will be provided and promoted. The community garden, park and play areas, and trails will contribute to a healthy lifestyle. The neighborhood will be pedestrian and bicycle-friendly; if feasible, we will provide an onsite shared smart car. We will work with Kitsap Transit to increase service along New Brooklyn Road as demand increases.

Community resilience will be another project goal, to be achieved primarily by having a community center prepared for disasters with back-up heat and electricity and a store of supplies.

**Open Space, Community Gardens, Buffers and Connectivity:** Our proposal seeks to maximize the preservation of open space and mature trees; over 50% of the site will be left as open space. These areas will be enhanced as project and neighborhood amenities, by cleaning them up, protecting the pond and natural drainage features, preserving a wildlife corridor through the property, establishing an appropriately-sized community vegetable garden, maintaining large and attractive buffers to the surrounding neighborhoods and developing a public trail system throughout the property that connects to existing trails to the site.

**Easement for Safe Route to Schools:** The HRB/Housing Kitsap team will dedicate an easement along Sportsman Club Road, and develop safe pedestrian access to the nearby schools. The public trail system to be developed throughout the site will connect to this pedestrian school access.

**Attractively Integrates with Adjacent Neighborhoods and Character of Island**

The new homes at New Brooklyn Glen are intentionally tucked into the woods so that they are less visible from the surrounding streets. The adjacent neighbors will continue to perceive the wooded edge to which they have grown accustomed along New Brooklyn Road, Sportsman Club Road and the southern boundary of the site. The buffer of remaining woods will be cleared of debris and a network of public pathways will be created for the convenience and enjoyment of the neighborhood.

All of the homes, both rental and ownership, will have the same character- a modern interpretation of the Craftsman tradition. Timber detailing will be used on the front porches; roofs will be 6:12 slopes and have 3' overhanging eaves. Windows will have wood trim. Wall colors will be earth-tones and roofs will be a dark green composition shingle to blend with the surrounding woods and disguise the build-up of moss during the rainy season.

The HRB/Housing Kitsap team is committed to developing a plan that will provide an extraordinary new model neighborhood; a balanced development that creates mixed income housing and other uses that benefit the community, while preserving and enhancing natural features of the site and complementing the surrounding neighborhood. To achieve this goal, good community planning involving the neighbors and interested community members will be the hallmark of New Brooklyn Glen as it moves forward. HRB will make use of a grant awarded by Enterprise Community Partners to engage the adjacent neighbors and the larger community in a focused master planning effort starting immediately after selection. HRB believes that such an effort is critical to ensuring that the final development plan will be compatible with the surrounding neighborhood. The HRB/Housing Kitsap team will facilitate meetings with neighbors to inform the final development plan, with the specific goal of addressing:

- Site development opportunities and constraints
- Housing mix
- Landscaping and neighborhood buffers
- Parking, access and traffic management
- Access to schools and children's safety
- Public outdoor spaces, trails, significant trees, recreational opportunities, wildlife corridors;
- Permanent protection of open space and the existing pond
- Other issues as raised

**Price:** HRB and Housing Kitsap propose to acquire the Suzuki property from the City for a price of \$2.4 million. This offer, we believe, reflects a fair return to the City while providing a unique opportunity to implement a variety of the public benefits identified in the Comprehensive Plan -- affordable housing, child care program, public trails, and protection of important natural features.

**Qualifications:** See the Narrative section of this proposal for the development experience of HRB and Housing Kitsap, as well as our consultant team. Also included in this proposal are letters of interest from Enterprise Community Investments, Umpqua Bank, JP Morgan Chase Bank and the Washington Community Reinvestment Association that demonstrates our team's ability to raise the necessary funds to both acquire and develop the site. Additional potential funding sources include Washington State Housing Trust Fund, WSHFC Land Acquisition Program, HOME funds, SHOP funds, as well as foundation and private contributions.

**Priorities:** The proposal directly supports elements of the Comprehensive Plan that speak to the public benefits of providing affordable housing:

- The General Goals emphasize fostering diversity, and specifically mention affordable housing
- Nine policies in the Housing Element call for the City to take a proactive role in promoting the development of affordable housing
- Policy H 7.5 states that the City may make City-owned land available for the purpose of creating income-qualified housing
- Goal 36/Policy E 6.1 of the Economic Element speaks to City action to provide a variety of affordable housing choices so that people who work on the Island can live on the Island

## **5. DEVELOPMENT TEAM CONSULTANTS**

Pyatok Architecture & Urban Design

Wenzlau Architects

Browne–Wheeler Engineering

Fischer–Bouma Partnership

O’Brien & Co. Sustainability Consulting

Aspect Geotechnical/Hydrogeology Consulting

Adam/Goldsworthy/Oak Inc.

Heath & Associates Traffic Consulting

Sound Community Ventures Financial Consulting

Central Highlands Inc.

# **PYATOK ARCHITECTURE + URBAN DESIGN**

## **Michael Pyatok, FAIA**

Michael Pyatok will serve as lead master planner and architect for the HRB/Housing Kitsap Suzuki development. He has been an architect and professor of architectural design for over 48 years. Since opening his own office in 1984, it has designed over 35,000 units of affordable housing in the US and abroad, and developed participatory design methods to facilitate community involvement throughout the design process. He has helped many communities plan and develop new housing, neighborhood plans and community facilities.

In 1995, he was elected to the AIA College of Fellows in recognition of his contribution to the design of affordable housing. In 2001, Harvard appointed him its Buchsbaum Visiting Professor of Affordable Housing and *Residential Architect* featured him on its cover as the “Architect-of-the-Year” in recognition of the quality he has brought to affordable housing. In 2002, he was featured in *Professional Builder Magazine* as one of twelve “Thought Leaders” of the development industry and in 2007 he was named by *Builder Magazine* and the NAHB as one of the 50 most influential people in the US housing industry.

He has taught housing design as a visiting professor at MIT, Harvard, UC Berkeley, Washington University and Penn State, and after teaching 22 years at the University of Washington he is now Professor Emeritus at UW but continues to teach as a visiting professor at the University of Oregon. In 2011 he was inducted into the Marvin Design Hall of Fame and in 2013 the AIA awarded him its distinguished Thomas Jefferson Award for Public Architecture in recognition of the design quality he has brought to affordable housing.

## **RELEVANT EXPERIENCE**

### **Nystrom Village Master Plan/ Richmond, WA**

This 400-unit development replaces an existing 100-unit public housing ‘project’ built during WWII for workers in the local shipyards. Located on four city blocks in a predominantly low-income neighborhood, the new community includes 150 affordable apartments for seniors, 215 affordable rental family flats and townhouses, and 36 homes for sale to first time buyers with a priority given to civil servants. Each of the blocks is organized into several groupings of families, clustered around secured, private pedestrian courts and separately secured private auto courts. Five of the existing historic structures are restored and converted to new community uses and a museum. Facilitated by PYATOK, local residents and neighbors designed the development using a participatory design process which allowed them to model a variety of solutions for both site layouts and home designs. In addition, the workshops helped the local residents redesign their neighborhood’s streets to calm traffic, improve pedestrian safety and use landscape to enhance its overall character. The new residential development was coordinated with other neighborhood improvements, including a renovation of nearby Martin Luther King Park, Nystrom Elementary School, and the Maritime History Center sponsored by the Rosie the Riveter Trust. Sustainability is a major component of this project, with a goal of achieving LEED ND and Greenpoint Rated standards.

### **Evergreen Vista / Olympia, WA**

Evergreen Vista II provides 51 additional affordable housing units and an on-site Childcare Facility to the existing Evergreen Vista Community. The housing is arranged around three large play courtyards and is interconnected with circuitous pedestrian pathways leading to the new community gardens and the existing community, all nestled amongst landmark evergreen trees. The heart of the community is at the centralized crossroads of a variety of neighborhood pathways and vistas to facilitate a rich mix of families and residents of all ages. The generous sunlit courtyards provide a variety of common areas for social gathering and recreation as well as private open space for each unit. The larger family units are ground-related with formal entries at the street fronts and secondary entrances with private patios from the courtyards. One and two bedroom flats are located in the upper floors of the three story buildings that close the three courtyards to provide security and noise reduction from the streets. The Headstart Childcare facility is situated at the main street entrance and provides a safe drop off adjacent to school and transit bus stations. The bright day lighted childcare facility includes a commercial kitchen, childcare services administration offices, a covered play porch, and a secure play area.

### **Avondale Park / Redmond, WA**

Avondale Park provides 61 units of shelter and transitional housing along with community support facilities. The transitional housing is arranged in neighborhood courtyard clusters with individual neighborhood character defined through colors, materials, and landscaping, and a variety of secure child play areas. Through a clear definition between public and private space, the placement of windows/bay windows, the limitation of access points, and dispersed private parking, each of the residents has visual surveillance of the activities of their visitors, children, and automobiles. Contiguous with the street front and entrance to the site, the nucleus of the Avondale Park community is the 'town square', a group of community facilities and higher density housing surrounding a public auto/pedestrian plaza. Fronting the plaza, a more civic character combines with diverse social gathering spaces, pavement, and landscaping patterns to enhance pedestrian activity in the urban village square. A fabric of circulation and open spaces connects the project to an adjacent city park. Judges Award of Excellence Gold Nugget.

### **Avalon Mutual Housing / Seattle, WA**

This mixed-use building serves a non-profit organization which houses people with severe mental illness in the community rather than in institutions. Built into a hillside, the lower floor comprises offices for the organization, a multi-purpose room, and tuck-under parking. The two upper floors include fifteen studio apartments as well as a common lounge and laundry rooms. The units look onto a certified organic garden operated by the residents.

### **Eliza B. McCabe Townhomes / Tacoma, WA**

Named for a well-known Tacoma community activist, this housing development is part of a growing redevelopment trend in its central Tacoma neighborhood. This redevelopment is fueled in part by revised downtown residential zoning that resulted from a study prepared by Pyatok Architects for the City of Tacoma in 1999. The development- takes advantage of its sloping site by tucking the parking garages into the hillside, and keeping all of the dwelling units within one

flight of stairs of the central courtyard. The courtyard's undulating walkways create a looped 'track' for tricycles and scooters. This housing development serves families earning 30-60% of area median income in the central Tacoma neighborhood. Vision 20/20 Award Puget Sound Regional Council.

### **Hillside Gardens / Tacoma, WA**

The development's design takes advantage of its sloping site by tucking the most of the parking garages into the hillside, and keeping all of the dwelling units within one flight of stairs of the central courtyard. In addition, the siting of the buildings on the hillside affords many residents with views of the city and Mount Rainier. This project is closely associated with the community garden on the adjacent site. During the planning of the project, the Guadalupe Land Trust was established to preserve this and other Hilltop neighborhood community gardens in perpetuity. The landscaping of the development includes a variety of fruit and nut trees, berry bushes and perennial herbs, which will be harvested by the community gardeners. This housing development serves families earning 30-60% of area median income in the central Tacoma neighborhood.

### **Lion Creek Crossings Master Plan / Oakland, CA**

The Master Plan was carried out under the HOPE VI housing development program in coordination with the Oakland Housing Authority's goals for redevelopment of the existing Coliseum Gardens neighborhood. PYATOK was selected through the process of a developer proposal competition. The Master Plan provides 400 new affordable rental apartment units within a gross site area of 19.1 acres accomplished within three phases of construction providing 2-level townhome apartments over flats, central podium buildings accommodating townhome units and flats atop a grade level parking garage and senior apartments. Accompanying these new rental units are townhomes for first time homebuyers. In addition to its housing, the design includes over 15,000 square feet of space for social services and childcare facilities. A major focus of the housing plan is its creation of a new 6-acre public park which consolidated the fragmented park sites in the area. The new expansive park is bordered by Lion Creek, a restored creek (formerly culverted) which now provides the central amenity to the development. Award of Excellence NAHRO.

### **Nihonamchi/ Seattle, WA**

This mixed-use project in the Chinatown district of Seattle, Washington is sited on a 20% slope, with 2500 s.f. of commercial space and 50 units of residential rental apartments. The building consists of five stories of Type V (wood frame) residential construction over a two-level concrete parking structure, with a commercial level below. The steeply sloping site is located in both a historic district and an environmentally and culturally sensitive area, with a city park and community gardens located immediately to the north. Sunlight to the park and gardens, and views from the park, are protected by zoning regulations including upper-story setbacks. Extensive efforts were made in design to respect the historic character of the district, and to mitigate sunlight and view issues, resulting in the project being granted a partial relief from the upper story setback requirements. The dwelling units are arranged around a five-story courtyard. The family units are primarily two-story townhomes, stacked above each other in two tiers. The lower tiers of townhomes are accessed from the central terrace. As an alternative to double-loaded corridors, the upper tier of townhomes and apartments on the fifth floor, are accessed

from an exterior balcony. The fifth floor studio and one-bedroom apartments are intended for single, perhaps elderly, residents. Many of the units are double-aspect to provide cross-ventilation and improved daylighting.

### **Waterman Gardens / San Bernadino, CA**

In 1943, the Housing Authority of the County of San Bernardino (HACSB) built its second affordable housing complex: the Waterman Gardens Residential Community, which then consisted of 270 units including temporary war time housing, located on the key San Bernardino intersection of Waterman Avenue and Baseline Street. Today it has 252 affordable housing units. Though it has received various upgrades throughout the years, the complex has a number of deficiencies due to wear and tear and lack of adequate funding to address the aging infrastructure. As a result, HACSB retained PYATOK as the Master Plan Architect, to help lead this revitalization and transformation process to provide mixed-income housing and community services. The goal of the redevelopment is to create, through a community participatory process, a sustainable neighborhood that includes a variety of housing types in small community clusters that are knit into the fabric of the surrounding community. The new site design will increase the housing count to approximately 411 units, ranging from affordable to market rate family units, as well as designated units for seniors. A larger community center will be built to include more space for recreation and education programs such as after school, daycare and early childhood development services, adult education, a computer lab, and recreational areas for an indoor gym and pool. More green space and parks will also be provided including playgrounds and community garden plots. The unit types will range from 1-4 bedroom apartments and townhomes, with private parking, onsite laundry facilities, private patios/balconies, garden spaces, and energy efficient appliances. Total investment at the site is expected to be in excess of \$100 million dollars over three to six years.

### **YWCA Family Village / King County, WA**

This project houses twenty women and their children that were formerly homeless. Each household has its own apartment for up to six months, until employment and housing are found. The building has a child care program for up to 60 children and adult counseling facilities. PYATOK designed the building to feel like a lodge typical of the northwest region. The homelike atmosphere is intended to soften the impact of the stressful crisis facing the families. Each floor has extra wide corridors for indoor play with large windows facing south sunlight. These corridors open onto rear porch decks which connect at the second floor down into the rear play yard.



## Firm Background

Established in 1996 on Bainbridge Island, Washington, Wenzlau Architects is an interdisciplinary design firm with a focus on urban design and housing solutions for growing communities. Our multifamily and mixed use projects have been recognized for their careful integration into existing neighborhoods and support of long-range community plans.

Each project plays a vital role in reinforcing the character of the larger community, while embracing a vision for sustainable growth. We have a strong history of developing effective working relationships with local planning agencies and neighborhood groups, and take pride in producing design solutions that exceed client expectations while gaining community acceptance and city approvals.

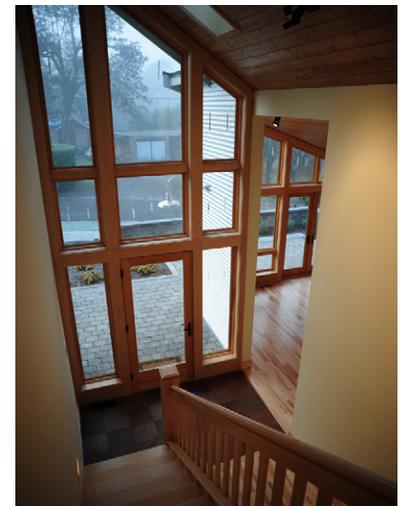


The Winslow

## Design Approach

Core Principles for our projects include: compact development; pedestrian oriented neighborhoods; low impact design; and defining how the project will fit into its surroundings while supporting the longer range vision for a place. Our aim is to create new forms of housing that achieve higher densities while maintaining the characteristics of single family living. We utilize a rich array of residential building types including row houses, stacked flats, cottages and courtyard housing.

Most of our projects include a defining central open space, such as a garden courtyard. These garden spaces or outdoor rooms help organize the site and create an internal focus for each residence. Our buildings are filled with natural light, have a clear ordering of spaces, and a strong sense of quality through carefully selected details and materials. Each project is a welcoming place to live or work and contribute to the fabric of the community.



Parfitt Cottage Residence



Chico Beach Cottages

## CHARLES WENZLAU AIA

### PRINCIPAL

Firm principal Charles Wenzlau brings expertise in urban design, landscape architecture, real estate development and affordable housing to his architectural practice. Charles has a passion for creating livable communities which can demonstrate a positive model for growth. With over twenty-five years in practice, he has designed a wide variety of housing and building types, from single family residences to large scale mixed use projects and urban planning. Charles consults throughout the Northwest and beyond on urban design and planning projects and has served as adjunct faculty at the University of Washington. A long-time advocate for affordable housing, he has led numerous citizen committees and continues to advance the case for workforce housing at both the local and regional scale.

### Registration

Registered Architect, Washington and California

### Education

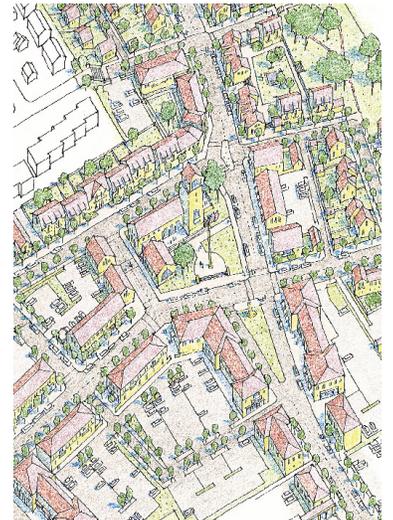
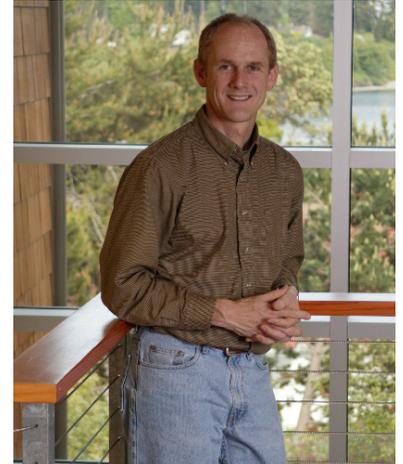
University of Washington 1997

- Master of Architecture/Urban Design Certificate
- Tau Sigma Delta Honor Society
- Meyer Wolfe Scholar

University of Oregon 1981

### Community Activities

- Housing Resources Board
- Puget Sound Regional Council Housing Symposium
- Community Housing Coalition, vice chair
- Winslow Tomorrow, charrette team leader
- Commercial Design Guidelines Committee 2003-2004
- Affordable Housing Task Force 2003-2004, chair
- Winslow Streets Plan and Roundtable 2003
- Community Forestry Commission 2001-2002
- Committee to Establish Housing Trust Fund
- Sustainable Kitsap, League of Women Voters 1998



## MULTIFAMILY

### Courtyards On Madison

These thirty townhouses are arranged around a central common space in this courtyard community. Using both attached and detached market rate homes, the project also includes 4 affordable units.



Courtyards on Madison

### Wood Avenue Townhouses

This infill housing in the downtown area emulates traditional row house buildings and includes stacked flats and detached row houses. Each row house is oriented around a central courtyard for privacy and light.



Wood Avenue Townhouses

### Cottage Communities

- Ericksen Cottages
- Chico Beach Cottages
- Cottages at Oakdale
- Northbrook Cottages

Based on the traditional bungalow courts, these small footprint homes are arranged around a central pedestrian common space, with generous porches and small private gardens. Cottage housing allows moderate density increases while preserving neighborhood character.



Ericksen Cottages - Site Plan



Ericksen Cottages

## MULTIFAMILY

### Janet West Home

Using a central courtyard as a gathering space, these 9 units of affordable housing blend comfortably with their surrounding neighbors. Developer: Kitsap Consolidated Housing Authority and Housing Resources Board.

### Madison Square

This mixed use project includes a new office building for Windermere Real Estate and a “U” shaped residential courtyard at the rear of the site. The homes facing the court include a mix of carriage units, townhouses and stacked flats.

### Camelia Apartments

This project has a strong pedestrian orientation with its network of paths connecting to adjacent uses. A large common open space serves as the focus for community gatherings. By placing most of the cars behind or under buildings, each unit is oriented to the common open space or path network. The 33 units include both stacked flats and live-work units.



Janet West Home



Madison Square - Residential Courtyard



Camelia Apartments - Site Plan



Camelia Apartments

## SITE PLANNING

### Pleasant Beach Village

This neighborhood planning project has expanded the historic Lynwood neighborhood shopping district with the addition of new shops and housing. The new hillside neighborhood, located uphill from the mixed use lower village, will include a mixture of housing types and natural areas which are connected by an extensive trail network.



Pleasant Beach Village

### Sutter Park

Surrounded by existing older neighborhoods, the new site plan introduces a variety of housing types to create a traditional neighborhood feel. The plan includes a variety of public spaces including a central park. Our work focused on planning the cottage housing portion of the neighborhood. Design Partner: The Cottage Company

### Graduate Institute Campus

For a school with an environmental focus, we designed this hillside campus on a steep site between commercial and residential areas. The plan makes the best use of natural features, including a pond, and uses a tram to connect upper and lower areas of the campus and to reach a community gathering space at the top of the site.



Sutter Park



Graduate Institute Campus

## SITE PLANNING & URBAN DESIGN

- Ferry Terminal Urban Design Study, Bainbridge Island WA (with Van Meter Williams Pollack)
- Pleasant Beach Village, Bainbridge Island
- Bainbridge Pavilion, Bainbridge Island
- Winslow Tomorrow Urban Design Plan, Bainbridge Island
- Poulsbo Place Phase 2, Poulsbo WA
- Central Kitsap Community Campus, Silverdale WA
- Village Square Master Plan, Bainbridge Island
- Bend Waterfront Design Charrette, Bend OR
- Shoreline Subarea Plan, Shoreline WA (with Lennertz & Coyle Architects and Town Planners)
- Sutter Park Master Plan, Sacramento CA
- Graduate Institute Campus, Poulsbo WA
- Dean Swift Neighborhood Plan, Bend OR (with OTAK Inc.)
- Antonson Place, Poulsbo WA

## MULTI-FAMILY RESIDENTIAL

- Copper Lantern Affordable Housing, Kenmore WA
- Ericksen Cottages, Bainbridge Island
- Wood Avenue Townhouses, Bainbridge Island
- Courtyards on Madison, Bainbridge Island
- Janet West Home Affordable Housing, Bainbridge Island
- Camelia Apartments, Bainbridge Island
- Rosebud, Bainbridge Island

## COMMERCIAL - INSTITUTIONAL - MIXED USE

- Madison Square, Bainbridge Island
- San Juan Building, Bainbridge Island WA
- Pleasant Beach Village, Bainbridge Island
- The Winslow Building, Bainbridge Island
- Madrone Village, Bainbridge Island
- Silverdale Dental Center, Silverdale WA
- Windermere Real Estate Buildings, Bainbridge Island & Kingston WA
- Fairbank Construction Offices, Bainbridge Island WA,
- North Point Church, Poulsbo WA
- St. Barnabus Episcopal Church Master Plan, Bainbridge Island
- Eagle Harbor Congregational Church Restoration, Bainbridge Island
- Village Square South, Bainbridge Island
- Hildebrand Village, Bainbridge Island

## SINGLE FAMILY RESIDENTIAL

- Parfitt Cottage Homes, Bainbridge Island
- Habitat for Humanity, Suquamish WA
- Hansville Residence, Hansville WA
- Wing Point Residence, Bainbridge Island
- Pasadena Residence, Pasadena CA
- Medina Residence, Medina WA
- Eagledale Residence, Bainbridge Island
- Eagle Harbor Residence, Bainbridge Island

**Browne Wheeler Engineers, Inc.** provides civil engineering planning, design and construction administration services for:

- Residential and commercial site development
- Drainage and stormwater management
- Water supply and sewer utilities
- Low impact development and erosion control

**Browne Wheeler Engineers, Inc.** has provided engineering services to the Puget Sound area since 1988 and has a record of successfully completing projects for a wide variety of clients including public agencies, commercial design teams and residential owners. We work closely with regulatory staff, owners, architects, builders, and other consultants to ensure that designs meet owner's needs and expectations, regulatory requirements, and environmental goals.



All of our team members are local residents and will be easily accessible and quickly available to address needs of the project.

## **SELECTED EXPERIENCE**

We have provided planning and design services for many of the larger public projects on Bainbridge Island as part of multidisciplinary design teams.

