



CITY OF
BAINBRIDGE ISLAND

City Council Regular Business Meeting Agenda Bill

MEETING DATE: August 27, 2019

ESTIMATED TIME: 60 Minutes

AGENDA ITEM: (7:15 PM) Suzuki Affordable Housing Project Decision on Number of Housing Units - Executive,

STRATEGIC PRIORITY: Healthy and Attractive Community

PRIORITY BASED BUDGETING PROGRAM:

AGENDA CATEGORY: Discussion

PROPOSED BY: Executive

RECOMMENDED MOTION:

I move to direct staff to move forward with a site plan for the Suzuki project similar to "Option 4" that includes approximately 91 housing units.

OR

I move to direct staff to move forward with a site plan for the Suzuki project similar to the "Alternative Option" that includes approximately 100 housing units.

SUMMARY:

To determine the number of housing units for the Suzuki Affordable Housing project.

FISCAL IMPACT:

Amount:	
Ongoing Cost:	
One-Time Cost:	
Included in Current Budget?	

BACKGROUND:

The City owns a 14-acre property at the intersection of New Brooklyn and Sportsman Club Road. The City intends to develop a 100% affordable housing project at this site, and has engaged Olympic Property Group (OPG) to complete the initial phases of property development and site preparation. The City originally planned to have Housing Kitsap serve as the development partner for the project. However, in Fall 2018 Housing Kitsap indicated that they were no longer available to serve in that role.

In late 2018, an Ad Hoc Committee of Councilmembers was tasked with developing a recommendation on how the City should proceed with the project, given that Housing Kitsap would not serve as the development partner. Ad Hoc members met with OPG representatives and Housing Resources Bainbridge (HRB) Executive Director Phedra Elliott.

At the Council study session on February 5, 2019, the full Council discussed options for next steps. At that meeting, the Council approved asking HRB to conduct a feasibility study to assess financing options for the project for a range of scenarios from 30 - 90 units. HRB engaged Bridge Housing Corporation (Bridge) to complete this work. The City provided \$49,500 to HRB to conduct this study. At that time, the City also requested that OPG pause their work on site development until the completion of the feasibility study.

At the August 6 Study Session the Council reviewed the HRB/Bridge feasibility study and discussed various options for the project ranging from 30 to 100 housing units.

The Council agreed to schedule time at the August 27 Business Meeting to consider formal approval of either Option 4 (91 units) or the "Alternative" option (100 units).

Numerous additional documents and studies related to the project are available on the "Resources" tab of the OPG project website: <https://www.suzukiaffordable.com/resources>

Once the site plan/number of units is determined, OPG will resume work on site development tasks. Remaining Council decisions will be to select a stormwater treatment approach, to select an ownership approach for the project, to select a development partner, to decide whether to donate more than 50% of the property's value to the project, and to complete the process to formally surplus the property and transfer ownership.

ATTACHMENTS:

[BRIDGE Housing PowerPoint \(Presented at August 6, 2019 Council Meeting\)](#)

[BRIDGE Housing Report & Recommendations for the Suzuki Affordable Housing Site](#)

[BRIDGE PowerPoint HRB Suzuki Site 8 21 2019](#)

[2019.08.21 Suzuki Site Report Addendum FINAL](#)

[Suzuki Pro Forma 2019.08.21](#)

FISCAL DETAILS:

The \$49,500 cost for the feasibility study was paid from the City's Housing Trust Fund, with no assumption for cost recovery from future development. The City's current agreement with OPG for site development represents \$800,000 in total spending. Full cost recovery of this amount (\$800,000) from future development is assumed within 2019-2020 Biennial Budget.

Fund Name(s):

Coding: