### **Application for Funding**

**Formatting Note:** <u>All applicants must sign and submit this page</u>. For the other sections, applicants can put information and narrative into their own format – making sure that all details requested are addressed. For sections 8 and 9, applicants can attach their own pro-forma to supplement information provided. The total application submission length should not exceed 30 pages of supporting documentation, **excluding** the application form and table of contents. To support streamlined review, if supporting documentation exceeds 30 pages, only the first 30 pages will be considered. <u>Please note: a Table of Contents is REQUIRED</u>. During the review period, applicants may be asked to provide missing or additional details. **Requests for additional information will be sent via email to the email address(es) provided below.** 

APPLICANT IDENTIFICATION – for capital projects, the entity owning the property must be an applicant/co-borrower and sign below. *Copy and complete the information below for each applicant/co-borrower*.

Other \_\_\_\_\_

Legal Entity:

- Non-profit
- Public Housing Authority
- Limited/General Partnership
- □ S or C Corporation

Applicant Name: BroKo Holdings LLC

Mailing Address: Street/City/State/Zip <u>10417 Fox Farm Trail Juneau, Alaska 99801</u>

Phone: 907-209-6883

# Fax: \_\_\_\_\_

Contact Name/Title: Zach Kohan - Member

Email: Zachkohan1571@gmail.com

Applicant's Federal I.D. or Social Security Number: XXXXXXXXXX

Contact Person for Award Notification: Zach Kohan

The Juneau Affordable Housing Fund (JAHF) is a program of the City and Borough of Juneau (CBJ). Approval of all grants and loans from the JAHF is a public process and loan files maintained by the CBJ are subject to open government policies and procedures observed by the CBJ. By signing and delivering this application to JAHF, I/we hereby WAIVE ANY RIGHTS TO OBJECT TO OR PREVENT THE DISCLOSURE TO THE PUBLIC OF THE FOLLOWING INFORMATION: Grantee's/Borrower's name; name and location of the project; grant or loan amount and terms; amounts and source of other financing; public purpose of the grant or loan; a description of the project including the number of units and number of units set aside for the public purpose.

I/we, am/are authorized to apply for financing from the City and Borough of Juneau Affordable Housing Fund on behalf of the applicant and certify that the information contained in this application is true and accurate.

Signature _	Zachary Kohan	Date 08/20/2024
<b>U</b> –	0	

Printed Name: Zach Kohan

Title: Member

Applicant: BroKo Holdings LLC



Date: 8/20/2024

- To: Joseph Meyers , CBJ Housing and Land Use Specialist City and Borough of Juneau - JAHF
- From: Zachary Kohan / Adam Brown BroKo Holdings LLC 10417 Fox Farm Trail Juneau, Alaska 99801 Email: <u>zachkohan1571@gmail.com</u> Tele: 907-209-6883 / 907-723-6473

Re: 2024 Juneau Affordable Housing Fund Round 4 Project Narrative



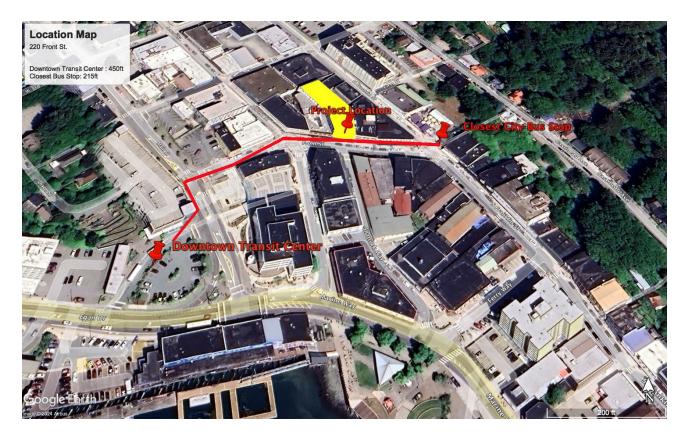
Photo: Chapter 1 Header Photo - Pg. 16 Blueprint Downtown – Downtown Juneau's Area Plan

BroKo Holdings LLC (BroKo). is focused on the initiatives identified in both the Blue Print Downtown (adopted 2024) and the 2016 CBJ Housing Action Plan. BroKo is under exclusive contract to purchase 220 Front St (pictured above), an underutilized mixed-use building in the core of the Downtown's Historic district. Formerly a functioning "first-run" movie theatre with 26 residential apartments and two retail storefronts, this building holds enormous potential to become a needed asset in the heart of downtown. While the potential is clear to see, it will take a massive effort to get this building performing as it should. We view this opportunity as a prime example of how public funds alongside private investment can help to improve our downtown district.

BroKo has identified 220 Front St. as the most attractive opportunity for adding affordable residential housing in the Downtown Blueprint. Having shut down the residential apartments in the early 1990's, current ownership is unwilling and unmotivated to make

the capital investments needed to update this historic building and bring these units back online to address Juneau's well documented housing need. BroKo, with the help of the JAHF, can and will bring 22 new residential apartments back online within 3 years. This is not a "ground-up" development with the potential for exploding development costs. The building and its apartments will need to be updated to address egress and safety concerns, but compared to new construction, we are very comfortable with the capital investment that will be required to get units online. Given the proximately to public transportation **(450ft from the Downtown Transit Center and 215ft to nearest bus stop**), the wellestablished need for housing in Juneau's downtown district (**see 2016 Juneau Affordable Housing Action Plan / Blueprint Downtown – Downtown Juneau's Area Plan**) , and the timeline required to rehabilitate these previously permitted apartments (see timetable below) JAHF's capital will be well utilized in helping to fund this project and I would point to this quote from the 2016 CBJ Housing Action Plan as the best argument for granting BroKo our requested loan;

"Nowhere is the importance of more efficiently using available land to address housing affordability and availability more important than in Downtown Juneau. While many buildings in the area require extensive and expensive rehabilitation, rehabilitating these historic properties and creating a vibrant downtown have the potential to draw and keep households in Juneau more broadly. Of course, this will not happen, as noted throughout this plan, without a robust shift in policies and spending" - pg. 25



220 Front St. is located at the nexus of seasonal tourism, state and local government, core local businesses, Native Cultural Centers, and downtown's residential district. There is not a more central location to provide affordable housing while maintaining access to the aspects of downtown Juneau that make it so attractive. In additional to recreational amenities, 220 Front St. has great access to public transportation, employment opportunities for proposed tenant demography, emergency services (police/fire), and within walking distance of a full-service grocery store (Foodland IGA) and other essential amenities for year round residency.

While Juneau's middle income and low income housing shortage is a well documented, it is BroKo's belief that the situation will only get worse over the next 3 years unless additional units are brought online – and fast. Given the homes (almost 300) that have experienced water damage and tenants displaced by the flooding of the Mendenhall River over the last 13 months, we have personally seen a major uptick of interest in middle income housing. There is no solution or foreseeable end to this annual/natural cycle and could permanently displace hundreds from one of Juneau's most densely populated residential areas. Add to this, the Coast Guard's announcement of the new Ice Breaker and the 190 crewmembers (and families) that will come along with it in 2026. The issues that have been identified by the Downtown Blueprint and the CBJ Housing Action Plan are only going to get worse over the next 5 years. The opportunity to unlock 20+ "unused apartments" buried inside this historic building should be a priority for our local government and housing leadership.

#### **Borrower Information:**

BroKo Holdings LLC is a new company\* (formed in Jan 2024), but both Members have been separately investing in Juneau real estate and managing multifamily rentals for over a decade. By pooling resources, BroKo Holdings LLC has more capabilities to make investments and more scope to manage larger scale rehabilitation projects. BroKo Holdings will close on this property in February of 2025 and will begin renovations at that time. We anticipate bringing 13 apartments online by Y/E 2025 and the property will be 100% performing as of Y/E 2026 (please see included ProForma and Project Timeline). \*Personal Financial Statements can be made available to panel upon request as BroKo Holdings LLC has yet to file or produce any financial statements due to the creation date of BroKo Holdings LLC). \*BroKo Holdings LLC's Operating Agreement is available upon request.

Both members of BroKo Holdings LLC are committed to middle-income housing, and this is the demographic we are targeting for this rehabilitation project. We are using JAHF's 80% AMI rent figures in our projections and will maintain these affordable rents. All of the

residential units owned by Zach and Adam (Members) are currently rented underneath market and great value is given to attracting good people and providing an affordable, long term living space. We are not in the business of trying to push market rents higher or taking advantage of Juneau's housing supply demand imbalance.

Prior to entering into BroKo LLC, Zach Kohan was a member of Gold Lodge LLC which was a single purpose entity created to allow a group of investors (6) to purchase a 27-unit apartment building in the Willoughby district of downtown Juneau. This structure needed extensive rehabilitation and over the course of 24 months, the group was able to stabilize the building, get occupancy up to 100%, rebuild exterior structures (walkways and staircases), and paint and repair the exterior siding. This was all done without displacing any paying tenants. While no two real estate projects are the same, Zach's experience through Gold Lodge LLC is a major contributor to his willingness to acquire and commit to the 220 Front St. project.

Adam and his company Alpine Construction Enterprises LLC. have executed on commercial rehabilitation projects similar in nature and scope to our proposed project at 220 Front St. As an owner and operator of Alpine Construction Enterprises LLC, Adam has built new construction residential homes, rehabilitated residential and commercial buildings and has developed the skills required for our 220 Front St project. In addition to these construction/development skills Adam has obtained his Lead Abatement Certification, Mold Remediation Certification, and Asbestos Abatement Certificate which will prove instrumental in our rehabilitation project. Starting and establishing Alpine Construction Enterprises LLC while also building out his own personal portfolio of residential and commercial investment properties over the last 20 years, Adam has a proven track record of executing for his clients and making sound personal real estate investment decisions.

This project will take the right team and the right financial partners to accomplish our stated goals. Both members of BroKo Holdings LLC have demonstrated their abilities and aptitude when it comes to evaluating real estate opportunities, executing on a proposed rehabilitation projects, and working through federal, state, and local regulatory and permitting processes.