### **Ferncliff Village-Community Land Trust, Bainbridge Island**

We have recently completed planning, design and construction management services for a 48-unit affordable housing project for the nonprofit Housing Resources Board. The required density of the project depended on meeting affordability and Evergreen Sustainable Development Standards environmental standards and our design of roadways, site grading, utilities and storm drainage management addressed these needs. Construction of the first group of single family homes is nearly complete.

### **Island Gateway, Kids' Discovery Museum, Bainbridge Island Museum of Art, Bainbridge Island**

We provided planning and design services for the Island Gateway project which is presently still under construction. The project includes seven buildings including a children's museum, art museum, and retail/commercial space located at a landmark intersection near the Bainbridge Island ferry terminal. (LEED Gold goal).

Browne Wheeler Engineers, Inc. designed roadways, utilities, storm drainage and site grading on a fast-track schedule. We developed an approach to stormwater management which substantially reduced costs while providing protection to an adjacent stream. We have also provided stormwater runoff quality monitoring and utility inspection services.

### **Islandwood School, Bainbridge Island**

Browne Engineering, Inc. worked successfully with a large team of architects, landscape architects, design specialists, contractors and owner's representatives to plan and design civil aspects of the world class, environmental learning center located on a 256-acre forested property on Bainbridge Island. The project earned a LEED Gold Certificate for sustainable, green development. During project development, we designed site access, stormwater management, and utilities to support the project while providing maximum protection to the forest environment. We have recently completed design and construction of an expansion of the facility working with the original design team.

### **Vineyard Lane, Bainbridge Island**

Vineyard Lane is a 60-unit condominium development located at the top of a steep ravine near downtown Bainbridge Island. Management of stormwater was a particular challenge since the project is located at the top of a steep ravine with issues relating to slope stability. We designed pervious pavement roadways and parking areas teamed with conventional underground detention facilities to mitigate stormwater impacts to

the ravine creek and to reduce costs. The project included design of a sanitary sewer system, including a lift station, and a boring under a state highway to accommodate an 8-inch water supply line and a 4-inch sanitary sewer force main.

## **TECHNICAL STAFF**

**Adam Wheeler, P.E.** (Project Manager), a principal of the firm, has managed many of our larger projects from initial conception, through land use approvals, design and construction administration. He is proficient in site planning, water/sewer facilities, and storm drainage management in addition to the application of 3D computer models for civil design. He has also effectively assisted our clients in initial project planning, coordination with regulatory agencies, and in obtaining required permits and approvals. Adam holds a BSCE degree from the University of Washington.

**Kelsey Laughlin, P.E., LEED AP BD+C** (Technical planning and design) is skilled in many aspects of civil engineering design including 3D modeling, stormwater management, hydraulic and hydrologic modeling, site and utility design and construction administration services. She has experience working on projects ranging from large commercial projects to small residential remodels. She has specialized in use of low impact development methods for management of stormwater. Kelsey holds BSCE and MSCE degrees from Washington State University.

**David Browne, P.E.**, (Project consultation and Q/A review) a principal of the firm, has over 30 years of successful experience in a wide range of civil engineering projects. He has prepared planning documents for sewer systems, water systems, stormwater management, lake restoration and area-wide water quality planning efforts. His design experience includes site planning, water/sewer pumping facilities and pipelines, stormwater detention/water quality facilities and water storage. David has BSCE and MSCE degrees from the University of Washington.

**Adam E. Wheeler, P.E.**  
Browne Wheeler Engineers, Inc.



Education BSCE, University of Washington, 1999

Experience Adam Wheeler has 16 years of successful civil engineering experience. His experience includes planning, design, and construction administration of stormwater, water supply and sewerage facilities, and site development. Mr. Wheeler has experience in both the public and private sectors. He is proficient in 3-D civil design and hydraulic modeling software.

Residential Development. Recent experience has included development of drainage and site plans for residential developments ranging from single family residences to large subdivisions. He has worked successfully with owners, architects and agencies to develop affordable, effective plans for handling storm runoff in a safe and effective manner while meeting the project goals. His efficient use of technological skills results in fast and accurate production.

Water & Sewer Design. Mr. Wheeler has analyzed and designed facilities from single family residential services to water and sewer systems serving subdivisions and developed areas within the City of Bainbridge Island. Mr. Wheeler's fluency in digital design modeling enables accurate and efficient plans.

Commercial Development. Adam Wheeler has developed site plans for commercial development projects in numerous jurisdictions in the Northwest including design of stormwater conveyance/detention/water quality treatment facilities, provision of water and sewer service, and design of parking and site grading/erosion control.

Sustainable Development. Mr. Wheeler has participated in the design of multiple projects utilizing Low Impact Design and sustainable practices. These practices included the use of pervious paving, green roofs, bioretention gardens/rain gardens, the retention and utilization of existing native landscaping and the revitalization of disturbed landscapes to mitigate the environmental impacts of the proposed developments. Through the use of these practices our clients were able to developed sustainable and aesthetically pleasing projects in a cost effective manner.



Education MSCE, Washington State University, 2008  
BSCE, Washington State University, 2006 Cum Laude

Experience Kelsey Laughlin has successful experience in all aspects of planning, design, and construction management as an integral part of our team. She has designed stormwater management, water supply and sewerage facilities for projects ranging from single family residences to commercial projects. She is proficient in 3-D civil design, hydrologic and hydraulic modeling software.

Low Impact Development Ms. Laughlin is a LEED accredited professional and has specialized in design of stormwater facilities using Low Impact Development methods including use of green roofs, rain gardens, pervious pavement and dispersion/infiltration methods. She coordinates with the owners and architects to design systems that minimize the impact of development on the environment and meets the clients' goals.

Commercial Development. Ms. Laughlin has been a key contributor to design of our recent larger commercial projects including Wing Point Patio Homes, St. Cecilia Parish School and Faith Center and Island Gateway. She has prepared design drawings, coordinated with owners, utilities, COBI staff, and other design team members. Her talented use of AutoCAD allows for complex 3-D modeling which aids in determining quantities of cut and fill, and storm drainage, water and sewer pipe.

Residential Development. Kelsey Laughlin has taken the lead in preparation of numerous plans for management of stormwater from single family residences and residential development. Many of these projects incorporate low impact development methods. She has also designed roads, water and sewer systems to serve single family residences and multi-family plats.

Erosion/Sedimentation Control. Ms. Laughlin is experienced in the State NPDES Construction Permitting process and has prepared Notices of Intent and Storm Water Pollution Prevention Plans for numerous projects. She has C.E.S.C.L. certification with Washington State and has performed construction erosion and sedimentation control for large commercial projects.

**David W. Browne, P.E.**  
Browne Wheeler Engineers, Inc.



Education MSCE, University of Washington, 1977  
BSCE, University of Washington, 1974

Experience David Browne has over 39 years of successful civil engineering experience. His experience ranges from environmental and utility planning studies, design of stormwater, water supply and sewerage facilities, and construction management. Prior to forming Browne Wheeler Engineers, Inc. in 1988, Mr. Browne was employed in both public and private practice.

Commercial Development. David Browne has developed site plans for commercial development projects in numerous jurisdictions in Puget Sound including design of stormwater conveyance/detention/ water quality treatment facilities, provision of water and sewer service, and design of parking and site grading/erosion control.

Residential Development. Recent experience has included development of utility and site plans for dozens of residential developments ranging from single family residences to large subdivisions and planned communities. He has worked successfully with owners, architects and agencies to develop affordable, effective plans for utilities and roadways.

Water System Design. Mr. Browne has analyzed and designed facilities for water supply from large municipal systems to small systems serving communities and schools. He has designed miles of water main, large municipal and small system well/pumping facilities, disinfection facilities and water storage facilities from small pressure tanks to large municipal steel tanks.

Water System Planning. Mr. Browne has developed water system plans for numerous Washington cities and water districts. Planning has included population and water demand projections, evaluation of water systems to meet future needs, development and evaluation of alternative improvements, and development of operation and financial plans. He has developed and calibrated computer models of numerous municipal water systems and has applied those models to determine system deficiencies and fire flow availability.

Sewer System Design and Planning. David Browne has designed and managed construction of sanitary and storm sewer systems ranging from single family residential services to sewer systems serving subdivisions and developed areas within the City of Bainbridge Island.

## **Fischer Bouma Partnership Qualifications Site Design & Landscape Architecture**

Fischer Bouma Partnership is an experienced, responsive small firm focused on landscape architecture and community planning located on Bainbridge Island. Partners have held leadership position in government and private sector, servicing a variety of clients including private developers and local government. We embrace a collaborative, idea driven process focused on outcomes that meet client and community expectations. We do not design to a particular style or trend; rather we apply our planning design and technical skill to deliver context sensitive, distinct and enduring solutions.

Fischer Bouma Partnership has been led by Sandy Fischer and Jeff Bouma, both licensed landscape architects, since early 2012. We, as partners, share a 12 year history of successful collaboration. More importantly, we are connected by shared values including a commitment to client service, our staff, creativity, idea driven solutions and sustainability. Prior to forming Fischer Bouma Partnership in 2012, we worked together at EDAW and AECOM Seattle where Sandy was a practice principal and Director of Planning and Design and where Jeff, as a Senior Associate, contributed to managing the design studio.

We deliver designs and plans that are responsive to our clients' needs, the cultural context and the environment. Our solutions are meaningful, robust, beautiful and enduring. We design and plan private and public places, at a variety of scales and believe working as planners and designers makes us better at both. Our portfolio includes a range of scales – from intimate gardens to community plans. Our focus is on placemaking and creating community through thoughtful design, form giving and choosing and arranging the elements of the site to support the vision.

First, we listen to our client's needs, aspirations and definition of success. Our approach is informed by the team's collective academic background and professional practice experience. Our expertise is grounded in the fine arts, ecological sciences, social sciences, and economics and includes leadership positions in public service and private consulting. Leadership and staff share a commitment to planning and design solutions that are idea driven, place-based and address both conservation and development.

We design enduring places informed by place, culture and people. We consider the site's history and the processes that have and will continue to shape the land; recognizing that our work is only one of many interventions over time. Stories, culture and values matter. Through thoughtful analysis and engagement processes we gain a deep understanding of the design challenge. Understanding the natural ecology often leads to creative solutions that reinforce, restore or express the systems. Climate, water, soil, plants, and animals all interact dynamically to influence our enduring solutions.

### **Summary of Relevant Experience**

Our team is differentiated by experience, creativity and pragmatism. We offer years of hands on experience in landscape design, grading and drainage design, water efficient

irrigation, LID, budgeting, construction oversight and maintenance. We have a diverse portfolio of built work including restorations of prairies, forests, wetlands and shorelines, ornamental and native landscapes, gardens and public spaces. All of our projects address aesthetic grading and planting. We have worked on several complicated sites and are prepared to address the grade transitions, soil suitability, drainage and environmental challenges inherent in this site. We have a history of successful collaboration with civil engineers and are accustomed to coordinating our work across many disciplines. Sustainability is a core value in the Pacific Northwest. We approach sustainability from a broad perspective, working with owners on priorities and opportunities. We have designed and implemented many sustainable site projects including several LEED projects. While we recognize commissioning is not the goal of every project our familiarity with sustainable site design will inform our recommendations.

The firm understands Bainbridge Island community culture and expectations associated with design and implementation of landscapes within both public and private developments. The firm is well versed in the nuances of the Bainbridge Island Municipal Code with regards to landscape requirements (landscape buffers, perimeter landscapes, and parking lot planting) for various types of development and has completed several tree retention analyses based on the interim tree retention ordinance.

