

B. Project Narrative

The Sage Commons, formerly known as College Avenue Supportive Housing Project, College Avenue Permanent Supportive housing and College Avenue Homeless Housing is a new permanent supportive housing facility with 53-units serving low income citizens who are homeless or at risk for homelessness in Santa Rosa, California.

With their very own apartment unit, and integrated supportive services within the facility, residents will be lifted up and gain a new lease on life. The result of this approach will be a successful project that will be lasting, durable, and loved by the targeted populations. The following goals capture the core vision of project:

- A sense of safety, security, and community.
- Partnership with service providers, both government and non-government organizations.
- Design to address and minimize triggers for PTSD and other disorders.
- Community focused, with a variety of gathering spaces and social activities.
- State of the art and environmentally responsible, advanced green building, super water efficient, and healthy indoor living environments.
- Beautiful and inspiring, a place that is not an end to itself, but a new beginning of opportunity.

Building Typology:

The building is a three-story structure in a rural urban setting. The building will be served by an elevator and will all be fully accessible per California accessibility standards. The facility includes 54 units total, with 53 Studio units, and one one bedroom unit for the on site manager. All affordable units will serve those at risk for homelessness.

Common Areas:

Common areas include a common main entry lobby and manager's office. There will be four service provider offices and meeting rooms, common lounge, community kitchen, laundry facilities, elevators, stairs, and other circulation spaces. Additionally, there will be a fitness room that will be a key element in the supportive services as group exercise programs have been shown to be a successful tool for treating those with PTSD.

The building includes features for increasing safety and security, including a full fire sprinkler system, automatic fire alarm system with remote monitoring, security system with video surveillance, and an on-site manager who may provide immediate initial assistance.

The central laundry room will contain super-efficient commercial grade washers and dryers, with fully accessible controls and maneuvering clearances. Having common laundry facilities instead of in-unit laundry has been proven to save significant amounts of water and energy, as well as provide opportunities for unstructured positive social interaction.

All common areas will include bamboo, stained concrete, cork, salvaged or FSC-certified wood, ceramic tile, or natural linoleum. Durability and cleanliness will be a key guiding principle throughout all interior finish material selections.

There is a common open-air roof terrace at the third level with panoramic views of Humboldt Bay. It provides large planting areas for vegetable, herb and flower gardens. This is designed as a peaceful space with inspiring vistas and fruitful gardens. The PV array provides a covered area along the balcony view so residents can also enjoy the space when it rains.

The building is designed around a central courtyard which is developed as a private interior park. The rear of the courtyard faces south which is intended to maximize natural light as it orients to optimize the solar path. Within the courtyard there will be trees, planting beds, flower gardens, benches and a basketball court that unites the building from every view the residents experience as they circulate throughout the building. It is also raised and secure with a controlled rear entry, ensuring privacy and seclusion from the urban alley.

Dwelling Unit Design:

Dwelling units will comply with the most restrictive applicable accessibility requirements among the California Building Code Chapter 11A Housing Accessibility, Chapter 11B, Unruh Civil Rights Act, and Fair Housing Act. Additionally, they will comply with the Enhanced Accessibility provisions of the CTCAC regulations including CASp certification. All units are served by an elevator and egress stairways.

All kitchens will be efficient and functional, with well-planned storage, countertops, energy star refrigerator and dishwasher, sink with a spray wand and garbage disposal, and a range with front controls, oven heat indicator warning light, and an energy star range hood ducted to the outdoors.

The dining areas will be located adjacent to the kitchen and living area to create comfortable social environment. Bathrooms will be ample in size to meet the maneuvering space requirements and be fitted with a lavatory with removable base cabinet and toe kick, mirror, toilet with reinforcement for grab bars, and tub/shower enclosure with grab bars installed and adaptable controls and removable seat. The flooring will be durable and impervious to moisture to provide a clean and functional space. Each unit will contain storage for clothing, linen, and bulk miscellaneous items. Products and fixtures will be selected for resistance to abuse and ease of repair.