Professional Team

- General Contractor: Alpine Construction Enterprises Adam Brown, Stan Sipniewski
- Mechanical Engineer: Modern Mechanical Shane Hooton
- Structural Engineer: Moore Engineering Tracy Moore
- Architect: NorthWind Architects LLC Sean Boily
- Tax Accountant Jay M Johnson CPA

### Green Building and Sustainable Development:

As this is not new development, structural changes to the building's construction introduce permitting delays and operational difficulty. Much of the efficacy of our business plan is to keep as much of the "structure" in place to get to occupancy within our timeline. However, we are excited to update this building to more efficient and environmentally sound systems and hardware. Below is a short list of the building upgrades that will be a priority throughout the rehabilitation process;

- Convert residential units from a single oil fire burner to individual electric heat
- Upgrade exterior windows to high thermal value units
- Install Low Flow eco toilets
- Add low pressure shower heads
- Install high efficiency domestic hot water heaters
- Upgrade all residential units to include high efficiency appliances throughout the 22 units.
- All work will be done in accordance with BEES standards where applicable.
- Adherence to ADA an Fair Housing act will be a priority where applicable

### **Project Timeline**

As of this application, BroKo is under an exclusive contract with Gross-Alaska Inc. with a closing date Feb/2025 (see Purchase and Sale Memorandum). There are specifics and details of this project that are not able to be provided as of the required submission date for the JAHF i.e; building permits, engineering reports, environmental reports and seller diligence documents.

- August / 2024 Purchase and Sale Agreement Executed
- October/ 2024 Structural / Environmental Engineer Inspections
- November/ 2024 Asbestos and Hazardous Materials Analysis
- January / 2025 Bank Financing Secured First National Bank Alaska

- February / 2025 Close and transfer title of 220 Front St.
- February / 2025 Obtain building permits / Demo and clean out of residential apts
- March / 2025 Begin roof replacement / Begin rehabilitation of 5<sup>th</sup> floor apartments (13)
- December / 2025 Complete rehabilitation of 5<sup>th</sup> floor and secure Certificate of Occupancy
- January / 2026 Begin rehabilitation of apartments on floors 2/3/4/6/7 floor apartments (9)
- December 2027 Complete rehabilitation of 3<sup>rd</sup>/4<sup>th</sup>/6<sup>th</sup> floors and obtain Certificate of Occupancy.
- January 2028 Finalize leases for floors 3, 4, 6.

#### Parking and Setback Commentary:

See CBJ Parking Map 220 Front St. included with submission

#### **Project Costs and Resources:**

Zach and Adam will secure the purchase of the 220 Front St. without the use of JAHF funding and this investment will serve as our "buy-in" to the project The requested funds are for the rehabilitation phase only. Working with our banker, Jayson Katasse (First National Bank Alaska), we assume a 7.25% interest rate on the senior debt associated with this renocation project (\$2M). Under this assumption, our discounted cash flow model will only produce positive cash flow within our needed time frame with preferential financing from JAHF. Using traditional financing for the entirety of the project in addition to the down payment required by FNBA **would make this project not feasible for our group**. The considerable slowdown of Juneau's real estate market is a result of this same issue since rates began rising in 2022. Commercial/residential interest rates are a major consideration with any cash flow model or long term multifamily investment opportunity. This was identified by the CBJ Housing Action Plan (2016) in the Executive Summary furnished on pg. 2

"The Plan recognizes the work already undertaken by Juneau to address these challenges. It also makes clear that it has not been enough. In order to make real, lasting progress, we must be more aggressive. The Plan emphasizes that the community must recognize that in order to solve our housing challenges there must be trade-offs. If the community truly desires and values a healthy housing market then it must:

• "Streamline permitting. Adjust zoning, permitting and related land-use processes to encourage clustered, moderate-density, and mixed-use development that utilizes existing infrastructure, which occurs with creative public financing coupled with design regulations and standards that ensure quality neighborhoods."



## CONTACT

10417 Fox Farm Trail Juneau, Alaska 99801 907-209-6883 Zachkohan1571@gmail.com

# ZACH KOHAN

# MEMBER, BROKO HOLDINGS LLC.

# EDUCATION

William Jewell College – Liberty, MO

BA Business Administration (2008) - Finance

Born and raised in Juneau and married to Amanda, another lifelong Juneauite, I am deeply invested in Juneau's present and future. I have built my businesses here, am raising my three children here (ages 12, 10, 7), and am committed to helping make Juneau a great place for future generations to do the same.

I am the son of a Real Estate Broker and Entrepreneur and have spent the last 15 years prudently building a personal real estate portfolio alongside my 16 year career as a Financial Advisor. BroKo Holdings LLC was created to increase available resources and energy to identify and execute on larger scale projects. 220 Front St. is exactly what BroKo Holdings was built to take on and I am excited to see what this historic building can add to an evolving downtown Juneau district.

### PORTFOLIO:

<b>1863 Hayes Way</b> 2009 – Present	Single Family Home
15906 Lee Dr.	Single Family with ADU
2011-2019	
4023 Delta Dr.	Traditional 4-Plex
2016 – Present	Renovated 2016
3842 Lee Ct	Traditional 4-Plex
2018 – Present	Renovated 2024
711 W. Willoughby Ave.	27 Unit Downtown Apt. Bld. near
Gold Lodge LLC	Foodland IGA.
2020 – 2022	
431 Seward St.	Single Family Home – 50%
2024 – Present	Interest
10008 Crazy Horse Dr.	3200 Sq/ft Industrial Shop Space
2024 – Present	



# ADAM BROWN

# MEMBER, BROKO HOLDINGS LLC.

After moving to Juneau almost 20 years ago, I quickly fell in love with all Juneau has to offer. I am proud to call Juneau my home with my wife Samantha and my two daughters Gabrielle and Adelaide. We enjoy hiking, camping, boating, and so much more.

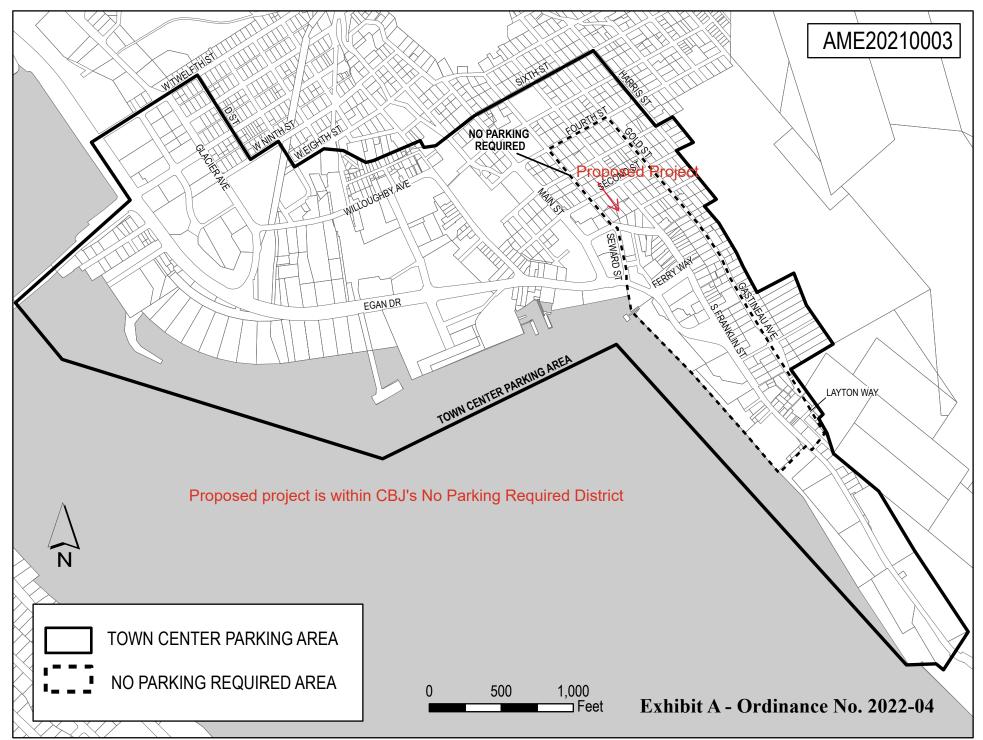
As a local business owner with a passion for investment real estate, we have built a portfolio of assets that include over 20 residential apartments, 15 commercial spaces, and an industrial shop space. We take pride in our units being clean, well maintained, and most of all, affordable.

## PORTFOLIO:

2570 Douglas Hwy	Single Family Home		
2018 – present			
1508 3 <sup>rd</sup> St. Douglas	Multi-family Apartment Building		
2019 – Present			
1506 3 <sup>rd</sup> St. Douglas	Multi-family Apartment Building		
2019 – Present			
1510 3 <sup>rd</sup> St. Douglas	Mutli-family Apartment Building		
2019 – Present			
9000 Glacier Hwy	Commercial Building		
2021 – Present			
431 Seward St.	Single Family Home – 50%		
2023 – Present	interest		
1008 Crazy Horse Dr	3200 sq. ft. Industrial Shop Space		
2024 – Present			

## CONTACT

2339 Meadow Lane Juneau, Alaska (907) 723 – 6473 <u>Alpineconstructionenterprises</u> @gmail.com





Alpine Construction Enterprises, LLC Address PO Box 32684 Juneau, AK 99803 Phone 907-723-6473 Email Alpineconstructionenterprises@gmail.com

DATE:	8/1/2024
CONTACT:	BroKo Holdings LLC
	attn: Zachary Kohan
PROJECT:	Renovation
ADDRESS:	220 Front street
	Juneau AK 99801

Permits- CBJ building permit.

Demolition- remove and dispose of all required materials to complete Renovation.

Engineering- Structural engineer and mechanical engineer.

Roofing- Install EPDM roofing system 2" rigid foam and new plywood sheathing, eave drip flashings, new rubber plumbing boots, screened ventilation, sidewall flashing, step flashing, flashings, and end wall flashing, weather head roof boot, and scupper with screen as required. Windows and Doors- Includes all materials and labor for set exterior black vinyl triple pane Ply Gem windows and exterior doors with weather-proofing.