Each of the FBP partners have lived on the island for over 12 years and our office is located in the heart of Winslow. In the past three years, the firm has worked on a significant number of projects on Bainbridge Island and within Kitsap County including a remodel of Town & Country Market, several phases of housing, a new pool, park and the resort cottages at Pleasant Beach Village in Lynwood Center, the High School Road Development at 305, Bainbridge Island Marina expansion, the new fire stations for the BIFD and the Coppertop expansion on Sportsman Club Road. Recently, we have provided landscape architecture services to HRB for the Ferncliff Village Affordable Housing project on Bainbridge Island. Other relevant housing and development experience related to this project includes:

Ferncliff Village Affordable Housing, Bainbridge Island, WA  
Pleasant Beach Village Apartments, Bainbridge Island, WA  
Pleasant Beach Village Housing Phase 3, Bainbridge Island, WA  
Pleasant Beach Inn & Cottage Housing, Bainbridge Island, WA  
Edward Rose & Sons Apartment Complex, Poulsbo, WA  
Bucklin Court Mixed Use Development, Silverdale, WA  
Madrona Glen Housing Development, West Seattle, WA  
University Apartments, Seattle, WA  
Hesper Neighborhood Plan, Yellowstone County, MT  
Rhubarb Neighborhood Plans, Dunn Center, ND  
Multiple MSHDA Affordable Housing Projects, MI  
Big Sky Town Center and Residential Villages, Big Sky, MT  
Millstone Condominiums, Billings, MT  
Valley West Neighborhood Plan, Bozeman, MT  
Stanford Court PUD Billings MT  
Shadow Lawn, Billing MT

Rocky Village, Billings, MT  
Carma Development, Mill Bay, Malahat Vancouver Is, BC  
Tainjin Olympic Village Master Plan, Tainjin, China  
7 Aramco New Towns, Saudi Arabia. U.E.  
University of Mt. Family Housing, Missoula MT  
Olympic Apartments, Billings MT  
Shaw Road Neighborhood Plan, Puyallup, WA  
Park View Care, Billings MT  
St. Johns Assisted Living. Billings MT  
Aspen Meadows Retirement Center, Nursing Home and Cottages, MT  
Laurel Nursing Home, Laurel, MT  
St. Thomas Square, Great Falls MT  
Stoney Ridge Subdivision, MT  
Malmstrom AFB, Great Falls, MT  
North Hills Estates, Laurel MT  
VA Nursing Home, Miles City MT

## **Who Will Be Involved**

**Sandy Fischer** is a licensed landscape architect, community planner and a founding partner of Fischer Bouma Partnership. Sandy's strength is providing an integrated design process focused on site and landscape solutions that are attractive, enduring, affordable and engaging. Sandy's 30+ year career as a landscape architect and community planner has focused on leading teams, advocating for livable communities, designing attractive places and shaping enduring landscapes. She has held senior director positions in local government, international consulting firms and her own practice. Sandy enjoys collaborating with interdisciplinary teams on challenging projects and idea driven solutions. Clients appreciate her ability to balance vision and pragmatism to produce plans and designs that are actionable and catalytic.

Sandy has a diverse and award winning design portfolio of built projects in the Northern Rockies and Pacific Northwest regions. Sandy seeks to understand each site within a larger context of ecology, time, culture and community values. She enjoys collaborating, learning and teaching. Her community plans have effectively guided change in new and existing; rural and urban; local and international communities. Sandy often works with scientists, engineers, designers and artists to gain an understanding of and creatively express the unique history, culture and geography of the places and the people she is entrusted to work with.

**Jeff Bouma** is a licensed landscape architect and a founding partner of Fischer Bouma Partnership. Jeff's 16+ year career as a landscape architect has focused on creating meaningful places that account for the ecological, aesthetic, and social factors that come with every site - doing so with a team of experts that share a common vision. Jeff spent 12 years of his career at a large design firm with a focus on the design and implementation of public places, from urban to rural, at a variety of scales.

His practice has focused primarily on projects in the Pacific Northwest. In the past three years, Jeff has worked on several housing-related projects on Bainbridge Island, in Kitsap County and

in Seattle including a mixed-use center at Pleasant Beach Village, Ferncliff Village for Housing Resources Bainbridge, and planning for a large apartment complex in Poulsbo for Edward Rose & Sons. His portfolio also consists of many designed and constructed public or civic projects on Bainbridge and within Kitsap County including a new library in Silverdale, a trail in North Kitsap, new fire stations for Bainbridge Island, a community center in Kingston, and the Town & Country remodel on Bainbridge. Projects also include a large regional park- Snoqualmie Falls- visited by over 2 million people a year, a large 10-acre on-structure public plaza at the Washington State Capitol, and the Seattle Seahawks training facility and headquarters in Renton.

Jeff specializes in both the design and management of complex multi-disciplinary projects. He has been involved with most of these projects from their inception, programming the facility with the client and creating a concept plan and construction documents that are then implemented. With a background in natural sciences/ecology, and a love for the outdoors- from the garden to wild places, Jeff's design is grounded in science and informed by the context and ecology of the landscape.

## **Suzuki Site & Landscape Thoughts**

The Suzuki site presents an opportunity to provide affordable housing in an attractive place and with a productive landscape.

- Build with thoughtful density and design taller buildings to use land efficiently.
- Create compact homes that will provide choices and encourage an intergenerational community.
- Provide choices in housing style and mobility.
- Make pathways, bicycle and transit connections comfortable and provide accommodations for cars.
- Gently fit the buildings and site improvements into the existing landscape to allow for preservation of some of the distinct site features.

Strive to preserve the natural resources, such as forest and tree cover, on the site. The pond, forest and topography add character, support wildlife, and provide recreational opportunities- retain these qualities in the new development or restore those qualities in the new landscape. Where new landscape is required, it will meet city codes for buffering, screening and storm water management. The landscape should be both beautiful and productive.

Consider incorporating plants that are both edible and attractive and artfully arranged. Use plants that will shade structures and reduce energy used for heating and cooling. Include native plants and incorporate pollinators and edibles. Plant for seasonal interest and sensory stimulation. Save clusters of trees where possible. Make the grade transitions intentional and part of the design. Salvage and manage the topsoil to support a landscape that will thrive and be part of the neighborhood identity.

Use affordable and sustainable building techniques. Reduce the need for large storm water facilities by keeping footprints of buildings and parking compact. Design the landscape to perform multiple functions; ecological and social and to conserve water and energy. Preserve a sense of space by framing views, minimizing fencing and providing some simple, common open

spaces that will become neighborhood gathering places. Shared amenities may include playful elements (such as movable seating, swinging benches, and artful objects), pathways and seating areas where people of different ages and abilities will mix, and natural play elements (logs, sand, and large stones) in lieu of prefabricated structures.

Consider lifestyle. A new development is an opportunity to allow and encourage home-based businesses. CCR's could allow entrepreneurial activities and perhaps include work-live units or simple permit home occupations.



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## **Suzuki Property RFP Qualifications**

### **O'Brien & Company: Sustainable Building Consultant for Housing Resources Board/Housing Kitsap**

#### **Firm Profile**

O'Brien & Company is a nationally-recognized consulting firm committed to the creation of a sustainable built environment. Working in partnership with our clients, and drawing on a strong foundation of skills, knowledge, and field experience, the firm offers finely targeted services that result in a practical, more sustainable reality.

Our mission is to create a sustainable built environment that ensures a better quality of life for present and future generations. We believe we are successful when we create strategies that solve multiple problems, leverage existing resources, and provided added value. We respect that each organization we work with has a unique path to sustainability. As your goals evolve, ours stay the same: to provide guidance, clarity and confidence on your journey towards sustainability.

O'Brien & Company understands how a sustainable built environment adds deep, enduring value to every organization and project, regardless of the scale, stage, or scope. We use holistic, practical thinking; a collaborative process; and deep technical knowledge to deliver the best economic, social, and ecological outcomes for our clients.

In accordance with the equity component for sustainability, O'Brien & Company has maintained a strong focus on affordable housing, both in our project work, and pro-bono policy and advocacy activities. Company Principals are active participants in the development and revision of regional and national green building programs for affordable housing, and contribute to State-level policy advisory committees on improving both the performance and the lifecycle ownership cost of subsidized housing.

#### **Residential Services**

Our Residential Services Team has worked in residential design and construction for more than 16 years. We use our extensive project experience to help teams navigate efficiently to their desired project outcomes, providing teams with the information and analysis needed to establish and clearly articulate project goals, and make sound design and construction decisions. Whether you're planning a small townhome development or a 300 unit apartment complex, our staff bring the best industry information to help you build capacity for current and future projects; and our services can be tailored to meet your project budget and performance goals.

Each member of our team is thoroughly educated in the principles of building science and practical realities of residential building performance. We have expertise in, and hold accreditations for most major high performance building programs from Energy Star, Built Green and Green Communities through LEED to the Well Building Standard and Living Building Challenge.

The diversity of our project experience, from Community Land Trust single family homes, to award-winning tribal housing and visionary market-rate, mixed-use projects in South Lake Union, allows us to bring a unique set of creative and analytical skills and project delivery experience to help this project team to endow Bainbridge Island with the next level of affordable, high-performance housing and needed amenities to this part of the community.

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## Relevant Projects



**The Puyallup Longhouse** (2010 to 2012) project, the Place of Hidden Waters, is a new model in culturally and environmentally responsive housing for the Puyallup Tribe in the Pacific NW. This project achieved LEED Homes Platinum Certification and was selected by USGBC as the Innovative Project of the Year in 2012. O'Brien & Company, as the LEED Homes Provider and Green Rater on this project, participated in design charrettes during the early design phase, provided early infiltration performance testing to assist with air sealing strategies, and helped develop Energy Performance Monitoring and Operations & Maintenance Plans using HUD TAs grant funds.



**Stack House Apartments** (2010 to 2013) is the residential component of the redevelopment of an entire city block in the South Lake Union neighborhood of Seattle. The project is certified Platinum under the LEED for Homes Mid-Rise Rating System and meets the energy and water consumption requirements of the Seattle 2030 District. In addition to early design facilitation, O'Brien & Company provided quality assurance and verification oversight of the design and construction process. Given the high performance expectations, O'Brien & Company's field team worked closely with the general contractor and their sub-contractors to ensure the construction details necessary to

achieve the performance requirements were clearly understood. Stack House has won numerous national awards for innovative and visionary architectural and engineering design.

### **Green Building Criteria Update – Evergreen Sustainable Development Standard (ESDS), Enterprise Green Communities, 2014 to 2015**

Enterprise Green Communities recently completed an update to their green building criteria for affordable housing. Washington State's ESDS program is currently doing the same for release in 2016. Alistair provided research, draft language and technical guidance to the technical working groups for both programs, and continues to contribute as part of the Enterprise Design Excellence Advisory Team.

### **Kriegh Architects/Bainbridge Island Housing Resources Board –Ferntcliff Village Pre-design Bainbridge Island, WA, 2008 to 2010**

This 6-acre parcel was donated to the Housing Resources Board for the specific purpose of developing affordable housing on Bainbridge Island. Kriegh Architects led the design process of a two-phase project consisting of 48 sustainable, affordable townhouse units. Alistair provided site solar analysis, eco-charrette facilitation and technical assistance consulting on building envelope performance, low-load mechanical systems and materials selection for durability and reduced environmental impact.

### **Kulshan Community Land Trust – Matthei Place Homes**

*Bellingham, WA, 2006 to 2008*

Matthei Place is a project of the Kulshan Community Land Trust in Bellingham, WA. This 14 unit, permanently affordable housing development is part of a City demonstration project to promote higher density, affordable infill projects. Alistair provided LEED for Homes and Green Communities eco-charrette facilitation services; technical assistance with interpreting and complying with green certification programs; and other services related to achieving LEED for Homes certification.

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## Staff Bios

### **Alistair Jackson, Principal**

*LEED AP BD+C, Homes; LEED Homes Green Rater & QAD; CSBA; Built Green Verifier; RESNET HERS Rater*



Alistair brings over 20 years of experience in the field of sustainable business, merging a deep technical understanding of building performance with first-hand experience of integrating sustainable principles into business practice. He works closely with clients to improve the performance and increase the value of their projects on all three axes of the triple bottom line. Since 2001, Alistair has focused his interest on defining the value proposition of sustainable development, particularly in the areas of multifamily building and affordable housing. He is committed to the value of a truly integrated project delivery process as a way to deliver desired performance outcomes. From helping developers evaluate the financial return of sustainability strategies, to working with construction teams and building operators to ensure those returns are realized, Alistair brings a big picture perspective, an eye for detail and a pragmatic approach to getting things done.

As a principal and owner, Alistair oversees O'Brien & Company's residential services team, who provide feasibility analysis; design support and facilitation; verification and performance testing for residential projects. Alistair is the Primary Quality Assurance Designee (QAD) and senior consultant for O'Brien & Company's role as a LEED for Homes Provider.

### **Eric Noll, Project Coordinator**

*LEED AP Homes; LEED Homes Green Rater; RESNET HERS Rater*



With a background in sustainable development, urban planning, and residential construction, Eric brings experience from across a spectrum of program and policy work level to high performance and sustainable building practices at the site level. From this perspective, he combines both "big picture" thinking and "the devil is in the details" attention in his approach to work on the residential team. At O'Brien and Company, Eric provides technical assistance to project teams seeking LEED standards of certification, Built Green certification or to meet project- customized sustainability goals and supports the firm's work on sustainability policy and programs.

