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## SPECIAL BHA MINUTES

### MINUTES OF THE SPECIAL MEETING OF THE BOARD OF COMMISSIONERS OF BREMERTON HOUSING AUTHORITY (BHA) HELD AT 3:00 PM ON NOVEMBER 14, 2024.

1. **CALL TO ORDER:** Meeting was called to order at 3:00 p.m.

2. **ROLL CALL:**

**Present:**

Chair Ryan Burton  
Commissioner Joan Hanten

Commissioner Diane West  
Commissioner Susie Beil

**Excused:**

Vice Chair Jeff Flood  
Commissioner Victoria Hilt

**BHA Staff Present:**

Carlita Alegria	Acting Executive Director	<b>Also Present:</b>
Tory Quinn	Director of Development & Acquisitions	Matt Chantry, Brawner
Windy Epps	Finance Director	Zak deGorgue, Brawner
Tim Schanne	Business Solutions Director	
Paula Kennedy	Human Resources Manager	
Lorna Camacho	Minute Taker/Office Manager/Executive Assistance	

3. **PUBLIC COMMENTS:** None

4. **BREMERTON BRIGHT START REPOSITIONING PROJECT:**

Meeting Purpose:

The purpose of this meeting was for the Brawner team to present a detailed walkthrough of the Bremerton Bright Start Properties transaction to the Board of Commissioners and provide an opportunity for board members to ask questions.

Project Overview:

The project involves the RAD (Rental Assistance Demonstration) conversion and rehabilitation of six properties within the BHA portfolio: Casa Del Sol, Shadow Creek, Tara Heights, Winfield, Wright Court, and Charter House, totaling 138 units that serve both families and seniors. The breakdown of existing units includes 64 Public Housing Units and 74 Section 8 PBV (Performance-Based Voucher) units. Post-conversion, all 138 units will be Section 8 PBV units. The project serves residents with incomes below 60% AMI, with many at or below 30% AMI.

Construction Scope Overview:

The renovation is being managed by Belfor (General Contractor) and Inkbuilt (Architect), both of whom have experience with occupied rehabilitation projects. The Brawner team conducted a

thorough inspection of the properties, evaluating interior units, common areas, the building exteriors, and site conditions.

A renovation budget of approximately \$26.3 million has been allocated, prioritizing essential replacement components and modernization of the properties, including the incorporation of updated rendering techniques.

**Resident Impact & Relocation:**

While renovations are necessary, the impact on residents' lives is a primary concern. The team has worked to minimize disruption through consultations with DDV Consulting to manage the relocation process. Resident meetings have been held to explain the process, and one-on-one assessments of individual needs have been conducted.

**RAD/Section 18 Process:**

The RAD/Section 18 process is being utilized to combine the RAD program with the Section 18 demolition/disposition process, enabling a more favorable financing structure for the redevelopment.

**Ownership Structure:**

BHA will lease the land and buildings to Bremerton Bright Start Properties LLLP in exchange for the capitalized value of the properties. However, BHA will retain ownership of the Bremerton Bright Start Properties LLLP.

**Financing Collateral & Guarantees:**

BHA will guarantee the successful performance of the development and the loan payments in the event the project cannot meet its financial obligations. This is a standard requirement under this type of financing structure.

**Sources and Uses Breakdown:**

A detailed breakdown of the loans, acquisitions, and sponsor proceeds was reviewed, including the financial contributions from BHA.

**Milestones to Closing:**

- **Next Steps:** The loan is expected to close within the next few weeks, with final approval from HUD and the Department of Commerce anticipated next week.
- **Board Resolutions:** Two separate resolutions (Omnibus and Bond Resolutions) will be presented for approval at the November Board meeting.
- **Pre-Close and Closing Dates:** Pre-close is scheduled for December 2, 2024, with funding and closing to follow on December 5, 2024.
- **Post-Closing:** Notice to proceed will be issued immediately following the closing. BHA will update the PIC (Public and Indian Housing Information Center) system, and Section 8 contracts will become effective on January 1, 2025. Construction is set to begin on January 6, 2025.

**Next Steps:**

The Board must approve the Resolutions related to loans and bonds to move forward.

Additionally, the Board noted a significant shift in interest rates, emphasizing the importance of locking in favorable rates with the lender as soon as possible.

5. **ADJOURNMENT:** There being no further business, the meeting was adjourned at 3:50 P.M.

*Jill Stanton*

Executive Secretary

*Ryan Burton*

Chairperson of the Board

SEAL