Insulation- Includes materials and labor for insulating walls with R23 Roxul high density batts and ceiling/attic insulation per plan to meet/exceed minimum standards.

Drywall - Includes materials and labor for hang, tape, sand, prime, orange peel texture, and paint two coats.

Interior Doors- Includes all materials and labor for solid core interior doors, trim, solid bifolds, moldings, hinge stops and door handles.

Kitchens- Includes materials and labor for kitchen cabinets with solid box construction, easy close hinges and ball bearing slides with easy close drawers, pull out shelves in base cabinets, and solid surface countertops with stainless steel undermount sink.

Completion date to be December 31st 2026. This may change due to change orders or weather permitted phases that will then be completed as soon as weather permits.

12 Draw schedule based on Loan terms.

This document will act as a contract between Building owners and Contractor.

Print 10 HAN Sian Date Print Sign 2024 Date

Thanks for the opportunity

Alpine Construction Enterprises, LLC

\*\*\*\*Exclusions are as follows: Extras and any unforeseen issues that may arise. All unforeseen issues will be a time & materials project. A price per hour of \$105/hr will be agreed upon per Owner and Contractor & material cost, plus 20% Profit & Overhead, If subcontractors are needed, Alpine Construction Enterprises, LLC will supply them for this project at their labor and materials rate. All unforeseen issues will be a change order, which will be calculated by the builder and approved & signed by owners before the changes are started.



# Assessor's Database

# Current Owner

GROSS ALASKA INC 222 FRONT ST, JUNEAU AK 99801 Parcel #: 1C070A030030 (<u>Map</u>)

Prev. Owner: Use Code: Commercial Office

No. of Units: 001 Garage: No City Water: Yes Exempt Land: 0 Address: 220 FRONT ST

Site Value: \$1057150.00 Exempt: No Data

Year Built: 1940 Garage Area: 000000 City Sewer: Yes Exempt Building: 0 Legal Desc. 1: JUNEAU TOWNSITE BL 3 G LT 2 & 3 Building PV: \$1018342.00 Zoning: Mixed Use-Residential and Commercial -5,000 sq.ft. minimum lot size -60 units per acre

Lot Size: 9655.00

Exempt Total: 0

Legal Desc. 2:

Total PV: \$2075492.00 Tax Year: 2024

Gross Liv. Area: 032172 sqft Last Trans: 00000000

Road/No Road: Roaded

# Search the Database

Search the database using the search box below. The field accepts any search parameter (owner's name, address, parcel number, year built, etc.).



# First National Bank ALASKA

MEMBER FDIC

August 14, 2024

City and Borough of Juneau 155 S. Seward St. Juneau, AK 99801

**RE: BroKo Holdings LLC** 

To whom it may concern:

Adam Brown and Zachary Kohan with BroKo Holdings LLC have requested financing options from First National Bank Alaska for the acquisition and subsequent rehabilitation loan of a commercial property located at 220 Front Street in Juneau, Alaska.

Although a formal financing commitment will require more information about the property, financial analysis, and additional due diligence related to the property, our existing credit experience with Adam Brown has been excellent and the bank is in the process of gathering additional information from the borrowers to complete the application.

Please contact me if you have any further questions.

Sincerely,

 $\sim$ 

Jaysen Katasse Vice President 907/586-5405

\*\*This letter does not represent a commitment to lend money in any amount, such a commitment can only be issued after a thorough underwriting of the borrower, property and guarantors.\*\*



August 20, 2024

- To: Joseph Meyers, AICP City and Borough of Juneau
- From: Zachary Kohan/Adam Brown BroKo Holdings LLC (*BroKo Holdings*) 10417 Fox Farm Trail Juneau, Alaska 99801 Email: zachkohan1571@gmail.com Tele: 907-209-6883

Dorain Gross, President/CEO Gross-Alaska, Inc. (*Gross-Alaska*) 222 Front Street, Suite 600 Juneau, Alaska 99801 Email: dorain@grossalaska.com Tele: 907-586-3634

Re: 2024 JAHF Application - Memorandum

#### Memorandum Re Purchase and Sale Agreement

This Memorandum follows receipt of Joseph Meyers email of 07/29/24 to Zachary Kohan regarding Broko Holdings' application for the Juneau Affordable Housing Fund competition. A copy of the Meyers 07/29/24 email accompanies this Memoranda. In response to the information requested in the Meyers email, Broko Holdings and Gross-Alaska provide the following information:

1. **Current owner and purchaser names**: Owner - Gross-Alaska, Inc. Purchaser - BroKo Holdings LLC

#### 2. **Description of Real Property:**

Subject Real Property - 220 Front Steet, Juneau, Alaska, CBJ Parcel Number -1C070A030030 LG DESC, herein "Subject Property."

#### 3. Time frame for transfer of title:

Gross-Alaska to transfer fee title to the Subject Property to Broko Holdings under the terms and conditions of that Purchase and Sale Agreement, which will close and fee title to the Subject Property to transfer to Broko Holdings within the succeeding six (6) months.

#### 4. **Exclusive Right to Purchase Subject Property:**

Under the Purchase and Sale Agreement Gross-Alaska as the owner of the Subject Property and its improvements has granted Broko Holdings the exclusive right to purchase the Subject Property during the succeeding six (6) months.

Dated at Juneau, Alaska this 20th day of August, 2024.

Owner Gross-Alaska, Inc.

eilert. Bv:

Dorain Gross, President/CEO

Purchaser **BroKo Holdings, LLC** By: achary/ Kohan, Member By: Adam Brown, Member



