



## RFP #09-25 Below Market Rate Housing Development at 35 Sherburne Road Proposal

### Delivered To

City of Portsmouth  
Finance/Proposals Department  
Attn: Procurement Coordinator  
1 Junkins Ave  
Portsmouth NH 03801

### Proposer Name

Preservation of  
Affordable Housing, Inc.  
(POAH)

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**Placework**  
ARCHITECTURE • PLANNING

Kaplan  
Thompson  
Architects

**ALTUS**  
ENGINEERING



**COVER LETTER**

October 11, 2024

Dear members of the Sherburne Road Selection Committee:

Preservation of Affordable Housing, Inc. (POAH) is pleased to submit this response to the City's Request for Proposals for 35 Sherburne Road. You will be choosing a long-term partner from among four capable developers. Whoever you choose will need to do the hard work of building trust with neighbors and developing consensus in the Portsmouth community about what this new neighborhood will look like, who will live there, and what it will give back to the public.

We believe we have a team that can build that trust and consensus. Community design will be led by Placework, a WBE, certified B-Corporation, and proud Portsmouth small business that places community participation at the center of design. Placework is supported by two of New England's leading authorities on sustainable and community-oriented design in Kaplan Thompson Architects and Aceto Landscape Architecture, and we are guided by one of Portsmouth's most experienced civil engineers in Altus Engineering.

We've kept the plans we share here conceptual - they are suggestions and a starting point for a conversation. POAH has built a lot of housing in our 23 years - we know how to adapt in response to community feedback, and we have the staff and financial resources needed to be creative. We can deliver a variety of different housing options and visions, but it must have the trust and support of the community - from neighbors on Sherburne and Greenland Roads and in Pannaway Manor and Holly Lane to the members of the City Council, the Housing Blue Ribbon Committee, and the various municipal departments that will be involved in this development.

We all care deeply about Portsmouth - in addition to the many Portsmouth residents that make up our team, several POAH staff members have personal ties to the City. We all recognize that it is a special place: it is beautiful, captivating and fun, but an important part of its magic is that it's still eclectic, it still has its own character, it's still a place where lots of different people come together. We think that is worth working to protect, and creating affordable places to live for all members of the community is an important part of that work.

Finally, we understand the imperative. We are ready to commit the significant staff and financial resources that will be needed to position this development for a competitive application to New Hampshire Housing next year. We have no competing applications with New Hampshire Housing (which only allows one at a time); Sherburne Road will be our priority. We are ready to get started and would be honored to be the City's partner in expanding housing opportunity for Portsmouth residents.

Sincerely,



Aaron Gornstein  
President & CEO, POAH

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## APPENDIX

POAH Community Impact 2023 Annual Report





## Section 1: The Development Team



**Placework**  
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# SECTION 1: THE DEVELOPMENT TEAM

## Team Highlights

We were thrilled to introduce our development team to the City during the Request for Qualifications process, and the City has proceeded with four excellent developers, all of whom will be capable of delivering housing at 35 Sherburne Road. While our team’s statement of qualifications remains the best source of information for our experience and capacity, we would like to reiterate a few team qualities that we believe distinguish us from some of our competitors.

**Experienced community developer.** We know there is work to do to build trust with neighbors along Sherburne and Greenland Roads, Pannaway Manor, Holly Lane and beyond. We embrace community collaboration and we have extensive experience building neighborhood buy-in for below-market-rate housing in tight-knit New England communities like Portsmouth. We have dedicated an entire section of this proposal to the community process – in *Section 4: Community Engagement*, we suggest an engagement framework informed by years of practical experience, and we look forward to developing the plan with the City and bringing a fresh face to the community. We are committed to the hard work of building trust and we are genuinely excited by the prospect of working alongside neighbors, municipal staff, the Housing Committee, and community participants to deliver the best development for the City of Portsmouth.

**Local connections and new thinking.** With every development, we look at ways to create opportunity for local businesses – particularly smaller, growing organizations. Here we teamed up with Placework, an emerging, woman-led architectural practice with an excellent understanding of local aesthetics and stakeholders. Placework will be complemented by Kaplan Thompson Architects, whose experience with New Hampshire Housing and passive house design will complement the growing firm’s capabilities. The design team is supported by a group of established and emerging Portsmouth professionals with deep local connections. We offer a combination of established capability and new local thinking for this important opportunity.



Team design session at Placework

**Innovative financial partner.** POAH is one of the strongest non-profit developers in the country and has the financial resources and sophistication to match any of our for-profit peers. POAH has been exceptionally successful in building substantial sources of flexible, low-cost funding to benefit our development projects, including a \$75 million issuance of general obligation bonds, \$64M in HUD GRRP awards, and \$40 million of Capital Magnet Funds, of which we are the leading recipient in the country. Our financial resources and our A+ credit rating from S&P directly benefit our developments: we self-fund predevelopment and robust community engagement, we reduce construction interest

Credit Profile		S&P Global Ratings
US\$75.0 mil GO bnds ser 2022 dtd 04/18/2022 due 12/01/2032		
Long Term Rating		A+ / Stable

costs with internal financing, we get the best terms and pricing from lenders and tax credit investors, and we keep developments moving forward when funding gaps arise.

**Leader in sustainable development.** POAH is one of the most experienced builders of Passive House communities in the field. We have completed four Passive House developments and we have another seven under construction or in development, including one in Portland Maine designed by Kaplan Thompson Architects. There is a learning curve with building to the passive house standard if you haven't done it before. We know how to do it, we know how to access the funding programs to finance highly sustainable development, and we won't be learning on the job at Sherburne Road.

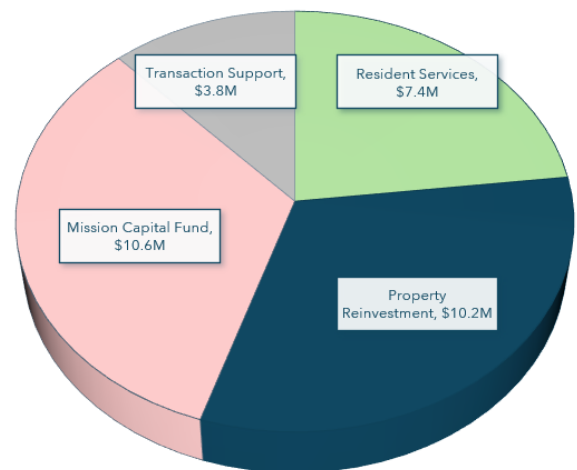
**Property management dedicated to building and improving communities.** POAH is a mission-driven non-profit that works to strengthen communities by enabling resident access to greater opportunity. We support residents through our Community Impact programs which focus on helping residents achieve housing stability and meet their personal and financial goals. We reinvest 25% of our corporate net income in our resident services, with \$7.4 million reinvested in services over the past five years. In 2021, POAH Communities was recognized with a \$2.5 million grant in the first round of Enterprise's *Housing Affordability Breakthrough Challenge* for our innovative work helping residents build wealth, develop their careers, and become engaged in their communities. We operate our Community Impact programs across our portfolio and we look forward to helping residents at Sherburne Road access opportunity and reach their goals.



Brewster Woods

**Non-profit benefits.** We are pleased that three of the four finalists for 35 Sherburne Road are non-profits. In Portsmouth, where extensive development by for-profit organizations has instilled distrust in some residents, we believe that a non-profit developer will be better positioned to build trust with the community. Apart from this soft benefit, POAH's status as an established non-profit also brings hard resources to our developments:

- **Access to special funding such as Capital Magnet Funds.** POAH is the leading recipient nationally, with more than \$40 million awarded.
- **Dedicated funding pools for non-profits** in New Hampshire Housing's programs.
- **Money that would otherwise be distributed to shareholders in a for-profit organization is instead reinvested in our residents and properties.** In the past five years, POAH has reinvested 25% of its corporate earnings in our Community Impact resident service programs; 32% in property-level repairs and upgrades; and 33% in a dedicated reserve to help development projects remain on time and on budget. We don't build properties to sell or generate profit; we're here to expand housing opportunity, to do it with neighborhood and community support, and to help our town and city partners achieve their housing goals.



How POAH spent net income 2020-2024



## The Development Team and Roles

We have assembled a team for the Sherburne Road site that brings together a high-capacity non-profit developer with extensive New England experience and an exceptional team of designers and planners with local roots and a deep commitment to sustainability and contextual design.

### Proposer Name and Address

Preservation of Affordable Housing, Inc.  
Attention: Alex Finigan  
2 Oliver Street, Suite 500  
Boston, MA 02109  
[afinigan@poah.org](mailto:afinigan@poah.org)  
617-449-1013



**Cory Fellows** will serve as lead project manager from POAH and will oversee all aspects of the project's financing and construction, with specific focus on the LIHTC financing through New Hampshire Housing. Based in Scarborough, Maine, Cory is a Vice President in POAH's Real Estate Development group and has overseen several new construction projects in New England settings similar to Sherburne Road. Cory is currently leading POAH's developments on Cape Cod and Lambert Woods North in Portland, Maine.



**Alyssa Murphy** will lead Placework's involvement in the project including conceptual design, public process, permitting, and collaboration with the city. Alyssa is a founding principal of Placework, a Portsmouth-based architecture studio specializing in community-focused projects in the Seacoast region. Placework has worked with the City of Portsmouth on a range of projects and is currently working with the Strawberry Banke Museum on long term campus and neighborhood stormwater management.



**Jesse Thompson** will lead Kaplan Thompson Architect's (KTA) involvement in the project including schematic design, consultant team oversight, and permitting. Jesse is a founding principal of KTA, a Portland-based architecture studio with extensive experience designing sustainable mixed-income multifamily housing in New Hampshire, Connecticut, and Maine. KTA is currently working with POAH on the Lambert Woods North project.



**Nick Aceto** will work closely with Placework and KTA on site and landscape design. Nick is a founding principal of Aceto Landscape Architecture (ALA), a Portland-based landscape architecture studio with a focus on native New England habitats. ALA is currently working with POAH and KTA on Lambert Woods North and is also leading landscape design for a proposed multifamily development on Durgin Lane in Portsmouth.



**Eric Weinrieb** will lead Altus's involvement in the project, working closely with the design team on site planning and interfacing with the City on site permits and utility design. Eric is president of Altus Engineering, a longstanding Portsmouth-based civil engineering firm with extensive multifamily experience in Portsmouth and the greater Seacoast region.



**DURBIN LAW** **Derek Durbin** will represent the team through the City's land use and site plan approval process. Derek is the founding partner of Durbin Law, a Portsmouth-based legal practice focusing on land use and real estate law. Derek has extensive experience securing land use approvals for projects in Portsmouth.

<b>Developer</b>	
Developer	<b>Preservation of Affordable Housing, Inc. (M/NPO*)</b> Cory Fellows Vice President, Real Estate Development <a href="mailto:cfellows@poah.org">cfellows@poah.org</a>
<b>Design and Engineering</b>	
Architect Concept and Permitting	<b>Placework (WBE**)</b> Alyssa Murphy Principal <a href="mailto:alyssa@placework.studio">alyssa@placework.studio</a>
Architect Architect of Record	<b>Kaplan Thompson Architects</b> Jesse Thompson Principal <a href="mailto:jesse@kaplanthompson.com">jesse@kaplanthompson.com</a>
Landscape Architect	<b>Aceto Landscape Architecture</b> Seth Kimball Principal <a href="mailto:sk@acetola.com">sk@acetola.com</a>
Civil Engineer	<b>Altus Engineering</b> Eric Weinrieb President <a href="mailto:eric@altus-eng.com">eric@altus-eng.com</a>
Acoustical Engineer	<b>Reuter Associates</b> Eric Reuter Principal <a href="mailto:ereuter@reuterassociates.com">ereuter@reuterassociates.com</a>
<b>Legal</b>	
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Attorney - Transactional/LIHTC	<b>Klein Hornig</b> Daniel Rosen Partner <a href="mailto:drosen@kleinhornig.com">drosen@kleinhornig.com</a>
<b>Property Management</b>	
Property Manager	<b>POAH Communities</b> Jennifer Cavaco Senior Vice President <a href="mailto:jcavaco@poahcommunities.com">jcavaco@poahcommunities.com</a>

\*Minority Non-Profit Organization; certified in Massachusetts

\*\*In process; New Hampshire certification expected by end of the year



POAH is a 501(c)(3) non-profit based in Boston, Massachusetts. POAH has 84 employees. POAH Communities is POAH's affiliated property management company and is wholly owned by POAH. POAH Communities has 514 employees.

Based on our experience with recent projects in the context of the volatile and inflationary construction materials market, POAH has adopted a strategy of working with a reputable general contractor during pre-construction and soliciting bids before construction closing to ensure we are securing the best possible price and team. POAH has relationships with several experienced general contractors that have successfully completed similar projects throughout New Hampshire and greater New England. Contact information for these general contractors is presented below.

Company	Contact	Contact Information	POAH Projects
Dellbrook JKS	Michael Fish President	781-380-1675 <a href="mailto:mfish@dellbrook.com">mfish@dellbrook.com</a>	Clarendon Hill (Somerville, MA)
Penobscot	Clay Maker Co-President	207-838-8021 <a href="mailto:cmaker@penobscotgc.com">cmaker@penobscotgc.com</a>	Lambert Woods North (Portland, ME)
North Branch	Joseph Campbell President	603-345-2416 <a href="mailto:jcampbell@northbranch.net">jcampbell@northbranch.net</a>	Sugar River Mills (Claremont, NH)

Please see POAH's previously submitted "POAH Statement of Qualifications for 35 Sherburne Road" for firm qualifications and resumes for POAH, POAH Communities, Placework, Kaplan Thompson Architects, and Aceto Landscape Architecture. Firm qualifications for Altus Engineering, Durbin Law, Klein Hornig, and Reuter Associates can be provided on request.



POAH's Brewster Woods, the first Passive House multifamily development on Cape Cod

## POAH Organizational Status

Preservation of Affordable Housing, Inc. ("POAH, Inc.") is a 501(c)(3) non-profit corporation. Its Board of Directors is presented below.

### POAH Board of Directors

Name	Employer, Position	Areas of Expertise
Jenny Netzer (Chair)	TCAM, Chief Executive Officer	Affordable Housing Finance, Property Ownership and Management, Policy
Liz Blume	Community Building Initiative at Xavier University, Director	Planning, Community Organizing, Policy
Yongmei Chen	Eastern Bank Community Development, Senior Vice President	Housing Finance, Community Development
Joe Flatley	Massachusetts Housing Investment Corp., President & CEO	Affordable Housing Finance
Printice Gary	Carleton Residential Properties, Partner/Principal & CEO	Housing Finance
Ana Gelabert-Sanchez	Gelabert-Sanchez LLC, Principal	Planning, Design, Policy
Ramon Jacobson	Local Initiatives Support Corp. (LISC), Executive Director, Washington D.C.	Affordable Housing Finance
Doriane Miller	General Internist, University of Chicago Medicine	Community Health, Behavioral Health
Mark Snyderman	Fidelity Management and Research Company, High Income Real Estate Vice President	Mortgage Finance
William Towns	Benefit Chicago, Executive Director	Housing/Community Economic Development, Policy
Aaron Gornstein (ex officio)	POAH, President and CEO	Housing/Community Economic Development, Policy



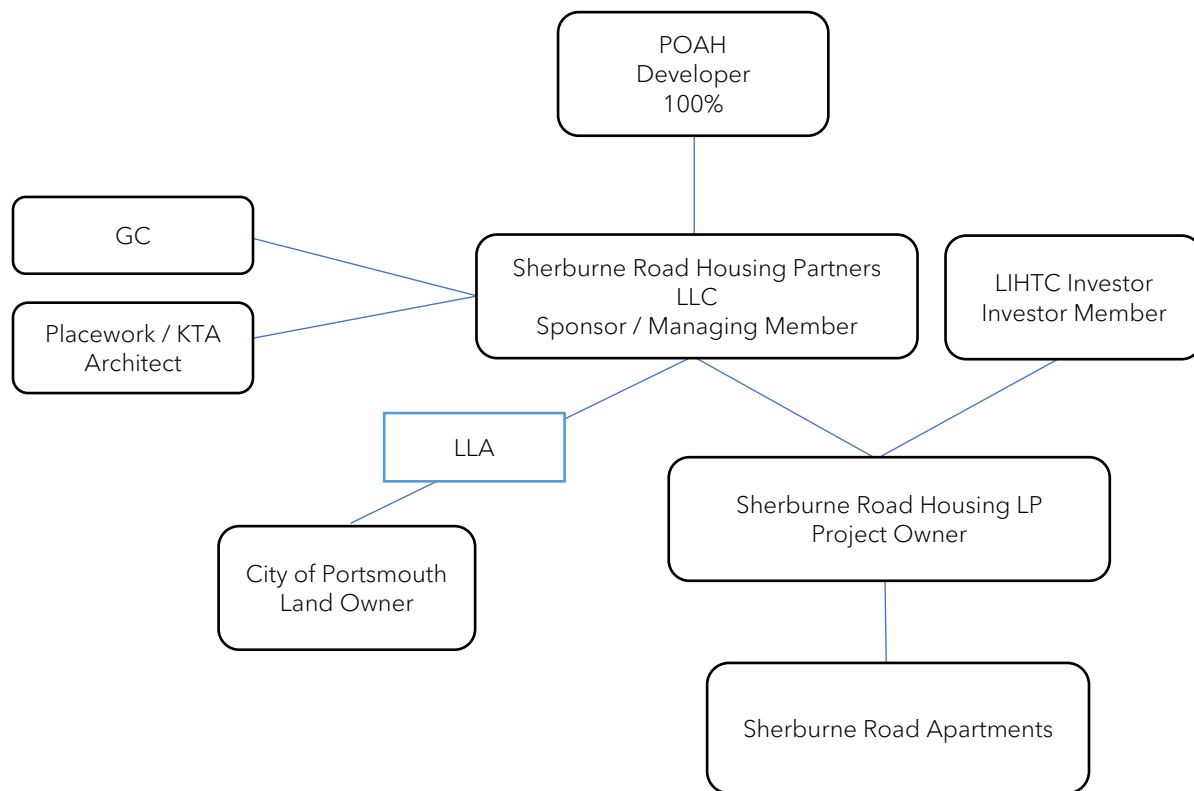
## Sponsor Organizational Structure

POAH will form a project sponsor entity that will enter into the Land Lease Agreement with the City. We have tentatively named the project sponsor entity Sherburne Road Housing Partners, LLC in the structure presented below.

Sherburne Road Housing Limited Partnership, as project owner, will be the borrower for all loans secured by the improvements built on the property.

Preservation of Affordable Housing, LLC, a wholly owned subsidiary of POAH, Inc., will be the provider of the construction completion guarantee, the LIHTC recapture guarantee, and any operating deficit guarantee, consistent with industry practice.

An organizational chart of the anticipated project entities and structure is presented below.



## Sponsor Principals

Sherburne Road Housing Partners, LLC will be the Sponsor and Managing Member of the project owner. Sherburne Road Housing Partners, LLC will be owned by Preservation of Affordable Housing, LLC (a subsidiary of POAH, Inc.). Aaron Gornstein is President and CEO of POAH, Inc.

## Developer/Property Manager Relationship

POAH Communities will manage the newly constructed community at Sherburne Road. POAH Communities is wholly owned by POAH, Inc. and manages the entirety of POAH's multifamily rental portfolio of more than 13,000 units, including 106 apartments in nearby Dover.

## Past and Pending Litigation

POAH, Inc. and its affiliates, including numerous real estate operating affiliates which own multifamily apartment buildings, are routinely involved in litigation relating to their business activities (e.g., so-called "slip and fall" lawsuits). As a general matter, these litigation liabilities are covered by insurance. There is no material litigation outstanding, or to our knowledge pending, which could reasonably be expected to have a material adverse effect on the ability of POAH Inc. or its affiliates to conduct their business as it is currently conducted.

## Outstanding Taxes

There are no local, state, or federal taxes due or outstanding for POAH, Inc. or any constituents thereof.

## References

Reference	Reference Project
Jill Scalise Housing Coordinator Town of Brewster 508-896-3701 ext. 1169 <a href="mailto:jwertz-scalise@brewster-ma.gov">jwertz-scalise@brewster-ma.gov</a>	Brewster Woods Spring Rock Village
Tom Galligani Executive Director, OSPCD City of Somerville 781-808-8191 <a href="mailto:tgalligani@somervillema.gov">tgalligani@somervillema.gov</a>	Clarendon Hill
Elaine McIlroy Board Chair Wellfleet Housing Authority 617-947-1269 <a href="mailto:emcilroy@comcast.net">emcilroy@comcast.net</a>	Residences at Lawrence Hill



## Communication Plan with the City

One of our first steps would be to work with City officials to identify key contacts and develop a joint communication and engagement plan. We have found that regular meetings between the POAH project management team and City staff from every two weeks to every month are a good starting frequency that can be adjusted accordingly as the development advances and the team members establish a rhythm. We will provide meeting notes, progress drawings, and other updates to be uploaded to the City's existing "Sherburne School Project" website, and we will coordinate with Monte Bohanan, the City's Director of Communications and Community Engagement, to provide frequent updates via emails and social media. Please see *Section 4: Community Engagement* for more information on how we have worked with cities during development planning and community engagement.



