

# Suzuki

## Presentation to Bainbridge Island City Council

January 16, 2018



*A Pope Resources Company*



The  
Affordable  
Housing Task  
Force

# Agenda

## Part 1: Grounding

- The Growth Management Act (OPG)
- City Comprehensive Plan (HRB)
- City of Bainbridge Island Affordable Housing Task Force (AHTF)
- Issues Raised During RFP Process (OPG)
- Ecological Study (OPG)
- Development Process (OPG)

## Part 2: The Resulting Site Plan (OPG)

## Part 3: Define 4 Affordable Housing Goals (HK)

## Part 4: The Development Process (OPG)

## Part 5: Discussion of Risk (OPG)

## Appendix

- A. RCW 36.70A.020 (Planning Goals, Growth Management Act)
- B. COBI Instructions to the 2017 Affordable Housing Task Force
- C. Appendix B – Detail of Preliminary Approval Process

Grounding: Growth Management Act (see also Appendix A)

1. Urban growth (adequate, efficient public services)
2. Reduce sprawl (no low density development)
3. Transportation (encourage multi-modal, regional planning)
4. Housing (affordable housing to all economic segments)
5. Economic development
6. Property rights (protect, compensate for public takings)
7. Permits (processed in a timely manner)
8. Natural resource industries (Maintain and enhance industries)
9. Open space creation
10. Environment (Protect and enhance)
11. Citizen participation and coordination (Encourage involvement)
12. Public facilities and services
13. Historic preservation

## Grounding: Comprehensive Plan

**Required by the Growth Management Act**  
**Originally created in 1994, updated in 2016**

Contains 10 elements – several relate to housing:

- Housing
- Human Services
- Land Use
- Environmental

### From the Human Services Element:

- Help provide people with the tools to achieve economic, social and emotional stability to the best of their ability.
- Promote the creation of a mix of housing alternatives and services for people at different levels of independence.

## Grounding: Comprehensive Plan

*From the Housing Element:*

**Goal 1 (high priority)** Make steady progress toward the following aspirational targets for increasing the diversity of *housing types* and the supply of *affordable housing*.

### **Policy HO 1.3**

Increase rental housing units to at least 11% of total housing units (up from 7%).

### **Policy HO 1.7**

Achieve a jobs-housing balance of .8 (up from 0.59).

**Goal 3** Promote and maintain a variety of *housing types* to meet the needs of present and future Bainbridge Island residents at all economic segments in a way that is compatible with the character of the Island and encourages more socio-economic diversity.

Partner with community non-profit organizations and local and regional private and public entities in carrying out the following policies:

### **Policy HO 3.5**

Support the efforts of community non-profit housing organizations and local and regional public and private entities in developing and managing *affordable housing* on Bainbridge Island.

## Grounding: Comprehensive Plan

*From the Housing Element:*

**Goal 4 Increase the supply of permanently affordable *multifamily* housing each year through the year 2036 with goals based on data provided by the Housing Needs Assessment and the City's housing reports.**

### **Policy HO 4.7**

Encourage agencies whose mission is to develop *affordable housing* to create new subsidized *multifamily* rental housing by aggressively pursuing Kitsap County *Community Development Block Grant Funds*, state funds, donations from private individuals and organizations, public revenue sources and other available funding.

**Goal 6 Facilitate the provision of a diverse *affordable housing* stock in all geographic areas of the community**

### **Policy HO 6.1**

Encourage housing created by agencies such as a community land trust.

### **Policy HO 6.2**

In order to provide for permanently *affordable housing* pursue effective strategies to reduce the land cost component of *affordable housing* which may include alternative land use zoning, *density bonuses* and other incentives.

### **Policy HO 6.7**

Support the development of *livable neighborhoods*.