10 510SF

STAGE 1200.SI 9 490SF

# ORIGINAL PLAN REBUILT – 13 APARTMENTS

580SF

, 430SF

600SF

600SF

3 800SF

5 800SF

2 street front apartments - 2 bedroom, total 1600 net sf living area

SUPPORT SPACE 680.SF

SUPPORT SPACE 680.SF 4th Floor

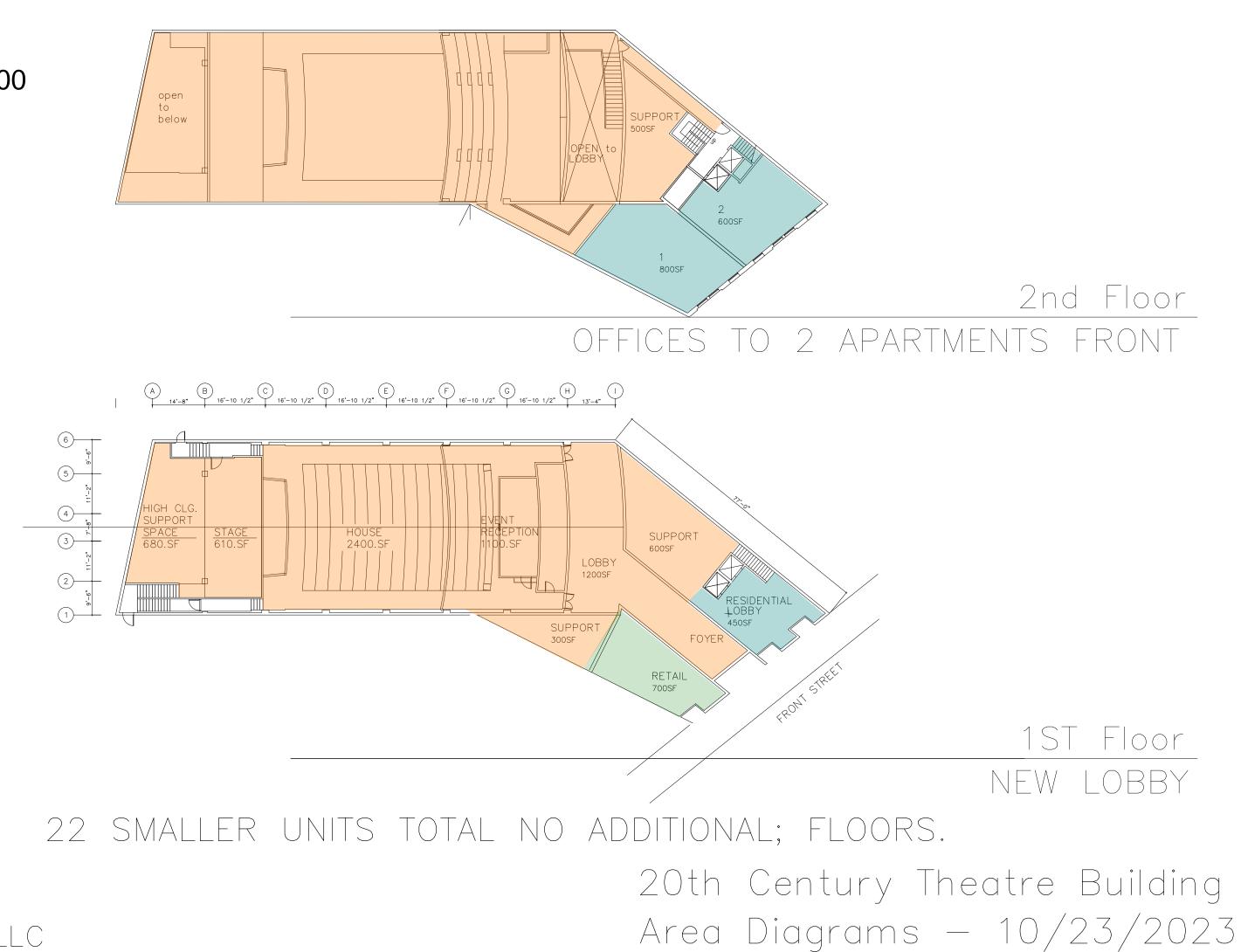
3rd Floor

OFFICES TO 2 APARTMENTS FRONT

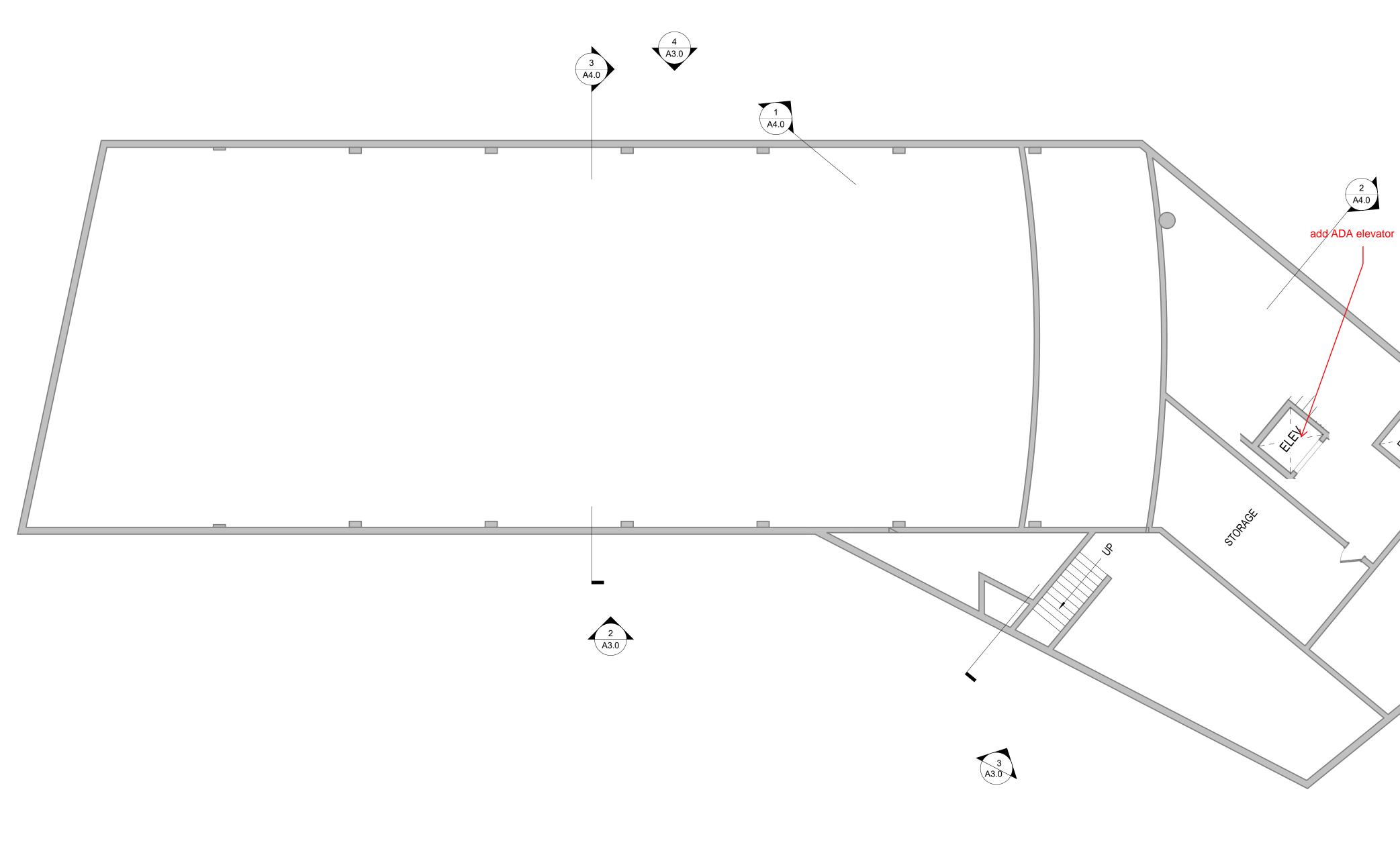
OFFICES TO 2 APARTMENTS FRONT

2 street front apartments - total 1400 net sf living area

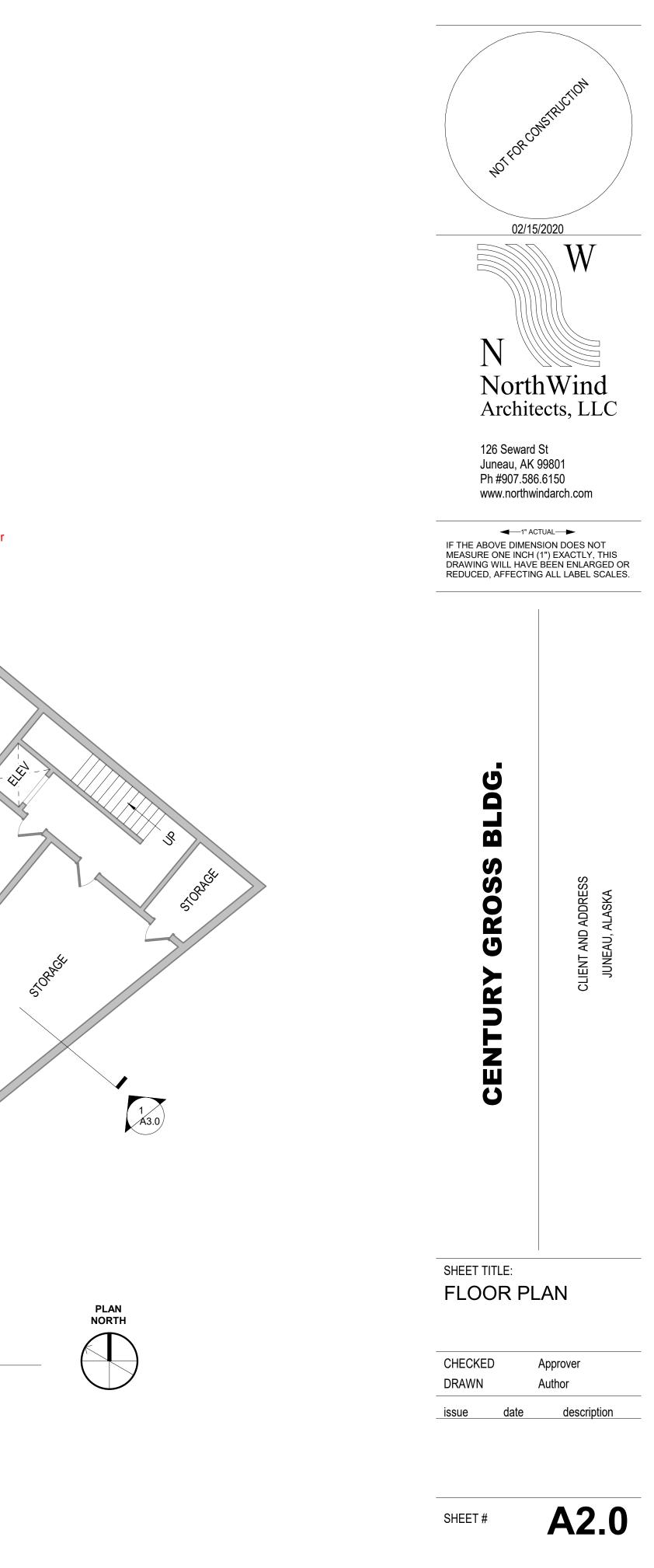
2 street front apartments, total 1400 net sf living area