The current CTCAC 9% Tie Breaker Score is 45.281%.

Project benefits include state of the art construction systems and energy efficiency:

The proposed building will be on a slab-on-grade foundation with wood-framed 2x6 wall framing, truss joist floor framing, and a manufactured truss roof system. Exterior finishes will be selected for durability and aesthetics including wood and fiber cement board siding, with attractive elements that complement the scale and style of the structures.

Insulation is provided with Greenguard® Indoor Air Quality Certified fiberglass insulation for a nominal R-49 in the ceiling and R-value of R-21 in walls, plus an additional R-5 rockwool insulation on the exterior of the wall assemblies for a total wall R-value of R-26 with no thermal bridging, to be finalized with the Energy Code compliance performance report. The conditioned space envelope will be sealed for reduced air infiltration and prevention of condensation.

Windows will be vinyl framed with easy latching mechanisms and specified with an optimal U-value and solar heat gain coefficient (SHGC). All doors will be constructed with no added urea formaldehyde wood and use accessible lever-type hardware. Flooring in units will consist of natural linoleum in all kitchens, living rooms, and bathrooms.

Indoor air quality is maintained with local exhaust to the outdoors from each bathroom and kitchen range hood. In addition, each dwelling unit will meet the performance requirements for whole house ventilation per the ASHRAE 62.2 standard using a heat recovery ventilation system that exhausts stale indoor air and replaces it with fresh outside air while capturing the heat energy for thermal comfort and energy savings. The project will meet all requirements of the US EPA Indoor Air Plus Program.

All plumbing fixtures will meet the 2016 CA Green Building Code requirements as well as the EPA WaterSense criteria. Plumbing piping will be insulated with a minimum of one inch thick (R-4) cellular foam wrap for all hot water piping and for cold water piping within exterior wall cavities or within five feet of the water heater.

Each unit will be independently metered for its electrical use, and will include a real-time energy monitoring display within each dwelling as a tool for residents to track their own energy use and minimize their energy bill. Space heating and cooling will be provided by super-efficient air-source mini-split heat pumps with a high Heating Seasonal Performance Factor (HSPF) and Seasonal Energy Efficiency Ratio (SEER). Hybrid electric air-source heat pump water heaters with a high Energy Factor (EF) will provide domestic water heating.

This all-electric design enables the complete elimination of natural gas utilities and provides the opportunity to be a net zero energy ready with roof mounted photovoltaic array to offset 50% or more of annual tenant electricity use.

The combination of these strategies will result in a building that is super energy efficient and maintains minimal utility costs for the residents while exceeding California Title 24 Building Energy Code compliance standards by a high margin.

There are no real constraints involved with this project. The site is flat and zoned for the intended use.

The Danco Group has over twenty years in development experience in the western United States including single family, commercial, affordable housing, and assisted living. We truly are the foremost provider of all of these services on the North Coast.

Danco Communities, the affordable housing development company within the Danco Group, was formed to tackle the high demand for quality affordable housing in our area. We have completed eighteen affordable housing developments with one more in the early stages of construction. Although most of our affordable housing developments have been new construction, one of our most recent developments was the acquisition/rehabilitation and conversion of the Eureka Downtowner Motel — a vacant hotel in Eureka, CA of 100 rooms—into a 50-unit affordable senior project. We closed this project successfully in 2015 and construction is now complete.

Danco Communities has brought to market over 700 affordable units to date. We have also maintained a role as property manager on the majority on the projects, managing over 450 units. Affordable housing has become such a focus for Danco Communities because of the demand for it – only a small

percentage of Californians can actually afford a median priced home. Danco specializes in the use of the Low Income Housing Tax Credits (LIHTC) and other state and federal resources including Community Development Block Grants (CDBG), HOME, IIG and USDA RD. The types of affordable housing projects developed by Danco fulfill local, state, and federal requirements that cities and counties need to meet to remain eligible for government funding. Danco Communities has formed numerous partnerships over the years with private and public entities alike in order to obtain the funding and support that are necessary components in a successful affordable housing development. Those with whom we've partnered on affordable housing projects in the past include Community Revitalization Development Corporation (CRDC), Central Valley Coalition for Affordable Housing (CVCAH), Raymond James Tax Credit Funds, Alliant Capital, Boston Financial, Boston Capital, and numerous city and county governments, to name a few.