## **Aspect Consulting LLC**

Established in 2001, Aspect Consulting, LLC (Aspect) is an earth science and engineering firm providing geotechnical, geologic, hydrogeologic, and environmental services throughout the Puget Sound area and Washington State. With five Washington offices – including their headquarters on Bainbridge Island – and a staff of 66, Aspect offers an ideal combination of local geologic expertise, a depth of experience in geotechnical engineering, and responsiveness to small public agencies. Through hundreds of local commercial and private development projects completed since their inception in 2001, Aspect's staff has developed an institutional knowledge and understanding of Bainbridge Island's subsurface conditions and concerns, as well as an in-depth understanding of local requirements and regulations for design and permitting of projects. The Aspect Bainbridge office is just a block away from Bainbridge Island City Hall, allowing them to work closely with COBI staff and respond quickly to issues.

### **ANDREW HOLMSON, PE Senior Project Geotechnical Engineer**

Andrew Holmson's education and experience in geotechnical field exploration and geotechnical engineering support for stormwater and wastewater infrastructure projects has made him an integral member of Aspect's geotechnical team. Working from Aspect's Bainbridge Island office, Andrew provides key geotechnical support from design through construction on local projects ranging from commercial developments, parks and community space improvements, and private residence projects. Complementing Andy's understanding of the geotechnical challenges of local soils is his ongoing working relationship with the City of Bainbridge Island, which gives him strong working insight into City permitting and project requirements. Andy's current efforts include performing geotechnical investigations for foundation design and support of low impact development concepts on several municipal and commercial projects in the West Sound.

### **Kingston Community Center, Kingston, WA**

Aspect is providing geotechnical engineering and environmental services on the Kingston Community Center site. The project includes design and construction of an 8,000-square foot (sf) branch library, 14,000 sf senior housing center, and 200 additional parking spaces, in addition to the 17,000 sf community center. Aspect completed site explorations and provided geotechnical engineering recommendations for the new buildings, parking areas, and low impact development (LID) strategies being used at the site. Andrew coordinated the exploration program to characterize site subsurface soils for the new structures and for compatibility with GSI. GSI elements included on-site disposal through use of permeable pavement and raingarden infiltration. Andrew was the primary field representative during construction of the senior housing center, performing subgrade evaluation, reinforced fill wall construction, and assessing subgrade soils for permeable pavement systems. He is currently providing geotechnical support for the branch library that is currently in construction.

### **Town and County Market Remodel, Bainbridge Island, WA**

Just north of Bainbridge Island's waterfront park, Andrew assisted in the coordination of a subsurface exploration program to gather data for informing the design of new foundations, retaining walls, and parking areas in the expansion/remodel of an existing grocery store. Andrew was the primary field representative for supporting the project during construction and performed construction observation tasks such as subgrade evaluation, excavation, and fill placement. The project was recently completed in the fall of 2015.

### **Multiple New Single-Family Residences, Bainbridge Island, WA**

Andrew has provided full-service geotechnical support for numerous new single-family residences and associated lot developments on Bainbridge Island. Tasks included subsurface explorations and site characterization, evaluation of site infiltration potential; and development of foundation, stormwater, and retaining wall design criteria.

### **PETER BANNISTER, PE Associate Engineer**

Working from Aspect's Bainbridge Island office, Peter Bannister is an associate engineer with expertise in environmental hydrogeology and in-depth experience applying groundwater modeling to address water resource issues, such as surface water/groundwater interactions. Peter's numerical modeling experience includes extensive application of MODFLOW and MT3D software to simulate groundwater flow and transport in the complex hydrostratigraphy found throughout the Pacific Northwest. Peter's analytical modeling experience includes extensive knowledge and application of MOUNDHT and BIOSCREEN software.

### **City of Bainbridge Island Modeling Support, Bainbridge Island**

Peter is providing modeling support for the City of Bainbridge Island Comprehensive Management Plan Update. Under this contract, he is managing a team to assess questions of long-term sustainability of the Island's sole-source aquifer system. Historical groundwater level, quality, and production data are being compiled and assessed for trends. These data will serve to update and recalibrate the 2011 USGS model. Various forecasted development scenarios will be simulated using the groundwater model to address issues such as changes in stream flow, effects of climate change, and risks of seawater intrusion.

### **Twin Lakes Water Storage Evaluation, Winthrop**

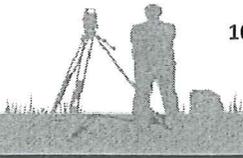
Peter developed a detailed MODFLOW-SURFACT groundwater model to provide clear comparison of multiple build-out scenarios for a proposed water storage alternative using the aquifer surrounding Twin Lakes. He quantified impacts of full regional development on Twin Lakes aquifer levels and Methow River flows, groundwater withdrawal and transfer rates required to achieve target water level elevations compliant with WDFW-specified limits, river bypass reach impacts from proposed withdrawals, and timing and volumes of groundwater discharge to river.

### **DuPont Groundwater Model Development, DuPont**

Peter developed a groundwater model to assess the hydrogeologic effects of proposed expansion of an aggregate mine in the DuPont area. The model simulated complex wetland and streamflow interactions with groundwater in the Sequalitchew Gravel aquifer. Peter updated the model to address changes in mine plans, an extended calibration timeframe, and the release of the USGS groundwater model of the Chambers-Clover Creek watershed. Peter presented the groundwater model to a group of environmental stakeholders, which supports a comprehensive hydrologic monitoring program.

### **Cadman Mine Site Water Resources Evaluation and Mitigation, Monroe**

Peter supported several water resource studies associated with remediation of an aquifer breach, and permitting of a mine expansion in a critical aquifer recharge area. Work included characterizing the groundwater flow systems and hydraulic connection between groundwater and spring, wetlands, and stream baseflows dependent upon groundwater hydrology. Aspect developed monitoring plans, performance standards, and an adaptive stormwater management program which were incorporated into the mine design and operation plans to ensure protection of existing water resources.



November 2, 2015

Housing Resources Bainbridge  
250 Madrona Way NE, Suite 110B  
Bainbridge Island, WA. 98110

Dear Mr. Blatter

Please accept this as our letter of qualifications to provide land surveying services for the Suzuki Project. Adam & Goldsworthy Inc. has been in business since 1990 providing land survey services to the Bainbridge Island and North Kitsap communities. This company was founded by Marc Adam, Jim Goldsworthy and Candy Korsmo. I have recently acquired the company and am now the current owner/operator. I have been with Adam & Goldsworthy since 1995, and have been a licensed land surveyor since 2008. Jim Goldsworthy is still part of the staff and has been a licensed land surveyor for over 30 years and worked in this area as surveyor for over 35 years. Jim and I also are Certified Federal Surveyors (CFedS) since 2009. Candy Korsmo is also still part of the staff and has over 40 years of experience in surveying and engineering management. Marc Adam has retired.

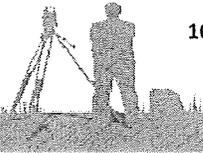
We've had a wide variety of experience over the years including surveying for both private clients and governmental agencies. We have historically completed approximately 300 survey projects of all types each year and we have extensive experience in all aspects of land surveying including utilities design surveys and construction surveying. We have considerable experience working closely with independent civil engineers and architects to meet our client's needs. We also have a good relationship with the City of Poulsbo, Kitsap County and the Suquamish Tribe, working on both our client's projects and directly providing survey services to governmental agencies. We have had a yearly Agreement for Professional Services with the City of Bainbridge Island for survey services since 1997.

We have completed numerous short plats, plats, residential and commercial surveys within the City of Bainbridge Island working closely with both our clients and City personnel. All of our field work is done with automated survey instruments and our computations and drawings are prepared using AutoCAD.

We appreciate the opportunity to be considered to provide survey services for you. If you have any questions or would like to meet, please give me a call.

Sincerely,

Gavin M. Oak, PLS  
Managing Member



## Gavin M. Oak, PLS, CFedS

### Summary of qualifications

September, 2015 - Present      A G O Land Surveying, LLC, Poulsbo, WA.

- In charge of the day to day working of a survey office.
- Estimating of survey jobs
- Research, layout of field work, checking, and preparing survey drawings.
- Field surveying

### Education

1991 – North Kitsap High School  
1992 – Olympic College Small Business

### Professional experience

1995 – September, 2015      Adam & Goldsworthy, Inc.      Poulsbo, WA  
Field survey, estimating, research, layout, checking and preparing survey drawings.

### Professional memberships

Professional Land Surveyor, Licensed, 2008  
Certified Federal Surveyor, Licensed, 2009

**HEATH & ASSOCIATES, INC.**  
**2214 Tacoma Road, Puyallup, WA 98371**

COMPANY PROFILE

Heath & Associates, Inc. is a multi-faceted transportation and traffic engineering firm located in Pierce County which has provided transportation planning services to the local community and the overall region for over 20 years. Heath & Associates has conducted work in over 25 municipal jurisdictions in the State of Washington and has accompanied numerous architectural/engineering/planning teams on several large-scale projects, some totaling over \$35 million in cost. Principal engineer Gregory B. Heath, P.E., is a graduate of Washington State University with 30 years experience in both municipal and private traffic engineering. Mark A. Tai, P.E., a graduate of Georgia Tech Transportation Master's Program, has over 10 years of private consulting experience. Kyle Young, EIT came to work for us in 2007 after graduating from the University of Washington in Civil Engineering with an emphasis on Transportation.

With an exceptional technical support team, Heath & Associates is staffed to handle a wide diversity of transportation related projects. The six major areas of transportation which Heath & Associates specializes in are listed below.

- \* Traffic Impact Analysis
- \* Circulation Planning
- \* Arterial Corridor Analysis
- \* Parking Design
- \* Channelization Design
- \* Pedestrian Studies

Heath & Associates has been the primary transportation consultant for numerous retail, commercial, residential, and academic projects. A partial list of projects is given below.

- \* White River Transportation Center Impact and Circulation Study
- \* Harrison Memorial Hospital Transportation Planning and Impact Study
- \* Longston Cinemas Mixed-Use Development Impact and Planning Assessment
- \* Olympia High School Vehicle and Pedestrian circulation/Impact Study
- \* Fennel Creek Master Planned Community Congestion Assessment
- \* East Lake Tapps Master Planned Community Congestion Management Plan
- \* Silver Creek Residential Development Impact Study and Corridor Evaluation
- \* The Gorge at George Circulation and Signage Plan
- \* Port of Tacoma Industrial Development Signage

In addition to the projects listed above, Heath & Associates has conducted work on a variety of other projects throughout the region ranging from impact studies for residential subdivisions to comprehensive circulation assessments, corridor studies, and congestion management plans. Heath & Associates is thoroughly committed to providing quality service to its clients at reasonable fees. Traffic engineering and planning fees are typically presented in bottom-line estimates which encompass engineering services, drafting costs, and all supplementary technical support services. Future analysis and report revisions are contained within a single estimate. A large number of engineering firms, development companies, architecture firms, and government agencies throughout the Puget Sound area have utilized and endorsed Heath & Associates for transportation planning/engineering services. We are happy to provide references upon request.

GREG HEATH

Greg Heath has practiced in the traffic and transportation engineering profession for 30 years in both the public and private sectors. Since entering private practice in 1986, Mr. Heath has conducted work in a number of local jurisdictions including the counties of Grant, Jefferson, King, Kitsap,

Pierce, Thurston, Skagit, Snohomish, and Yakima. He has also performed work in a number of city jurisdictions including Bainbridge Island, Gig Harbor, Tacoma, Seattle, Poulsbo, Yelm, Fife, Puyallup, Issaquah, Mount Vernon, Bremerton, Olympia, Enumclaw, Port Orchard, Auburn, Tumwater, Sumner, and Yakima. This work has consisted of transportation planning studies, parking and circulation studies, traffic impact analyses, pedestrian flow assessments, transit network assessments, and various large-scale master plans. Prior to opening a private transportation engineering practice, Mr. Heath worked at the City of Tacoma Public Works Department as section head of the Traffic Planning and Channelization Division. The majority of Mr. Heath's duties at the City of Tacoma involved supervising the design and preparation of engineering plans, finalizing cost estimates, and determining specifications for transportation projects. These projects included a variety of channelization designs, signal designs, planning studies, and transit coordination plans.

#### PLEASANT BEACH RESORT – November 2014

This project proposes to construct a 15 room motel in the City of Bainbridge. The development is part of the overall master plan for the Pleasant Beach Resort that will include retail, residential, and lodging uses. The site is located on Woodson Lane, just off of Lynwood Center Road

#### DENOVA PLAT- November 2014

This proposed project is to consist of 19 single family homes in the City of Bainbridge Island. The site is located on the south side of Wyatt Way and just west of Grow Avenue and east of Nicholson Place.

#### FERNCLIFF HOUSING – June 2010 with update May 2014

This project for the Housing Resources Board (HRB) of Bainbridge Island is 48 residential townhomes in the City of Bainbridge Island. The HRB is committed to providing low income housing opportunities in the local area. The project is located at the west side of Ferncliff Avenue NE.