Construction signage at LeClair Village, a POAH development that was recently completed in Mashpee

## MBE/WBE, Local, and Diverse Hiring Plan

Because the residents of below-market-rate housing are often people of color and people from disadvantaged backgrounds, we think that the process of building housing should be specifically oriented to creating opportunity for these populations. This has become a key component of POAH's organizational mission, and we have maintained our own MBE and WBE hiring goals for POAH developments since 2016. **Since 2022, POAH establishes the following minimum internal hiring goals for every development project: 35% and 10% of all contract dollars awarded to MBEs and WBEs, respectively; and 40% and 5% of all on-site worker hours to non-white and female workers, respectively.** POAH itself is a thriving example of how a diverse and representative workforce produces outcomes of success and inclusivity. POAH's corporate staff is composed of 36% people of color and 65% women, POAH's Board is composed of 60% people of color and 50% women, and POAH Communities' staff is composed of 60% people of color and 59% women. In 2023, POAH was certified as a Minority Non-Profit Organization (M/NPO) in the Commonwealth of Massachusetts. Our development vision and management are rooted in a diverse organization where issues of racial equity and housing justice are taken very seriously.

### Experience with Local Hiring and MBE/WBE Contracting

On every new development, POAH works closely with local governments and community-based organizations to set, track, and achieve diverse hiring and contracting goals that we layer on to the internal goals mentioned above. Hiring and participation goals vary and are informed by local priorities. They often set targets for hiring MBEs and diverse on-site labor, but they also often consider hiring locally, creating opportunity for smaller businesses, or hiring from within certain local populations (e.g. housing authority residents). We expect one of our early discussions with the City will be about what hiring and participation goals are important for stakeholders in Portsmouth and would make sense for the development of Sherburne Road. It is important that these expectations be set early on because it is essential that the developer and general contractor teams have as much time as possible to build awareness of the development within their subcontractor networks and establish ties with local hiring centers.

POAH developments have achieved high levels of participation because we dedicate staff time to building networks and pushing contractors to meet and exceed the contractual subcontracting and worker hour goals. POAH carefully selects general contractors based on their prior track record with MBE/WBE subcontracting and local, non-white, and female hiring record. Fundamentally, the ability to achieve high rates of diverse participation in a development project is directly related to an organization's commitment to putting in the necessary additional effort, from start to finish, to reach diverse companies and workers and the set them up for success on the job.

POAH is committed to this, and it is reflected in our track record for our recent developments below.

Project	Location	Contract Value	MBE as % of project	WBE as % of project	Minority Hours %	Women Hours %	Status
Loop at Mattapan	Boston, MA	\$54M	39%	6%	68%	6%	Complete 2023
Brewster Woods	Brewster, MA	\$10M	33%	3%	58%	1%	Complete 2023
The Kenzi	Boston, MA	\$20M	55%	33%	81%	5%	Complete 2024
LeClair Village	Mashpee, MA	\$17M	4%*	21%	48%	3%	Complete 2024
Flat 9 at Whittier 3	Boston, MA	\$109M	26%	8%	52%	7%	67% complete

Clarendon Hill	Somerville, MA	\$83M	7%**	10%**	59%	3%	70% complete
Gardner Terrace	Attleboro, MA	\$23M	37%	29%	48%	2%	78% complete
Cape View Way	Bourne, MA	\$17M	19%*	1%*	55%	3%	84% complete
Lambert Woods***	Portland, ME	\$25M	35%	10%	40%	5%	Closing 2024
Cocheco Park***	Dover, NH	\$6.5M	35%	10%	40%	5%	Closing 2025

\*Contract value awarded to M/WBEs at LeClair Village and Cape View Way reflect a recurring challenge finding diverse labor on Cape Cod. We do not anticipate this challenge in Portsmouth, which has a deeper labor market.

\*\*Contract value awarded to M/WBEs at Clarendon Hill is skewed much lower than normal because the significant portion of the contract amount that goes to the modular builder, Lab9, which is not an M/WBE. However, worker hours completed by minority workers is well above POAH's internal goal of 40%.

\*\*\*Construction has not commenced; percentages shown reflect POAH internal hiring goals and/or established with municipal agencies.

## Plan for Diverse Hiring

A successful diverse hiring strategy for construction really starts with selecting the general contractor. We only work with general contractors that are both be committed to meeting the community's goals and willing to devote significant staff time to local outreach efforts and consistent engagement with subcontractors throughout the construction process. The contractor's track record with MBE/WBE and local subcontracting is one of our key selection criteria, determined by evaluating experience meeting established minority, women, and community-based hiring goals. In addition to each contractor's hiring record, we request an initial hiring plan in each general contractor's bid response. A general contractor's demonstrated ability to deliver on diverse hiring goals and a thoughtful, detailed plan are both critical to being competitive for a POAH development.

Successful participation plans start in the planning phases before designs are complete and require creativity in engagement, scope development and construction methodologies. The strategies outlined below reflect years of iteration and collaboration among POAH's staff and our partners developing best practices focused on creating access to jobs for disadvantaged groups.

## Outreach and Engagement

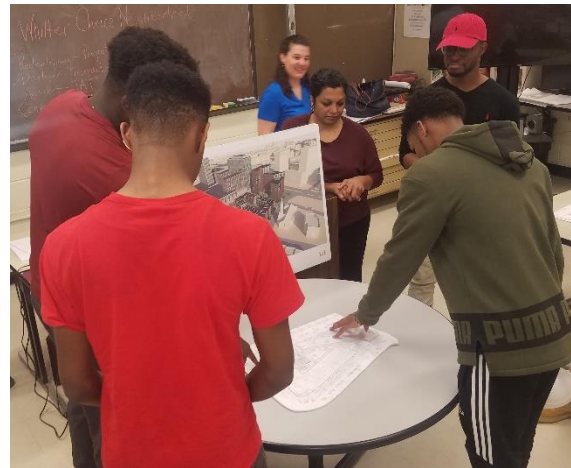
A successful hiring strategy that maximizes participation among local residents, women and people of color is based on broad, sustained and dedicated outreach and engagement with these communities. While events such as on-site hiring fairs and information sessions can be helpful, we have found that the most productive strategies focus on:

- 1) *The general contractor's established network among smaller and MBE/WBE subcontractors and its reputation for working with small subcontractors and setting them up for success on the job.*  
General contractors who have invested the time to increase opportunity on their projects will have the network and the reputation to get diverse subcontractors to bid on the job, whereas general contractors who have not made diverse hiring a priority may struggle or will have to invest significant resources in the effort.
- 2) *The developer and general contractor's relationships with local career centers.* Establishing connections with local career centers such as state-sponsored and private programs (e.g. I Build NH/VT) or local technical schools (e.g. the NH CTE school network) with building trades programs is important because these organizations provide a pre-vetted pool of interested job seekers, which is vastly more efficient than hiring "raw" applicants in the field.



POAH and will work closely with the selected general contractor, as well as New Hampshire Housing and Portsmouth municipal staff, to identify potential hiring centers early on in the process and to develop and initiate a community engagement and hiring campaign. Some specific ideas for Sherburne Road include:

- Create an instructional capsule with Architecture/Design-Build students from Portsmouth High School's CTE program and students at the Lister Academy to bring them into the design, development, and construction phases of a project. POAH has successfully created these instructional collaborations on past developments. For example, for POAH's Flat 9 at Whittier development in Boston, POAH established a partnership with Madison Park Vocational Technical High School in which POAH development staff taught classes about the role of a developer, project structuring and how to form a development team. POAH's general contractor, NEI, then brought students onto the project site for technical training sessions including assembling a mock-up wall and installing a window designed to maximize energy efficiency.
- Building on the above concept of a collaboration between the development team and CTE and Lister Academy students, we could also develop a program in which students design and build a specific element of the community space, such as planters for a community garden. Placework worked with CTE in a similar capacity when they assisted students in designing planters for outdoor dining barricades that the students constructed for restaurants during Covid.



POAH teaching session at Madison Park High School in Boston

### Intentional Scope Development

With large-scale development plans, there are multiple ways to create opportunities for small subcontractors. We will explore the potential to coordinate, divide and structure multiple trade packages to maximize participation among diverse and local subcontractors and ensure that smaller subcontractors are set up for success and can handle the scope. These contract packages would be tailored to satisfy the interests and financial capabilities of the subcontractors through the following approaches:

- Consider reducing the size, scope and terms of certain bid packages (where practical)
- Ensure bond requirements fit the level of subcontractor risk
- Ensure insurance requirements fit the level of subcontractor risk
- Conduct pre-bid conferences well in advance of the bid date to establish a complete understanding of our program requirements

Since 2021, POAH has used its internal capital to bridge finance more than \$5 million (and counting) of requisitions to small and minority-owned subcontractors so that these businesses can remain solvent, pay employees, and manage cash flow during the frequently protracted time period between requisition and payment on development projects funded by LIHTCs and layered public financing.

## Tracking and Reporting

Our team is accustomed to documenting outreach, engagement, and participation results from the inception of a project through transition to operations. Local and diverse workforce participation is a priority topic at each weekly Owner-Architect-Contractor (OAC) meeting to ensure the project is on track to meet or exceed participation goals and to address any challenges proactively and collaboratively. All progress and results will be documented in monthly reports shared with the City, New Hampshire Housing and community partners.

## Beyond Construction Completion

Our goal is to help Portsmouth residents and people of color in the Seacoast area access upwardly mobile, permanent, and fulfilling careers, whether in construction or non-construction positions created through the development process. Our commitment goes beyond construction and extends to the long-term operational period after properties come online and welcome residents home.

In addition to opportunities on the property-based management and maintenance teams, properties require regular maintenance and unit turnover contracting services including landscaping, painting, HVAC repairs, etc., which are all opportunities for local and MBE participation. We prioritize local and MBE contractors for these roles and services as well.

Additional opportunities for local employment are available through the POAH Communities team. These positions provide on-the-job training for residents, and we bundle the experience with support services to mitigate barriers to career employment.



Subcontractors on site at POAH's Clarendon Hill in Somerville





## Section 2: Development Scenarios



**Placework**  
ARCHITECTURE • PLANNING





## SECTION 2: DEVELOPMENT SCENARIOS

### Development Scenarios

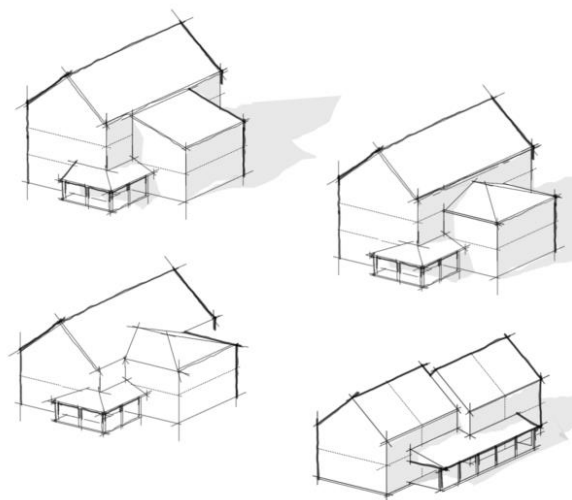
Our development scenarios for 35 Sherburne Road reflect the following objectives and strategies:

**Objective:** Create a fully below-market-rate housing community with an emphasis on family-focused apartments and income diversity.

**Strategy:** We propose a community that is approximately 60% two- and three-bedroom apartments while also creating a substantial number of accessible one-bedroom apartments for seniors and small households. We use LIHTC income-averaging to create housing for a more diverse range of incomes – approximately 20% of apartments for residents below 50% of AMI, 50% of apartments for 60% of AMI residents, and 30% of apartments for residents up to 80% of AMI – and we propose contributing some of POAH’s own project-based rental assistance from one of our nearby properties to create more lower- and middle-income 80% AMI apartments at Sherburne Road. While we do not propose creating apartments for 100% AMI households because these will likely require financial assistance from the City, we can determine how to include higher-income apartments in the development if this is a priority for the City.

**Objective:** Develop an architectural vision that fits into the neighborhood context and scale, prioritizes constructability and energy efficiency, and is financially feasible.

**Strategy:** Our architectural vision is to combine simple and efficient New England building forms with high-performance enclosures and all-electric systems that will achieve Passive House energy efficiency. We create architectural variety through changes in rooflines and façade planes and with traditional architectural elements like front porches, stoops and walkways. We maintain financial feasibility by using simple building forms and avoiding elevator-driven buildings. We use the site efficiently by siting three-story buildings on the lower ground and two-story buildings at the middle and front of the site to match the neighborhood’s scale. This strategy creates adequate density with consistently contextual building forms that do not overwhelm the site.



**Objective:** Design a site plan that offers ample open space and amenities for both residents and the wider community.

**Strategy:** Public commentary on the development, discussions with the Recreation Department, and conversations with members of local performing arts and education organizations have informed our understanding of community needs and possibilities at the site. We present options that respond to these needs, ranging from a nature-based playground and splash pad to the preservation of the gym as a teen center, performing arts space, or childcare location. There are many possibilities and we expect them to be substantially shaped through community engagement.

On the following pages we present three development scenarios:

- 1) **Scenario 1A:** the school building is preserved, but the gym at the rear is removed is converted into an outdoor courtyard. This creates more outdoor space, enables us to create two more apartments in the school, and is the most cost-effective financing option.
- 2) **Scenario 1B:** identical to Scenario 1A except the gym space is preserved and adapted to a community use such as a teen center or childcare facility. This reduces the amount of housing in the school by two apartments, increases cost because the gym space must be adapted and modernized, and requires additional financing sources to fund the gym conversion.
- 3) **Scenario 2:** the school building is removed. This creates more housing, but the loss of the acquisition LIHTCs and Historic Tax Credits associated with the school creates the need for more capital subsidy from the state.

Each of these development scenarios is possible, and each offers its own benefits and trade-offs. We want to emphasize that the development scenarios and financing strategies we describe here are our initial ideas and are meant to be a starting point for a dialogue with the City and neighbors. We want to be a great long-term partner with the City of Portsmouth, and that will be rooted in communication and collaboration: with neighbors on Sherburne and Greenland Roads, Pannaway Manor and Holly Lane; the City Council and the Housing Committee; and the many department staff and members of the community that will be involved in the creation of this new community. However the development vision evolves, the POAH team has the experience and the “stick-to-it” mindset that will enable us to create the housing that is best for Portsmouth.





SCENARIO 1A



**Parking Summary**  
Parking: Approx. 116 Spaces



SCENARIO 1B





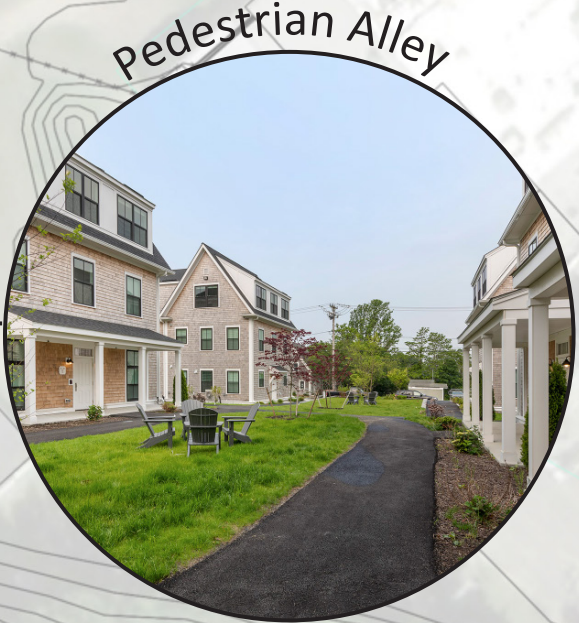
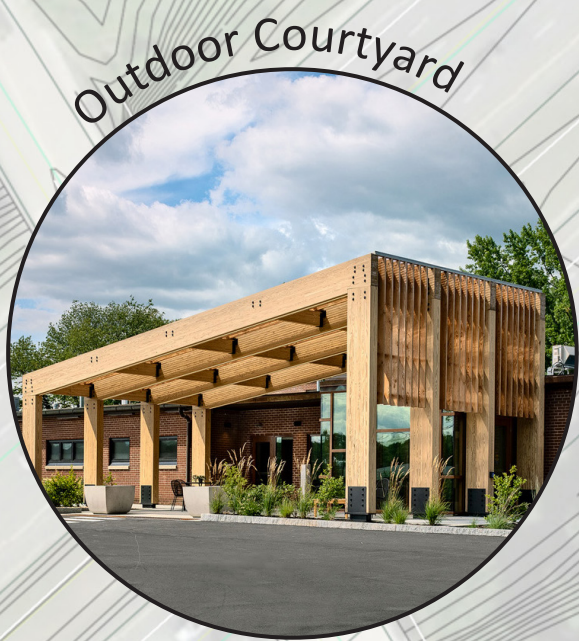
SCENARIO 2