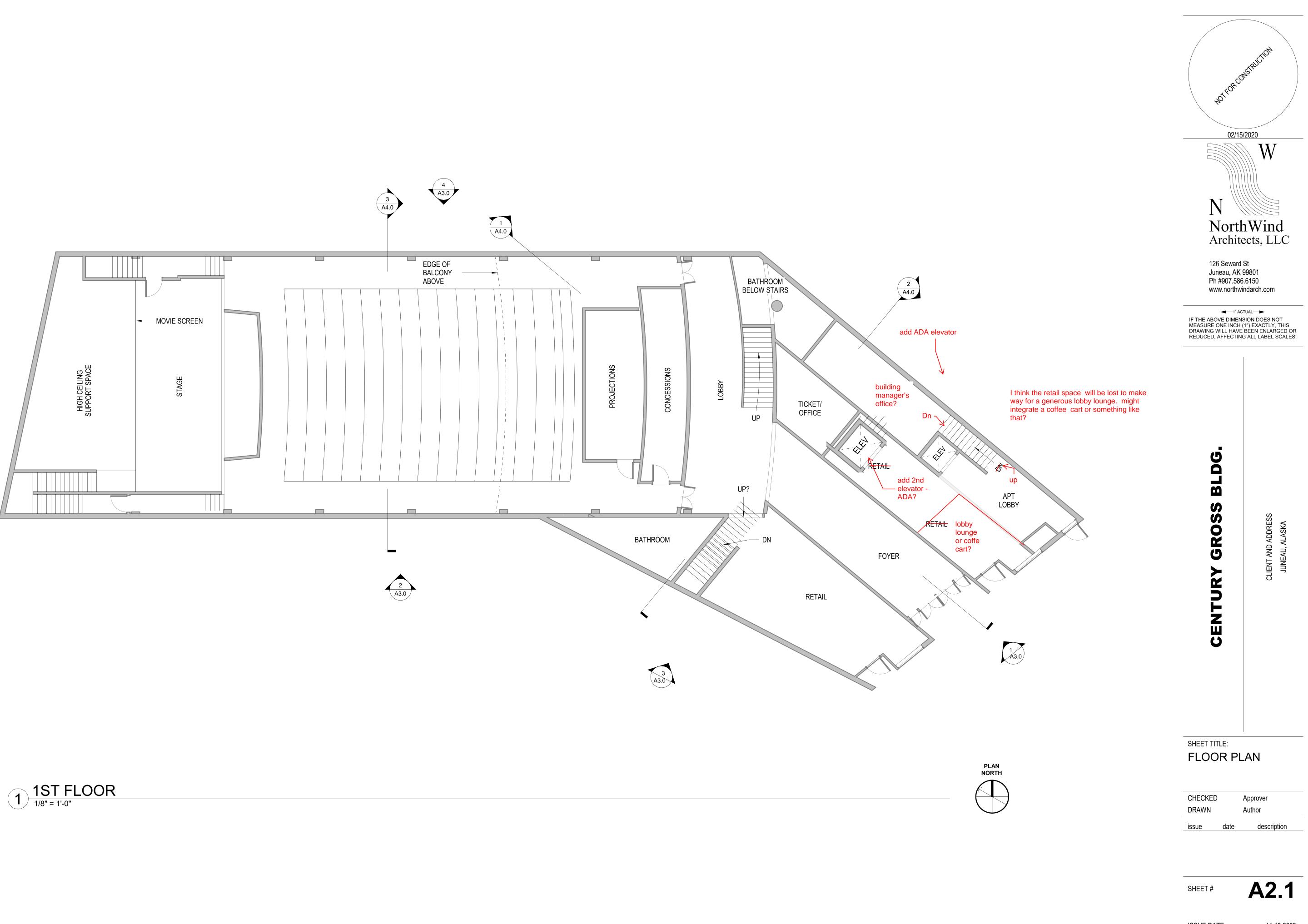
NORTHWIND ARCHITECTS, LLC



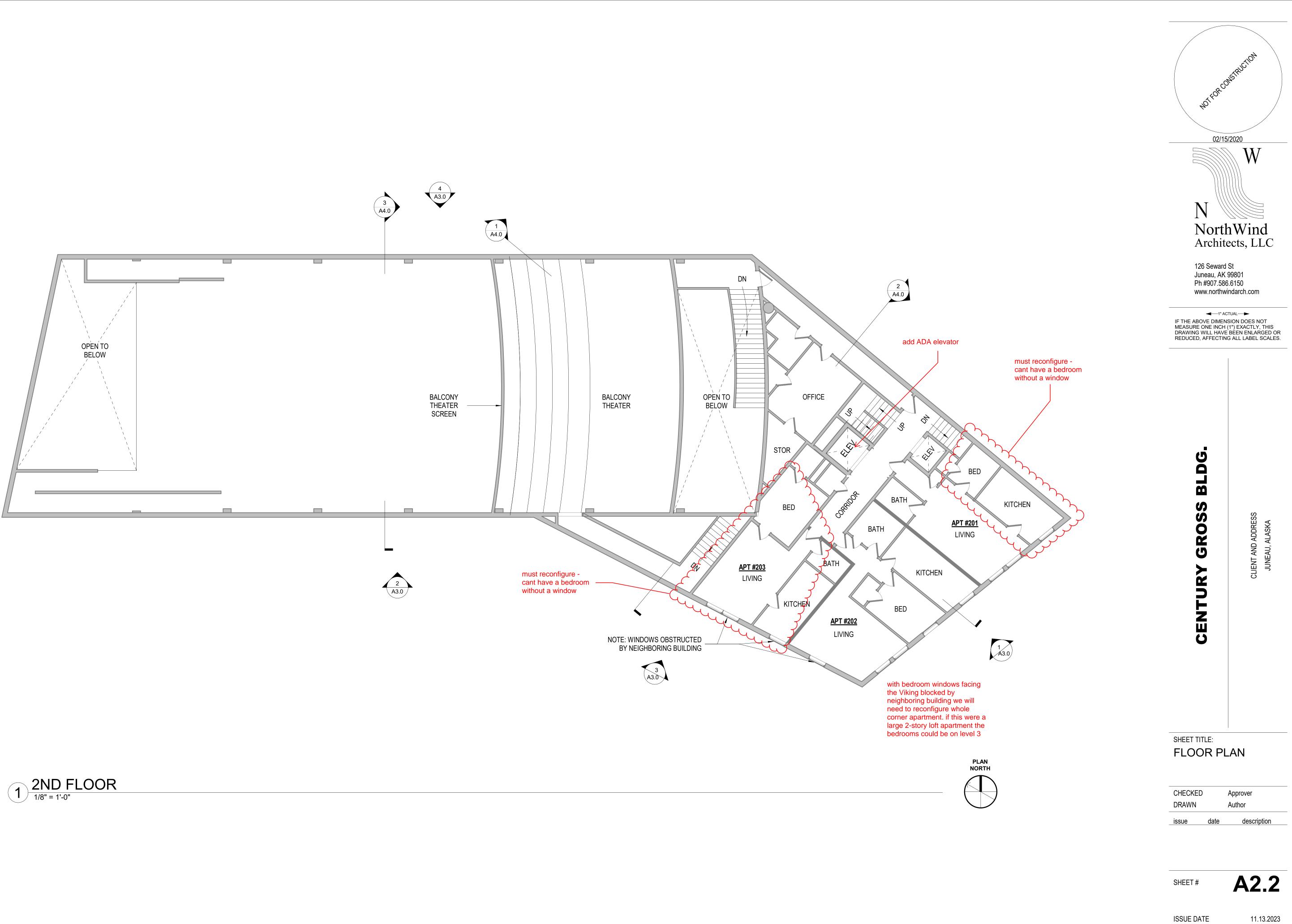


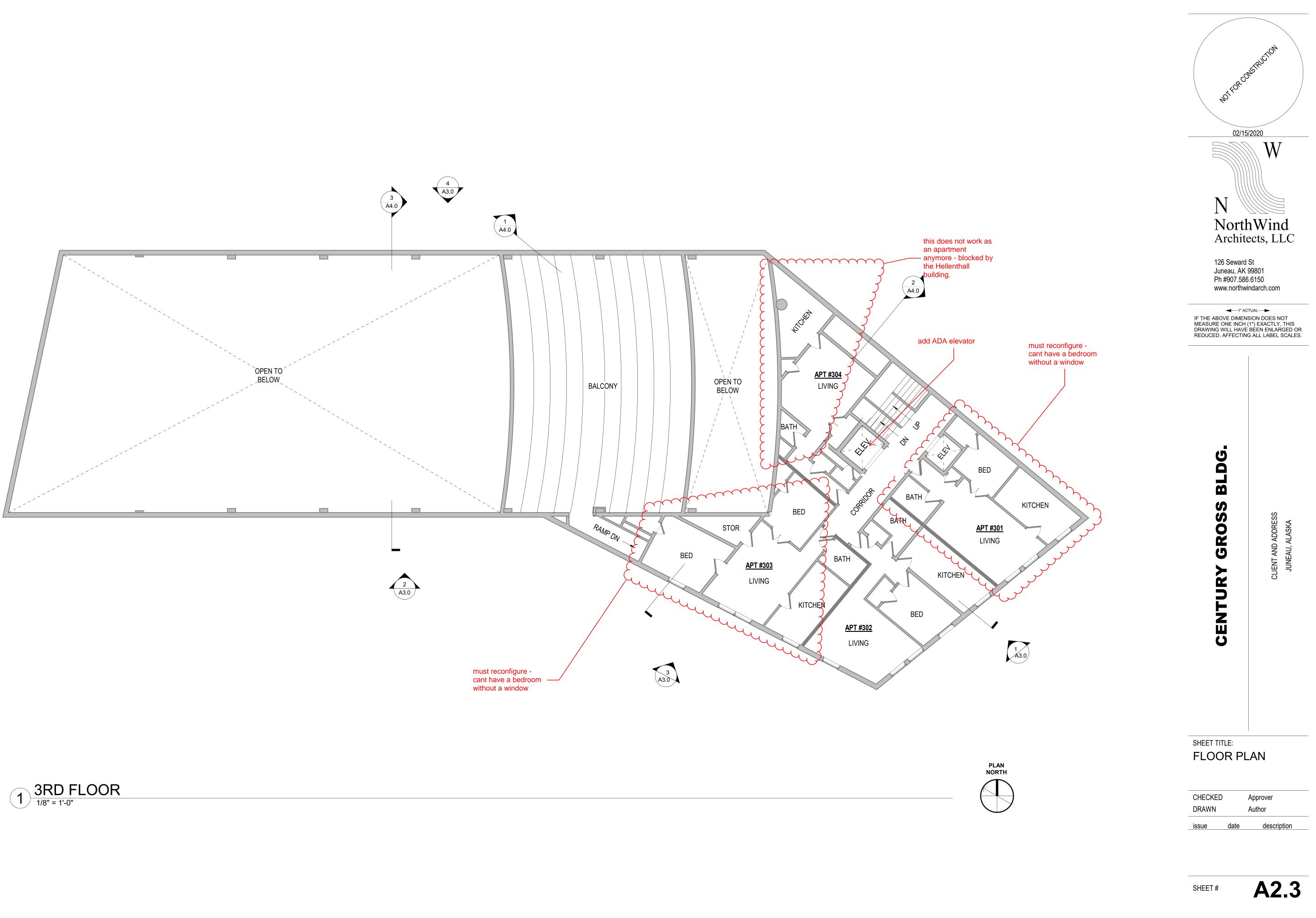


ISSUE DATE



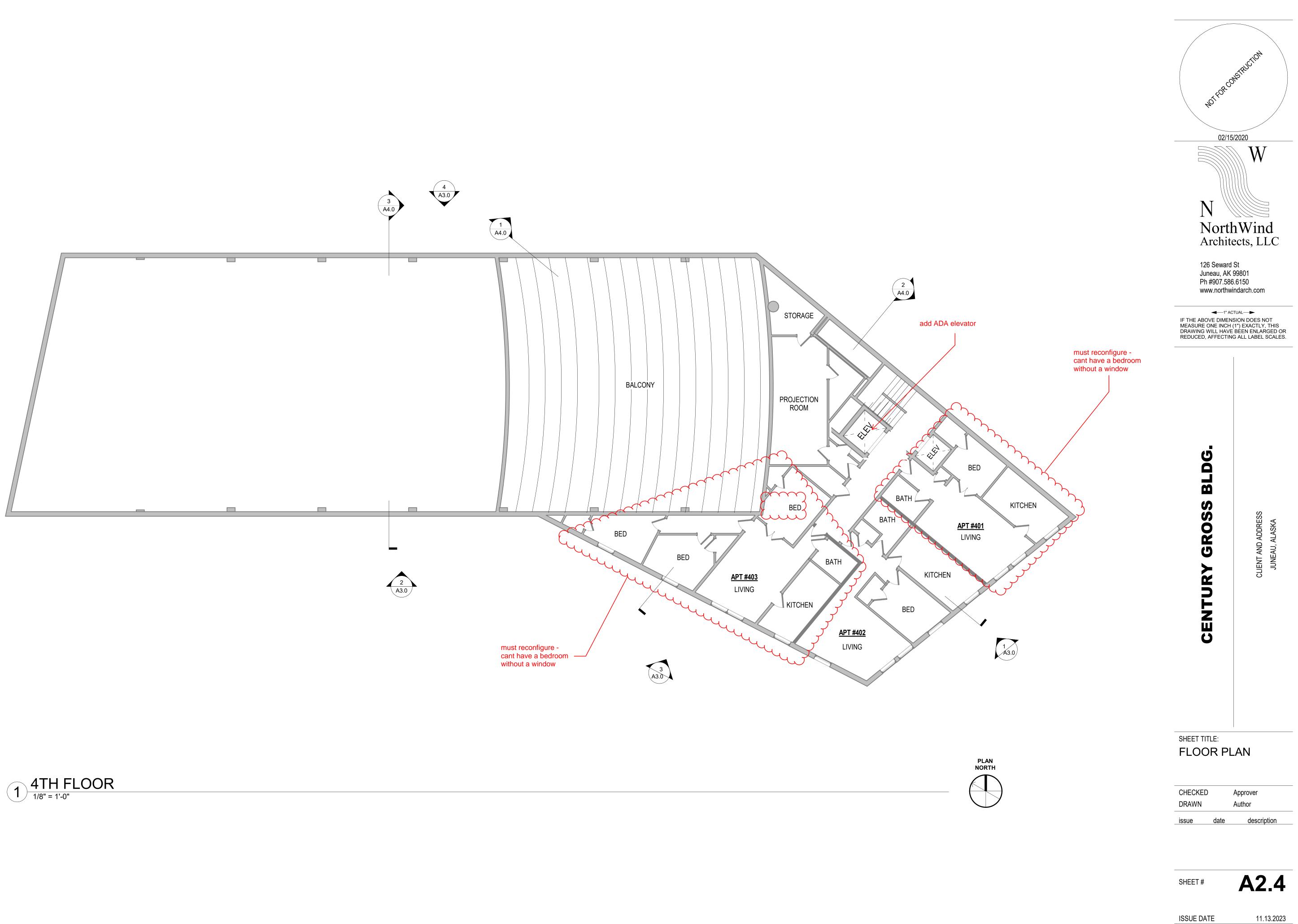