**Goal 7 Promote and facilitate the provision of rental and for-purchase housing that is affordable to *income-qualified* households with a variety of income levels**

Grounding: Affordable Housing Task Force (AHTF)  
See Appendix B

Instructions to the AHTF (See Appendix B)

- Consider the Housing Element of the Comprehensive Plan and make specific recommendations to the Council for near-term action
- Consider housing affordability on Bainbridge Island across the economic spectrum.
- Where goals and policies of the Comprehensive Plan seem to be in conflict, recommend solutions that balance the costs and benefits for the community

## Grounding: Affordable Housing Task Force (AHTF)

See Appendix B

### AHTF Suzuki Recommendations

1. Recommend the adoption of the **Affordable Housing Goals** as outlined in the presentation given by Housing Kitsap to the AHTF on 1/10/2018.
2. Recommend **ownership of the project** after permit approvals have been obtained, as follows:
  - a. Green space to be held in a **land trust** and administered by a nonprofit or governmental entity.
  - b. Homes for sale to be held in **a community land trust** to be administered by Housing Resources Bainbridge or similar nonprofit. If necessary to assure permanent affordability, there should be **deed restrictions/covenants** providing for permanent affordability of the homes.
  - c. Homes for rental to be held by a **partnership of Housing Kitsap and tax credit investors**. In addition, there should be **deed restrictions/covenants** providing for permanent affordability of the homes.
3. Recommend that the number of the **housing units should be maximized**, consistent with the Olympic Property Group proposal and current zoning.



## Grounding: Issues Raised During RFP Process

### Conservation Related Ideas and Issues

1. Keep property as-is. Transfer ownership to the Bainbridge Island Parks and Recreation District to own and manage in a natural state
2. Older tree stands should be protected
3. Protection of a man-made pond and the habitat value it provides
4. Assessment of impacts to groundwater and aquifer recharge areas
5. Protection of the property's potential to serve as a wildlife corridor
6. Protect critical habitats
7. Evaluation of the property's aquifer recharge potential

## Grounding: Issues Raised During RFP Process

### Development Related Ideas and Issues

1. Provide a place to expand the Boys and Girls Club
2. Provide affordable housing
3. The City's fiduciary responsibility to judge any proposed use against the fair market value of the property
4. Overall land conservation (higher density urban development versus more rural densities)
5. Create a neighborhood with a high quality of life
6. Traffic impacts
7. Sewer line and plant capacity
8. Low water pressure has been observed in surrounding neighborhoods
9. General development impacts to the surrounding neighborhood
10. Provide visual screen or buffer on New Brooklyn

## Grounding: Ecological Assessment

### Retained Tree Protection:

- Install protective fencing around critical root zones.
- Minimize soil disturbance and minimize root pruning to protect roots.
- Retain and protect the existing duff layer.

### Soil Infiltration and Aquifer Recharge:

- Limit impervious surface coverage across the development site.
- Use rain barrels to capture rainwater which can then be used for irrigation.
- Use lined, vegetated stormwater planters to treat stormwater prior to discharging to a separate infiltration facility.

## Grounding: Ecological Assessment

### Wildlife Habitat:

- Create buffer zones
- Establish a 300' wide wildlife habitat corridor
- Utilize native
- Minimize light pollution
- Restrict human use to established paths
- Educational signage
- Increase habitat structure

### Pond:

- Avoid disturbance of the pond and maintain a protective buffer of existing native vegetation around the pond

### Wetlands:

- Prior to site design, wetlands on the property should be formally delineated, categorized and documented in a critical areas study

## Grounding: Issues Raised During RFP Process





# The Resulting Site Plan

**\*Will change following topographic and tree survey**



**UNIT COUNT:**  
 18 Single Family Homes  
 36 - 48 Attached Townhomes  
 54 - 66 Units  
 82 Parking Spaces  
 (parked at 1.25 to 1.5 per unit)

**COMMUNITY SITE FEATURES:**  
 ① Single Family Residences  
 ② 6 - 8 Unit Attached Townhomes  
 ③ 3 - 4 Unit Attached Townhomes  
 ④ Micro-hood  
 ⑤ Community Open Space  
 ⑥ Not Used  
 ⑦ Parking  
 ⑧ Not Used  
 ⑨ (E) Mature trees  
 ⑩ (E) Stream w/ 40' buffer / setback  
 ⑪ (E) Pond w/ 100' buffer / setback  
 ⑫ (E) Woodlands