**Parking Summary**  
Parking: Approx. 116 Spaces



# SITE USE CONCEPTS





# SITE USE CONCEPTS

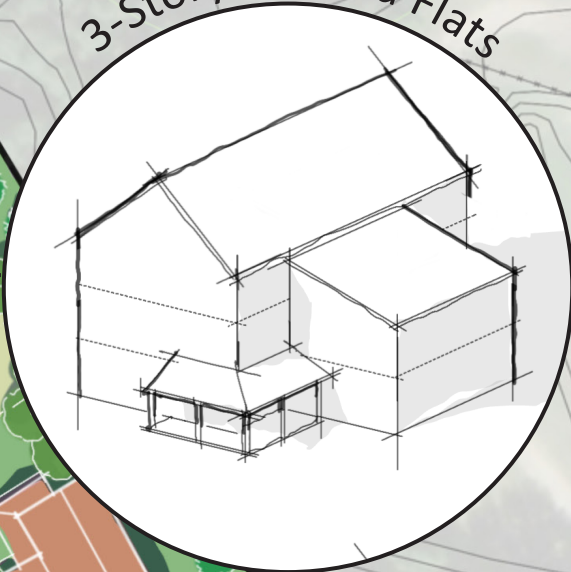




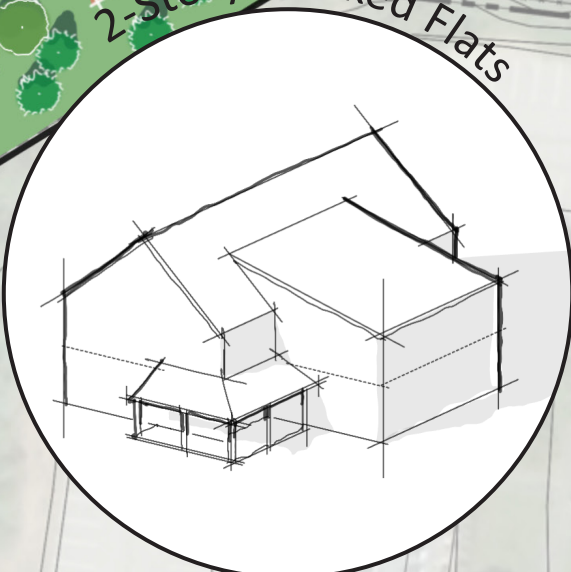
# BUILDING TYPOLOGY & PRECEDENTS



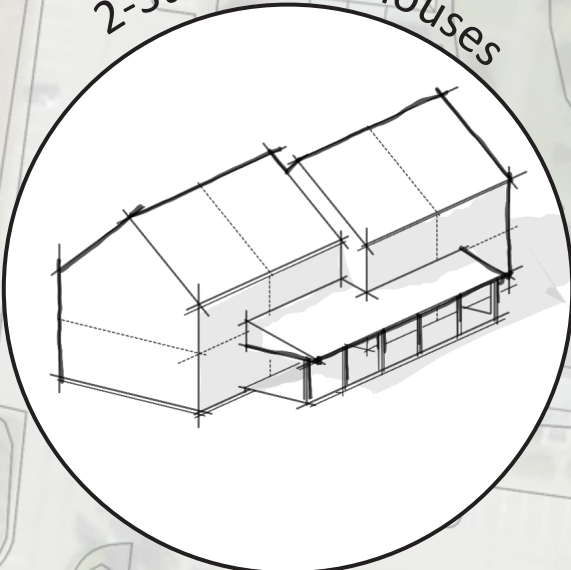
3-Story Stacked Flats



2-Story Stacked Flats

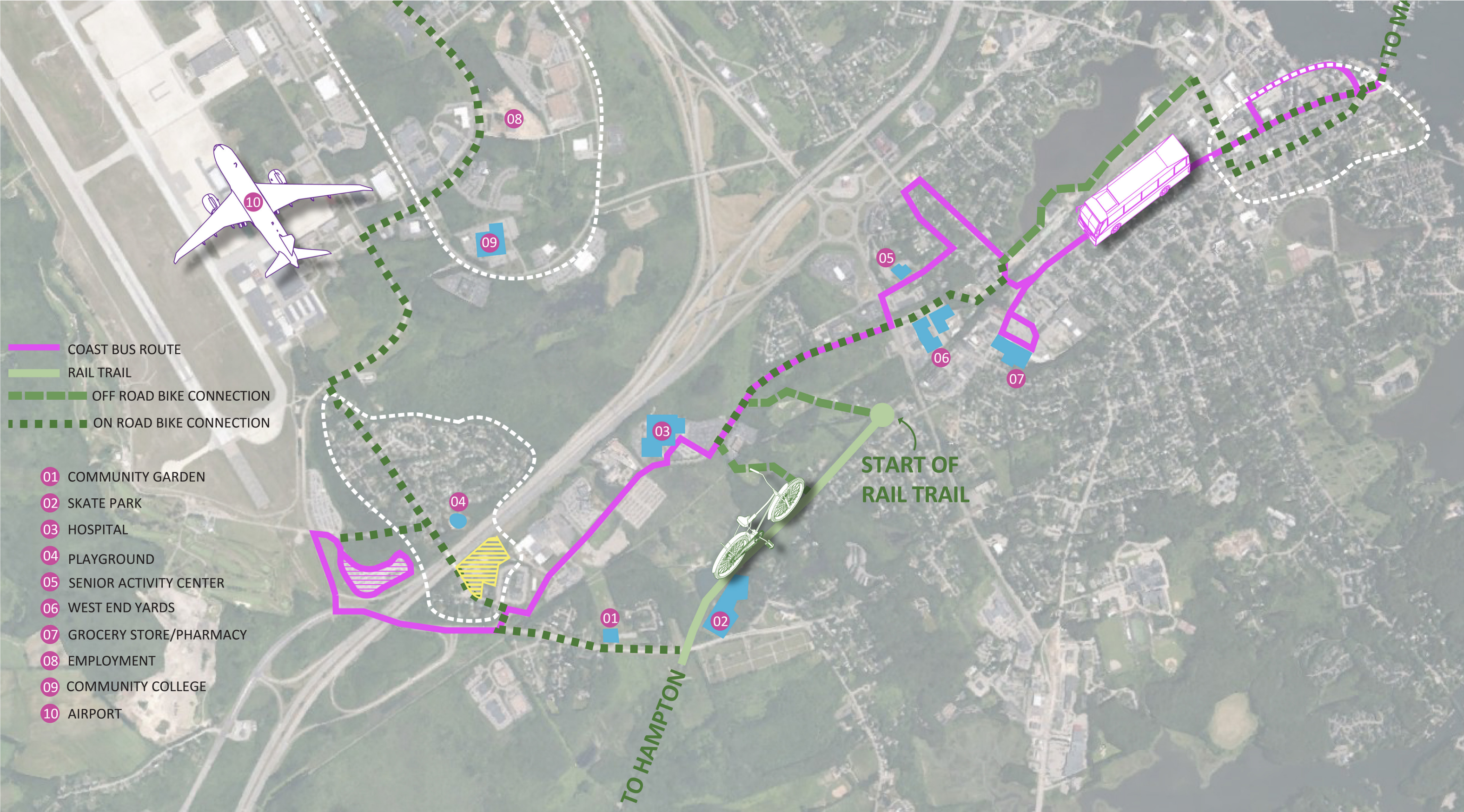


2-Story Townhouses





# COMMUNITY CONNECTIONS













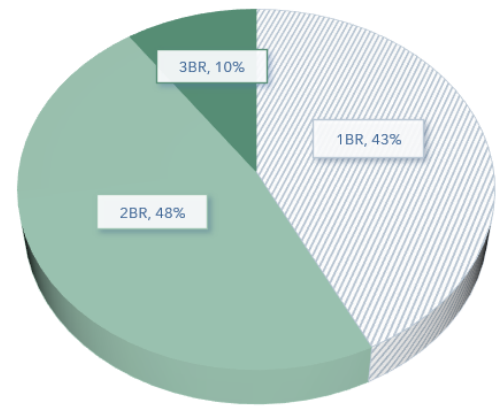




## Housing Unit Programing

### Apartment Mix: Family Focused Housing

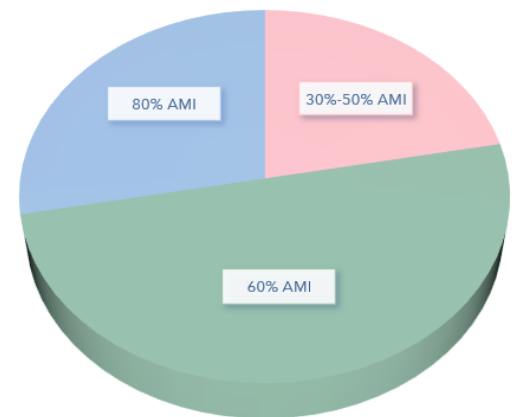
We propose that nearly 60% of the apartments in our development are family-sized, with either two or three bedrooms. Our apartment mix responds to the City's goal of creating family-focused housing, and it is consistent with community feedback surfaced through the *Places to Live Study Circle Dialogue* in which the need for housing for young families is frequently mentioned. However, we also include a number of one-bedroom apartments that respond to another need surfaced in *Places to Live* for small, accessible apartments for seniors who want to downsize and age in a neighborhood rather than a seniors-only community. We think smaller, senior-friendly apartments could fit especially well within the preserved school building and in the ground floors of the new buildings.



Please refer to the "Housing Unit Programing Tables" at the end of this section for the apartment mixes according to the three development scenarios provided.

### Affordability: Mixed-Income for 30% to 80% of AMI Households

Although there is a good amount of rental housing in Portsmouth, it is increasingly positioned for higher-income renters; our estimate is that the average market-rate rent in Portsmouth is only affordable to households with incomes in the range of 100% of the Portsmouth-Rochester HMFA AMI or more. However, many municipal employees and teachers, as well as a substantial number of people whose professions are the lifeblood of Portsmouth's cultural scene - the hourly wage earners that staff restaurants and bars, the people working in shops downtown, the artists and performers who keep Portsmouth's creative economy alive - have incomes in the range of 80% of AMI or less. One *Places to Live Study Circle* participant summarized the sentiments of many when she said "we are losing the rungs in the middle of the housing ladder" intended for middle-income earners, working-class households, and young people getting started.



In response, we propose a mixed-income community that creates a balanced range of housing options, with approximately 20% of the apartments for households in the 30% - 50% of AMI range, 50% of the apartments for households in the 50% - 60% of AMI range, and 30% of the apartments for households in the 60% - 80% of AMI range. Each of these populations lacks housing options in Portsmouth, and an economically diverse community will be operationally stronger over the long run.

We are also careful to propose rents that offer real affordability in the Portsmouth marketplace. We think that apartments at a new, market-rate rental community in a location like 35 Sherburne Road would likely be in the range of \$2,500 per month for a 1-bedroom, \$3,000 per month for a 2-bedroom, and \$3,500 per month for a 3-bedroom. Our rent assumptions are intended to represent

below-market-rate rents as informed by the marketplace rather than the rent limits set by the LIHTC program. Our proposed income mix is described below and summarized in the “Housing Unit Programing Tables” at the end of this section.

- 1) 30% - 50% AMI:** we include 18 deeply affordable apartments that will create housing for seniors living on modest fixed incomes and lower-income families who want to benefit from Portsmouth’s outstanding public school system and amenities. Including deeply affordable apartments not only creates housing options for some of the City’s most vulnerable residents, it also enables us through the use of LIHTC income-averaging to maximize the number of middle-income 80% AMI units at the other end of the income spectrum and create more economic diversity in the development.

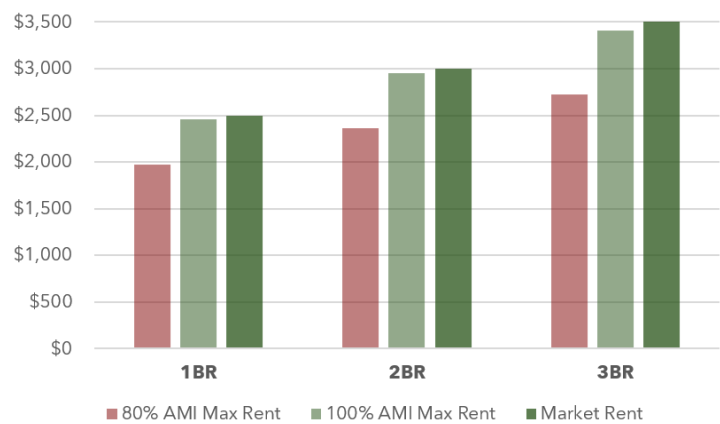
We will secure project-based rental assistance for these deeply affordable apartments in the development. We expect to obtain approximately 11 project-based Section 8 vouchers (“PBVs”) through NHH’s annual funding round, consistent with previous PBV awards for comparable developments. In addition, we also propose to transfer some of POAH’s own project-based rental assistance from our nearby property, Cocheco Park in Dover. Although this would divert scarce rental subsidy from POAH’s own portfolio, we would be willing to invest this important rental subsidy source at Sherburne Road because it enables us to increase income diversity at the site and build more apartments for 80% AMI middle-income households.

- 2) 60% AMI:** we assume that approximately half of the apartments will be set aside for households with incomes in the range of 60% of AMI. This translates to an annual income of approximately \$55,000 for a single person to approximately \$79,000 for a family of four. The rents for the 60% AMI apartments are equal to the 2024 maximum allowable LIHTC rents for the Portsmouth-Rochester NH HMFA, less NHH 2024 utility allowances and a 5% cushion for leasing flexibility.
- 3) 80% AMI:** approximately 30% of the apartments in our proposal are for middle-income renters in the 80% of AMI range, a group of people that are increasingly being pushed out of Portsmouth and farther from their jobs. People in this income bracket earn up to \$74,000 for a single person to \$105,000 for a family of four. We looked at what it costs to rent an apartment in Portsmouth so that our proposed rents represent an actual below-market discount. Our initial survey indicates that market rents for a new building outside of the downtown are approximately \$2,500 per month for a 1-bedroom, \$3,000 per month for a 2-bedroom, and \$3,500 per month for a 3-bedroom. The rents we have assumed for the 80% AMI apartments represent a 30% discount to market-rate rents, and a 10% discount to the maximum allowable LIHTC rents. We want these apartments to be available to a wide range of middle-income households at rents that are sustainable, realistic, and offer actual affordability to the marketplace.



## Why No 100% AMI Apartments?

Although we understand that the City is open to including apartments for households earning up to 100% of AMI and concerned about providing missing-middle housing, we have decided to not include 100% AMI apartments in this initial proposal because we believe the difficulty funding these apartments may not justify the benefits.

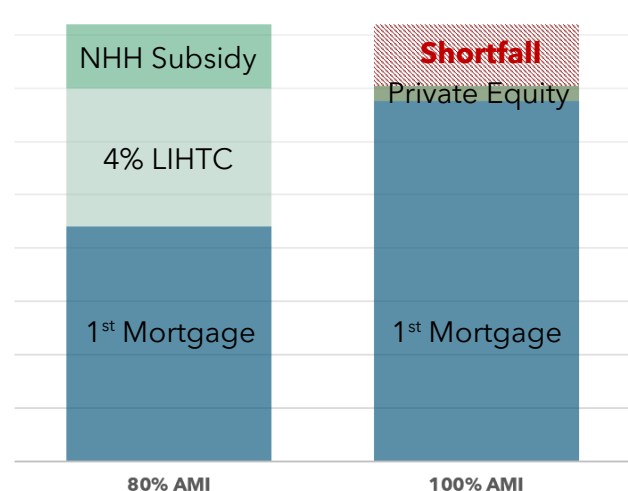


First, 100% AMI apartments would not offer a significant below-market-rate discount to current market-rate apartments. The asking rents at several of the newer or recently renovated market-rate apartment communities outside of downtown (e.g. The Veridian, Arbor View, Seacoast Residences) are consistent with rents that would be considered reasonable for a 100% AMI household (using the LIHTC convention that a household should not spend more than 30% of its income on housing).

Second, we think it is unlikely that 100% AMI apartments at 35 Sherburne Road would generate any meaningful cross-subsidy that could fund the below-market-rate apartments. In fact, because 100% AMI rents in this location would likely not justify the cost of construction, Portsmouth may have to *contribute* funding to support the construction of these apartments, and they would offer minimal discount to market-rate rents.

Because it costs the same amount to build an apartment for a 100% AMI renter as an 80% AMI renter but the 100% AMI apartment cannot use LIHTC and New Hampshire Housing capital subsidy financing, the lost funding must be made up in the private market through a larger first mortgage and private investment equity. However, because both of these funding sources require a return on investment (whereas LIHTC and New Hampshire Housing subsidy are nearly free), it is very difficult to generate sufficient additional replacement funding from these sources and it often requires the developer to make rents on the non-LIHTC units as expensive as possible.

For example, a 2-bedroom apartment that costs \$400,000 to build should generate approximately \$130,000 of 4% LIHTC equity and \$50,000 of NHH capital subsidy, or about \$180,000 of combined capital subsidy. The maximum allowable rent for a 2-bedroom 80% AMI apartment is about \$2,300 per month. If instead we build a 100% AMI apartment and assume that it can be rented for about \$3,000 per month (consistent with a market-rate rent in outer Portsmouth), that additional \$700 per month of rent supports about \$118,000 of additional first mortgage (using New Hampshire Housing's current terms for tax-exempt bonds). The increased rent should also support some private investment equity. If the additional rent of \$700 per month, or \$8,400 per year, lets us borrow \$118,000 of additional mortgage, and the debt service on that



additional mortgage is \$7,300 per year, that leaves \$1,100 per year of new cash flow that can repay investment equity. Investors typically look for a return of about 12%-15%, but if we assume that rents will grow and the first year return only needs to be 8%, the new cash flow supports about \$14,000 of investment equity.

So, of the \$180,000 of LIHTC and New Hampshire Housing capital subsidy we have foregone by building a 100% AMI apartment rather than an 80% AMI apartment, we have made up \$132,000 by increasing the rent to close to market-rate and taking on expensive private equity that often expects larger year-over-year rent increases than we typically underwrite in income-restricted properties. Even so, a \$48,000 shortfall per unit remains.

	100% AMI vs. 80% AMI Increase / (Decrease)	Footnotes
Monthly Rent <sup>1</sup>	\$700	1. Assumes a 2-bedroom 80% AMI apartment rents for the LIHTC maximum of \$2,300 per month and a 2-bedroom 100% AMI apartment rents for a market-rate rent of \$3,000 per month
Annual Rent	\$8,400	2. The increased rent results in \$8,400 of additional Net Operating Income per year for the 100% AMI apartment vs. the 80% AMI apartment
Operating Expenses	\$0	3. Assumes current NHH tax-exempt terms of 5.475%, 40-year amortization, 1.15 DCR
NOI <sup>2</sup>	\$8,400	4. Sized using an 8% first-year cash-on-cash return
Debt Service <sup>3</sup>	\$7,300	5. Sized using \$400,000 total development cost, of which 90% are assumed to be eligible costs and credit pricing of \$0.90 (\$130,000 = \$400,000 x 90% eligible x 4% credit rate x 10 years x \$0.90 per credit)
Cash Flow	\$1,100	6. NHH capital subsidy of \$50,000 per unit is consistent with NHH subsidy awards for 4% LIHTC projects in 2023
1st Mortgage <sup>3</sup>	\$118,000	
Private Equity <sup>4</sup>	\$14,000	
4% LIHTC Equity <sup>5</sup>	(\$130,000)	
NHH Capital Subsidy <sup>6</sup>	(\$50,000)	
<b>Cross-Subsidy / (Shortfall)</b>	<b>(\$48,000)</b>	

This example is hypothetical and while it relies on round numbers and assumptions about rents, construction costs, New Hampshire Housing subsidy and capital markets conditions, it illustrates a prevalent market reality: not only do higher-income apartments usually not produce a cross-subsidy that can fund the creation of more below-market-rate apartments, they often require additional subsidy from local governments (in the form of tax relief and grants) and maximized rents to make them financially feasible.

Income diversity is important and a priority for our development plan at Sherburne Road. However, at this initial stage, we do not think there is a good justification for creating what would essentially be market-rate apartments instead of below-market-rate apartments at Sherburne Road. Our development plan creates options for middle-income households that offer real affordability in the marketplace by using LIHTC income-averaging and by contributing our own funds (Section 8 rental subsidy transferred from Cocheco Park) to make more 80% AMI apartments possible. However, if the City feels strongly about creating 100% AMI apartments at Sherburne Road and is open to exploring how to fund those apartments, we are confident that we can develop a financing plan that makes them possible.

The Housing Unit Programing Tables on the following page summarize the proposed apartment and affordability mixes by development scenario.

## Housing Unit Programing Tables

### Scenario 1A

	Size (Sq Ft)	Market Rent	80% AMI Middle Income		60% AMI		30-50% AMI Sec 8 PBV		Total Units	% Total
			Units	Rent	Units	Rent	Units	Rent		
1BR	600	\$2,500	10	\$1,753	18	\$1,344	7	\$1,603	35	43%
2BR	850	\$3,000	12	\$2,102	20	\$1,612	7	\$1,933	39	48%
3BR	1,400	\$3,500	1	\$2,428	3	\$1,862	4	\$2,475	8	10%
Total Units & GPR			23	\$542,146	41	\$744,356	18	\$415,824	82	\$1,702,326
% Total			28%		50%		22%			

### Scenario 1B

	Size (Sq Ft)	Market Rent	80% AMI Middle Income		60% AMI		30-50% AMI Sec 8 PBV		Total Units	% Total
			Units	Rent	Units	Rent	Units	Rent		
1BR	600	\$2,500	10	\$1,753	16	\$1,344	7	\$1,603	33	41%
2BR	850	\$3,000	12	\$2,102	20	\$1,612	7	\$1,933	39	49%
3BR	1,400	\$3,500	1	\$2,428	3	\$1,862	4	\$2,475	8	10%
Total Units & GPR			23	\$542,146	39	\$712,096	18	\$415,824	80	\$1,670,065
% Total			29%		49%		23%			

### Scenario 2

	Size (Sq Ft)	Market Rent	80% AMI Middle Income		60% AMI		30-50% AMI Sec 8 PBV		Total Units	% Total
			Units	Rent	Units	Rent	Units	Rent		
1BR	600	\$2,500	10	\$1,753	15	\$1,344	7	\$1,603	32	34%
2BR	864	\$3,000	12	\$2,102	35	\$1,612	7	\$1,933	54	58%
3BR	1,408	\$3,500	1	\$2,428	2	\$1,862	4	\$2,475	7	8%
Total Units & GPR			23	\$542,146	52	\$963,866	18	\$415,824	93	\$1,921,835
% Total			25%		56%		19%			

- 1) Residents will pay for electricity costs associated with lights and outlets in their apartments. Water, sewer, and heating electricity costs will be paid from property operating revenue. Rents are presented above after the deduction of New Hampshire Housing's 2024 utility allowances for electric lights and outlets.
- 2) Rents for the 60% AMI units reflect the 2024 maximum LIHTC rents (less utility allowance and a 5% market margin) for the Portsmouth-Rochester NH HMFA. Rents for the 30%-50% AMI Sec 8 PBV units reflect New Hampshire Housing's 2024 payment standard (less applicable utility allowance).
- 3) Rents for the 80% AMI units reflect a 30% discount to estimated market rents.



## Site Development Narrative

Our proposed site and architectural plan is driven by the goal of creating a beautiful and contextual neighborhood using simple, efficient building forms that enable us to control costs and build to a high level of sustainability. We blend the traditional building typologies of the Seacoast with modern technologies and resilient designs for a durable, sustainable community.

The RFP prioritizes a development that is compatible with the existing architecture of the neighborhood and that uses multiple smaller buildings and massing consistent with a residential scale. It also prioritizes the creation of community spaces that enhance quality of life for neighbors and other Portsmouth residents. An implicit priority is also that the development be financially viable and competitive for state funding.

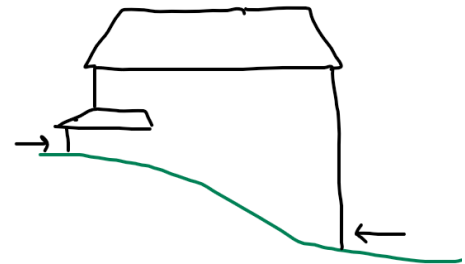
We attempt to strike the optimal balance between these priorities. We suggest traditional building forms with gable roofs and “ells” that are common throughout the Seacoast, we control costs and improve energy efficiency by limiting the number of buildings and achieving a neighborhood-scale visual variety by stepping facades forward and back and using different roof orientations. We achieve a housing density that uses the land efficiently and will be competitive at the state level by suggesting two- and three-story “stacked flats” building structures, but we respect the scale and density of the neighborhood by using two-story buildings at the front of the site and only using three-story structures at the back of the site, where the lower site topography diminishes their height. Finally, we suggest a range of possible community spaces and amenities, from a neighborhood playground with a splash pad to the possible adaptive re-use of the Sherburne School gym as a teen center, daycare, or performing arts space. In all scenarios, we locate the community space at the front of the site so that it is open and welcomes use by neighbors.

The overarching objective is to create a neighborhood - not a "project" - that is consistent in scale and feel with its surroundings, that provides great open space and quality of life, and that uses the scarce asset of land as efficiently as possible without overwhelming the site.



## Site and Landscape Design

- The main entry point to the new neighborhood is through a neighborhood street off Sherburne Road that curves around the school building to the parking areas on the north edge of the site.
- Parking along the new street alternates between parallel and nose-in, which creates curvatures in the drive lane that slow the pace of traffic.
- Parallel parking spots are paved with bricks or pavers instead of asphalt to blur the distinction between the sidewalks and the street, further slowing the pace of traffic and encouraging pedestrian use.
- The plan anticipates that fill will be brought into the middle of the site to extend the high ground to accommodate the new street and push the change in grade approximately 75 feet toward the back of the site.
- The change in grade guides building density, with the front of the site matching the neighborhood's scale with lower density buildings and the back of the site achieving greater density with slightly larger buildings.
- At the middle of the site, we suggest buildings that use the change in grade to mediate the proposed change in density. The buildings are buried into the hillside so that they are two stories facing the front of the site and three stories facing the back of the site.
- A pedestrian alley traces the middle of the site from front to back, linking the front and back of the site and encouraging encounters with neighbors.
- The pedestrian alley will also serve as an accessway for emergency vehicles.
- Residential scale solar powered lamp posts will be used for general illumination in key areas for safety and security around the perimeter of the road and parking areas. All building and site lighting will meet International Dark-Sky Association guidelines to protect the night skies from light pollution.
- As many as possible of the existing trees at the front and southeast edge of the school building will be preserved, as well as the existing tree buffers around the perimeter of the site.