*Sound Community Ventures LLC*

# Statement of Qualifications Project Financial Consultant

Prepared for: Housing Resources Bainbridge

Prepared by: Sound Community Ventures LLC

November 3, 2015

**Sound Community Ventures**

November 3, 2015

Mark Blatter  
Housing Resources Bainbridge  
250 Madrona Way NE Suite 110B  
PO Box 11391  
Bainbridge Island, WA 99110

Re: Project Financial Consultant

Sound Community Ventures (SCV) is pleased to submit the Statement of Qualifications to Housing Resources Bainbridge. SCV assists national and local clients in implementing affordable housing strategies and exploring creative funding solutions. Bob Powers, principal, brings over 25 years of experience working with low income housing tax credit (LIHTC) syndicators, investors and developers. SCV has extensive experience working with non-profits and public housing authorities.

SCV emphasizes building long-term client relationships, not solely vesting in the feasibility of a single project. For clients, this means a trusted advisor to help gather information for critical decisions, access to capital markets and support in project development. As a financial and development consultant, SCV is able manage multiple projects for multiple clients, and in most cases avoid competition among clients in funding cycles. This is achieved through diversification of clients, services, and by working in multiple markets without conflicting funding cycle timelines.

SCV strives to develop long-term relationships with its clients, which often leads to multiple engagements or contracts. The contract scopes have ranged from strategic or financial advisor to project developer. SCV strives to meet timelines required by clients or other funders. Analysis can be provided in SCV spreadsheets and reports, or provided in formats requested by client.

I look forward to the opportunity to work with the HRB and Housing Kitsap on the Suzuki property proposal. Please do not hesitate to contact me if you have any questions.

Sincerely,

Bob Powers

## **Sound Community Ventures**

### ***Firm Description***

Sound Community Ventures is a consulting firm focusing on innovative affordable housing finance and development strategies. SCV represents both local and national clients, providing financial and development consulting services, as well as support in evaluating opportunities to restructure and recapitalize existing properties and portfolios.

Bob Powers is the principal of Sound Community Ventures LLC, and brings over 25 years experience working with low income housing tax credit syndicators, investors and developers in affordable housing. From 1992 to 2005, Bob was employed in Enterprise Community Investment's LIHTC equity syndication business. His most recent position was as Chief Acquisitions Officer where his responsibilities included managing staff resources, marketing to development and investor partners, and achieving national production targets. Bob spearheaded Enterprise's efforts to expand its west coast operations and opened the Portland and Seattle offices in 1994 and 2000, respectively. He managed the company's West Coast tax credit portfolio and originated and structured equity investments for both national and regional funds.

Before joining Enterprise, he was the housing and economic development program manager for Raleigh, North Carolina's Department of Community Development, where he was responsible for the City's rental housing program, commercial and residential redevelopment efforts in downtown neighborhoods and technical assistance training for nonprofit organizations.

SCV Client list includes 25 non-profits organizations, public housing authorities and affordable housing developers. At any given point in time, SCV may be actively engaged with four to five clients, with projects at varying stages of development.

- Archdiocesan Housing Authority
- BRIDGE Housing
- Chesapeake Community Advisors
- Delaware State Housing Authority
- Enterprise Community Partners
- Enterprise Community Investment, Inc.
- Hacienda Community Development Corporation
- Housing Authority of the City of Bellingham
- Housing Authorities of the City and County of Fresno
- Housing Authority of Clackamas County
- Housing Authority of Portland/Home Forward
- Housing Authority of the City of Walla Walla
- Housing Authority of Salt Lake County
- Housing Development Center
- Human Solutions Inc.
- Impact Capital/LISC
- Intercommunity Mercy Housing
- Interim CDA
- Kitsap County Consolidated Housing Authority
- Little Tokyo Service Center
- Low Income Housing Institute
- National Affordable Housing Trust
- New Economics for Women
- Redwood Housing Partners
- Senior Services of Snohomish County

## **Project Experience**

### **1. Public Housing Development**

SCV assists public housing authority clients in implementing affordable housing strategies and exploring creative funding solutions, and brings direct experience with public housing restructuring and HOPE VI financing.

Among SCV's clients are public housing authorities in Washington, Oregon, California and Utah. SCV has been engaged to examine the feasibility of restructuring or recapitalizing public housing stock, and to assist in securing HUD approvals for transactions.

**Walla Walla Housing Authority.** SCV was engaged by WWHA to examine the feasibility of converting its 84-unit public housing portfolio under RAD, and preparation of the RAD application submittal. The renovations will be financed with tax-exempt bonds and low income housing tax credits.

**Enterprise Community Partners.** SCV is currently engaged by Enterprise Community Partners, under a contract with HUD, to serve as a "**RAD Expeditor**", providing technical assistance to PHA's and RAD awardees to resolve and/or assess issues related to program execution or pending application submittals. Under this contract, SCV has worked with a number of public housing authorities, including the Fresno Housing Authority, Everett Housing Authority, Wilmington Housing Authority (NC) and Sanford Housing Authority (NC). In 2015, SCV has also been designated a "**Readiness Transaction Manager**" to facilitate PHA's moving through the RAD conversion process.

**Fresno Housing Authorities.** SCV-led team undertook an analysis of the Fresno Housing Authority's 1,700+ unit public housing portfolio to assess potential opportunities for conversion of public housing, restructuring, demolition or disposition. FHA's oldest property was dedicated in 1942 and the most recent is the third phase of the modern, high amenity, mixed income development known as ParcGrove. In addition, SCV was asked to analyze and model feasibility for refinancing a number of existing affordable communities. SCV facilitated strategic planning and development of decision-making tools: assisting in evaluating viable strategies to obtaining adequate funding from public and private sources; making recommendations on the creation of an internal team to manage the re-positioning; involving FHA staff in the design of a portfolio level Repositioning Data Guide that is user-friendly. Fresno Housing Authority has been successful in securing HUD Approval and awards of 9% low income tax credit allocations for four proposed public housing conversions under the Rental Assistance Demonstration (RAD) program. Fresno is now moving forward with 100% conversion of its portfolio under RAD.

**The Housing Authority of Clackamas County** engaged SCV to analyze the feasibility of scenarios for redeveloping three aging and functionally obsolete family public housing communities with a total of 300 units. The SCV-led team toured the sites, reviewed zoning requirements, met with stakeholders including residents, HACC staff, and local planning officials, and then developed four distinct redevelopment scenarios with variables including the sale of underutilized land for private development, construction by HACC of higher density rental housing, and development of mixed-income communities on the existing or newly-acquired sites. Each scenario included a financing model using a combination of tax credits, taxable and tax-exempt debt, leveraging of HUD capital funds, and state and local gap

## **Sound Community Ventures**

funding. The Public Housing Feasibility Study has since provided a framework for the HACC in evaluating restructuring opportunities for public housing without HOPE VI funding.

**Bellingham/Whatcom County Housing Authorities.** SCV was engaged by BHA to undertake a portfolio preservation review of all its LIHTC properties that have been in service for a minimum of 10 years. In 2009, The Bellingham/Whatcom County Housing Authorities were the recipients of a grant from Washington State Department of Commerce Housing Trust Fund (HTF), funded by the John D. and Catherine T. MacArthur Foundation to support efforts to assure the long term viability of existing affordable multifamily rental housing. The grant provided an opportunity for BWCHA to analyze the physical and operational needs of its portfolio and to produce a preservation plan to achieve long-term viability for their affordable rental housing.

The “Northwest Corner Affordable Housing Initiative” is the outcome of that strategic planning effort - an initiative to restructure and recapitalize older properties within the Bellingham/Whatcom County Housing Authorities portfolio. This effort will ultimately include 9 existing properties with a total of 594 units across Whatcom County. Two properties have already been successfully financed with 9% low income housing tax credits, and the remaining properties are financed with tax-exempt bonds and 4% low income housing tax credits. The portfolio recapitalization will provide much need capital improvements, rebalance debt obligations, and improve long-term project cash flow.

**Home Forward** (Portland, OR) engaged SCV to provide sensitivity analysis and recommendations for ways to maximize financial leveraging in its 2,000 plus unit public housing portfolio. Analysis examined the impact of different groupings and key variables, including development scale, neighborhood concentration, resident demographics, building type, access to public transportation, and potentially underutilized properties. SCV also assisted Home Forward in preparing Mixed Finance submittals to HUD for the Martha Washington project, including Rental Term Sheet and other evidentiary materials.

**HOPE VI.** Prior to founding SCV, Bob Powers structured equity investments on behalf of Enterprise for several HOPE VI public housing developments, including phases of New Holly and High Point in Seattle. In addition, he provided financial modeling and analysis that shaped the financing strategy for Salishan, a 1,270-unit public housing redevelopment sponsored by the Tacoma Housing Authority.

## **2. Affordable Housing Development**

Much of the initial work with clients involves feasibility analysis and planning. This includes work in Clackamas County around Transit-Oriented Development sites, analyzing redevelopment options for Hacienda CDC, portfolio repositioning for Bellingham, Fresno, and Human Solutions, and identifying new project opportunities in Walla Walla and Bellingham. SCV works with clients to analyze the feasibility of new projects, develop and implement financing plans and assists with project management during the development phase. SCV has assisted in the development of over 730 units during the past 5 years, and its pipeline includes another 386 units.

SCV has worked with clients to implement development and financing plans on numerous projects. Services have included project management and procuring necessary third parties to perform due diligence, including architects, contractors, surveyors, environmental engineers, insurance brokers, appraisers, market analysts, resident service providers, and others. Project

## Sound Community Ventures

management services typically include soliciting offers from debt and equity funding sources, application to public agencies for subordinate debt, low income housing tax credits and private activity bond cap, negotiating and closing financing commitments, and ensuring financing timelines are met. Post-closing, SCV services have included managing and coordinating construction draws from multiple sources, meeting the 10% test for LIHTC projects, making place-in-service applications to State agencies, and coordinating conversion to permanent financing.

Sound Community Ventures brings a track record of securing funding for its projects, even in uncertain economic times and in challenging markets. SCV brings specific expertise in affordable housing finance and public housing, including over 12 years managing and structuring LIHTC investments, and most recently success in securing both public and private funding for its non-profit and public housing authority clients. From financing strategies to implementation, SCV offers experience in managing the application process for local, state and LIHTC funding commitments, negotiations with potential public and private funders, and timely transactional closings.

## Projects Recently Completed or Under Construction:

### *Lariat Gardens, Walla Walla*



SCV is serving as financial and development consultant to the Walla Walla Housing Authority in the redevelopment of an in-fill property in downtown Walla Walla. SCV worked closely with WWAHA in identifying the acquisition opportunity, providing feasibility analysis and securing acquisition financing commitments. One of only a few residential rental properties located in the downtown core, Lariat Gardens is critical to affordable housing efforts in Walla Walla. The project scope expands the housing stock from the existing 35 units to 43 units, better utilizing the site

and maximizing density on this vital site. The redesign will add front porches and private entries and rooflines that reflect the community design. The new Lariat Gardens will also be better oriented towards the surrounding community, creating walkable connections to the downtown and providing more usable open space for resident activities and community gardens. By preserving most of the existing units, WWAHA is creating a model for sustainability and reuse of existing resources.

The Lariat was an unrestricted market-rate property. Layering tax-exempt bonds, low income housing tax credits and State Housing Trust Fund requires that all units be restricted at less than 50% and 60% AMI. WWAHA has received an award of 25 HUD-VASH vouchers and proposes to assign 10 project-based vouchers to Lariat Gardens to provide rental assistance to homeless veterans and services from the Walla Walla VA Medical Center.

SCV is serving as financial and development consultant and was responsible for securing funding commitments, due diligence review and closing with financial partners.

## **Sound Community Ventures**

### **Easton Ridge, Clackamas County**



Easton Ridge is an existing 264 unit apartment complex constructed in 1989, and located in Happy Valley near Clackamas Town Center. The property is within a short walk of the region's transportation system including the Clackamas Town Center Max Station. The Housing Authority of Clackamas County purchased the property in 1996 with tax-exempt bonds that restricted the rents at 80% AMI. The building siding, however, over time began to show visible signs of envelope failure due to poor site drainage and moisture penetration at the exterior envelope.

SCV worked with HACC to develop and implement a financing strategy to undertake a major renovation of the property. Initial consulting work included subcontracting with the design team to review Capital Needs Assessments and various envelope and building condition studies to develop priorities for renovation. Subsequently, financial consulting work included assembling the bond financing team for a public issuance of private activity bonds, and securing a purchaser of subordinated tax-exempt issuance to meet the 50% test.