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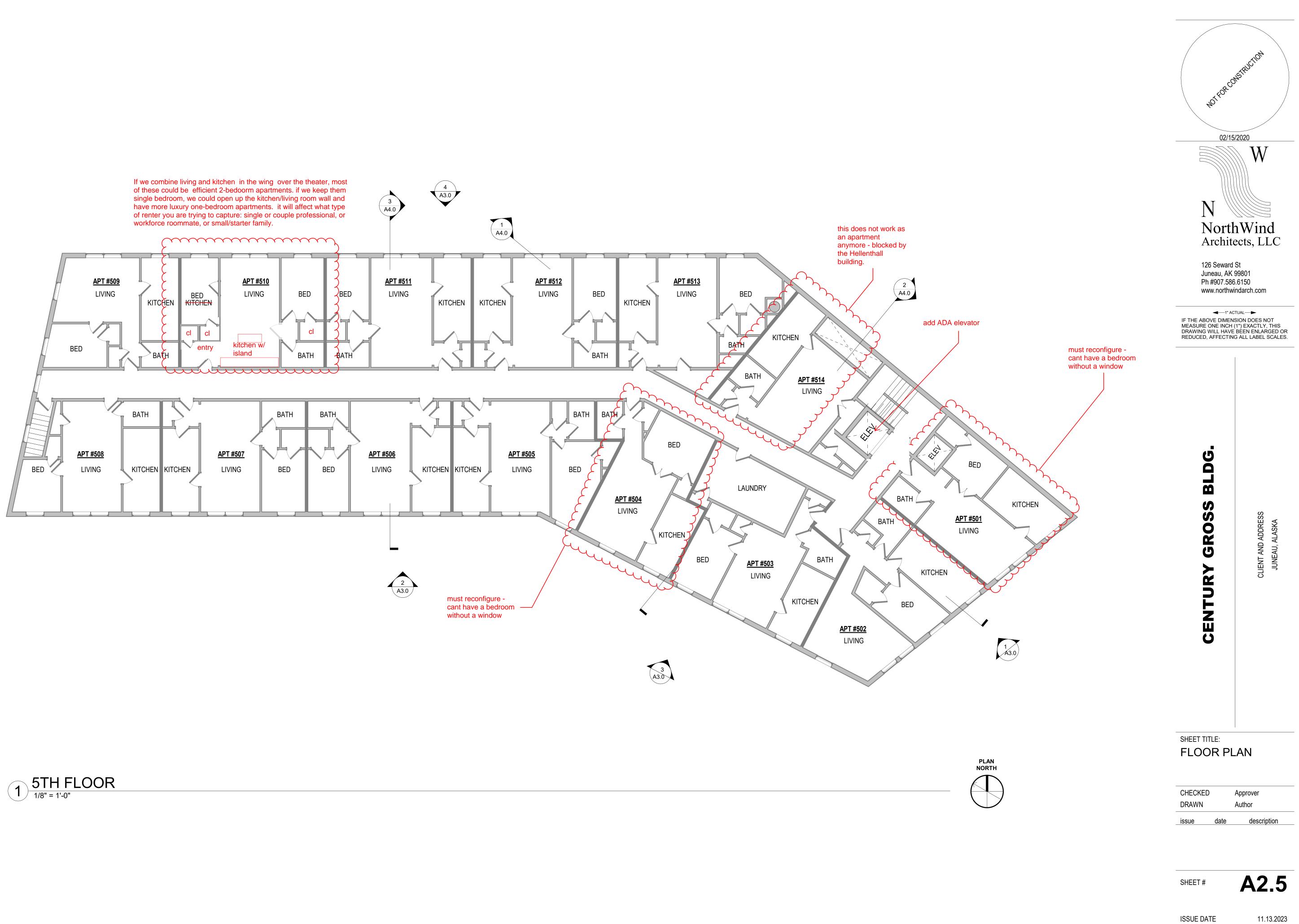




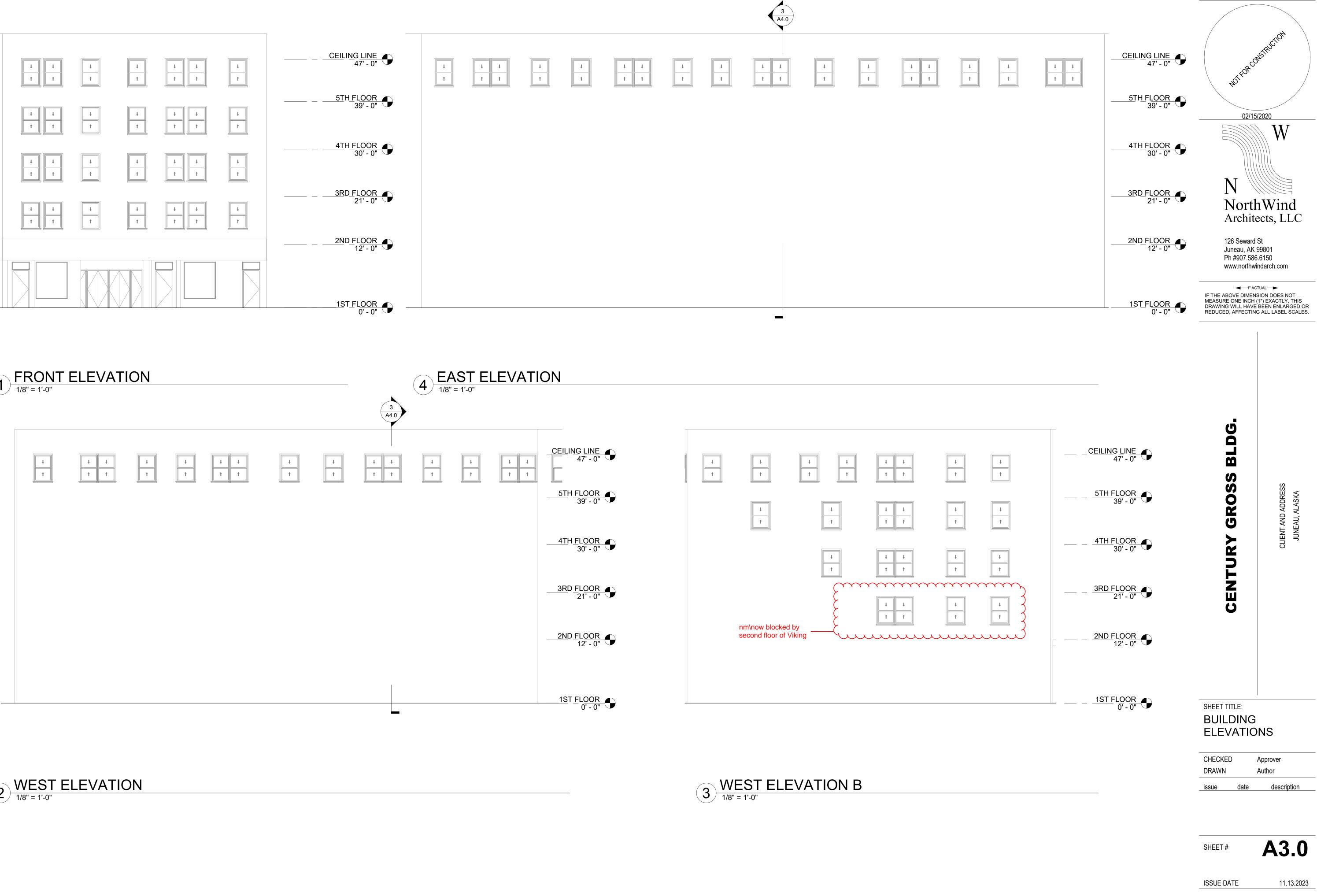
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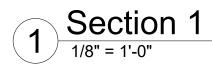