## Community Spaces and Public Realm Improvements

- We expect that community spaces will be significantly shaped by neighborhood and stakeholder input, so we have intentionally kept the community space plan conceptual and suggestive.
- We concentrate much of the community green space along Sherburne Road, specifically in the southeast corner of the site for the following reasons:
  - Green spaces up front invite neighborhood use. Green spaces in back are more likely to only be used by residents.
  - We understand from public comment that neighbors already use the open space in the southeast to walk dogs, fly kites, and enjoy as a passive recreation area. We suggest preserving this neighborhood use.
  - We walked the site with a sound level meter and highway noise is lowest in the southeast, making this most suitable for outdoor recreation.
- Possible uses for the outdoor space along Sherburne Road include:
  - A dog run or open dog-friendly space, consistent with how neighbors may already use the space
  - A splash pad, which is a community amenity that the City currently lacks and was suggested by the 2023 Recreation Needs Study
  - A natural play area incorporating log and stone climbing structures
  - A community garden
  - Passive meadow for lawn games and play
- Bike racks and covered bike storage sheds will be located adjacent to the community areas to support users of the nearby Rail Trail.
- We suggest a COAST Bus stop and shelter at the front of the site and propose working with COAST and the City to extend Route 40 to the site, which would provide access to the C&J bus, Portsmouth Regional Hospital, and downtown. We are building a similar bus shelter for the Portland Metro Bus at Lambert Woods North.



## Community Amenities in the Sherburne School Gym Space

- In Scenarios 1A and 1B in which the Sherburne School building is preserved, we suggest two possibilities for community use of the gym space.
- In Scenario 1A, the gym is removed and the outdoor space could be used for outdoor seating and tables, or an alternative location for a play area and splash pad.
- In Scenario 1B, the gym is preserved and adapted. Possible uses for this space include:

- *A teen center.* The City's Recreation Study (conducted by Placework) and our conversations with the Recreation Department indicate this is a need in the City. The site's location near the Rail Trail and the skate park makes it conducive for this use.
- *A flexible arts space.* Our conversations with a leader of a local community arts organization indicate a need for rehearsal and mid-sized accessible performance spaces in the City. Suggested possible users include PMAC, Portsmouth Symphony Orchestra, NHTP, and AIR.
- *A childhood education center.* Childcare and early childhood education has been frequently mentioned as a potential amenity in public comment about this site. The Seacoast Community School has indicated that the location would be of interest and they would explore the concept should this be a use supported by the community.

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 RECREATION DEPARTMENT

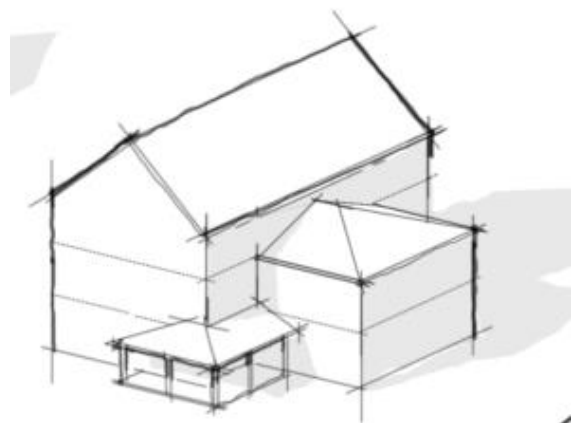


### Building Design: Sherburne School

- We suggest adapting the Sherburne School structure into housing for the following reasons:
  - The school is in good condition and much of its original interior is intact. This makes it a good candidate for Historic Tax Credits and acquisition LIHTCs, both useful sources of funding.
  - The classrooms lay out well for conversion to one-bedroom apartments and all could be made accessible via an outdoor ramp. This makes the school building conducive for senior housing, and there are good precedents for this use in other historic municipal buildings.
  - The school building is a reserve of embodied carbon. Because of this, substantial demolition is a less climate-friendly option. Instead, the school can be made energy efficient with enclosure upgrades and all-electric systems. POAH is currently adaptively retrofitting an early twentieth century school building in Cambridge in the same way.
  - We understand that preserving the school building is generally supported in the community.
- We explored ways to preserve the historic façade of the building and pair it with a new, higher density core but concluded that this isn't a good strategy because the increased costs associated with complexity are likely not justified by the additional housing yield.

### Building Design: Stacked Flats

- Architectural design based on traditional New England gable and ell roof styles.
- Buildings are highly efficient with stacked 1- and 2-bedroom apartments that simplify structure, plumbing and mechanical systems.
- Buildings will be slab-on-grade with access provided by common front doors and central staircases. The lack of basements helps to control costs.
- We do not propose using elevators, which



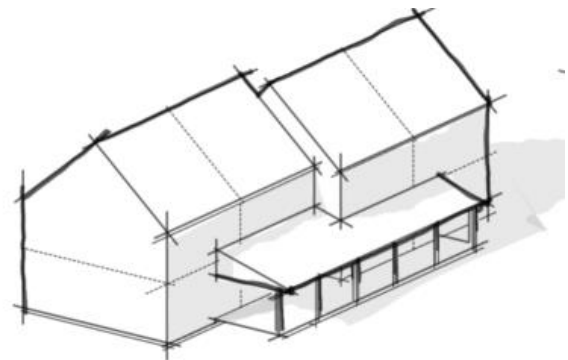


substantially increase costs and require building scales that may overwhelm the site. Instead, accessible apartments are created with first floor apartments with zero-step entryways.

- Architectural variety is created by siting the buildings at different orientations and breaking up the façade planes with entry porches.
- The scale of the 3-story buildings at the back of the site are diminished by the site's lower elevation, and we would explore other strategies such as incorporating the third story into the roofline with dormers.
- Cladding materials will be highly durable cementitious products that will include shakes or clapboards and corner boards.

### **Building Design: Townhouses**

- Townhouse grouping expresses individual units with gables and front porches that create semi-private outdoor spaces at the front of each apartment.
- Stepping the buildings' façade planes forward and back creates the impression of multiple smaller buildings but avoids the substantial increase in costs to build multiple enclosures.
- Townhouses will be slab-on-grade.



### **Accessibility**

The development will be designed consistent with the principles of Universal Design, which prioritize simple and efficient apartment layouts that can accommodate a diverse range of resident needs and disabilities. All first-floor apartments in the "stacked flats" buildings will be "visitable": a mobility impaired visitor can enter the at-grade first floor, move through first floor spaces and use the bathroom. In addition, a minimum of 5% of the apartments (4) will be designed to be fully accessible, and one of those units will be built for audio and visually impaired residents per Uniform Federal Accessibility Standards (UFAS) requirements. The handicapped and adaptable units will be built to meet all applicable provisions of UFAS the Fair Housing Act.

### **Highway Noise Overlay District**

Our team's acoustic engineer, Eric Reuter, walked the site with a sound level meter during a weekday and the sound level exceeded the HNOD's limit of 65 dBA for an outdoor activity area everywhere except for the southeast corner of the site. We expect that the highly insulated building enclosures and windows that we will use and that will be necessary for Passive House certification will be sufficient to reduce the noise inside the buildings below the HNOD's 45 dBA limit for indoor activity. Our site layout, which places parking and buildings along the north and east edges of the site where highway noise enters the site, should create some sound barrier for the outdoor community spaces that have largely been placed in the middle and southwest of the site (the southwest being the quietest part of the site). However, we do not expect these buffers will be sufficient to reduce the noise level below the HNOD's limit for outdoor activity areas. Achieving this level of sound attenuation would require an extensive barrier system along the north and east boundaries of the site, the cost of which would likely be prohibitive to development. We will work with the Planning Department to

devise the best sound attenuation strategy possible within the constraints of the budget but acknowledge that we may have to work with the City to find ways to be flexible within the HNOD's requirements.

### **Construction Staging Plan and Traffic Impacts**

POAH has completed many developments similar to the proposed community at 35 Sherburne Road. We believe that a construction plan that successfully minimizes unwanted effects on neighbors begins with clear communication. We will work with our general contractor and abutters to design a program that, to the greatest extent possible, will minimize disruption to the neighbors and community.

### **Pre-Development**

We will work with neighbors and City officials in the development of a formal Construction Management Plan, which will be filed with the City. The Construction Management Plan will lay out the overall construction schedule and will provide specific detail on strategies for noise and traffic reduction, including potential lane closures along Sherburne and Greenland Roads, the need for police details, anticipated number of construction vehicles and equipment placement, access to the sites, and working hours to minimize noise disturbance. Our Construction Management Plan will focus on keeping abutters and neighborhood residents informed.

### **Construction**

During construction, we anticipate using some of the following protocols to control traffic and minimize disruption:

- Pre-groundbreaking meeting will be held with municipal staff and neighbors to review final plans and timeline - this meeting is to make sure everyone is "on the same page" and surface any remaining issues
- Construction fencing to secure the site and provide a barrier for passersby on Sherburne and Greenland Roads
- Erosion and dust controls, if necessary, will be adopted to prevent any runoff onto the sidewalk or street
- Delivery of materials will be coordinated to minimize traffic disruption
- Storage of tools and equipment on site to minimize effects on traffic

POAH is very experienced creating responsible construction logistics plans with various contractors. This is especially important where areas for staging, temporary equipment placement, and material storage are near neighborhood homes. Our team strives for a balance between construction efficiency and maintaining the community's ongoing day-to-day activities with minimal intrusion of construction to the greatest extent possible.

### **In-House Construction Management**



**Deanna Savage**, POAH's in-house construction project manager, brings more than two decades of experience with a large multifamily contractor to the development team. Deanna's technical knowledge and oversight is a significant benefit to the communication between the development and general contractor teams. One of Deanna's responsibilities will be to review and consult with the general contractor to reduce impact on abutters and neighbors and ensure that the staging plan is thoroughly discussed and addresses any concerns raised in the community.



## Sustainable Design

The proposed buildings are designed with a holistic and sustainable approach to create housing that meets Passive House Institute US (PHIUS) certification requirements. We anticipate no on-site fossil fuel use, roof-mounted solar arrays, and high-efficiency all-electric heating, cooling and ventilation. Our goal is to develop dwellings and landscapes that are durable, efficient, and resilient for the long-term.

### Goals

The proposed community at 35 Sherburne Road will be designed to:

1. *Achieve low energy design.* We will use Passive House design principles with the intention of targeting PHIUS Certification.
2. *Decarbonize.* All-electric building systems and the use of low-embodied carbon materials will reduce associated CO2 emissions.
3. *Conserve water.* Ultra-high-efficiency plumbing fixtures and use of native plantings and pervious groundcovers will reduce water usage and run-off.
4. *Enhance the health and wellness of residents.* All housing will be well-ventilated and tempered with healthy interior finishes using low- to no-VOC products.

### 1. Low Energy Design

#### Passive Solar Siting

Buildings have been primarily oriented toward the south to optimize solar electric production from roof-mounted PV arrays. However, we will refine building orientation in consultation with our sustainability consultant to improve daylighting and solar electric performance to the maximum degree possible.

#### Passive House Design

Passive House building designs require rigorous attention to enclosure details based on five building science principles: continuous insulation without thermal bridging, an extremely airtight building enclosure, high performance windows and doors, continuous balanced ventilation system with recovery, and thoughtful fenestration that allow for a low-load heating and cooling system. The design creates a very comfortable living environment in all seasons due to the lack of drafts, very narrow indoor temperature variations, and balanced energy recovery ventilation that delivers superb indoor air quality.

#### Building Systems

We expect that heating and cooling will be provided by variable refrigerant flow (VRF) air-source heat pump systems. In-unit distribution will be either vertical fan-coils with minimal duct runs or wall/ceiling mounted mini-split cassettes.



Buildings at POAH's LeClair Village, a Passive House community completed in 2024, are sited to maximize south exposures.

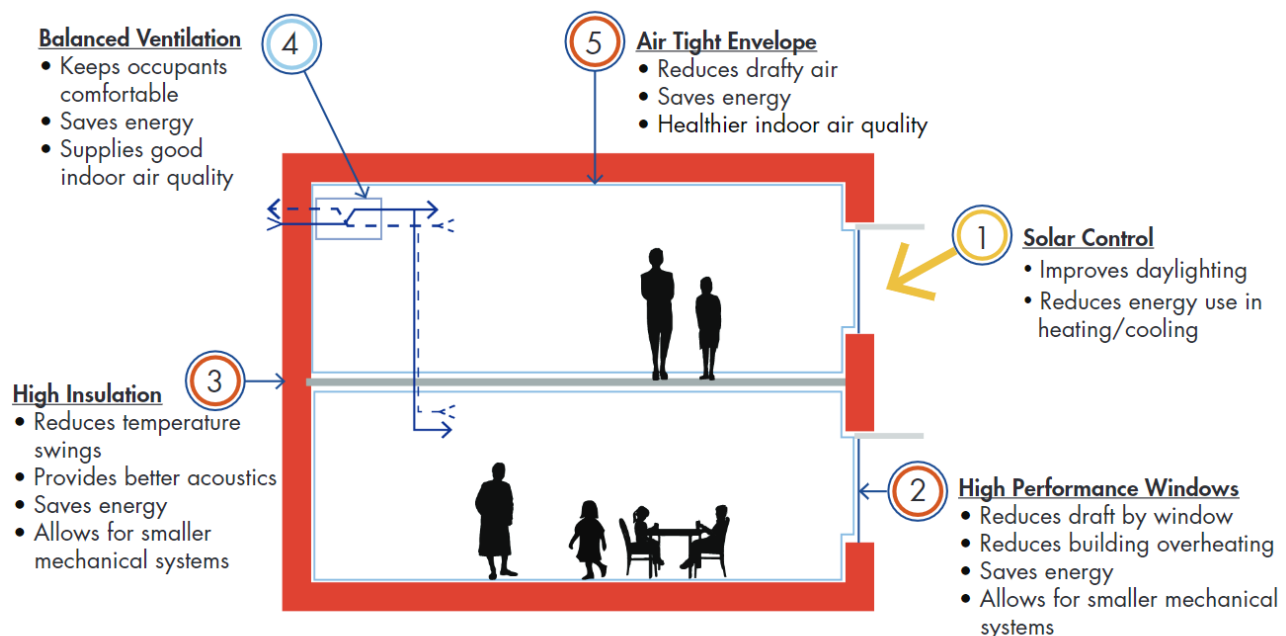


For ventilation, we anticipate that each unit will receive a balance of exhaust and fresh supply through an energy recovery ventilation (ERV) unit. The ERV will capture both kitchen and bathroom exhaust, recover the heat from the exhaust air, mix it with fresh air and supply that to each unit at the living room and bedrooms.

Domestic hot water will be provided at all units using a heat pump hot water heater system. At the townhouses, each building will be provided with one or two heaters that will serve all units in that building. At the stacked flats, a semi-central DHW system will mostly likely be used with heaters located in closets along each hallway.

All utilities except in-unit electric plug loads will be paid for by the owner. POAH uses several energy platforms and the master controller of the VRF system to track energy consumption.

Kaplan Thompson Architects, working with POAH's Design & Building Performance team, will use energy modeling tools to achieve a well-balanced low energy building design.



## 2. Decarbonize

All building systems will be electric, eliminating fossil fuel use on-site. The team will look for opportunities such as lower-embodied carbon concrete for foundation and structural systems and other low-embodied carbon materials options. Electrical vehicle charging stations will be provided for several parking spaces, with additional spaces EV-ready with electric service in underground conduit and weatherproof outlets mounted to a charging station pole, allowing for installation of a charging station in the future.

## 3. Conserve Water

All residential plumbing fixtures will carry WaterSense labels and align with the POAH Basis of Design (refer to: [www.poahbod.org](http://www.poahbod.org)) which requires super low-flow fixtures at all locations. Designing to Passive House specifications requires careful pipe layout design that minimizes the time hot water reaches the fixture.





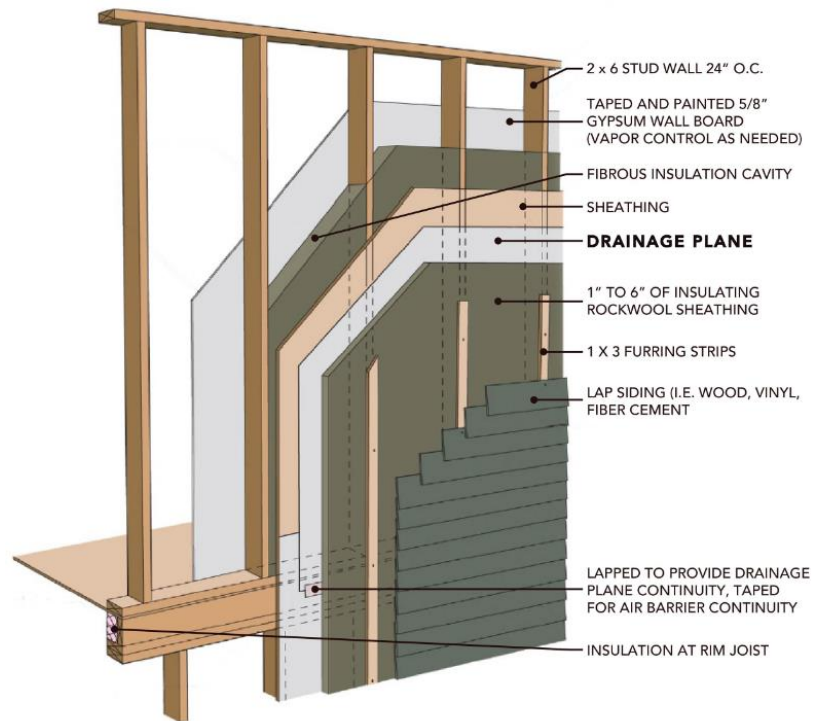
#### 4. Enhance Health and Wellness

##### Air Quality

A tight building enclosure with balanced ventilation can prevent condensation and mold issues and inhibit polluted air infiltration into the building. Balanced energy recovery ventilation will bring in fresh air through high-quality filters while recovering heat from extracted from air exiting the buildings. The building design will achieve airPLUS Qualification through the EPA as a pre-requisite for Energy Star Certification and PHIUS. The filters used in the HVAC system will be at a minimum MERV 13 and all ductwork will be sealed and tested to produce airtight air distribution. Most if not all finishes will contain low- or no-VOCs.

##### Material Selection

Studies have shown people on average spend 90% of time indoors. We strive to choose healthy building and finish materials for the well-being of the occupants. Along with our well-ventilated design, choosing healthy materials is another opportunity to make the living space healthier. We reference standards such as the Redlist from the International Living Futures Institute and Cradle to Cradle certification for healthy indoor materials, as well as select materials to be responsibly harvested or rapidly renewable sources where feasible. Interior cabinetry and counters will be selected that are free of added formaldehyde, and finishes and adhesives will be low- or no-VOC. For the exterior, the materials have been selected to maximize thermal performance, durability, and reduce the impact on the environment. Cellulose will be used in the stud cavities and rockwool or wood fiber rigid insulation will be used in the exterior portion of the assembly. Fiber cement clapboards with factory-applied finish are extremely durable, require little maintenance and do not require frequent refinishing. The team is exploring both fiberglass and uPVC windows & doors to provide the most cost-effective solutions that will maximize performance.



New construction wall assembly per POAH's Basis of Design



## Development Pro Forma

POAH is one of the most experienced developers of below-market-rate housing in New England. In the past five years, we have financed and completed 604 new below-market-rate apartments. Aside from three developments that were delayed during COVID (The Loop, Brester Woods, and The Kenzi), all were delivered substantially on time and on budget.

Development Name	City	State	Total Units	< 50% AMI Units	60% AMI Units	60% - 120% AMI Units	LIHTC Type	TDC	Soft Debt / Public Funders	Closing Date	Completion Date
Flat 9 at Whittier - Phase I	Boston	MA	92	43	22	27	9%-4% Twin, MA LIHTC	\$62M	MassHousing, City of Boston, Mass EOHL, HUD-CNI	3/18/2019	6/30/2020
Terrapin Ridge	Sandwich	MA	30	17	13	0	9%	\$16M	Mass EOHL, City of Sandwich, Cape Cod HOME Consortium	11/20/2021	7/28/2022
Flat 9 at Whittier - Phase II	Boston	MA	52	24	7	21	4%, MA LIHTC	\$35M	City of Boston, Mass EOHL, MassHousing	6/30/2020	11/24/2021
The Freelon at Sugar Hill	Detroit	MI	68	7	8	53	NMTC	\$37M	City of Detroit, POAH	8/26/2020	8/15/2022
The Loop at Mattapan Station	Boston	MA	135	65	28	42	9%-4% Twin, MA LIHTC	\$73M	MassHousing, City of Boston, Mass DHCD	11/6/2020	8/15/2022
Brewster Woods	Brewster	MA	30	10	19	1	9%	\$15M	Mass EOHL, Town of Brewster, Cape Cod HOME Consortium	7/11/2021	12/16/2022
The Kenzi	Boston	MA	50	12	23	15	4%, MA LIHTC	\$31M	MassHousing, City of Boston	10/1/2021	6/30/2024
The Asberry	Washington	DC	108	77	21	10	4%, DC LIHTC	\$65M	DC Housing Finance Agency, DC Housing Authority, DMPED	8/17/2022	9/30/2024
LeClair Village	Mashpee	MA	39	39	0	0	9%, MA LIHTC	\$24M	Mashpee AHTF, Barnstable County HOME, Mass EOHL, POAH CMF	1/17/2023	7/1/2024
<b>Total</b>			<b>604</b>	<b>294</b>	<b>141</b>	<b>169</b>		<b>\$358M</b>			

POAH has also financed and completed the acquisition and substantial rehab of three properties in New Hampshire, all of which were financed through New Hampshire Housing.