The project financing closed in March 2013, bringing over \$8 million in LIHTC equity, \$24,000,000 in tax-exempt bonds and additional public resources. The property will receive over \$12 million in renovations including a complete envelope replacement, upgraded insulation, improved ventilation and air quality in the units, and improved site drainage. In addition, funding is in place to replace 100% of the kitchen and bathroom cabinets and fixtures within 6 years. Post rehab, the property will restrict rents for 7 units at or below 50% AMI, 208 units at or below 60% AMI, with the remaining 56 units unrestricted.

### **Galbraith Gardens, Walla Walla, WA**

SCV worked closely with the Walla Walla Housing Authority (WWHA) to develop a successful financing strategy for renovation of Galbraith Gardens, an infill project near downtown. WWHA acquired the property in 2005, but years of deferred maintenance threatened the viability of Galbraith Gardens. SCV assisted the Housing Authority in narrowing the range of options, creating a development and financing plan, and managing the implementation including preparation of funding applications. The project development plan involved splitting the existing apartment complex in two, with the first phase providing 34 units of low-income senior housing, and the second phase providing up to 20 units of workforce housing. The division of the property required a complex condominium and lease structure to satisfy both the City and investor.

SCV was successful in securing approximately \$5 million in public and private funding, including Washington State Housing Trust Fund, tax-exempt bonds, Enterprise Green Communities grant, and LIHTC equity. SCV was responsible for review and negotiation of all financing documents, including regulatory and restrictive use agreements. Galbraith Gardens Phase I construction is now complete, on-schedule and on-budget. Renovation and recapitalization also allowed WWHA to extend the affordability: Fifty percent (17 units) will be devoted to households at or below 30%



of the Area Median Income (\$11,200); forty percent (14 units) will serve households at or below 50% AMI (\$18,650); ten percent (3 units) will serve households at 60% AMI (\$21,300). A total of 17 units will receive project-based Section 8 certificates.

At the time of the property split, Galbraith Gardens Phase II required refinancing of an earlier acquisition loan. SCV was successful in securing both private financing from Banner Bank and a subordinate loan through the Washington State Housing Finance Commission's Land Acquisition Program.

### **Other recent and current projects:**

**Linden Place, Walla Walla Housing Authority, Walla Walla, WA.** Linden Place is the second phase of the Galbraith Gardens redevelopment targeted to serve low income seniors. Currently operated as market rate housing, the property will be converted to affordable housing and expanded to 31 units within the existing footprint. This can be accomplished with the reconfiguration of units – shifting from a predominant mix of two-bedroom units to one-bedroom units. The property is in need of significant renovations and energy efficiency upgrades, as well as the addition of an elevator to improve accessibility. The proposed financing includes low income tax credit equity and conventional debt. The project is in predevelopment.

**Human Solutions Portfolio, Portland, OR.** Human Solutions, a Portland-based non-profit has engaged SCV to review its aging LIHTC and affordable properties, and to develop a recapitalization strategy to fund a high-level of capital needs. From this planning effort, two “bundled” strategies emerged: 1) a “9% bundle” that includes three properties with 85 units seeking 9% LIHTC in the 2015 allocation round; and 2) a “4% bundle” that includes five properties with 80 units that will utilize tax-exempt bonds and 4% credits. Both projects are in predevelopment.

**Northwest Corner Affordable Housing, Bellingham, WA.** Northwest Corner Affordable Housing is an initiative to restructure and recapitalize older properties within the Bellingham/Whatcom County Housing Authority portfolio. Review of financial performance, existing financial structure, capital needs and agency goals has lead to a strategy involving restructuring 7 properties with a total of 469 units across Whatcom County. The recapitalization will provide funds for \$16.4 million in capital repairs, or an average of \$34,980 per unit in renovations. The renovations are be funded through the issuance of tax-exempt bonds, 4% tax credits, City Levy/HOME funds, and State Housing Trust Fund.

The greatest concentration of units are in Bellingham, where four properties with 408 units are located. The three remaining properties are located in Ferndale, Blaine and Sumas. BHA issued \$32 million in tax-exempt private activity bonds and the projects will generates over \$11 million in low income housing tax credit equity. Construction started in May 2014.

## **Sound Community Ventures**

**Hirabayashi Place, Interim CDA, Seattle, WA.** Hirabayashi Place involves the new construction mixed use, transit oriented, affordable workforce housing project that will include 96 units for residents at or below 50% and 60% of area median income, plus street level commercial space. The project site at the prominent, high visibility corner of 4th Ave S and S. Main St, is just two blocks from a regional transit center, and straddles the Seattle downtown core and the International District neighborhood.

Hirabayashi Place is financed with tax-exempt bonds and 4% low-income housing tax credits. The project will utilize approximately \$14.5 million in bonds (direct placement) during construction, and \$3.2 million long-term bonds. Equity for low income housing tax credits is anticipated to provide \$11.2 million. In addition, Interim CDA has secured public funding commitments in excess of \$15.2 million. SCV is serving as financial advisor to Interim CDA. Construction started in June 2014.

**Orleans Place, Bellingham Housing Authority, Bellingham, WA.** Orleans Place involves the resyndication of an existing 24-unit LIHTC project in order undertake substantial renovations and conversion to a supportive housing model. With the addition of Section 8 rental assistance and 9% tax credits, Orleans Place is now able to serve 18 formerly homeless families. SCV provided development and financial consulting services. Permanent Loan Conversion occurred in December 2014.

**Foot Hill Homes, Walla Walla Housing Authority, Walla Walla, WA.** Foot Hill Homes includes 25 new construction, scattered-site homes financed with tax-exempt bonds and State Housing Trust Fund. Construction was completed in 2010. SCV provide financial consulting services for the transaction.

**Meadow Wood Townhomes II, Bellingham, WA.** Meadow Wood Townhomes II involved the new construction of 25 units in Bellingham. SCV was responsible for review and negotiation of all financing documents, including regulatory and restrictive use agreements. Services included managing project schedule, preparation of all funding applications, negotiating with potential funders, and transactional closings for all funding sources. A total of \$5 million was raised for the construction of 25 units, including tax-exempt bonds, low income housing tax credits and funding from the City of Bellingham and Whatcom County.

# CENTRAL HIGHLANDS, INC.

**BUILDERS/DEVELOPERS**

**P.O. BOX 2879, POULSBO, WA 98370**

Central Highland, Inc. (CHI) is proud to submit the qualifications that we believe shows us and our proposed team members to be the most qualified to construct homes in the Suzuki project.

Central Highlands, Inc. (CHI) is a local Kitsap home builder that specializes in designing, developing and building "in-town" residential projects. To date the company has built and sold over 350 homes with an additional 95 homes planned in Poulsbo. They have constructed 13 local residential communities over the last 21 years.

CHI and its team members all have experience working with public agencies, non-profits, affordable housing projects as well as many open market residential projects. CHI and its team have all previously worked in the City of Bainbridge Island. Our entire team maintains a positive working relationship with COBI staff.

CHI has an excellent track record of completing projects ahead of schedule and under budget. All 24 of the competed houses in Ferncliff Village Phase I were competed prior to the contractual 120 day deadline and CHI returned a significant savings beneath the budgeted construction costs on each of these houses to the HRB.

CHI has experience complying with requirements of government funding sources including but not limited to prevailing wage, Davis Bacon, historically underutilized business utilization, sweat equity, Evergreen Sustainability, and Energy Star. Based in Kitsap County, CHI has an extensive network of local subcontractors and suppliers. Many of the subcontractors and suppliers that worked on Ferncliff Village Phase I were based in Kitsap County, and several of these local subcontractors are either woman or minority owned.

CHI and its team look forward to continuing the collaborative relationship with HRB that made Ferncliff Village Phase I such a success.

## **PROJECT EXPERIENCE EXAMPLES**

### **FERNCLIFF VILLAGE, HOUSING RESOURCES BOARD**

Bainbridge Island, WA  
24 Single Family Homes,  
Affordable Housing Project

### **STONECRESS DUPLEX CONDOMINIUMS**

Bainbridge Island, WA  
Developed, built and sold 44 duplex condominiums and one single family unit.

### **POULSBO PLACE II, DIVISIONS FIVE, SIX AND SEVEN**

Poulsbo, WA

Developed, built and sold a variety of housing types of single family homes, duplex townhomes and live-work units that totaled 122 units.

#### **CHATEAU RIDGE**

Poulsbo, WA

Developed, built and sold 40 single family homes.

#### **FAIRWAY VIEWS MULTI-FAMILY DEVELOPMENT**

San Diego, CA

Developed, built and sold 52 condominiums comprised of six - eight unit buildings and one four unit building. Two bedroom, two bathrooms, 1120 sf. Garages under the buildings on sloped sites and the remainder with parking provided in a common parking area.

#### **MULTI-FAMILY PROJECT INVESTMENT, ACQUISITION, PROPERTY MANAGEMENT AND SALES**

San Diego, CA

Acquired 10 apartment projects eventually totaling 400 units. Assembled investment groups, arranged financing and provided property management. 139 Units utilized "Section 8" rent subsidy program to support the tenants. Coordinated the program with the City of San Diego.

### **PERSONNEL**

#### David Smith

David is co-founder of Central Highland Homes and brings 38 years of experience in the building and design industries as well as real estate and finance. As President of Central Highland Homes, he has developed nine residential projects throughout Kitsap County. David assumes the role of guiding acquisition, financing, site development and marketing for all projects. Member, Director and Past President Kitsap County Home Builders Association, Past Director Washington State Building Industry Association, Past Director National Association of Home Builders, Past Board Member Kitsap Regional Economic Development Commission, Member North Kitsap Rotary.

#### Nick Smith

Nick brings 11 years of development and construction management experience and a master's degree in construction management (minus thesis). He is knowledgeable in all aspects of the development and construction industry and is familiar with government land use procedures, financing procurement, grant reporting and government/municipal procurement procedures. He brings expertise in building information modeling, five dimension scheduling, and alternative delivery systems including GC/CM, negotiated, design/build, and design-bid-build. Prior to joining Central Highland Homes, Nick worked extensively for Absher Construction Company where he was project engineer on multi-family, high school, and hospital projects. Nick has experience in Sustainable Construction Techniques & Best Practices, LEED NC, LEED Neighborhood Development, LEED for Homes, Evergreen Sustainable Development Standard, Energy Star, Washington State Sustainable Schools Protocol.

## **6. LETTERS OF INTEREST**

Bainbridge Island Child Care Centers

Enterprise Community Investment

Umpqua Bank

JP Morgan Chase Bank

Washington Community Reinvestment Association



11/23/15

To whom it may concern,

On behalf of Bainbridge Island Child Care Centers (BICCC), I would like to present this letter of intent to be considered for site placement at the Suzuki property on Bainbridge Island. I have had numerous discussions with Mark Blatter, Executive Director, Housing Resources Board, for potential relationship including BICCC on his master plan. We are excited to collaborate and proceed with our concept.

BICCC is in dire need of housing. We are a non-profit organization that has been serving our community's childcare needs for more than 40 years, serving more than 200 families annually. Recently we have been given notice that within one year, Bainbridge Island School District is no longer allowing us our land lease or rental space. This represents 2 of our 3 schools, grades K-6. We are leading a very focused and determined pursuit to procure permanent housing and the liaison we share with HRB is a positive potential.

Thank you for your consideration. We look forward to speaking with you soon.

Sincerely,

Shelley Long

Executive Director, BICCC

206-842-6525

[slong@biccc.org](mailto:slong@biccc.org)



November 24, 2015

Mark Blatter  
Executive Director  
Housing Resources Bainbridge  
250 Madrona Way NE #110  
Bainbridge Island, WA 98110

RE: New Brooklyn Glen (the "Project")

Dear Mr. Blatter:

This letter of interest from Enterprise Community Investment, Inc. (Enterprise) for providing equity, through an investment fund which would be formed by Enterprise, to the Project, is valid for nine months from the date of this letter.

Enterprise is one of the leading syndicators of low income housing tax credits ("LIHTC"). Since the enactment of the federal Low Income Housing Tax Credit program in 1986, Enterprise has raised more than \$8.0 billion in equity for the development of low income housing.

This letter of interest is based on a preliminary review of the information provided by you. This information indicates that the Project would generate, at this time, a low income housing tax credit allocation of approximately \$1,230,600, assuming that the assumptions set forth in the pro forma are satisfied.

The pro forma presented to Enterprise as part of the preliminary submissions indicates pricing in the range of 97 cents on the tax credit dollar. Based on this assumption, the Project would generate an equity investment in the amount of approximately \$11,936,800. This estimate of pricing appears supportable if the transaction were to close today. The equity markets are extremely volatile at this point in time. The ultimate ability of Enterprise to close on this transaction will be determined by investor yield requirements and the availability of capital much closer to the time of closing.