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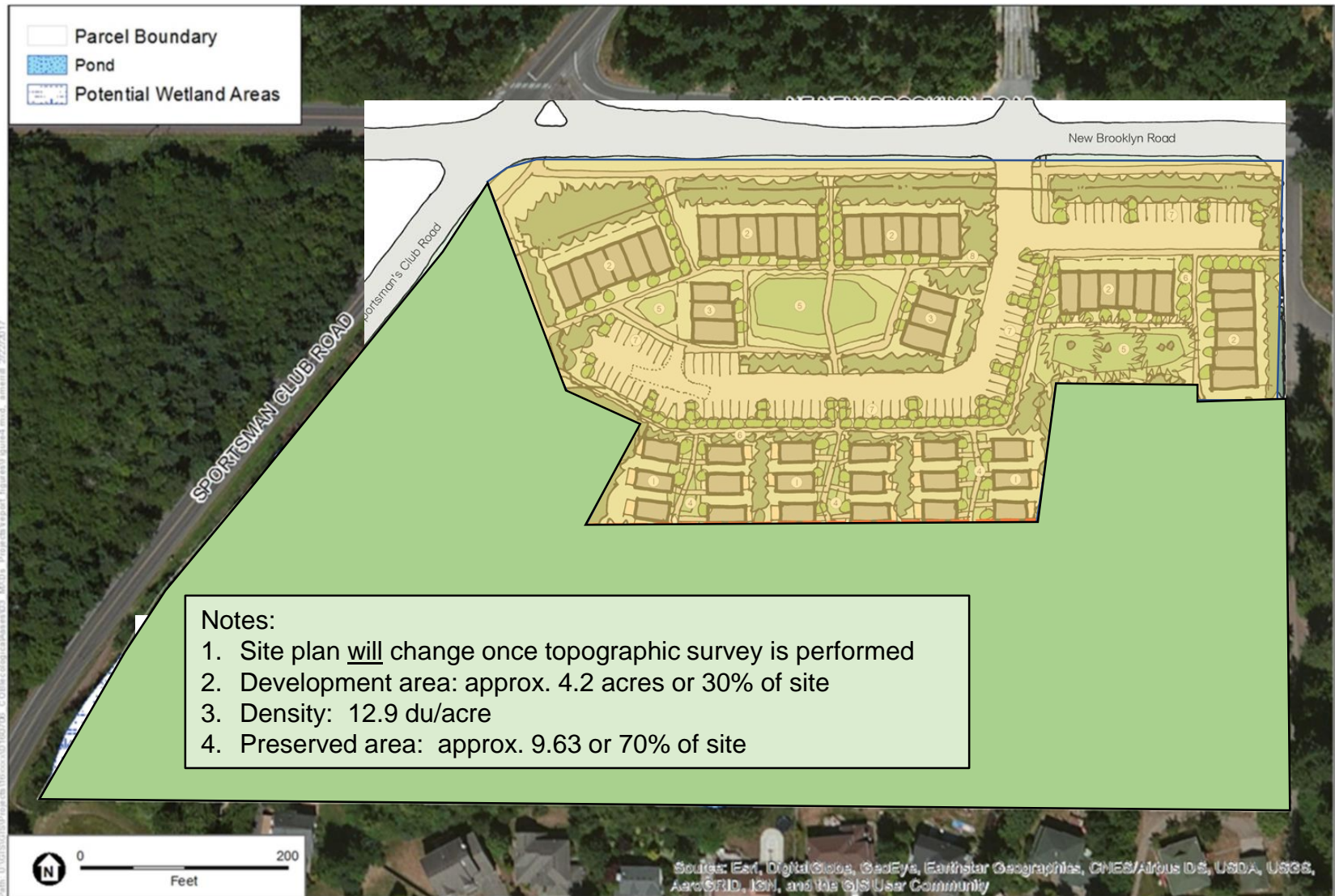
**Suzuki**  
 A Market and Affordable Rate Community  
 Bainbridge Island  
 Washington 98110