Development Name	City	State	Total Units	< 50% AMI Units	60% AMI Units	60% - 120% AMI Units	LIHTC Type	TDC	Soft Debt / Public Funders	Closing Date	Completion Date
Cocheco Park Apartments	Dover	NH	82	0	78	0	4%	\$8M	New Hampshire Housing	6/12/2008	12/31/2008
Riverview Apartments	Dover	NH	24	0	0	24	N/A	\$2M	New Hampshire Housing	6/12/2008	12/31/2008
Sugar River Mills	Claremont	NH	162	0	158	4	4%	\$15M	New Hampshire Housing, NH WAP	3/31/2007	9/27/2007
<b>Total</b>			<b>604</b>	<b>294</b>	<b>141</b>	<b>169</b>		<b>\$24M</b>			

## Financing Overview

We suggest financing the development at 35 Sherburne Road with a "twin" 4% & 9% LIHTC structure that combines 9% LIHTCs with tax-exempt bonds and 4% LIHTCs. This structure offers the following benefits:

- Because the size of 9% LIHTC awards are capped by New Hampshire Housing on a per project basis, a 9% LIHTC allocation would only cover a small portion of the costs for a larger development like Sherburne Road. 9% LIHTCs are more suitable for smaller developments in the range of 30 to 40 apartments. The Sherburne Road development could be split into two 9% LIHTC phases, but 9% LIHTC allocations are highly competitive and therefore using a phased approach would significantly prolong the delivery of below-market-rate apartments (not to mention result in more expensive construction costs and residents dealing with the inconvenience of living on a construction site while the second phase is built).
- On the other hand, there is ample tax-exempt bond volume cap and 4% LIHTCs available in New Hampshire. Although 4% LIHTCs do not generate as much subsidy as 9% LIHTCs, they are not subject to a maximum allocation cap and therefore are an excellent source of capital subsidy for larger developments that cannot be funded by a stand-alone 9% LIHTC allocation.
- Because the supply of tax-exempt bond volume cap exceeds demand in New Hampshire, New Hampshire Housing incentivizes the use of volume cap and 4% LIHTCs by awarding extra points



on competitive funding applications for developments that use a twin 4% and 9% structure. New Hampshire Housing also allocates separate pools of capital and rental subsidy to developments that use 4% LIHTCs.

While a twin 4% and 9% LIHTC structure is a more complicated project financing and a development of 80 apartments would be on the small side for this structure, POAH is one of the most experienced users of twinned 4% and 9% LIHTC structures (we have financed four developments with twin structures) and we believe the advantages of developing the community in one phase outweigh the complexities.

Below is a summary of the anticipated sources of development funding and expected development costs. For the sake of simplicity, the summary below reflects figures from *Development Scenario 1A*, in which the Sherburne School is preserved but the gym is removed. However, the financing and cost assumptions are consistent across each development scenario, and where there are meaningful differences we note them. Separate schedules of sources & uses, development budgets, and 10-year operating projections are included for each development scenario at the end of this section. Please see *Section 5: Implementation Plan and Timeline* for the expected timelines for securing development funding sources.

## Development Sources

**Construction Loan.** We expect a construction loan from New Hampshire Housing of approximately \$230,000 per unit based on the need to bridge at least 50% of the Federal LIHTC equity until permanent loan conversion, although we expect a substantial amount of the other equity and loans to come into the development around closing. We have assumed a construction loan interest rate of 5.64%, consistent with the first mortgage rate.

**Permanent 1<sup>st</sup> Mortgage Loan.** First mortgage debt from New Hampshire Housing is underwritten at approximately \$125,000 per unit with a 1.15 debt service coverage constraint, a 5.64% fixed interest rate (a blend of New Hampshire Housing's current tax-exempt and taxable rates, inclusive of MIP), and a 40-year amortization and term.

**Federal Low Income Housing Tax Credits.** POAH has financed more than 90 developments with Federal LIHTCs, including three developments totaling 268 units with New Hampshire Housing. We have closed four 4% and 9% twin transactions and were one of the first developers to use this structure in New England.

We assume an equity raise for the Federal 4% and 9% LIHTCs based on a price of \$0.89 per credit, equal to the equity price we received for Lambert Woods in Portland, Maine earlier this year.

	4% LIHTC	9% LIHTC	Total
Eligible Basis	24,808,771	9,904,541	34,713,312
Less: Federal HTC Allocation	(740,909)	-	(740,909)
Adj. Eligible Basis	24,067,862	9,904,541	33,972,403
% of Units LIHTC Eligible	100.0%	100.0%	100.0%
Qualified Basis	24,067,862	9,904,541	33,972,403
Credit Type	4.00%	9.00%	
Calculated Credit Amount	962,714	891,409	1,854,123
Max 9% LIHTC Allocation	N/A	880,000	-
Total Credits	9,627,145	8,800,000	18,427,145
Investor %	99.99%	99.99%	99.99%
Price per Credit	\$0.89	\$0.89	\$0.89
<b>LIHTC Equity</b>	<b>\$8,567,302</b>	<b>\$7,831,217</b>	<b>\$16,398,519</b>



**Federal Historic Tax Credits (Scenarios 1A and 1B only).** Given the historic nature of the former Sherburne School building, we have underwritten \$593,000 of federal Historic Tax Credit equity that will be used to refurbish the school building. POAH has completed several projects that involve the adaptive re-use of historic structures, pairing LIHTCs with Historic Tax Credits to fund the preservation and adaptation. POAH's Old Middletown High School Apartments in Middletown Connecticut consists of 65 affordable apartments housed in a historic high school built in 1893, and Central Annex in Pittsfield Massachusetts consist of 101 apartments in a historic high school from the late 19th century. POAH is currently adapting an early 20<sup>th</sup> century school in Cambridge, Massachusetts into housing using Historic Tax Credits.

**New Hampshire Housing Deferred Loan Financing.** In Scenarios 1A and 1B, we have assumed \$2.5 million, or \$30,000 per unit, in subordinate deferred loan financing from New Hampshire Housing, which is funded through a variety of affordable housing programs including State Affordable Housing Fund, the HOME Loan program, and the National Housing Trust Fund. In Scenario 2, we have assumed \$4 million, or \$43,000 per unit, on account of the larger development size and the loss of the Historic Tax Credits. These awards are consistent with New Hampshire Housing's per unit awards in 2023 and 2024. POAH has used combinations of these funding programs in its previous developments in New Hampshire.

**City of Portsmouth Lessor Note (Scenarios 1A and 1B only).** Because the existing Sherburne School building has inherent value, we would like to include this value in "LIHTC basis" so that value can generate LIHTC equity in the scenario where the school is preserved. We do this by proposing that the City lease the school building to the developer for an up-front lease payment equal to the school's appraised value (we have estimated that it is worth \$2 million in Scenario 1A where the gym is removed and \$2.5 million in Scenario 1B where the gym is preserved) and provide the developer with seller financing (or, in this case, lessor financing) for the same amount. No money is exchanged; it is a "paper transaction" only intended to enable the school's value to create 4% LIHTCs. If the school appraises for \$2 million, those additional 4% LIHTCs create approximately \$700,000 of additional LIHTC equity and it costs the City and the development nothing.

**InvestNH Housing Capital Grant.** Beginning in 2025, InvestNH will award \$10 million of annual capital grants to support housing production in the state. Given that Portsmouth is a high opportunity area and the City will be contributing the land for free, we believe the Sherburne Road development will be very competitive for this funding. InvestNH is also rolling out the "Housing Champions" program that will make additional capital grants available to cities that qualify as supportive of expanding housing choice, which we believe should include Portsmouth. In Scenario 1A we have assumed \$500,000 of combined InvestNH funding; in Scenario 1B we have assumed \$900,000 and in Scenario 2 we have assumed \$1 million to account for the increased community uses, housing density and capital needs.

**FHLB Boston Affordable Housing Program.** We anticipate securing \$500,000 through the FHLB of Boston, which has funded many POAH developments. We maintain an excellent relationship with FHLB Boston.



**NH CDFA Tax Credit.** We anticipate raising a modest amount of investment through CDFA's state tax credit program, which allocates \$5 million of state tax credits annually.

**Gym Community Space Grant Funding (Scenario 1B only).** If our community engagement process indicates a strong preference to maintain the school gym and adapt it for a community use, we will work with our operating partner to identify grant funding to cover some of the cost of adapting the space. POAH has successfully adapted several non-residential spaces for community use (including one historic gym in Chicago) and our team is experienced at raising philanthropic and program-related funding for these spaces. We have spoken with several potential operating partners for the gym space, including the Portsmouth Recreation Department, the Seacoast Community School, and the Portsmouth Music and Arts Center.

**Solar Investment Tax Credit.** We plan to use the solar Investment Tax Credit (ITC) to pay for the site's solar panels. Including the program's "adders" for non-profit developers, we expect to offset 50% of the costs of solar at the site, which we have done successfully at several of our recent developments. We also plan to pair this credit with DOE's Section 45L credit (45L) for high-efficiency building systems.

**DOE and EPA Energy Grants.** We expect to secure at least \$1 million in federal and state-level funding through a variety of energy efficiency programs funded through the Inflation Reduction Act. In 2025, the US Department of Energy, through the network of state departments including the NH Department of Energy (DOE), will roll out the Home Electrification and Appliance Rebate (HEAR) program that will provide up to \$14,000 per unit to new construction projects that use all-electric and efficient building systems. In addition, the US Environmental Protection Agency, through a subsidiary network of CDFIs and agencies, will roll out the Greenhouse Gas Reduction Fund (GGRF), which will provide low-cost loans to qualifying sustainable developments. POAH's in-house Design & Building Performance team specifically focuses on identifying the newest programs to fund our highly sustainable developments and has been successful as a first-mover, securing substantial funding awards including \$64 million in 2023-2024 for 18 POAH properties using HUD's Green and Resilient Retrofit Program (GRRP).

**Rental Operating Subsidy.** We have assumed 11 Section 8 PBVs provided through New Hampshire Housing's 4% LIHTC and 9% LIHTC PBV pools, consistent with previous awards. In addition, we propose to transfer up to seven more Section 8 PBVs from our nearby property in Dover. Although this would be a contribution of POAH's own funds, we are open to it because of the important financing leverage that the project-based rental subsidy creates. Because Section 8 rental subsidy pays rents consistent with market rates and subsidizes apartments for very low-income renters that, in turn, enable more higher-income apartments to be included in the development through income-averaging, it creates dual benefits for project financing. For example, we project that the seven POAH PBVs would support an additional \$1 million of first mortgage financing.



**Deferred Developer Fee.** We have included a deferred developer fee of approximately \$2 million in Scenarios 1A and 1B and \$3 million in Scenario 2. Although it is labeled a “fee”, it is actually a source of additional LIHTC equity instead of a cost to the development. Because the deferred developer fee can be included in LIHTC basis, it generates additional LIHTCs; but because the fee is deferred (reinvested in the development through a developer fee loan), it is not an actual cash expense for the development. It is included only to create additional LIHTC equity at no cost to the development.

## Development Uses

**Acquisition (Scenarios 1A and 1B only).** As discussed above in “City of Portsmouth Lessor Note”, we propose a capitalized ground lease payment equal to the appraised value of the school (and financed by a lessor note from the City) to enable us to include the school’s value in LIHTC basis.

**Land Lease Payment.** We propose a nominal ongoing ground lease payment (e.g. \$1). A nominal ground lease payment maximizes the value of the City’s land, enables us to maximize the leverage of external funding sources, and will make the development significantly more competitive for New Hampshire Housing financing.

**Construction.** The projected construction hard cost budgets for each scenario include site work and grading, landscape, community spaces, solar panel installation, and contingency and are based on the best and final construction pricing received in August for Lambert Woods North in Portland, Maine (designed by Kaplan Thompson Architects with highly comparable passive house building structures). The building hard cost is \$246 per gross square foot, or approximately \$240,000 per unit. However, we bid out each development to ensure our general contractor is giving us the best pricing and community benefits.

**Soft Costs.** We have budgeted approximately \$5 million of soft costs, which includes the team’s best estimate of the costs associated with the design, permitting, financing and other non-construction costs and is informed by our extensive experience building similar housing communities throughout New England.

**Portsmouth Housing Authority Reimbursement.** We have included in our soft cost budget a line item to reimburse the Portsmouth Housing Authority for the approximately \$100,000 of soft costs spent by the housing authority on analysis of the site for housing (subject to our ability to use the related work products).

**Reserves.** We have budgeted reserves consistent with New Hampshire Housing requirements.

**Paid Developer Fee.** We have budgeted developer fees that are consistent with New Hampshire Housing’s calculated, capped fee in the current Qualified Allocation Plan. This fee will be paid from development financing sources, and it will be used to pay for the staff time, overhead, and ongoing organizational mission of POAH. Unlike for-profit developers, our developer fees will not be distributed as profits to corporate shareholders.

**Total Development Cost.** The hard costs, soft costs, reserves and developer fees described above amount to a total development cost of approximately \$450,000 per unit, although once the



non-cash expenses of the capitalized ground lease payment and the deferred developer fee are removed, it is more accurately about \$425,000 per unit. This is within New Hampshire Housing's TDC and Weighted Average TDC caps. We firmly believe that the budgets we present in this proposal reflect the real cost to build a high-quality, durable, and highly sustainable community that will fit well within the neighborhood and be a place people are proud of and happy to call home for long into the future.

Summarized schedules of sources and uses and preliminary development budgets for Scenarios 1A, Scenario 1B, and Scenario 2 are included on the following pages.



POAH's High Meadow Townhomes in Bourne, MA



## Development Source & Uses: Scenario 1A (with gym removed)

Sources of Funds	Total	Per Unit
New Hampshire Housing - TE Bonds & Taxable Loan	10,199,362	124,382
New Hampshire Housing - Deferred Loan	2,500,000	30,488
InvestNH - Capital Grant	500,000	6,098
FHLBB - AHP	500,000	6,098
NH CDFA - Tax Credits	450,000	5,488
City of Portsmouth - Lessor Note	2,000,000	24,390
Gym Community Space Grant Funding	-	-
Equity - Federal 9% and 4% LIHTC: \$0.89 per credit	16,398,519	199,982
Equity - ITC & 45L: \$0.89 per credit	654,150	7,977
Equity - Federal HTC: \$0.80 per credit	592,727	7,228
DOE - Energy Grants	1,148,000	14,000
Deferred Developer Fee	1,902,974	23,207
<b>Total Sources of Funds</b>	<b>36,845,733</b>	<b>449,338</b>

Uses of Funds	Total	Per Unit
Acquisition	2,000,000	24,390
Construction	25,608,000	312,293
Soft Costs	4,829,461	58,896
Reserves	879,897	10,730
Paid Developer Fee	1,625,400	19,822
Deferred Developer Fee	1,902,974	23,207
<b>Total Uses of Funds</b>	<b>36,845,733</b>	<b>449,338</b>



## Development Budget: Scenario 1A (with gym removed)

<b>Acquisition</b>	<b>Total</b>	<b>Per Unit</b>
School Building (No Gym)	2,000,000	24,390
Total Acquisition Costs	2,000,000	24,390
<b>Construction</b>	<b>Total</b>	<b>Per Unit</b>
Construction	19,680,000	240,000
Sitework & Landscape	2,700,000	32,927
Demolition (Gym)	250,000	3,049
Solar	650,000	7,927
Community Space (Gym)	-	-
Subtotal Construction GMP	23,280,000	283,902
Construction Contingency	2,328,000	28,390
Total Construction Costs	25,608,000	312,293
<b>Soft Costs</b>	<b>Total</b>	<b>Per Unit</b>
Permits	232,800	2,839
Architect Fees & Supervision	1,105,800	13,485
Engineering	232,800	2,839
PHA Pre-Development Reimbursement	100,000	1,220
Furniture, Fixtures and Equipment	100,000	1,220
Clerk of the Works/Owner's Rep	150,000	1,829
Environmental	25,000	305
Survey	25,000	305
Appraisal	10,000	122
Market/Rent Study	20,000	244
Title and Recording	50,000	610
Utility Deposits	18,720	228
Builders' Risk Insurance During Construction	232,800	2,839
Property & Liab Insurance During Construction	22,550	275
Real Estate Taxes During Construction	51,250	625
Accounting and Cost Certification	50,000	610
POAH Communities Setup/IT Costs	25,500	311
Legal Fees - Owner	50,000	610
Bond Issuance	180,000	2,195
Legal Fees - Bond Counsel	100,000	1,220
Legal Fees - Investor	50,000	610
NHH Construction Loan Origination Fee	165,000	2,012
Construction Loan Interest	1,081,724	13,192
NHH Permanent Loan Origination Fee	100,000	1,220
NHH Up Front MIP	13,000	159
NHH LIHTC Application & Capital Subsidy Fee	8,750	107
NHH LIHTC Allocation Fee	130,000	1,585
NHH LIHTC Monitoring Fee	59,725	728
Subtotal Soft Cost	4,390,419	53,542
Soft Cost Contingency	439,042	5,354
Total Soft Cost	4,829,461	58,896
<b>Capitalized Reserves</b>	<b>Total</b>	<b>Per Unit</b>
Operating Reserve/Sinking Fund	637,197	7,771
Replacement Reserve	50,000	610
Real Estate Tax Reserve	102,500	1,250
Insurance Reserve	90,200	1,100
Total Reserves	879,897	10,730
<b>Developer Fee</b>	<b>Total</b>	<b>Per Unit</b>
Paid Developer Fee	1,625,400	19,822
Deferred Developer Fee	1,902,974	23,207
Total Developer Fee	3,528,374	43,029
<b>Total Development Cost</b>	<b>36,845,733</b>	<b>449,338</b>



## Development Source & Uses: Scenario 1B (with gym preserved)

Sources of Funds	Total	Per Unit
New Hampshire Housing - TE Bonds & Taxable Loan	9,985,064	124,813
New Hampshire Housing - Deferred Loan	2,500,000	31,250
InvestNH - Capital Grant	900,000	11,250
FHLBB - AHP	500,000	6,250
NH CDFA - Tax Credits	450,000	5,625
City of Portsmouth - Lessor Note	2,500,000	31,250
Gym Community Space Grant Funding	1,000,000	12,500
Equity - Federal 9% and 4% LIHTC: \$0.89 per credit	16,887,251	211,091
Equity - ITC & 45L: \$0.89 per credit	654,150	8,177
Equity - Federal HTC: \$0.80 per credit	592,727	7,409
DOE - Energy Grants	1,120,000	14,000
Deferred Developer Fee	1,856,688	23,209
<b>Total Sources of Funds</b>	<b>38,945,880</b>	<b>486,824</b>

Uses of Funds	Total	Per Unit
Acquisition	2,500,000	31,250
Construction	27,313,000	341,413
Soft Costs	4,947,808	61,848
Reserves	735,385	9,192
Paid Developer Fee	1,593,000	19,913
Deferred Developer Fee	1,856,688	23,209
<b>Total Uses of Funds</b>	<b>38,945,880</b>	<b>486,824</b>



## Development Budget: Scenario 1B (with gym preserved)

Acquisition	Total	Per Unit
School Building (With Gym)	2,500,000	31,250
Total Acquisition Costs	2,500,000	31,250

Construction	Total	Per Unit
Construction	19,680,000	246,000
Sitework & Landscape	2,500,000	-
Demolition (Gym)	-	-
Solar	650,000	8,125
Community Space (Gym)	2,000,000	25,000
Subtotal Construction GMP	24,830,000	310,375
Construction Contingency	2,483,000	31,038
Total Construction Costs	27,313,000	341,413

Soft Costs	Total	Per Unit
Permits	248,300	3,104
Architect Fees & Supervision	1,179,425	14,743
Engineering	248,300	3,104
PHA Pre-Development Reimbursement	100,000	1,250
Furniture, Fixtures and Equipment	100,000	1,250
Clerk of the Works/Owner's Rep	150,000	1,875
Environmental	25,000	313
Survey	25,000	313
Appraisal	10,000	125
Market/Rent Study	20,000	250
Title and Recording	50,000	625
Utility Deposits	18,334	229
Builders' Risk Insurance During Construction	248,300	3,104
Property & Liab Insurance During Construction	22,000	275
Real Estate Taxes During Construction	50,000	625
Accounting and Cost Certification	50,000	625
POAH Communities Setup/IT Costs	25,000	313
Legal Fees - Owner	50,000	625
Bond Issuance	180,000	2,250
Legal Fees - Bond Counsel	100,000	1,250
Legal Fees - Investor	50,000	625
NHH Construction Loan Origination Fee	170,000	2,125
Construction Loan Interest	1,066,223	13,328
NHH Permanent Loan Origination Fee	100,000	1,250
NHH Up Front MIP	13,000	163
NHH LIHTC Application & Capital Subsidy Fee	8,750	109
NHH LIHTC Allocation Fee	132,000	1,650
NHH LIHTC Monitoring Fee	58,375	730
Subtotal Soft Cost	4,498,007	56,225
Soft Cost Contingency	449,801	5,623
Total Soft Cost	4,947,808	61,848

Capitalized Reserves	Total	Per Unit
Operating Reserve/Sinking Fund	497,385	6,217
Replacement Reserve	50,000	625
Real Estate Tax Reserve	100,000	1,250
Insurance Reserve	88,000	1,100
Total Reserves	735,385	9,192

Developer Fee	Total	Per Unit
Paid Developer Fee	1,593,000	19,913
Deferred Developer Fee	1,856,688	23,209
Total Developer Fee	3,449,688	43,121