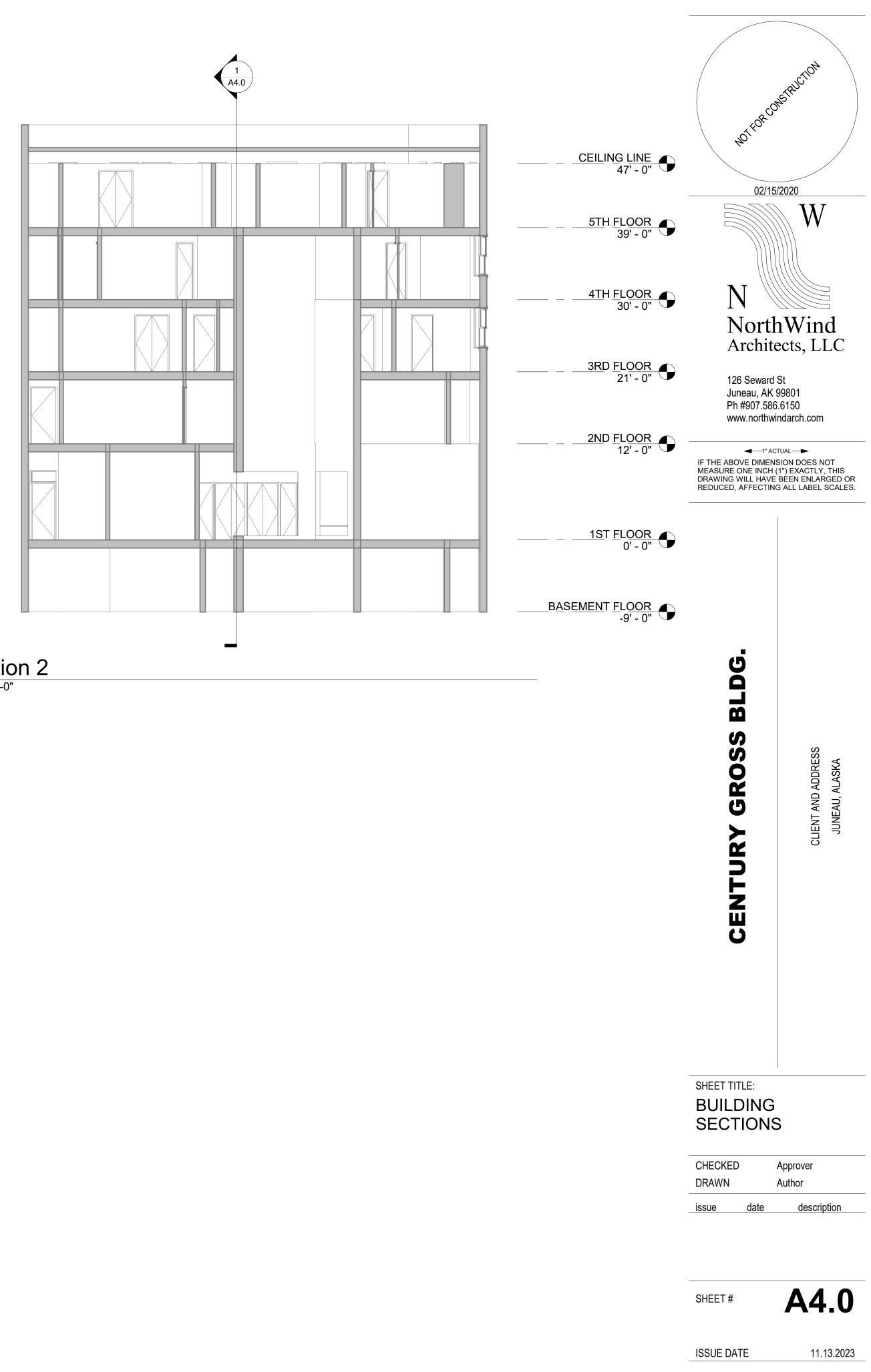


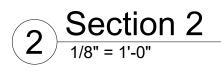
2 A4.0





(8)





CEILING LINE 47' - 0"

5TH FLOOR 39' - 0"

4TH FLOOR 30' - 0"

<u>1ST FLOOR</u> 0' - 0"



Alpine Construction Enterprises, LLC Address PO Box 32684 Juneau, AK 99803 Phone 907-723-6473 Email Alpineconstructionenterprises@gmail.com

DATE:	8/1/2024
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	attn: Zachary Kohan
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FY2025 Application Round 4

For more information, contact:

Joseph Meyers, Housing & Land Use Specialist City and Borough of Juneau 155 Heritage Way Juneau, Alaska 99801 Phone: 907-586-0753 x4209 Email: joseph.meyers@juneau.gov

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  - □ Limited/General Partnership
- □ S or C Corporation

Applicant Name: BroKo Holdings LLC

Mailing Address: Street/City/State/Zip 10417 Fox Farm Trail Juneau, Alaska 99801

Phone: 907-209-6883

# Fax: \_\_\_\_\_

Contact Name/Title: Zach Kohan - Member

Email: Zachkohan1571@gmail.com

Applicant's Federal I.D. or Social Security Number: XXXXXXXXX

Contact Person for Award Notification: Zach Kohan

The Juneau Affordable Housing Fund (JAHF) is a program of the City and Borough of Juneau (CBJ). Approval of all grants and loans from the JAHF is a public process and loan files maintained by the CBJ are subject to open government policies and procedures observed by the CBJ. By signing and delivering this application to JAHF, I/we hereby WAIVE ANY RIGHTS TO OBJECT TO OR PREVENT THE DISCLOSURE TO THE PUBLIC OF THE FOLLOWING INFORMATION: Grantee's/Borrower's name; name and location of the project; grant or loan amount and terms; amounts and source of other financing; public purpose of the grant or loan; a description of the project including the number of units and number of units set aside for the public purpose.

I/we, am/are authorized to apply for financing from the City and Borough of Juneau Affordable Housing Fund on behalf of the applicant and certify that the information contained in this application is true and accurate.

Signature _	Zachary Kohan	Date 08/20/2024
<b>U</b> –	0	

Printed Name: Zach Kohan

Title: Member

Applicant: BroKo Holdings LLC

### **Application Checklist**

Check all items that you have included with this application. The total application submission length should not exceed 30 pages of supporting documentation, **excluding** the application form and table of contents. If supporting documentation exceeds 30 pages, only the first 30 pages will be considered.

**Note:** The items identified as <u>Borrower Information</u> must be provided for each applicant. **If separate entities operate and own the real property, both must be applicants/co-borrowers.** 

#### **Property information**

- □ Copies of deeds, permits, purchase agreements, leases, home inspection reports
- Appraisal (as-is/as-proposed if available)
- Location map and site description

#### **Project Information**

- Project narrative discussing **all** the following:
  - Housing waiting list information
  - Evidence of local support for the project
  - How the project fits into CBJ plans and housing priorities
  - Approach to green building and sustainable development
- Blueprints, preliminary design drawings, housing unit floor plans, and a site plan that shows all required parking and delineates the location of setbacks.

#### **Financing Information**

- □ Construction Budget/Bids
- Project budget/pro forma
- Operating Budget
- □ Support Services Budget, if applicable
- Documentation of financing gap
- Senior loan terms (loan documents/commitment letters)
- Documentation of grant commitment letters or loan documents requested and/or received
- Credit or loan denial letters

# Borrower Information. Provide the information below for any entity operating the project property and/or any entity who will have ownership of the project property.

- □ JAHF Application for funding; completed and signed (page 3)
- Borrower financial statements; balance sheet and current operating statements within last 90 days
- D Board resolution(s) authorizing the application, if required by your organization
- Resumes/organizational history of developer, project sponsor, property manager
- Articles of Incorporation & Bylaws (S & C Corps, including non-profits); Articles of Incorporation & Operating Agreement (LLC); Partnership Agreement (General & Limited Partnerships) for each borrower
- Current List of Officers & Directors, General/Managing Partners, Authorized Members

#### 1. PROJECT DESCRIPTION:

10xt here				
Project name	Gross Building Renovation			
Project address	<sup>ject address</sup> 220 Front St. Juneau, Alaska 99801			
Property complete legal description	Juneau Townsite BL 3 G LT 2&3			
Parcel number(s)	1C070A030030			
Site size	9655 Sq. Ft.			
Current site zoning	Mixed Use - Residential and Commercial			

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#### Type of project:

Affordable, low-income, senior, or special needs housing

- □ Fair market workforce housing
- Downtown housing
- Other: \_

#### Please identify and provide a description of the project. Include a narrative that:

- Highlights population targeted, and local support for the project, and outlines how the project fits into <u>CBJ</u> <u>Housing Action Plan</u> housing priorities and the <u>Comprehensive Plan</u>;
- Includes a location map, and describes the condition of housing nearby; availability of public transportation; location of schools, shopping and employment centers, and other information relevant to the site; and
- Describes how this project addresses green building technologies and encourages sustainable development.

#### 2. TYPE OF FUNDING REQUEST: Choose any of the following activities that describe your request:

- Construction of new housing
- □ Acquisition of land for new housing construction
- Acquisition of existing housing
- Rehabilitation of existing housing
- Capacity building activities
- Other: \_\_\_\_\_\_

#### 3. ORGANIZATIONAL DEVELOPMENT AND TEAM SUMMARY

Provide details on the organizational capacity and team experience for the project.

Please Attach Resumes and/or organizational references for the Project Development Team Members below

Developer Developer Property Manager

Please discuss:

- Dijectives, management structure, and staffing of the sponsor organization;
- Experience and ability to implement and manage housing projects and/or complex capital projects, including the organizations fiscal management systems;
- Service provision experience (if part of the overall project design); and
- Details for extended project development; team members such as general contractor, architect, structural and mechanical engineers, attorney, consultant, tax advisor, etc. if available

#### 4. HOUSING UNITS AND POPULATION TARGETS

List unit details below and describe the total housing thits, unit mix, and units anticipated to be funded with JAHF funding.