Revision    Date  
 \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

Development Agreement  
 Site Plan 090617  
 1" = 40' UNO  
 September 8, 2017

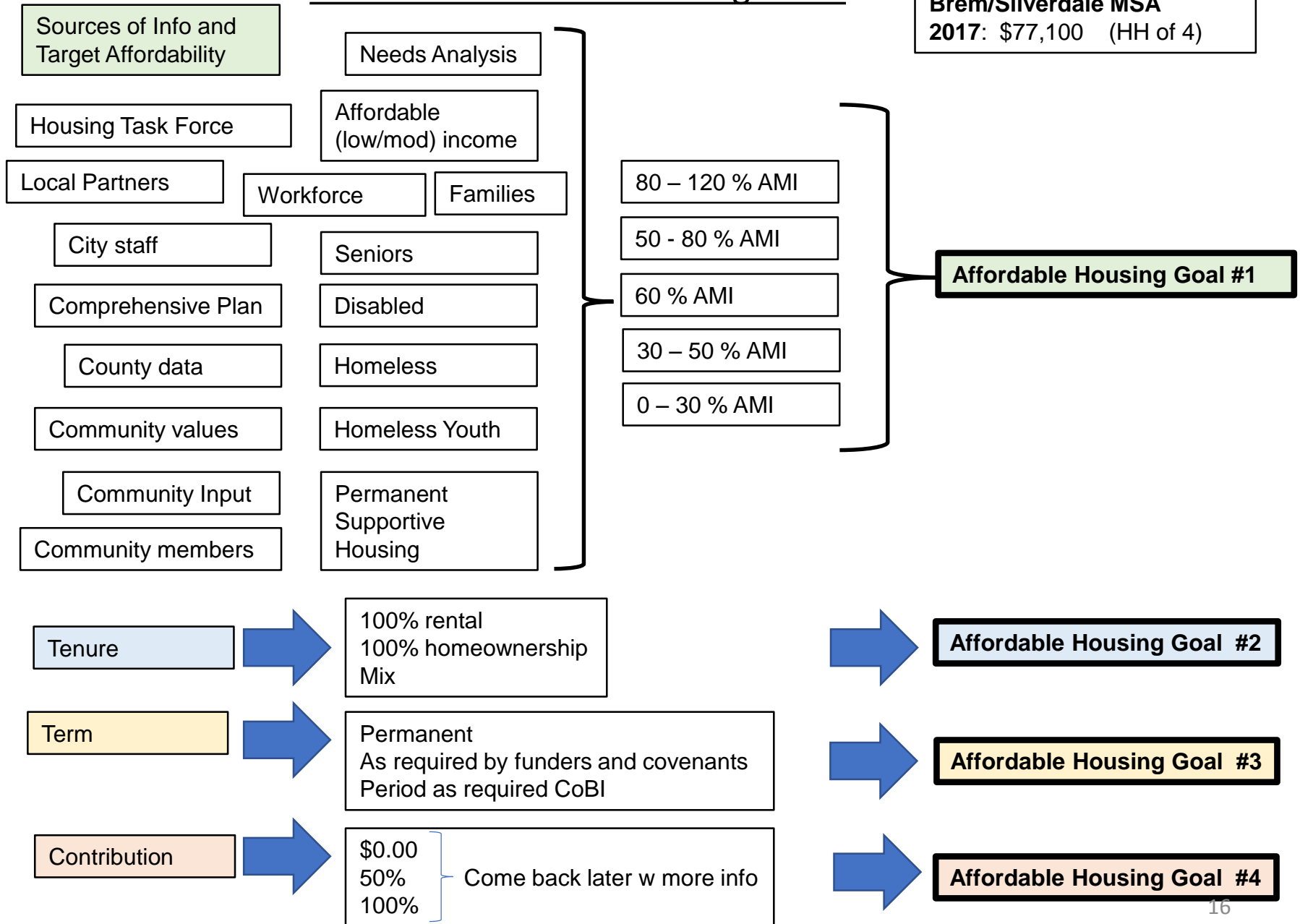
**02**

# The Resulting Site Plan



# Define 4 Affordable Housing Goals

**AMI: Area Median Income  
Brem/Silverdale MSA  
2017: \$77,100 (HH of 4)**

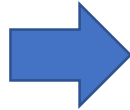




# Define 4 Affordable Housing Goals

Recommendation based on the current site plan at 68 units

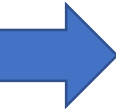
## Affordable Housing Goal #1



37% at 50 % AMI: 25 rental units  
37% at 30% AMI: 25 rental units  
13% at 80% AMI: 9 Self Help/CLT  
13% at 120% AMI: 9 HRB/CLT  
.... or lower

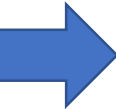
	Income	Rent(HH4/2bdrm)
80% AMI:	\$61,680	
50 % AMI:	\$38,550	\$867
30% AMI:	\$23,130	\$520

## Affordable Housing Goal #2



Mix of rental and homeownership

## Affordable Housing Goal #3



Permanent

## Affordable Housing Goal #4



50% of land value

**OPG, HK, HRB**  
(What they do after ...)

Underwriting

Grants / tax credits

What financing needed?