<b>Total Development Cost</b>	<b>38,945,880</b>	<b>486,824</b>
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## Development Source & Uses: Scenario 2 (with school removed)

Sources of Funds	Total	Per Unit
New Hampshire Housing - TE Bonds & Taxable Loan	11,866,585	127,598
New Hampshire Housing - Deferred Loan	4,000,000	43,011
InvestNH - Capital Grant	1,000,000	10,753
FHLBB - AHP	500,000	5,376
NH CDFA - Tax Credits	450,000	4,839
City of Portsmouth - Lessor Note	-	-
Gym Community Space Grant Funding	-	-
Equity - Federal 9% and 4% LIHTC: \$0.89 per credit	17,476,993	187,925
Equity - ITC & 45L: \$0.89 per credit	703,100	7,560
Equity - Federal HTC: \$0.80 per credit	-	-
DOE - Energy Grants	1,302,000	14,000
Deferred Developer Fee	2,976,000	32,000
<b>Total Sources of Funds</b>	<b>40,274,678</b>	<b>433,061</b>

Uses of Funds	Total	Per Unit
Acquisition	-	-
Construction	29,455,800	316,729
Soft Costs	5,252,218	56,475
Reserves	787,060	8,463
Paid Developer Fee	1,803,600	19,394
Deferred Developer Fee	2,976,000	32,000
<b>Total Uses of Funds</b>	<b>40,274,678</b>	<b>433,061</b>



## Development Budget: Scenario 2 (with school removed)

Acquisition	Total	Per Unit
School Building	-	-
Total Acquisition Costs	-	-

Construction	Total	Per Unit
Construction	22,228,000	239,011
Sitework & Landscape	2,700,000	29,032
Demolition (School Building)	1,200,000	12,903
Solar	650,000	6,989
Community Space (Gym)	-	-
Subtotal Construction GMP	26,778,000	287,935
Construction Contingency	2,677,800	28,794
Total Construction Costs	29,455,800	316,729

Soft Costs	Total	Per Unit
Permits	267,780	2,879
Architect Fees & Supervision	1,271,955	13,677
Engineering	267,780	2,879
PHA Pre-Development Reimbursement	100,000	1,075
Furniture, Fixtures and Equipment	100,000	1,075
Clerk of the Works/Owner's Rep	150,000	1,613
Environmental	25,000	269
Survey	25,000	269
Appraisal	10,000	108
Market/Rent Study	20,000	215
Title and Recording	50,000	538
Utility Deposits	21,527	231
Builders' Risk Insurance During Construction	267,780	2,879
Property & Liab Insurance During Construction	25,575	275
Real Estate Taxes During Construction	58,125	625
Accounting and Cost Certification	50,000	538
POAH Communities Setup/IT Costs	28,250	304
Legal Fees - Owner	50,000	538
Bond Issuance	180,000	1,935
Legal Fees - Bond Counsel	100,000	1,075
Legal Fees - Investor	50,000	538
NHH Construction Loan Origination Fee	178,000	1,914
Construction Loan Interest	1,130,072	12,151
NHH Permanent Loan Origination Fee	120,000	1,290
NHH Up Front MIP	15,000	161
NHH LIHTC Application & Capital Subsidy Fee	8,750	94
NHH LIHTC Allocation Fee	137,000	1,473
NHH LIHTC Monitoring Fee	67,150	722
Subtotal Soft Cost	4,774,744	51,341
Soft Cost Contingency	477,474	5,134
Total Soft Cost	5,252,218	56,475

Capitalized Reserves	Total	Per Unit
Operating Reserve/Sinking Fund	518,510	5,575
Replacement Reserve	50,000	538
Real Estate Tax Reserve	116,250	1,250
Insurance Reserve	102,300	1,100
Total Reserves	787,060	8,463

Developer Fee	Total	Per Unit
Paid Developer Fee	1,803,600	19,394
Deferred Developer Fee	2,976,000	32,000
Total Developer Fee	4,779,600	51,394

<b>Total Development Cost</b>	<b>40,274,678</b>	<b>433,061</b>
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## Operating Proforma

### Revenue

A rent schedule is included below. Please see the "Housing Unit Programming" subsection of *Section 2: Development Scenarios* for additional detail on rent assumptions.

Unit Type	30% AMI Sec 8 PBV	60% AMI LIHTC	80% AMI LIHTC
1 Bedroom Flat	\$1,603	\$1,344	\$1,753
2 Bedroom Flat	\$1,933	\$1,612	\$2,102
3 Bedroom Townhouse	\$2,475	\$1,862	\$2,428

Rents will include heat and hot water; residents will only be responsible for paying for electricity associated with lights, outlets, and kitchen appliances. Residents in units with project-based rental assistance will pay 30% of their household income as their portion of the rent.

- ❖ **Section 8 PBVs:** New Hampshire Housing 2024 payment standard, less 2024 utility allowance.
- ❖ **60% AMI LIHTC:** 2024 maximum 60% LIHTC rent less a 5% marketing contingency and 2024 utility allowances.
- ❖ **80% AMI LIHTC:** 2024 maximum 80% LIHTC rent less an 8% marketing contingency and 2024 utility allowances. This translates to a discount to market rents of approximately 25% - 30%.

All revenue is projected to trend at 2.0% per year.

### Operating Expenses

We have budgeted approximately \$10,700 per unit in annual operating expenses including deposits to the replacement reserve. The operating budget is based on 2024 forecasts for POAH's nearby properties in Dover New Hampshire as well as several comparable properties in Massachusetts.

Detail on specific operating expense categories is included below.

**Property management staff.** We have assumed one property manager that will be on site full time. The site manager will be assisted by one part-time maintenance supervisor and one part-time maintenance technician who will split their time between Sherburne Road and POAH's properties in Dover. We have also assumed one part-time Community Impact Coordinator, who would be on site to help residents half of the week. The site-based staff members will be supported by a Boston-based regional property manager based and POAH Communities' corporate personnel and compliance specialists.

**Real estate taxes.** We have assumed real estate taxes of \$2,500 per unit per year, which is based on the average FY 2023 assessed value per unit of non-luxury multifamily residential properties in Portsmouth and the FY 2024 tax rate.



**Utilities.** Electricity expense is based on usage at POAH's Brewster Woods, a new construction Passive House community in Brewster, MA. Water and sewer expense is based on current usage in POAH's new construction portfolio and Portsmouth's FY 2025 water and sewer rates.

All operating costs are projected to trend at 3.0% per year.



POAH Communities staff at Brewster Woods opening event

Summary 10-year operating budgets are included for each scenario on the following pages.

## 10-Year Operating Proforma: Scenario 1A (with gym removed)

<b>Cash Flow Projection</b>										
Operating Year	1	2	3	4	5	6	7	8	9	10
<b>Revenue</b>										
Total Rental Income	1,702,326	1,736,373	1,771,100	1,806,522	1,842,652	1,879,505	1,917,096	1,955,437	1,994,546	2,034,437
Total Vacancy	(85,116)	(86,819)	(88,555)	(90,326)	(92,133)	(93,975)	(95,855)	(97,772)	(99,727)	(101,722)
Effective Income	1,617,210	1,649,554	1,682,545	1,716,196	1,750,520	1,785,530	1,821,241	1,857,666	1,894,819	1,932,715
<b>Expenses</b>										
Administrative Expenses	64,520	66,456	68,450	70,503	72,618	74,797	77,041	79,352	81,733	84,185
Payroll Expenses	175,945	181,223	186,660	192,260	198,028	203,968	210,088	216,390	222,882	229,568
Management Fee	56,088	57,771	59,504	61,289	63,128	65,021	66,972	68,981	71,051	73,182
Resident Services/Community Impact	50,000	51,500	53,045	54,636	56,275	57,964	59,703	61,494	63,339	65,239
Utility Expense	124,801	128,545	132,401	136,373	140,464	144,678	149,019	153,489	158,094	162,837
Maintenance Expense	82,637	85,116	87,670	90,300	93,009	95,799	98,673	101,633	104,682	107,823
Real Estate Taxes	205,000	211,150	217,485	224,009	230,729	237,651	244,781	252,124	259,688	267,479
Insurance	90,200	92,906	95,693	98,564	101,521	104,567	107,704	110,935	114,263	117,691
Ground Lease	1	1	1	1	1	1	1	1	1	1
Total Expenses (Before RR)	849,192	874,668	900,908	927,935	955,773	984,446	1,013,980	1,044,399	1,075,731	1,108,003
Replacement Reserve Deposits	28,700	29,561	30,448	31,361	32,302	33,271	34,269	35,297	36,356	37,447
Total Expenses (with RR)	877,892	904,229	931,356	959,296	988,075	1,017,718	1,048,249	1,079,697	1,112,088	1,145,450
<b>Net Operating Income</b>	<b>739,318</b>	<b>745,325</b>	<b>751,189</b>	<b>756,899</b>	<b>762,444</b>	<b>767,813</b>	<b>772,992</b>	<b>777,969</b>	<b>782,731</b>	<b>787,265</b>
<b>1st Mortgage Debt Service (incl. MIP)</b>										
New Hampshire Housing	642,885	642,885	642,885	642,885	642,885	642,885	642,885	642,885	642,885	642,885
<b>DSCR:</b>	<b>1.15</b>	<b>1.16</b>	<b>1.17</b>	<b>1.18</b>	<b>1.19</b>	<b>1.19</b>	<b>1.20</b>	<b>1.21</b>	<b>1.22</b>	<b>1.22</b>



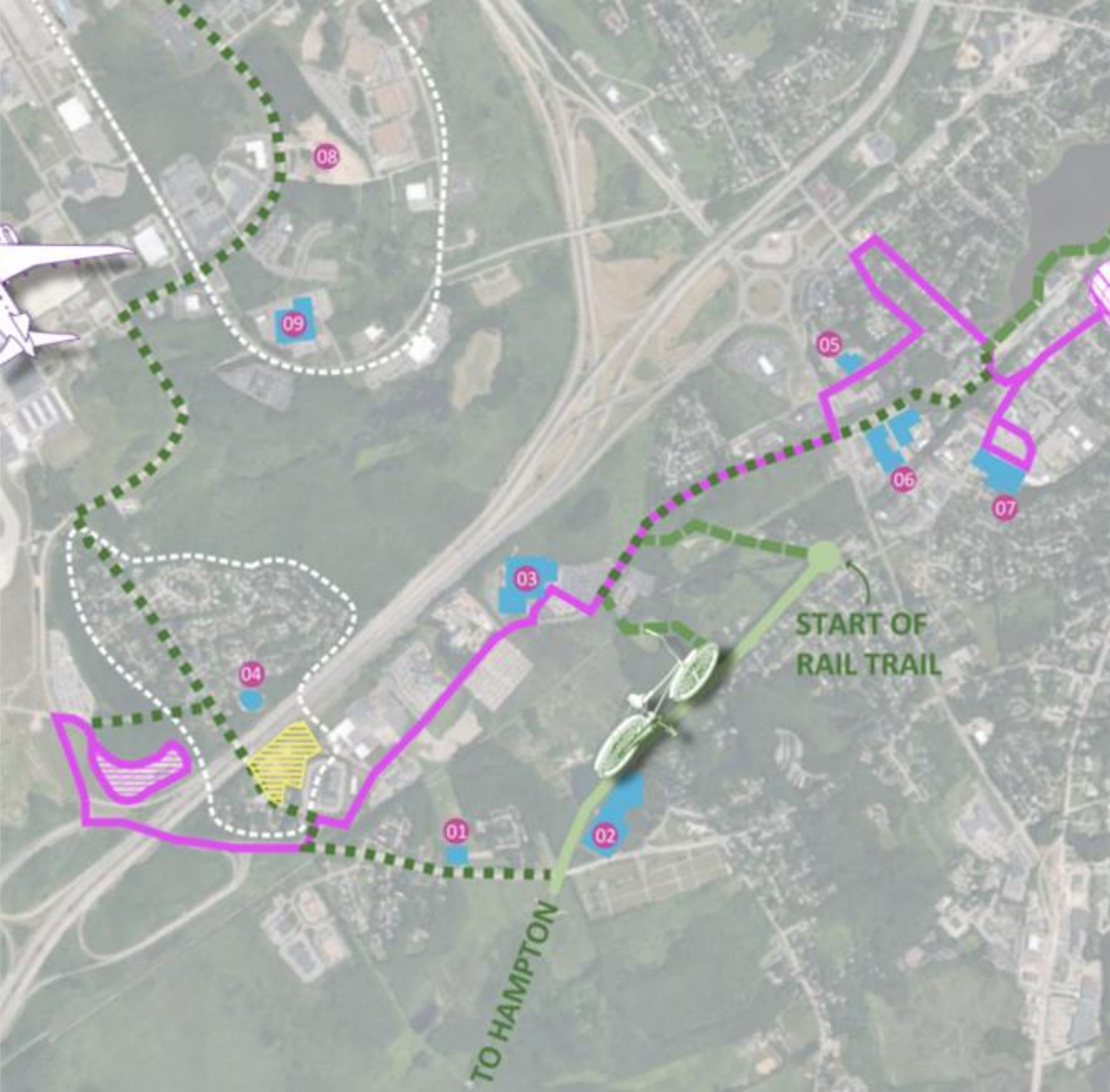
## 10-Year Operating Proforma: Scenario 1B (with gym preserved)

<b>Cash Flow Projection</b>										
Operating Year	1	2	3	4	5	6	7	8	9	10
<b>Revenue</b>										
Total Rental Income	1,670,065	1,703,467	1,737,536	1,772,287	1,807,732	1,843,887	1,880,765	1,918,380	1,956,748	1,995,883
Total Vacancy	(83,503)	(85,173)	(86,877)	(88,614)	(90,387)	(92,194)	(94,038)	(95,919)	(97,837)	(99,794)
Effective Income	1,586,562	1,618,293	1,650,659	1,683,672	1,717,346	1,751,693	1,786,726	1,822,461	1,858,910	1,896,088
<b>Expenses</b>										
Administrative Expenses	63,264	65,162	67,117	69,130	71,204	73,340	75,540	77,807	80,141	82,545
Payroll Expenses	175,945	181,223	186,660	192,260	198,028	203,968	210,088	216,390	222,882	229,568
Management Fee	54,720	56,362	58,052	59,794	61,588	63,435	65,339	67,299	69,318	71,397
Resident Services/Community Impact	50,000	51,500	53,045	54,636	56,275	57,964	59,703	61,494	63,339	65,239
Utility Expense	122,227	125,894	129,670	133,561	137,567	141,694	145,945	150,324	154,833	159,478
Maintenance Expense	80,622	83,040	85,531	88,097	90,740	93,463	96,266	99,154	102,129	105,193
Real Estate Taxes	200,000	206,000	212,180	218,545	225,102	231,855	238,810	245,975	253,354	260,955
Insurance	88,000	90,640	93,359	96,160	99,045	102,016	105,077	108,229	111,476	114,820
Ground Lease	1	1	1	1	1	1	1	1	1	1
Total Expenses (Before RR)	834,778	859,822	885,616	912,185	939,550	967,737	996,769	1,026,672	1,057,472	1,089,196
Replacement Reserve Deposits	28,000	28,840	29,705	30,596	31,514	32,460	33,433	34,436	35,470	36,534
Total Expenses (with RR)	862,778	888,662	915,321	942,781	971,064	1,000,196	1,030,202	1,061,108	1,092,942	1,125,730
<b>Net Operating Income</b>	<b>723,784</b>	<b>729,632</b>	<b>735,338</b>	<b>740,891</b>	<b>746,281</b>	<b>751,496</b>	<b>756,524</b>	<b>761,353</b>	<b>765,969</b>	<b>770,359</b>
<b>1st Mortgage Debt Service (incl. MIP)</b>										
New Hampshire Housing	629,377	629,377	629,377	629,377	629,377	629,377	629,377	629,377	629,377	629,377
<b>DSCR:</b>	<b>1.15</b>	<b>1.16</b>	<b>1.17</b>	<b>1.18</b>	<b>1.19</b>	<b>1.19</b>	<b>1.20</b>	<b>1.21</b>	<b>1.22</b>	<b>1.22</b>

## 10-Year Operating Proforma: Scenario 2 (with school removed)

<b>Cash Flow Projection</b>										
Operating Year	1	2	3	4	5	6	7	8	9	10
<b>Revenue</b>										
Total Rental Income	1,921,835	1,960,272	1,999,478	2,039,467	2,080,256	2,121,862	2,164,299	2,207,585	2,251,736	2,296,771
Total Vacancy	(96,092)	(98,014)	(99,974)	(101,973)	(104,013)	(106,093)	(108,215)	(110,379)	(112,587)	(114,839)
Effective Income	1,825,744	1,862,259	1,899,504	1,937,494	1,976,244	2,015,768	2,056,084	2,097,206	2,139,150	2,181,933
<b>Expenses</b>										
Administrative Expenses	71,432	73,575	75,782	78,055	80,397	82,809	85,293	87,852	90,488	93,203
Payroll Expenses	175,945	181,223	186,660	192,260	198,028	203,968	210,088	216,390	222,882	229,568
Management Fee	63,612	65,520	67,486	69,511	71,596	73,744	75,956	78,235	80,582	82,999
Resident Services/Community Impact	50,000	51,500	53,045	54,636	56,275	57,964	59,703	61,494	63,339	65,239
Utility Expense	143,512	147,818	152,252	156,820	161,524	166,370	171,361	176,502	181,797	187,251
Maintenance Expense	93,723	96,534	99,430	102,413	105,486	108,650	111,910	115,267	118,725	122,287
Real Estate Taxes	232,500	239,475	246,659	254,059	261,681	269,531	277,617	285,946	294,524	303,360
Insurance	102,300	105,369	108,530	111,786	115,140	118,594	122,152	125,816	129,591	133,478
Ground Lease	1	1	1	1	1	1	1	1	1	1
Total Expenses (Before RR)	933,025	961,015	989,846	1,019,541	1,050,127	1,081,631	1,114,080	1,147,503	1,181,928	1,217,386
Replacement Reserve Deposits	32,550	33,527	34,532	35,568	36,635	37,734	38,866	40,032	41,233	42,470
Total Expenses (with RR)	965,575	994,542	1,024,378	1,055,110	1,086,763	1,119,366	1,152,947	1,187,535	1,223,161	1,259,856
<b>Net Operating Income</b>	<b>860,169</b>	<b>867,717</b>	<b>875,126</b>	<b>882,384</b>	<b>889,481</b>	<b>896,403</b>	<b>903,137</b>	<b>909,670</b>	<b>915,989</b>	<b>922,077</b>
<b>1st Mortgage Debt Service (incl. MIP)</b>										
New Hampshire Housing	747,973	747,973	747,973	747,973	747,973	747,973	747,973	747,973	747,973	747,973
<b>DSCR:</b>	<b>1.15</b>	<b>1.16</b>	<b>1.17</b>	<b>1.18</b>	<b>1.19</b>	<b>1.20</b>	<b>1.21</b>	<b>1.22</b>	<b>1.22</b>	<b>1.23</b>





## Section 3: Management Plan



**Placework**  
ARCHITECTURE • PLANNING



## SECTION 3: MANAGEMENT PLAN

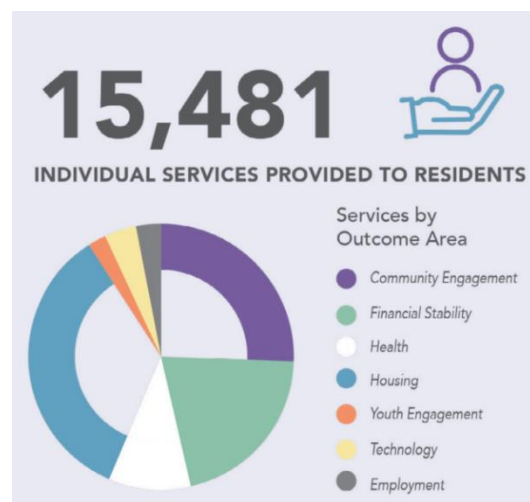
### Target Market and Proposed Rents

As discussed in *Section 2: Development Scenarios*, our proposed mix of apartment sizes and affordability levels responds to the wide need for housing among working-class and middle-income Portsmouth residents of various household sizes. We were also careful to propose rents that are achievable and that offer real affordability to renters. Rents are set to reflect the reality of the Portsmouth rental market and not simply set to the highest possible limit. Please see the “Housing Unit Programming” subsection of *Section 2: Development Scenarios* for additional detail on rent assumptions.

### Management Plan

The new community at Sherburne Road will be managed by POAH’s wholly-owned property management affiliate, POAH Communities. POAH Communities manages all properties in POAH’s portfolio – more than 13,000 apartments and 114 properties across 11 states and the District of Columbia. POAH Communities offers the following advantages:

- **Experienced local manager:** POAH Communities manages more than 5,000 below-market-rate apartments in New England, including 268 apartments among 3 properties in New Hampshire. All POAH’s properties include some combination of LIHTC, state housing finance agency, HUD, and local financing, requiring a high level of compliance accountability and resident services at various income levels. We are also experienced working with project-based Section 8 and 811 rental subsidy, as well as varying amounts of tenant-based Section 8 vouchers.
- **Award-winning resident service coordination:** Our Community Impact model works with residents to identify their goals and connect them to service providers that can help meet those goals. This program is widely used across the portfolio and has achieved success improving housing stability, financial mobility, and wellness outcomes for residents.
- **Local resources and partnerships:** POAH Communities has owned and managed Cocheco Park and Riverview Apartments in nearby Dover for nearly 20 years. We have four full-time staff based in Dover and we are ready to leverage our staff and partners in the greater Seacoast region to serve the new residents of Sherburne Road.