Because of Danco's experience and philosophy on affordable housing development, our company has been outstandingly supported on each project by local governments and cities. Our philosophy lends itself to a paradigm that is unique to a development/construction company: above all we desire to fulfill on our promise to create great affordable housing projects for our community and adapt each project to fit the specific needs and desires of those most affected by it. Danco believes that local jurisdictions and developers can build strong relationships based on common goals which result in projects that are succinct with the community's vision.

For more information on our development company, please see Section C. Developer Experience.

Danco Communities has a portion of the funding committed for this project and is seeking gap funds from the Housing Authority of the City of Santa Rosa. Partnership Healthplan California funds have been awarded in the amount of \$500,000. We have firm commitment letters from Raymond James for the syndication of tax credits, a construction loan from Pacific Western Bank and a developer note from Danco Communities. Danco Communities was awarded No Place Like Home capital funding in the amount of \$3,351,998 in addition to project based operating reserve in the form of the NPLH COSR. Danco communities also received a reservation letter from TCAC.

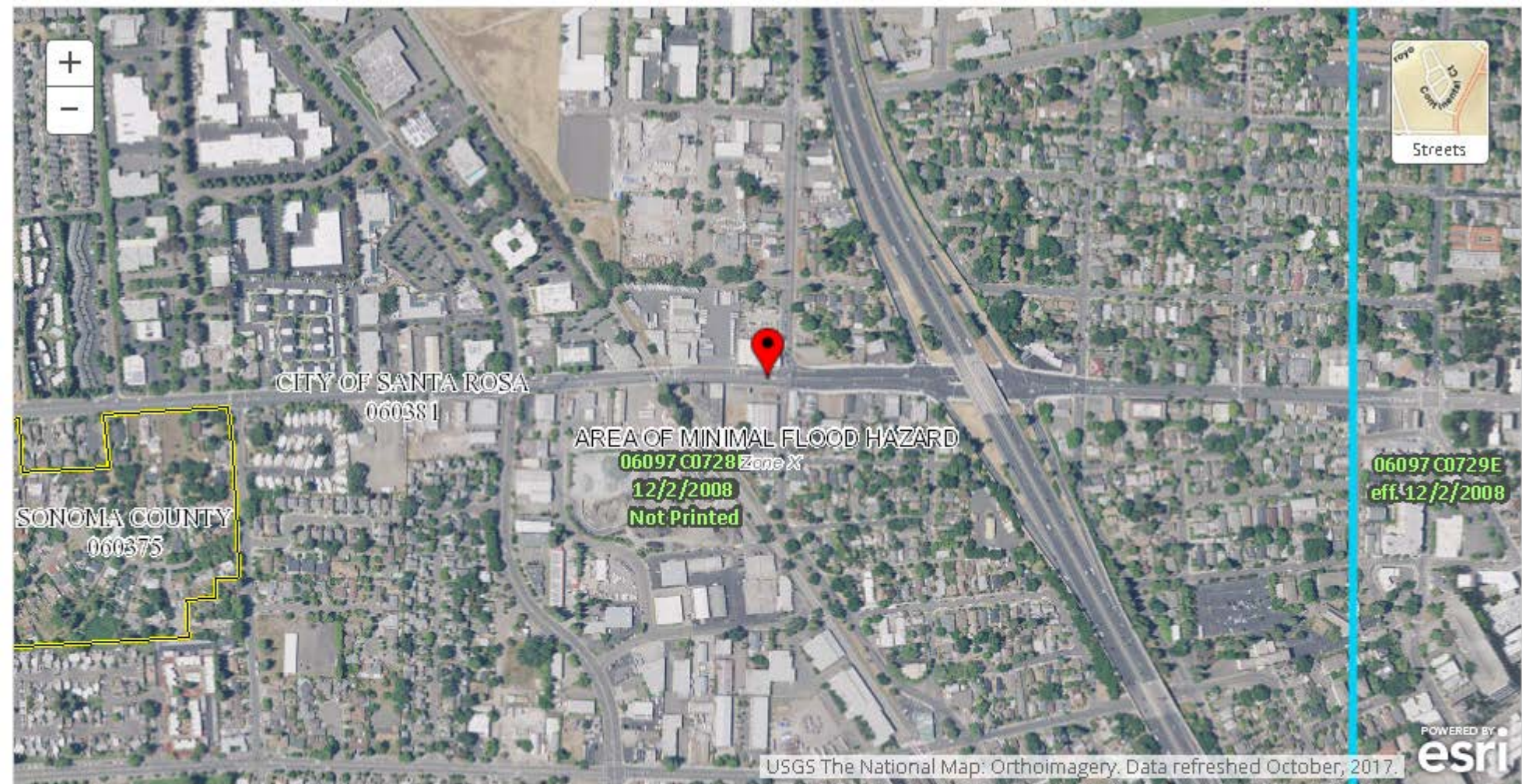
The NPLH Standard Agreement with respect to the COSR ends at year 20. HCD requires that a transition reserve is built into the project budget to cover year 21 while the project transitions to 60% and Below AMI rents. It is typical of Special Needs projects to have 15 or 20 year commitments of rental subsidies and then for the projects to either re-negotiate or secure new operational subsidies, or transition to higher AMI rents to ensure the project can move forward but still maintain affordability requirements. This is both contemplated in NPLH guidelines and the TCAC regulations.