Unit Type	Total # of Units	Unit Size (Sq. Ft.)	Total Unit Area: Garage + Unit	# ≤ 30% AMI	#≤50% AMI	#≤80% AMI**	Market Rate Units
SRO with private facilities							
SRO without private facilities							
Efficiencies							
1 Bedroom	16	543 sq. ft. avg	8,700 sq. ft.			16	
2 Bedroom	6	858 sq. ft. avg	5,950 sq. ft.			6	
3 Bedroom							
4+ Bedroom							
Total Units	22		14,650 sq. ft.				

#### \*\*20% of units *must* be affordable for households making 80% AMI or below to receive JAHF funding.

For income limits, see Appendix B of Juneau Affordable Housing Fund Program Description and Application Guidelines or go to HUD User Datasets at <a href="https://www.huduser.gov/portal/datasets/il.html">https://www.huduser.gov/portal/datasets/il.html</a>

#### Total Residential Square Footage: 14,650 sq. ft.

Manager's Unit included? 🗖 Yes 🗖 No If Yes, describe: \_\_\_\_\_

DEVELOPMENT DESIGN	# Units	# Buildings
Detached single-family		
Townhouse		
2/3/4-plex		
Multi-family	22	1
Scattered site		
Tiny homes		
Other (describe)		

#### **OTHER AMENITIES:**

- □ Units contain washer/dryer appliances
- □ Units contain washer/dryer hook-ups only
- $\blacksquare$  Common laundry with: # 6 washers and # 6 dryers.
- Covered parking spaces: # \_\_\_\_\_
- Uncovered parking spaces: #\_\_\_\_\_
- Other amenities (describe): \_\_\_\_\_\_
- Lobby Elevator

#### Population to be served:

- Single adults
- Families with minor children
- Chronic homelessness
- Seniors
- Assisted living

- □ Veterans<sub>0</sub>
- □ Survivors of domestic violence
- Middle-income housing
- □ Special Needs (describe below)
- □ Other (describe below)

#### Number of years that units will be committed to serving the population above:

10

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□ 10 years □ 15 years □ 20 years ⊠ 30+ years (if more, describe below) \_\_\_\_

#### FOR RENTAL PROJECTS ONLY

List Rental Rates for each type of unit and describe the process you will use to set and adjust rents. **Please note, 20% of units must be affordable to individuals making 80% AMI or below to be eligible for JAHF funding.** 2024 HUD rental limits are in Appendix B of the JAHF Program Description and Guidelines document, available on the JAHF website.

Unit Type	Rental Rate @ ≤ 30% AMI	Rental Rate @ ≤ 50% AMI	Rental Rate @ ≤ 80% AMI	Market Rate Rental Rate
SRO				
Efficiencies				
1-bedroom			\$1,932	
2-bedroom			\$2,174	
3-bedroom				
4-bedroom or more				
Total Units			22	

#### FOR HOMEOWNERSHIP PROJECTS ONLY

List proposed sales price of all homes in project. Indicate if the project will include affordability covenants; e.g., community land trust.

Unit Type	JAHF Financed Units	Financed by Other Affordable Housing Lenders	Market Price Units
1 Bedroom			
2 Bedroom			
3 Bedroom			
4+ Bedroom			

Unit Type	JAHF Financed Units	Financed by Other Affordable Housing Lenders	Market Price Units
T			

#### **Total Units**

6. PROJECT READINESS AND SITE INFORMATION: Please provide details on site control and project readiness.

#### How is control of the project property site established?

□ Ownership ☑ Purchase Agreement □ Purchase Option □ Lease □ Other (describe): Purchase and Sale Agreement Memorandum Included in this Application Submission

If no site control exists, describe plans to acquire the project property:

#### Name(s) of the current property owner(s):

Gross-Alasking Incorporated

Is the site properly zoned for your development?

Yes, it is currently zoned Mixed Use - Residential and Commericial

Attach evidence that the site is properly zoned for the proposed use or if a variance or exception is required, evidence that a request has been filed and a hearing date has been scheduled.

#### Does the project operator plan to own the property directly?

Yes If property is to be owned by related entity, please provide name of entity and specify relationship (e.g., subsidiary corporation or partnership of which applicant is general partner) Name of entity: Relationship:

#### PLEASE NOTE: Entity proposed to own the property must be co-applicant and co-borrower for any JAHF Financing.

Are there liens or other encumbrances on the property that must be cleared by allocating funds to them? If yes, please describe amount due, date due, nature of obligation and cost of clearing title.

Have you obtained	Yes/No	If No, when will these be completed? Or N/A
Blueprints	No	09/06/2024
Zoning changes	No	None Needed
Building permits	No	02/2025

Have you obtained	Yes/No	If No, when will these be completed? Or N/A
Utility hookups	Yes	
Environmental report	No	10/2024
Commitments from service providers	Yes	

Will the project require any displacement of current occupants? <u>No</u>

If yes, will you compensate or relocate those who are displaced? Describe your proposed plan for relocation assistance:

Please attach copies of supporting documents – evidence of zoning, deeds, permits, leases, options, sales agreements, etc. Projects requesting assistance for homeownership (rehab or acquisition) must include a current Home Inspection Report.

**7. PROJECT TIMELINE:** Please provide a project timeline. Use anticipated or actual calendar dates. Be sure to include dates of initial closing, construction start and substantial completion. Include the following items on the timeline, as it may apply:

- Financial Commitment for funding sources
- Initial closing date
- Location survey complete
- Preliminary site plan complete
- Design, development and pricing
- Site plan approval
- Construction and bid documents
- Engineering plan approval
- Final pricing
- Building permit
- Construction contract executed
- Start construction
- Substantial completion
- Final completion/Certificate of Occupancy

#### 8. PROJECT COSTS AND RESOURCES

The rest of the application will focus on funding use and financial feasibility.

- Please provide a narrative explaining the need for JAHF funding.
- In the section below, provide the expected use of funds for your project and provide the JAHF grant or loan amount requested.

#### 8a. FUNDING SOURCES/REVENUES

Funder	Specify Agency/ Program/Investor Name	Amount Committed or Received <sup>1</sup>	Amount Requested <sup>2</sup>	Date of Application	Anticipated Approval Date
Alaska Housing	HOME				
Finance	LIHTC				
Corporation	SNHG				
	Other:				
Other Alaska State Govt.					
Federal Govt.					
Local Govt.					
(non-JAHF)					
Subsidies					
Bank Loan			2,000,000	08/01/2024	01/2025
Private Loan					
Private Grant					
Private Investor					
Applicant's Funds					
Other					
	Totals	\$0	\$ 2,000,000		

Total non-JAHF funds committed and requested above:	+ \$2,000,000
Total JAHF grant/loan requested from 8a above	+ \$1,100,000
Total project funding from all sources. Total project cost must match total project funding in 8a. Above.	= \$3,100,000

#### **Reminder:**

• Qualifying projects are eligible for grants and loans up to \$50,000 per affordable or workforce housing unit

<sup>1.</sup> Please attach documentation verifying non-JAHF funds including the interest rate, repayment period, and other terms governing committed or received funds.

<sup>2.</sup> Please list amounts applied for which are pending approval here. Do not show any requests which have been declined or any unfunded portion of an application which was committed for less than the amount requested.

created, or for other eligible uses on a similar per unit basis.

- For profit-developer projects utilizing JAHF funds for workforce housing must reserve at least 20% of units for tenants with gross incomes at 80% or less AMI for at least ten years or the life of the loan.
- Your grant/loan may be approved for an amount less than requested.

#### 8b. USE OF FUNDS

Purpose	Sections Required if funding requested for these purposes	Amount
Acquisition, Construction, Rehabilitation	9a	\$3,050,000
Pre-Development Costs	9b	\$50,000
Operating Assistance (max one year)	9c	\$
Capacity Building	9d	\$
Self-Sufficiency/Support Services (max 1 year)	9e	\$
Project Total		\$3,100,000
Less Cash provided by owner or borrower	8b	\$
Less Other Financing	8b	\$2,000,000
JAHF grant or loan requested		\$1,100,000

#### 9. DETAILED USE OF FUNDS

For section 9, **applicants only need to complete the sub-section(s) for which JAHF funding is requested**. (See 8b) The total JAHF funds requested, and the total of funds provided by others, should match the total in Section 8a and 8b.

**9a. CAPITAL COSTS.** Fill in this section if funding is being requested for **capital costs** – if not please skip to section 9b. Please include below the total project cost for each type of capital cost (Acquisition, New Construction, or Rehabilitation) regardless of funding source.

Capital Costs	Acquisition	Construction	Rehabilitation	Admin/Overhead
Land				
Residential structures			\$3,050,00	
Nonresidential structures				
On Site improvements				
Off Site improvements				
Remove, Refinance				
Liens/Encumbrances				
General requirements				
Contractor Fees				
*Developer's Fee				
Architect Fee				
Design			\$25,000	
Supervision			\$25,000	
Legal Fees				
Packaging/Processing				
Other (describe)				
Other (describe)				
			Total Capital Costs	\$3,100,000

General requirements: % of 9a Total 0

Builder's General Overhead: % 9a Total Builder's Profit: % of 9a Total 10

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PROJECT COST PER UNIT: \$140,909.09

\*The amount and use of developer's fee will be relevant to the evaluation of the application.

**9b. CAPACITY BUILDING COSTS must be directly related to the specific housing project covered by this application.** General organizational development or broad-based client needs assessments will not be funded. Examples of capacity building include training for on-site property manager or maintenance staff, acquisition of software for facility management, website development for rental information, etc. Fill in this section if funding is being requested for **capacity building costs** – if not please skip to section 9e.

Purpose/Use of Funds (list)	JAHF Funds	Other Funds	Total Cost
Total Capacity Building Costs			