2023 Community Impact summary

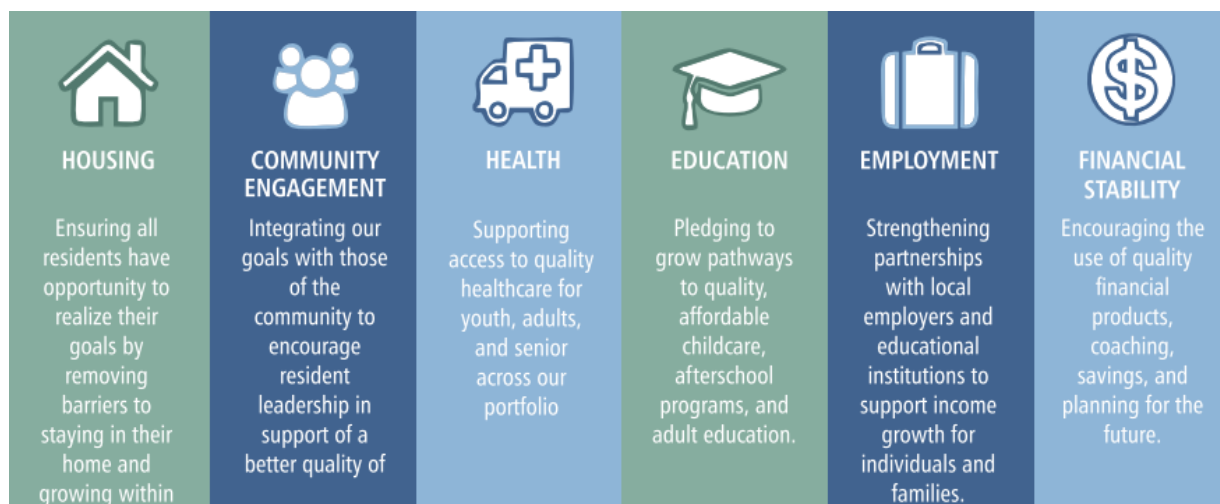
POAH Communities, as property manager, will adopt its standard management plan (which we can provide on request), adapted as necessary to fit any special aspects of the 35 Sherburne Road community. We place significant emphasis on resident services and the importance of creating a sense of community at our properties. In our projected operating budget, we have included one part-time Community Impact Coordinator who will oversee a range of resident services and events that will be developed with input from the future residents. We have also budgeted for one full-time property



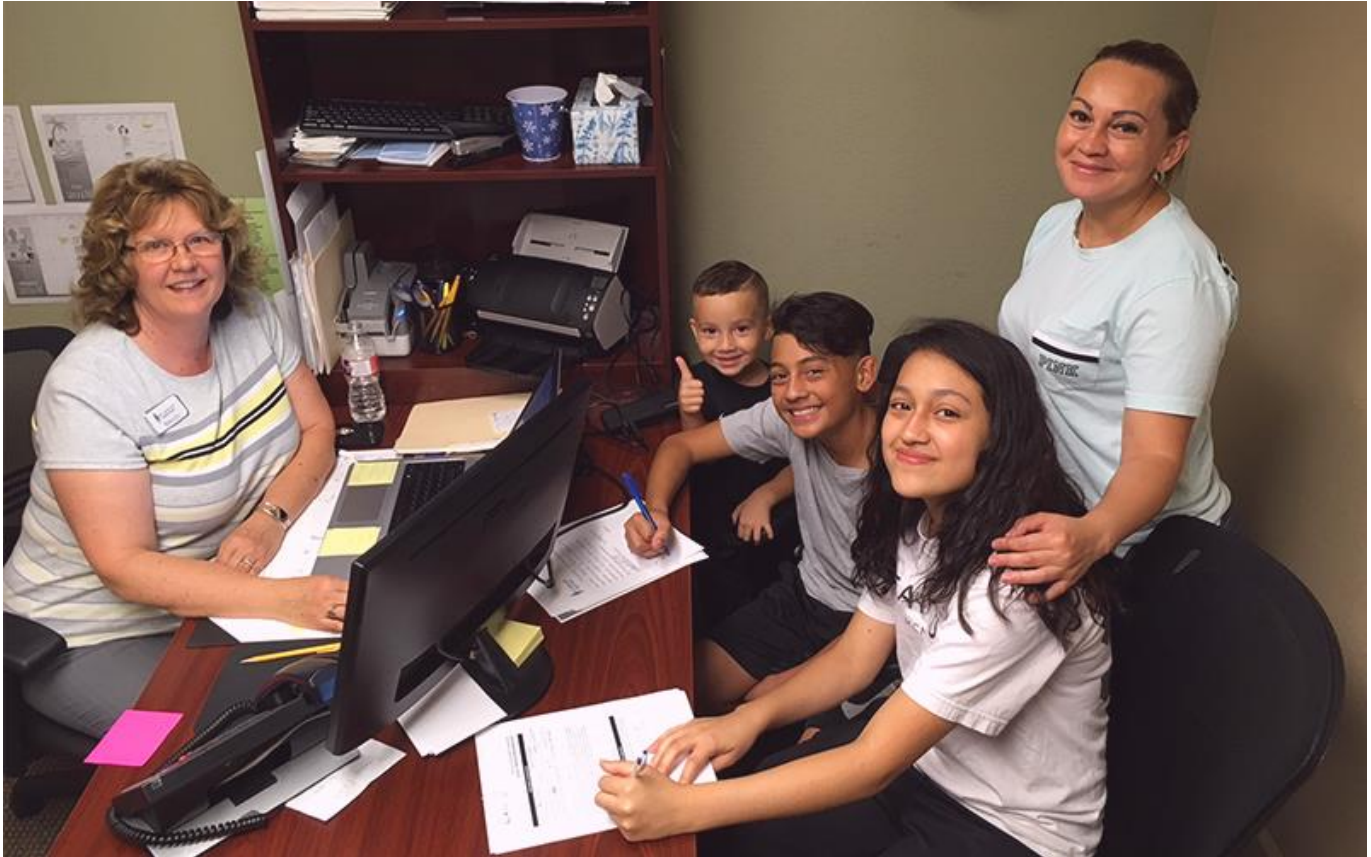
manager who will be based in a management office at the community every day during the work week. The property manager will be assisted by one part-time maintenance supervisor and one part-time maintenance technician. Residents in all our properties have access to on-call maintenance staff who are available after-hours and on weekends. This team will be supported by our property and maintenance staff at our two properties in Dover and will report to Jennifer Cavaco who, in turn, reports directly to POAH Communities' President, Rochelle Beeks.

Our property management plan will be based on our successful portfolio-wide model, which is informed by the following principles and guidelines:

- **Financial Accountability.** POAH assigns to each property a dedicated accountant responsible for financial reporting and stewardship of funds. POAH Communities works with three major auditing firms and has never had a qualified audit or major program deficiency.
- **Energy Management.** POAH has its own building operations and performance team, which uses a data-driven approach that enables us to track utility usage at each property and institute measures that save water and energy. These conservation efforts increase resident comfort and contribute to cost savings, which help us maintain the affordability of our rental housing.
- **Maintenance Technology.** POAH Communities offers specialized maintenance services. Using the latest technology, we experience real-time reporting on the status of service calls, scheduled maintenance, and unit turnover. Smartphone applications enable staff to receive, act on, and close work orders remotely. The work order reports provide maintenance and managerial staff the opportunity to review and analyze operations with ease.
- **Hands-On Management.** Our staff are trained to be on site and available to our residents to ensure properties are well cared for and closely managed and to make sure residents' needs are met.
- **Resident Services.** At POAH, we believe access to affordable, safe, and healthy housing is just one part of serving residents. It is our conviction that the best way to have a positive effect on individuals and families is by working within local communities to find resources that help residents achieve their personal and family goals. We call that approach Community Impact. We take a holistic approach to the work of Community Impact by engaging staff, residents, and neighborhood partners to create strategies that help residents achieve their goals across several outcome areas, from housing stability to health outcomes to employment opportunities.



Resident service programming will be overseen by the Community Impact Coordinator, who will work to engage residents, assessing their needs and goals, and develop partnerships with community organizations in Portsmouth. We anticipate that the resident services to be provided at 35 Sherburne Road will be developed during and after initial lease-up, in collaboration with the residents themselves. Please see the appendix for more detailed descriptions of POAH's Community Impact program.



POAH residents with Community Impact Coordinator

## Resident Selection, Lottery, and Local Preference

POAH Communities will create a targeted marketing strategy in advance of project completion, drawing on POAH Communities' specialized knowledge of affordable housing compliance and leasing. We anticipate using community meetings along with mailings and internet listings, some of which will be provided in foreign languages such as Portuguese and Spanish. All marketing materials will be in compliance with the Affirmative Fair Housing Marketing Plan that POAH Communities will create for the property and file with the City.

With respect to the housing lottery for the affordable units, POAH Communities will conduct the lottery for the new community and we would welcome a collaborative approach with the City to ensure that the lottery is conducted according to any preferences the City may have, including local preference.



A summarized outline of the anticipated housing lottery timeline is presented below. However, we acknowledge that each lottery is different depending on the local landscape, so we expect that the 35 Sherburne Road lottery will assume its own characteristics and milestones.

### **POAH Communities Housing Lottery Milestones**

- Approximately six months before the apartments are expected to be completed, a notice of an Information Session is sent to all individuals and organizations on the Affirmative Fair Housing Marketing Plan's list.
- Applications are available immediately upon notice of the date of the Information Session.
- At the Information Session, we will cover topics such as: eligibility criteria, application process, minority applications, asset limits, local preference, and the lottery process itself. An application packet will be distributed. The meeting also provides an opportunity for the development team to describe the apartments being built, display the plot plan and provide a timeline for completion.
- There is a 60-day minimum period for submitting applications.
- All applications are reviewed and determined eligible/non-eligible based on income and assets, with a local preference criterion also noted. Eligible applicants are notified of the lottery process and number by mail.
- Applicant ballots, which contain applicant information and preferences, are put in a ballot pool. If Portsmouth elects to implement a local preference, there will be two ballot pools: one for local preference applicants, and one for non-local applicants.
- POAH conducts the lottery. Winners and alternates are chosen from these two pools. If there are different bedroom size and prices, lotteries are held for each unit.
- Applicants who do not receive housing through the lottery will be placed on the community's wait list.

### **POAH Communities Lottery Experience and Recent Outcomes**

POAH Communities has successfully conducted housing lotteries for 10 newly constructed affordable apartment communities. All have included a local preference requirement.

Letters of support from two long-time resident of POAH's Cocheco Park community in nearby Dover are included on the following page.

24 SEP 27 10:59:26

For Irene  
Pat Ropars



I like living at  
Cocheco Park because  
it is a safe, clean  
and pleasant place.

It is close to downtown  
and the stores and park.

We have game nights  
that help us to socialize  
with each other which is  
fun.

The staff here are  
nice and helpful, but,  
the most important part  
for me is it is greatly  
affordable, I like it here  
and wouldn't want to live  
anywhere else!

10/4/24

To WHOM IT MAY CONCERN,

I Like living AT Cocheco PARK  
Because of the closeness to  
the library, police, post office,  
churches, stores + RESTAURANTS, all  
OF WHICH I CAN SEE FROM MY  
WINDOW ON THE 5TH FLOOR.

BUSES + TRAIN STATION IS 2  
blocks up the STREET.

I love the people in the building,  
MANY ARE GOOD FRIENDS. WE ALL  
take CARE OF EACH OTHER.

OVER

Page 2

Maintenance responds  
USUALLY the SAME DAY. THEY  
ARE Respectable when in our  
APARTMENTS.

It's CONVENIENT to HAVE OUR  
MAIL BOXES INDOORS.

PARKING IS PROVIDED FOR ALL OF  
US WHO OWN A CAR free of  
charge.

APT # 507





## Section 4: Community Engagement



**Placework**  
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## SECTION 4: COMMUNITY ENGAGEMENT

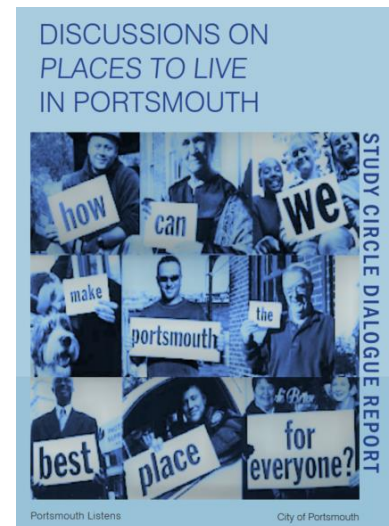
### Core Principles

There are neighbors and community members who have concerns about developing housing on Sherburne Road. Their concerns range from specific impacts of new housing on traffic, schools, and the character of their neighborhood to broader issues about transparency and their ability to have their input considered and incorporated into the plan. We understand these concerns – they are legitimate and commonly arise in nearly every community where we work.

For the new neighborhood at Sherburne Road to be a success, the selected developer must be committed to building trust with the community early on. This is important not only to avoid a public appeal of the Zoning or Planning Board approvals that could cause significant and costly project delays, but also because this project is the first development of below-market-rate housing on City-owned land in a generation. Ensuring that the public process for this pioneering development is transparent, respectful, and inclusive is essential. A failure to achieve community buy-in could jeopardize not only this project but also future housing initiatives in the City.

The good news is that Portsmouth is already engaged in a robust public conversation about housing, and there is clear public support. Initiatives like the “Places to Live Study Circle Dialogue” led by Portsmouth Listens have promoted engagement on housing throughout the City, and local outreach by the Housing Blue Ribbon Committee has begun to build trust within Pannaway Manor. Local opposition may remain, but there is widespread support among Portsmouth residents for expanding housing opportunity.

Finding the appropriate balance between neighborhood concerns and the broader benefits to the city is the fundamental goal of engagement. The following are the core principles that we have developed over more than a decade of building housing in New England:



- **Align with municipal staff.** Before beginning any public engagement, we work closely with local municipal staff and elected officials to create a clear plan for the process, establish points of contact, and coordinate communication efforts.
- **Communicate consistently and often.** A common source of public resistance to new developments is the perception that the community has been “kept in the dark” and that a development is being forced upon them. To counter this, we prioritize sharing information regularly and reaching people through a variety of formats. Public meetings are essential because they provide face-to-face accountability, but they should be complemented by a development website that is regularly updated with development information, meeting materials, recordings, and timeline updates; a text messaging channel for meeting notifications and updates with reply capacity; and direct contact information for the project manager.
- **Listen and report back.** Community meetings and public discourse are sometimes tense. When receiving public comment, we avoid engaging in in-the-moment debate. Instead, we listen, we



repeat what we've heard, and we take notes. At the next public meeting, we report back on what we heard the last time and describe how we have responded to the input received, or why certain changes are not possible and what alternatives are possible. Demonstrating that we're listening and considering community input – but that we're also being honest about trade-offs – will not always satisfy everyone, but it will build trust.

- **Be physically present.** Regular in-person engagement is critical. We introduce ourselves early in the process through public meetings and continue to show up through the process, remaining accessible to the community.
- **Identify local champions.** Ultimately, we the developer cannot create community buy-in on our own – we need a local champion to have our back. Our most successful developments have been the result of collaborations between our staff and strong local advocates – whether they be elected officials, city staff, or members of the housing committee. We identify these champions early on and invest substantial time in understanding their goals and developing a strong working relationship. They are our most important allies in building community support.

The circumstances of each development and community are different, and we adapt our engagement plans accordingly – but these core principles guide us. To illustrate their real-world application, a summarized description of a recent (and ongoing) engagement process is below. Although it is not directly comparable to Sherburne Road because it involves the engagement of two separate but overlapping constituencies – residents of existing housing that is being redeveloped and community members from the surrounding neighborhood – it is a good demonstration of how POAH approaches engagement.

## Example: Willow Park in Watertown, MA

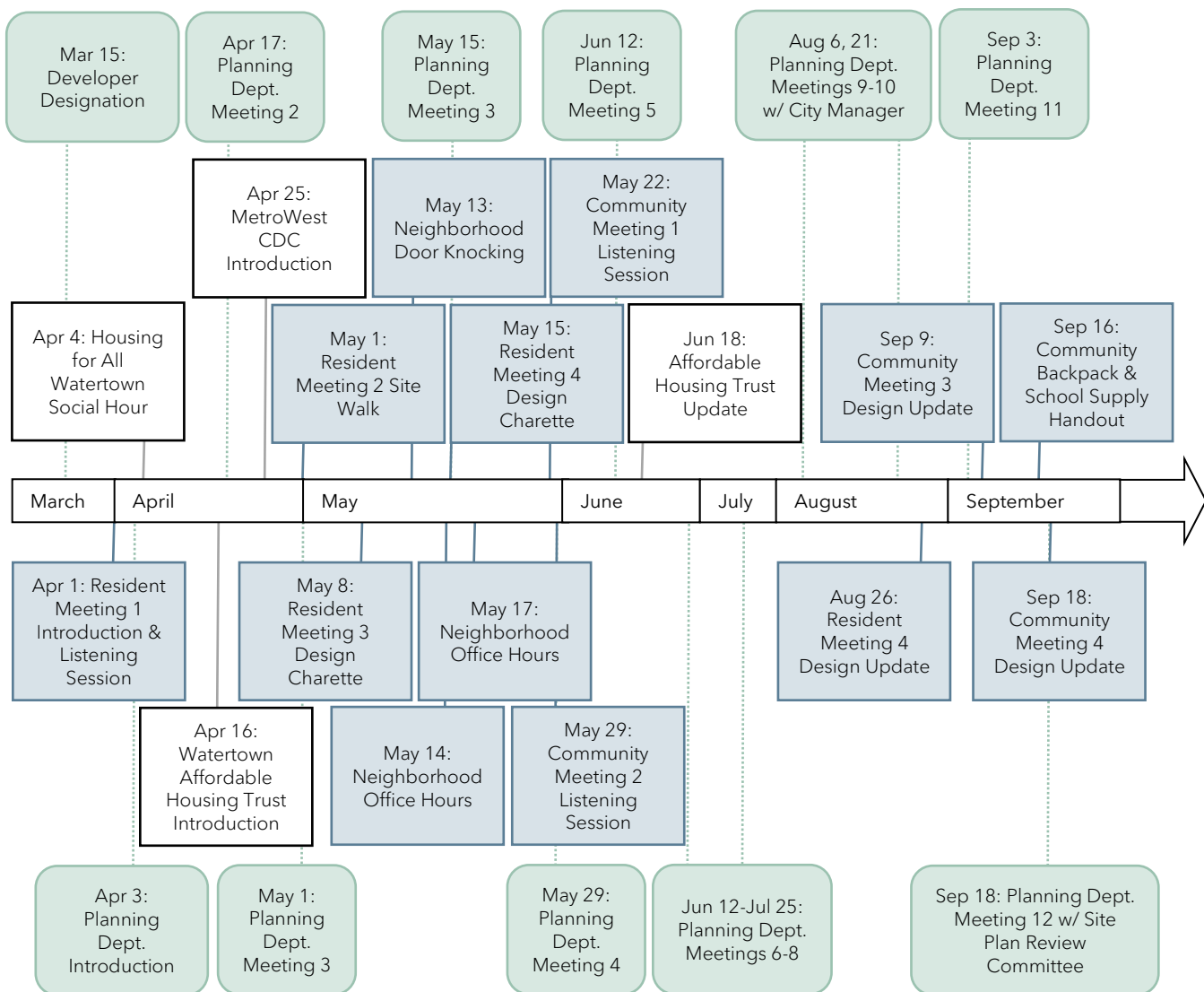
In March 2024, POAH was selected by the Watertown Housing Authority through a competitive RFP to redevelop Willow Park, a site owned by the housing authority and located in the dense residential neighborhood of East Watertown. The redevelopment will redevelop the 60 public housing units on the 2-acre site into 125 new, highly sustainable mixed-income apartments and a new community park. Following our selection, we decided with the housing authority to target an application for tax credits in the state's February 2025 funding round. With less than 12 months to secure zoning approval, we set a goal of submitting our application to the zoning board by November of 2024.

We developed a resident and community engagement plan with the housing authority during March and were ready to begin in April. That month, POAH led four in-person kick-off meetings with Willow Park residents, planning department staff, the Watertown Affordable Housing Trust, and Housing for All Watertown (a local housing support group) and met individually with city councilors. The purpose of these meetings was to introduce POAH and the project team, explain our response to the RFP, outline project goals, and discuss process, communication, and timeline. We established a meeting schedule with residents and city staff and we launched a development website (see: [Willow Park Redevelopment](#)) and a text notification channel.



During May, we held three resident meetings in which we walked through existing apartments and community spaces to understand residents' priorities and how community spaces are used and tested various layouts and massing options in design charrettes, aiming to align on a conceptual plan before seeking wider community input. By mid-May, we were ready to engage the broader neighborhood. The development team went door-to-door, introducing themselves and the project to all neighbors within 300 feet of the site (knocking on nearly 100 doors) and inviting the public to the first two community meetings held at the end of May (held in-person and virtually to accommodate different household needs). During these meetings we introduced the team and our goals, discussed the current designs, and asked for input. To supplement these two meetings and ensure everyone had a chance to meet with us in person, the development team also held two "office hours" sessions (one in-person and one virtual), allowing neighbors to meet with us one-on-one.

Throughout June and July, the team revised the design based on community feedback. In August, we presented the updated design to residents during our fourth resident meeting. Following resident support for the updated design, we held a second round of community meetings in the first half of September to discuss refined designs, address new or remaining concerns, and work towards a consensus that satisfied the project goals and neighborhood needs. A summarized timeline of the engagement process to-date is below.