As soon as you have received a reservation of tax credits, please contact us so that we can continue the underwriting of this project.

Sincerely,

A handwritten signature in black ink, appearing to read "Philip Porter", is enclosed in a thin black rectangular border.

Philip Porter  
Vice President



November 23, 2015

Housing Resources Board  
250 Madrona Way NE #110  
Bainbridge Island, Washington 98110  
Attn: Mark Blatter, Executive Director

Dear Mr. Blatter,

Umpqua Bank is pleased to have received your proposal for construction and permanent financing of the Suzuki project on Bainbridge Island. We have reviewed the proposal and would be interested in working with you on this project. Given your current structure, we would recommend the following terms:

**Construction Financing:**

Loan up to \$8,761,219, subject to additional LTV, LTC and NOI tests  
1% loan fee  
24 month term  
LIBOR + 1.90%, indicative rate as of this letter is 2.09%

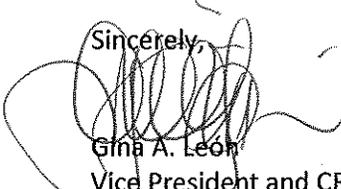
**Permanent Financing:**

Loan up to \$1,154,000, subject to additional LTV, LTC, and NOI tests  
1% loan fee  
15 year term, 30 year amortization  
LIBOR + 1.90% converted to fixed rate with a SWAP, indicative rate as of this letter is 4.84% (includes a 24 month forward)

All terms and conditions are subject to receipt of a comprehensive financing package, underwritten and approved by Umpqua Bank. Once you have received approval for all of your funding sources, please let us know so that we may proceed with a follow-up review at which time we can provide updated terms.

Thank you for the opportunity to look at this transaction.

Sincerely,



Gina A. León

Vice President and CRE Affordable Housing Manager  
o) 503.219.6195  
e) ginaleon@umpquabank.com



November 19, 2015

Mark Blatter  
Housing Resources Board  
250 Madrona Way NE #110  
Bainbridge Island, WA 98110

**Re: New Brooklyn Glen  
Bainbridge Island, WA.**

Dear Mark:

Thank you for considering JPMorgan Chase Bank, N.A. (“JPMorgan Chase” or “Lender”) as a potential construction and permanent lender for the development of affordable rental housing at New Brooklyn Glen on Bainbridge Island, Washington. We have completed a preliminary review of the materials you have submitted, and the following is a brief outline of the terms that we propose to underwrite for credit approval. Of course, this letter is for discussion purposes only and does not represent a commitment by JPMorgan Chase to provide financing for the project nor an offer to commit, but rather is intended to serve as a basis for further discussion and negotiation should you wish to pursue the proposed transaction. Our interest and preliminary terms are subject to change as our due diligence and discussions with you continue. Such a commitment can only be made after due diligence materials are received, reviewed and approved and credit approval has been obtained.

**Construction Loan**

Borrower:	A to-be-formed single-asset entity affiliated with the Developer.
Developer:	Housing Kitsap and the Housing Resources Board
Project:	New Brooklyn Glen will consist of a 60-unit property located at Northtown Drive and NE New Brooklyn Road, Bainbridge Island, Washington.
Amount:	Approximately \$10,416,000; subject to final budget, sources and uses of funds, and LIHTC equity pay-in schedule.
Initial Term:	Up to 24 months.
Interest Rate:	Libor + 210 bps (2.29% as of November 19, 2015).
Commitment Fee:	1% of the loan amount.
Extension Option:	One, conditional, six-month maturity extension.
Extension Fee:	0.25% of the remaining loan commitment amount.

Collateral: First mortgage; other typical pledges and assignments.

Guarantee: Full payment and completion guarantees and environmental indemnity by Housing Kitsap or other Guarantor acceptable to JPMorgan Chase.

Developer Fee: Assigned to Lender. Notwithstanding provisions of the LP or LLC Agreement, any payments of developer fee prior to permanent debt conversion are subject to Lender's prior approval and control.

Tax Credit Equity: Approximately \$12,306,000, of which at least 30% must be paid in at closing. The identity of the equity investor and pay-in schedule for this transaction must be disclosed and acceptable to the Lender in its sole discretion.

Subordinate Liens: Subordinate financing will be permitted subject to approval of terms by JPMorgan Chase.

Repayment: Construction Loan will be repaid with principal reductions from equity funded at or subsequent to construction completion and the Permanent Loan.

Loan to Value: Up to 80% including the value of the real estate and tax credits.

Contract Bonding: 100% Payment and Performance Bonds from "A" rated surety

### **Permanent Loan**

Amount: \$1,154,000 subject to final underwriting.

Funding: After a 24 month unfunded forward period, the Permanent Loan will be fully funded and will reduce the Construction Loan. The Permanent Loan may be interest only for up to six months prior to conversion.

Commitment Fee: 1.00% of the Permanent Loan amount payable at Construction Loan closing.

Interest Rate: The applicable interest rate for the Permanent Loan shall be locked at Construction Loan closing. Current indicative underwriting rate is 6.0%.

**Please note that credit markets are volatile. Loan fees and interest rates are subject to adjustment prior to commitment.**

Term: The Permanent Loan will mature 246 months (20.5 years) from Construction Loan closing

Amortization: 30 years.

Collateral: First mortgage; other typical pledges and assignments.

- Guarantee: After conversion, the Permanent Loan shall be non-recourse to the Borrower, except as to standard carve-outs for the Borrower, General Partner, and Key Principals.
- Loan to Value: Up to 85% of the stabilized rent-restricted value.
- Conversion Requirements:
- 1.20x debt service coverage ratio (DSCR); 1.15x all-in DSCR including all loans requiring debt service payment. Commercial income will be excluded from DSCR analysis.
  - 90% economic and physical occupancy for 90 days.
  - 10-year pro forma forecast shows annual DSCR (based on annual revenue growth of 2% and annual expense growth of 3%) of 1.0x or greater, else the Permanent Loan amount may be resized at conversion.
- Prepayment Terms: Prepayments are subject to yield maintenance, except for the last three years of the term. During the last three years, the prepayment fee will be 1% of the loan balance. There is no prepayment fee during the final 90 days of the term.
- Escrows/Reserves: Bank controlled escrows required for property taxes, insurance, and replacement reserves. Minimum replacement reserve of \$400/unit/year funded at conversion with 3-month initial deposit. A non-bank controlled operating reserve equal to six months of operating expenses and debt service payments, to stay in place for at least five years, is required.

We appreciate the opportunity to discuss the possibility of providing construction and permanent financing for the proposed project with you. This letter of interest is for your providers of other Project financing information and use only, and is not to be shown to or relied upon by other parties. Please note that JPMorgan Chase and its affiliates may be providing debt financing, equity capital or other services (including financial advisory services) to other companies in respect of which you may have conflicting interests regarding the transaction described herein or otherwise. JPMorgan Chase and its affiliates may share information about you in connection with the potential transaction or other possible transactions with you.

This letter, which expires February 19, 2016 serves as an outline of the principal terms of the proposed facility, and is subject to receipt and satisfactory review of all due diligence materials by Lender and to change as described above. Please note, JPMorgan Chase Bank N.A. cannot extend any legally binding lending commitment until formal credit approval has been obtained and a commitment letter has been issued.

Sincerely,

JPMORGAN CHASE BANK, N.A.



Chuck Weinstock  
Authorized Officer



Washington  
Community  
Reinvestment  
Association

- ▶ Susan M. Duren  
President
- ▶ Dulcie J. Claassen  
Vice President
- ▶ Gary L. Murphy  
Assistant Vice President

September 2, 2015

Mark Blatter  
Executive Director  
Housing Resources Bainbridge

Stuart Grogan  
Executive Director  
Housing Kitsap

Member Banks

1<sup>st</sup> Security Bank of  
Washington  
AmericanWest Bank  
Anchor Bank  
Bank of America  
Bank of the Pacific  
Bank of the West  
Banner Bank  
Beneficial State Bank  
Cashmere Valley Bank  
Cathay Bank  
Columbia State Bank  
The Commerce Bank of  
Washington, N.A.  
East West Bank  
First Citizens Bank  
First Federal Savings and Loan  
Association of Port Angeles  
First Financial Northwest Bank  
First Sound Bank  
Foundation Bank  
Heritage Bank  
HomeStreet Bank  
JPMorgan Chase, N.A.  
KeyBank  
Kitsap Bank  
North Cascades Bank –  
Division of Glacier Bank  
Northern Trust Bank  
Northwest Bank  
Olympia Federal Savings and  
Loan Association  
Opus Bank  
Riverview Community Bank  
Seattle Bank  
Skagit State Bank  
Sunwest Bank  
Timberland Bank  
Umpqua Bank  
Union Bank  
Washington Federal  
Washington Trust Bank  
Wells Fargo Bank  
Yakima Federal Savings and  
Loan Association

RE: Suzuki Property, Bainbridge Island, WA

Dear Messrs. Blatter and Grogan:

Thank you for the preliminary information regarding a potential long term financing opportunity in the approximate amount of \$1,154,000. The referenced property will serve as collateral. At the Suzuki Property all 60 units will provide affordable housing, with 50% of the units reserved for tenants earning no more than 30% of the area median income, adjusted for family size (AMI) and 50% reserved tenants earning no more than 50% of AMI. These affordability conditions will meet the affordable housing lending program requirements of the Washington Community Reinvestment Association (WCRA). A brief list of the conditions of lending is attached.

With Housing Kitsap, a housing authority, and Housing Resources Bainbridge, a nonprofit, partnering in the ownership and borrowing entity, the interest rate on the thirty year loan will be 200 basis points over the thirty-year U. S. Treasury Constant Maturities, rounded up to the nearest 1/8%, and subject to a 6.0% interest rate floor. The interest rate will be fixed for the thirty year loan term and a fixed rate forward two-year lock is available at 225 basis points over the similar treasury, similarly rounded, and also subject to a 6.0% interest rate floor. There will be a 1.10:1 debt service coverage closing requirement for our loan and payments will be based on a 30 year amortization.

WCRA has read and understands the Housing Finance Commission's Investor and Lender Notice set forth in Paragraph 4.11 of the Credit Reservation Contract. We acknowledge that the Suzuki Property project intends to participate in the Housing Finance Commission's Low Income Housing Tax Credit Program and that the WCRA has agreed to subordinate its security interest in the property to the interests of the Commission as will be reflected in the Regulatory Agreement.

We are very pleased to have the opportunity to provide financing on this property and look forward to working with you.

Sincerely,

Dulcie J. Claassen  
Vice President

1200 Fifth Avenue Suite 1406 Seattle, Washington 98101  
(206) 292-2922 (800) 788-6508 FAX (206) 292-0782  
[www.wcra.net](http://www.wcra.net)

Meeting Washington's Affordable Housing Needs Through Partnership

## CONDITIONS OF LENDING

1. WCRA will hold a first lien security position.
2. Assignment of rents to WCRA prior to closing.
3. Completion of construction work in accordance with plans and specifications and to the satisfaction of WCRA. A site inspection by a WCRA appraiser or staff will be required.
4. Receipt of all municipal approvals for occupancy including Certificate of Occupancy.
5. Expiration of mechanic's lien period or affirmative title insurance.
6. Number of units/unit mix/amount of rentable/leasable space is not changed.
7. WCRA's receipt and approval of finalized entity documents, resolutions, and authorization.
8. Commitment is cancelled if construction loan is in default.
9. Receipt of a Phase I Environmental Assessment report satisfactory to WCRA in form and content.
10. Receipt of an appraisal report prepared by a WCRA approved appraiser, satisfactory to WCRA in form and content. Maximum loan to value is 80%.
11. Copies of all warranties from major subcontractors and suppliers.
12. Evidence that project has received a tax credit allocation and receipt of a signed regulatory agreement between Borrower and Washington State Housing Finance Commission.
13. At borrower's expense, a project sign shall be installed to indicate that "permanent financing is provided by the Washington Community Reinvestment Association".
14. Net operating income must support a minimum of a 1.10:1 debt service coverage on WCRA debt with 95% of the apartment units leased continuously for 60 days prior to funding.
15. WCRA approval of certified project costs.
16. Fully funded operating and replacement reserve accounts to be held by the WCRA.
17. Loan documents will contain a prepayment penalty.

Note: This letter of interest is based on current loan products and pricing and is not a commitment of financing or interest rate. The WCRA reserves the right to add, delete or modify items as need arises prior to closing. All loan terms and exhibits are subject to review and approval by Lender and its Loan Committee.