Timeline

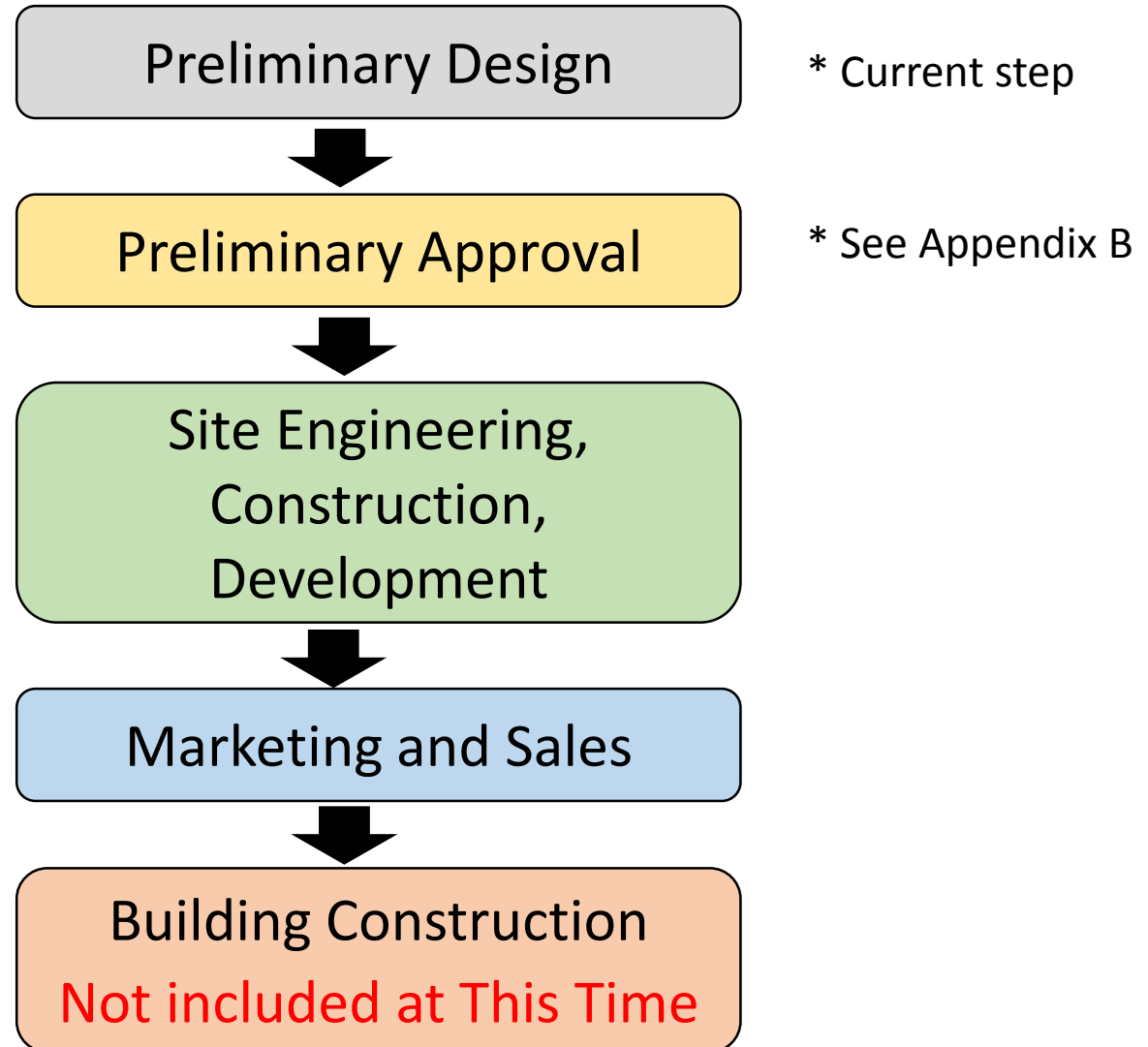
**Contract**

Best solution based on  
investor, lender and  