We have received all entitlements for the project in June 2019. We expect to file a notice of exemption and complete all necessary studies. The project is principally permitted and zoned for the intended use.




























There are no wetlands on or around the site. The project site is not within the California Tiger Salamander Critical Habitat Area. See map.

The project site is not subject to flooding. See map.

The Phase I environmental study has been completed by Freshwater Environmental Service of Arcata, CA. See attached study confirming no environmental issues.



POWERED BY **esri**

<p>PIN</p> <ul style="list-style-type: none">  Approximate location based on user input and does not represent an authoritative property location 	<p>MAP PANELS</p> <ul style="list-style-type: none">  Selected FloodMap Boundary  Digital Data Available  No Digital Data Available  Unmapped 	<p>OTHER AREAS</p> <ul style="list-style-type: none">  NO SCREEN Area of Minimal Flood Hazard Zone X  Effective LOMRs  Area of Undetermined Flood Hazard Zone D  Otherwise Protected Area  Coastal Barrier Resource System Area 	<p>SPECIAL FLOOD HAZARD AREAS</p> <ul style="list-style-type: none">  Without Base Flood Elevation (BFE) Zone A, V, A99  With BFE or Depth  Regulatory Floodway Zone AE, AO, AH, VE, AR 	<p>OTHER AREAS OF FLOOD HAZARD</p> <ul style="list-style-type: none">  0.2% Annual Chance Flood Hazard, Areas of 1% annual chance flood with average depth less than one foot or with drainage areas of less than one square mile Zone X  Future Conditions 1% Annual Chance Flood Hazard Zone X  Area with Reduced Flood Risk due to Levee. See Notes, Zone X  Area with Flood Risk due to Levee Zone D 	<p>OTHER FEATURES</p> <ul style="list-style-type: none">  20.2 Cross Sections with 1% Annual Chance Water Surface Elevation  17.5 Coastal Transect  Coastal Transect Base Flood Elevation Line (BFE)  Limit of Study  Jurisdiction Boundary  Coastal Transect Baseline  Profile Baseline  Hydrographic Feature 	<p>GENERAL STRUCTURES</p> <ul style="list-style-type: none">  Channel, Culvert, or Storm Sewer  Levee, Dike, or Floodwall
--	--	---	--	---	---	--

Legend

Permits Plus Activity by Parcel No. - Week September 25

- CA Tiger Salamander (CTS) Critical Habitat Area