legal needs

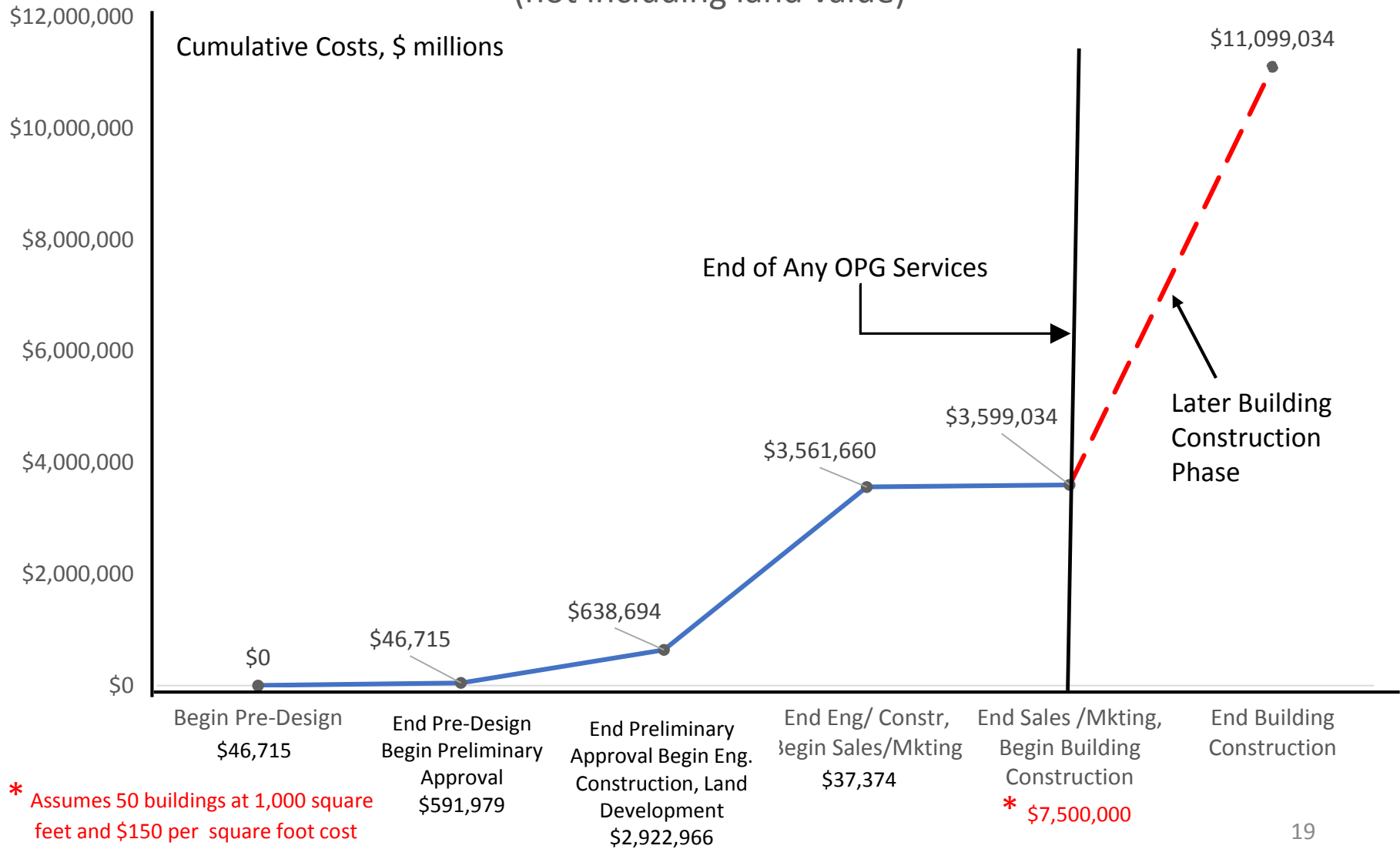
Plan for 50% of value  
cash back to CoBI from  
transfer

Determine best mix  
based on design,  
density and market

## Development Process



# Development Process Cumulative Development Costs (not including land value)



## General Discussion of Risk

### Prior City Requests:

- Buy OPG out at any time
- Flexibility on waiting for grant funding (1 – 3 years)
- OPG provide 100% of funding

### Approval Risks

- Appeals
- Changing rules
- Conditions of approval (off-site improvements, wetlands)
- Consultant cost overruns
- Delays

### Construction Risk

- Change orders
- Rising prices
- Engineering errors
- Accidents
- Inadvertent discoveries

## General Discussion of Risk

### Risks, continued:

#### Market

- Real estate market
- Delay of grant funding

#### Financing Risk

#### Other Liability

- Errors and Omissions
- Defect and warranty

## Appendix A - Planning Goals, Growth Management Act

The following goals are adopted to guide the development and adoption of comprehensive plans and development regulations of those counties and cities that are required or choose to plan under RCW [36.70A.040](#). The following goals are not listed in order of priority and shall be used exclusively for the purpose of guiding the development of comprehensive plans and development regulations:

- (1) Urban growth. Encourage development in urban areas where adequate public facilities and services exist or can be provided in an efficient manner.
- (2) Reduce sprawl. Reduce the inappropriate conversion of undeveloped land into sprawling, low-density development.
- (3) Transportation. Encourage efficient multimodal transportation systems that are based on regional priorities and coordinated with county and city comprehensive plans.
- (4) Housing. Encourage the availability of affordable housing to all economic segments of the population of this state, promote a variety of residential densities and housing types, and encourage preservation of existing housing stock.
- (5) Economic development. Encourage economic development throughout the state that is consistent with adopted comprehensive plans, promote economic opportunity for all citizens of this state, especially for unemployed and for disadvantaged persons, promote the retention and expansion of existing businesses and recruitment of new businesses, recognize regional differences impacting economic development opportunities, and encourage growth in areas experiencing insufficient economic growth, all within the capacities of the state's natural resources, public services, and public facilities.
- (6) Property rights. Private property shall not be taken for public use without just compensation having been made. The property rights of landowners shall be protected from arbitrary and discriminatory actions.
- (7) Permits. Applications for both state and local government permits should be processed in a timely and fair manner to ensure predictability.
- (8) Natural resource industries. Maintain and enhance natural resource-based industries, including productive timber, agricultural, and fisheries industries. Encourage the conservation of productive forestlands and productive agricultural lands, and discourage incompatible uses.
- (9) Open space and recreation. Retain open space, enhance recreational opportunities, conserve fish and wildlife habitat, increase access to natural resource lands and water, and develop parks and recreation facilities.
- (10) Environment. Protect the environment and enhance the state's high quality of life, including air and water quality, and the availability of water.
- (11) Citizen participation and coordination. Encourage the involvement of citizens in the planning process and ensure coordination between communities and jurisdictions to reconcile conflicts.
- (12) Public facilities and services. Ensure that those public facilities and services necessary to support development shall be adequate to serve the development at the time the development is available for occupancy and use without decreasing current service levels below locally established minimum standards.
- (13) Historic preservation. Identify and encourage the preservation of lands, sites, and structures, that have historical or archaeological significance.

## Appendix B - COBI Instructions to the 2017 Affordable Housing Task Force

Among the high priority implementing actions of the 2017 revised Comprehensive Plan is the establishment of an Affordable Housing Task Force to consider the revised Housing Element and make specific recommendations to the Council for near-term action.

Members of the Task Force have been chosen both for their interest in working on this issue, and for their recognition that improving access to affordable housing on Bainbridge Island is critical to maintaining a diverse and vibrant community.

The Bainbridge Island Comprehensive Plan defines “affordable housing” as “...*housing affordable to all economic segments of the population of this state. This is a goal of the state Growth Management Act. RCW 36.70A.020(4). When residential housing for rental or private individual ownership is occupied by low-income households, it is considered affordable if it requires payment of monthly housing costs, including utilities other than telephone, of no more than thirty percent of the family's income. WAC 365- 200-030(1).*”

From this definition, the Task Force should understand that its mandate is broader than simply considering low-income housing. It should consider housing affordability on Bainbridge Island across the economic spectrum.

## Appendix B - COBI Instructions to the 2017 Affordable Housing Task Force

(continued)

The Task Force should review affordable housing-related materials that have been generated by or for the City in recent years, review relevant resource material, and review the goals and policies of our current Comprehensive Plan. While Affordable Housing, and therefore the Housing Element of the Comprehensive Plan, is the focus of this Task Force, it will be important for it to consider the goals and policies of ALL elements of the Comprehensive Plan. Where goals and policies seem to be in conflict, it will be incumbent on the Task Force to recommend solutions that balance the costs and benefits for the community.

The Task Force will decide on what detailed work is necessary to deliver to the Council specific recommendations, including but not limited to recommended changes to City zoning codes and regulations, which would most effectively advance the stated goals of the Comprehensive Plan. The Task Force also may arrive at conclusions or recommendations that involve the work of non-governmental organizations, which can be shared with those organizations either as part of the Task Force's work, or after its final report.

The Task Force is asked to deliver a report to the City Council by the end of June, 2018. The Task Force will be dissolved upon acceptance of its report by the Council



## Appendix C – Detail of Preliminary Approval Process

### 1. **Site Summary and Density Study**

DSAD will prepare a Site Summary Drawing showing site conditions as understood from the environmental assessment report.

DSAD will prepare three site plans showing

- base density - 30 units
- HDDP Tier 2 density bonus - 60 units
- HDDP Tier 3 density bonus - 75 units

OPG and HK will prepare cost analysis for each of the above schemes to evaluate pros and cons of each option.

OPG, HK and DSAD will present above information to Council.

Council will approve one of the above schemes, or an alternate.

### 2. **On-site Investigations**

In order to more thoroughly document the site, DSAD will lead the consultants in the following tasks:

- mark approx. development area boundary - BWE, DSAD
- dig soil test pits, for infiltration analysis for stormwater management design - BWE
- soil boring, for soils analysis for aquifer recharge, structural capacity etc. - Geotechnical Consultant
- wetland delineation, classification, flagging - Wetland Consultant
- survey topography, property lines, utilities, off-site improvements, significant trees around development area, all of above test pits, flagging, etc. - Surveyor
- tree survey, including evaluation of significant trees along development area boundary, and as required by COBI - Arborist
- level one environmental report - Environmental Consultant
- traffic study, analysis and recommendations - Traffic Consultant

This work could occur concurrent to Step A above.

DSAD will revise the Site Summary Drawing based on the findings from the Consultants.

The findings and the Site Summary Drawing will be presented to Council.

## Appendix C – Detail of Preliminary Approval Process

### **3. Site Assessment Review**

Based on Steps A and B above, DSAD, with BWE, will prepare a Site Assessment Review package for the Site Assessment Review (SAR). This Package will be presented to Council.

### **4. Concept Stormwater Management/LID design**

BWE will develop a conceptual stormwater management plan using LID techniques wherever possible, following COBI guidelines.

### **5. Site Plan Revisions**

If needed DSAD will prepare up to 3 site plan revision options to accommodate the above findings. These revisions will be presented to Council.

### **6. Schematic Design**

DSAD, BWE, FBP will provide Schematic Design for the Project.

Schematic Design includes design and drawings for:

- site plan
- buildings
- accessory buildings etc.
- landscaping
- civil engineering

Drawings will include:

- site plans
- floor plans
- roof plans
- building elevations
- sections
- 3D drawings
- others required by application

Schematic Design also includes preparation of the packages required for the following submissions and presentations as part of the Subdivision approval.

## Appendix C – Detail of Preliminary Approval Process

### **7. Pre-Application**

- Council Meeting - to present Application Package
- Pre-Application Conference
- Preliminary Design Review Board Meeting
- Public Meeting
- Planning Commission Courtesy Meeting
- Second Design Review Board Meeting, if requested
- Council Meeting - to present Application Package

### **8. Subdivision with HDDP Application**

- Council Meeting - to present Application Package
- Design Review Board Meeting
- Planning Commission Meeting
- Hearing Examiner Meeting
- Approval of Final Plat by Council