The six-month engagement process shaped the development plan in the following ways:

- ❖ Early on, both residents and neighbors identified a need for more parking, so we substantially redesigned our parking strategy to add more spaces without reducing green space.
- ❖ One abutter was particularly concerned about the height of a proposed five-story building next to his three-story home and requested a reduction of two stories. We engaged a surveyor to analyze the site's topography and presented drawings illustrating how, due to the sloping grade, having the proposed building at four stories would align with the abutter's three-story home. Because of this, we reached a compromise to only reduce the building to four stories.
- ❖ We were able to offset this loss in units when another abutter came forward and shared that she was planning to sell her home. We offered to purchase the building instead, enabling us to expand one of our planned buildings and recover the units lost from the height reduction of the other building.
- ❖ Some residents were concerned about the access to the community park, which was shielded by one of the buildings to neighbors and residents at the north end of the site. In response, we adjusted the building's placement to create an additional green plaza, improving the connections between the buildings and enhancing access to the larger open space.
- ❖ We also learned that there is a widely-used school bus stop on the site, so we designed a new plaza around the stop to improve pick-up and drop-off for neighborhood children.
- ❖ Finally, we designed a 3,000 SF community learning center adjacent to the bus stop plaza that will connect with the park and provide a new learning space for neighborhood families.



Simultaneous with the public engagement described above, the development team holds bi-weekly meetings with the planning department and maintains regular check-ins with other key stakeholders like city councilors, the city manager, the Community Preservation Committee, and the Watertown Affordable Housing Trust. The process – rooted in consistent communication and a commitment to listening, transparency, and accountability – has built widespread support among residents and neighbors for the development plan. We expect to submit a successful zoning application in November.

For an unbiased perspective of how the community engagement process has been conducted from the city’s point of view, please contact:

**Steve Magoon**

Assistant City Manager for Community Development and Planning  
617-972-6417  
smagoon@watertown-ma.gov

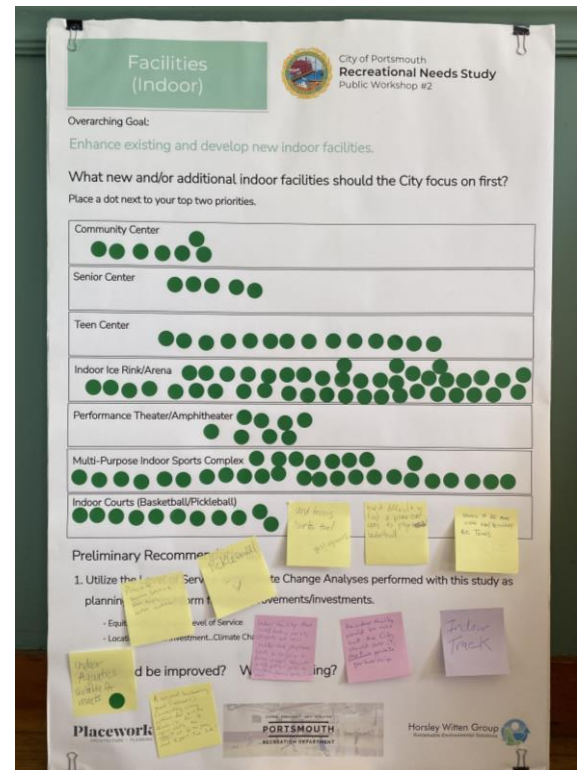
## Community Engagement at Sherburne Road

One of our first steps would be to work with City officials to identify key contacts and develop a joint communication and engagement plan. We expect that the engagement process described below will be significantly shaped by City input.

Event	Date	Description
Developer Designation	Nov 2024	
Alignment with City	Nov 2024	POAH and City staff establish points of contact, timeline goals, engagement and communication strategy. Parties involved expected to include: City councilors, Housing Committee, Planning Department, and the City’s Director of Communications and Community Development.
Community Outreach	Dec 2024	POAH door-knocking and mailings on Sherburne and Greenland Roads, Pannaway Manor, and Holly Lane to introduce team and notify neighborhood of community meeting. Outreach to outer neighborhoods on Borthwick Avenue and Islington Street will be considered with Housing Committee.
Communication Platforms	Dec 2024	Dedicated development website with development information, timeline and updates, meeting materials and meeting recordings set up by POAH IT. Text notification platform with capacity for subscribers to reply to development project manager also set up.
Stakeholder Engagement	Dec 2024	Outreach to important City stakeholders including Portsmouth Housing Authority, Portsmouth Listens, Workforce Housing Coalition of the Greater Seacoast.
Community Meeting 1: Introduction	Dec 2024	POAH and Placework conduct two complementary community meetings – one afternoon and one evening on separate days – in the Sherburne School auditorium. Introduce team, share details of proposal, listen to and prioritize



		community goals. All meetings will have a virtual option for those who can't make it in-person.
Community Office Hours	Jan 2025	POAH to host two "office hours" sessions for neighbors on-site at Sherburne School.
Community Meeting 2: Design Charette	Jan 2025	POAH, Placework and KTA to report back to community on things we've heard and how we've reflected the community goals established in Community Meeting 1, and to conduct an interactive design charette in the Sherburne School auditorium. Focus will be on density, look and feel.
Community Office Hours	Feb 2025	POAH to host two "office hours" sessions for neighbors on-site at Sherburne School and online.
Community Meeting 3: Design Charette	Feb 2025	POAH, Placework, KTA and Aceto to report back to community on feedback from first charette, changes made, and new options. Focus will be on community spaces and benefits.
TAC Work Session(s)	Mar-Apr 2025	POAH and Placework to hold 1-2 work session(s) with the TAC to incorporate TAC feedback before formal review
Community Meeting 4: Design Update	Apr 2025	POAH, Placework and KTA to present developed community designs and collect feedback with intention of finalizing conceptual design by end of May.
Site Plan to TAC	Jun 2025	Goal is to submit a site plan for TAC review that reflects substantial community input and support.



Images from Placework community engagement sessions for City of Portsmouth Recreation Needs Study

PTS

Courtyard



Community  
Amenity

Flexible



Park

Community Garden



Park

Nature Playground/Splashpad



## Section 5: Implementation Plan & Timeline



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## SECTION 5: IMPLEMENTATION PLAN AND TIMELINE

Summaries of the anticipated timelines by project phase are below. At the end of this section we have included a detailed timeline graphic for 35 Sherburne Road.

### Zoning, Permitting and Approvals

Consistent with the guidance provided in the RFP, we expect to maintain the site's existing Municipal zoning and gain approval through the Site Plan Review process. We plan to hold at least one work session with the Technical Advisory Committee (TAC) approximately two months prior to submitting the site plan to the TAC for review and public comment. Our objective would be to submit a site plan that reflects substantial community participation and has neighborhood buy-in, so we have budgeted six months of community engagement and community design before we submit a site plan to the TAC in late spring or early summer, coinciding with the 9% LIHTC pre-application to New Hampshire Housing. A late spring/early summer submission to the TAC should provide sufficient time for TAC review, public meeting and public comment so that we are ready to apply to the Planning Board for Site Plan Approval by early fall. Our goal is to have a reasonably certain timeline to site plan approval when we submit our 9% LIHTC application to New Hampshire Housing in the fall of 2025 for the 2026 funding round. Because New Hampshire Housing will heavily weight our project's "readiness to proceed" - that is, our ability to get started quickly, which relies on having the development designed and approved - in its competitive scoring for 9% LIHTCs and capital subsidy, we will make every effort to secure site plan approval before submitting our 9% LIHTC application in the fall of 2025. However, we must allow enough time for a comprehensive community engagement process before going to the Planning Board.

Please refer to *Section 4: Community Engagement* for a description of how we plan to coordinate with municipal staff and involve the surrounding community on design during the critical first six months following developer designation.

### Financing

While the development's municipal approval process is underway, we will prepare project financing applications for New Hampshire Housing's 2026 competitive funding round, which will be due in late summer or early fall of 2025. We will also begin the application process for InvestNH Housing and NH Department of Energy funding early on in the project, as well as building a network of buyers for NH CDFA state tax credits. We expect to submit an application to FHLB Boston during the first half of 2025 for its year-end award cycle.

Once the highly competitive New Hampshire Housing project financing is secured (9% LIHTCs and deferred loan capital subsidy), we estimate that it will take another eight months to assemble the remaining subordinate financing (e.g. InvestNH, DOE grants, state tax credits), negotiate the construction contract with our general contractor, and assemble the remaining major elements on the project's financing structure, specifically the construction and permanent financing and tax credit investor equity.

## Construction

We estimate that construction will take approximately 20 months, with a lottery and lease-up period of four months and an additional three-month period before permanent loan conversion. If we are able to secure the highly competitive rental financing sources with our first application to New Hampshire Housing, we expect a period of approximately 24 months from developer designation to the start of construction, with project completion and stabilization approximately 24 months after the beginning of construction.

### Examples from POAH's two most recent developments to secure funding:

#### Residences at Lawrence Hill (Wellfleet, MA).

In January 2022, the Town of Wellfleet selected POAH and our local partner CDP through a competitive RFP to develop 46 units of mixed-income below-market-rate housing on a town-owned site. By March 2022, we had substantially finalized the Land Disposition Agreement with the Town and had begun community engagement. The team worked closely with neighbors, knocking on every abutter's door and incorporating neighbors' feedback into the project plan and keeping all involved in the design process.



Townpeople emphasized a desire for smaller scale housing, a need for attainable housing for year-round residents working in the service sectors and municipal jobs, and accessible housing for downsizing seniors. We designed a building and affordability program that created housing for a wide range of incomes, from those earning 30% of AMI to housing for middle-income households up to 120% of AMI, in a contextual neighborhood scale community that will be built to Passive House standards. The result of the team's early and sustained engagement over the first six months was a project plan that was widely supported in the community when we submitted our application for to the Zoning Board of Appeals in June 2022. The development plan was approved by the end of September, a record time. This enabled us to submit our 9% LIHTC application to Massachusetts EOHLC on schedule in January 2023 for the 2023 competitive funding round. Although we were not selected with our first 9% LIHTC application, we continued to fund predevelopment and advance design so that we were in an excellent position to apply when EOHLC opened a "mini round" in September 2023. Our application was successful and we secured the 9% LIHTC and capital subsidy award in January 2024. During the next eight months, we secured the construction and first mortgage financing, \$20 million of LIHTC equity, and \$4 million of local funding and energy grants, completed construction drawings and selected Dellbrook JKS as the general contractor. Construction will begin during the week of October 28<sup>th</sup>.

POAH selected by Town: January 2022

Zoning secured: September 2022

First 9% LIHTC application: January 2023

Second 9% LIHTC application: September 2023

9% LIHTC award: January 2024

Project financing complete: September 2024

Construction closing: October 2024

Developer designation to closing: 34 months



**Lambert Woods North (Portland, ME).** In 2021, the City of Portland selected Maine Cooperative Development Partners (MCDP) to develop mixed-tenure below-market-rate housing on a city-owned site. However, although MCDP was able to build significant local support for the development, in mid-2022 MaineHousing encouraged them to partner with a strong non-profit developer that had the financial and staff capacity to advance the development quickly so that it



could be eligible for MaineHousing’s 4% LIHTC Walk-In Funding Program before the limited-time program closed later that year. MCDP sought out POAH and our organizations formed a partnership in June 2022. The POAH team quickly began working with the MaineHousing underwriting team to assemble a competitive 4% LIHTC Walk-In application, which we submitted to MaineHousing in November 2022 shortly before the program stopped taking applications. Simultaneously, the POAH team began working with MCDP, Kaplan Thompson Architects, and Aceto Landscape Architecture to advance community design and submit an application for site plan approval to the Planning Board in February, 2023, which was approved that month. Although there was strong support within the community and at MaineHousing for the development, MaineHousing had concerns about the project’s planned transition from LIHTC rental housing to an affordable homeownership co-op at the end of the initial LIHTC compliance period. To address this, POAH worked with MCDP and the city to restructure the plan so that the housing would remain long-term affordable rental housing, which enabled MaineHousing to award the 4% LIHTC and deferred loan funding to the development in August 2023. At that point, with MaineHousing funding and the city Tax Increment Financing secured, the team was ready to proceed to a construction closing in early 2024. However, very late in the process MaineHousing notified the team that it was requiring the development’s off-street parking to be substantially increased, despite the city’s prior approval of the development site plan. This change necessitated a significant re-work of the site plan and development budget and for the team to obtain a major site plan amendment from the Planning Board in September, delaying the project more than seven months. Furthermore, the changes created a financing shortfall of more than \$500,000. Rather than go back to MaineHousing or seek funding from the City and further delay development closing, POAH decided to contribute our own capital – drawn from our Capital Magnet Funds – to close the gap. This developer funding has cleared the way for construction closing, which will occur in January 2025. Unlike the prior example of the Residences at Lawrence Hill, despite the best efforts of the team and a development plan that had strong public support, obstacles arose that delayed the development closing for Lambert Woods a full year, from early 2024 to early 2025. However, while unfortunate, this example demonstrates POAH’s capacity to adapt to changing circumstances, to solve problems, and to “stick with it” and find ways to get challenging developments closed, even if it requires contributing our own resources to keep projects moving ahead.

POAH selected by MCDP: June 2022  
 4% LIHTC application: November 2022  
 Site plan approval: February 2023

4% LIHTC award: August 2023  
 Project financing complete: January 2024  
 Expected construction closing: March 2024  
 Parking increase required: March 2024  
 Site plan amendment: September 2024  
 Construction closing: January 2025  
 POAH selection to closing: 31 months



POAH's LeClair Village, a Passive House community in Mashpee, MA that was completed in 2024



**35 Sherburne Road | Portsmouth, NH**

35 Sherburne Road   Portsmouth, NH			Project Month	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
	Period Ending		10/31/24	11/30/24	12/31/24	1/31/25	2/28/25	3/31/25	4/30/25	5/31/25	6/30/25	7/31/25	8/31/25	9/30/25	10/31/25	11/30/25	12/31/25	
	Project Phase		Predev	Predev	Predev	Predev	Predev	Predev	Predev	Predev	Predev	Predev	Predev	Predev	Predev	Predev	Predev	
Key Milestones			Start Date	End Date														
Developer Selection			10/1/2024	10/31/2024														
Execution of Land Lease Agreement			11/1/2024	11/30/2024														
Design																		
Schematic Design			11/1/2024	3/31/2025														
Design Development			4/1/2025	7/31/2025														
Construction Documentation			8/1/2025	12/31/2025														
Community Engagement																		
Alignment with City			11/1/2024	11/30/2024														
Community Outreach: Introduction and Socialization			12/1/2024	12/31/2024														
Stakeholder Outreach			12/1/2024	12/31/2024														
Community Meeting 1: Intro & Listening Session			12/1/2024	12/31/2024														
Community Meeting 2 & 3: Design Charettes			1/1/2025	3/31/2025														
Community Meeting 4: Design Update			4/1/2025	4/30/2025														
Design Refinement for TAC			4/1/2025	5/31/2025														
Zoning and Entitlements																		
Work Session(s) with TAC			3/1/2025	5/31/2025														
Submit Site Plan to TAC			6/1/2025	6/30/2025														
TAC Review and Public Hearing			6/1/2025	8/31/2025														
Submit Site Plan to Planning Board			9/1/2025	9/30/2025														
Planning Board Review and Public Hearing			9/1/2025	10/31/2025														
Site Plan Approval			10/1/2025	10/31/2025														
Project Financing																		
Pre-App to NHH			6/1/2025	6/30/2025														
Application to NHH 9% Funding Round			9/1/2025	9/30/2025														
Application to NHH 4% Funding Round			10/1/2025	10/31/2025														
Competitive Funding Awards			1/1/2026	1/31/2026														
LIHTC Equity RFP			1/1/2026	1/31/2026														
LIHTC Investor Selection			2/1/2026	2/28/2026														
Historic Tax Credit Application and Award			6/1/2025	6/30/2026														
InvestNH, FHLB, CDFA Applications and Awards			12/1/2024	6/30/2026														
DOE Energy Grant Applications and Awards			12/1/2024	6/30/2026														
Construction and Perm Financing Commitments			1/1/2026	6/30/2026														
Construction Loan Closing			9/1/2026	9/30/2026														
Construction																		
Bidding			2/1/2026	6/30/2026														
Contractor Selection			7/1/2026	7/31/2026														
MBE/WBE and Local Hiring			2/1/2026	9/30/2026														
Construction			10/1/2026	5/31/2028														
Certificate of Occupancy / Placed In Service			5/1/2028	5/31/2028														
Lease-Up and Stabilization																		
Marketing and Lottery			5/1/2028	8/31/2028														
Leasing			6/1/2028	9/30/2028														
Stabilization			9/1/2028	9/30/2028														
Permanent Loan Conversion			12/1/2028	12/31/2028														

**35 Sherburne Road | Portsmouth, NH**

35 Sherburne Road   Portsmouth, NH			Project Month														
			16	17	18	19	20	21	22	23	24	25	26	27	28	29	30
			Period Ending	1/31/26	2/28/26	3/31/26	4/30/26	5/31/26	6/30/26	7/31/26	8/31/26	9/30/26	10/31/26	11/30/26	12/31/26	1/31/27	2/28/27
Project Phase			Predev	Predev	Predev	Predev	Predev	Predev	Predev	Predev	Predev	Constrn	Constrn	Constrn	Constrn	Constrn	Constrn
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Zoning and Entitlements																	
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Marketing and Lottery			5/1/2028	8/31/2028													
Leasing			6/1/2028	9/30/2028													
Stabilization			9/1/2028	9/30/2028													
Permanent Loan Conversion			12/1/2028	12/31/2028													



**35 Sherburne Road | Portsmouth, NH**

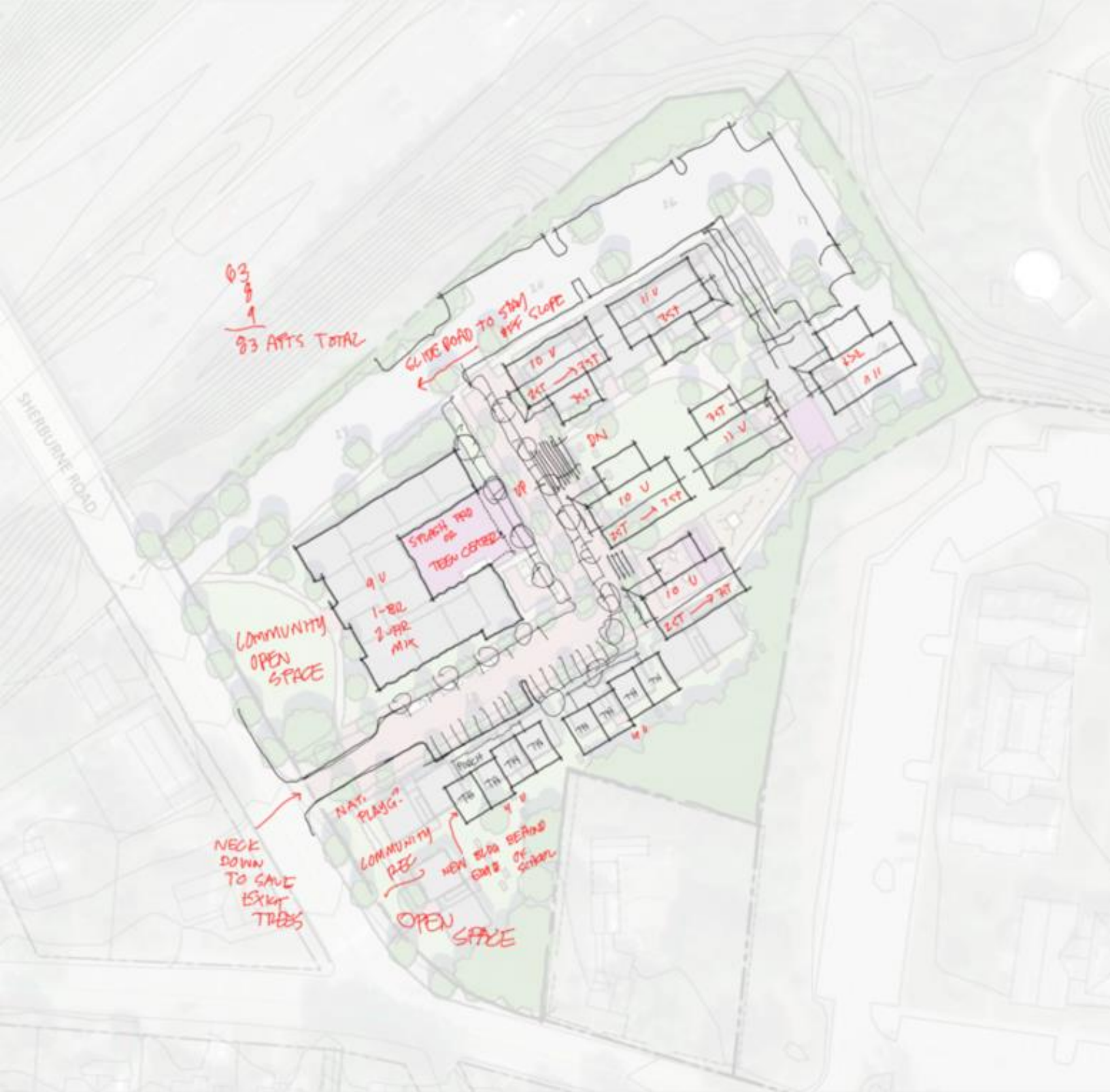
35 Sherburne Road   Portsmouth, NH			Project Month	31	32	33	34	35	36	37	38	39	40	41	42	43	44	45
			Period Ending	4/30/27	5/31/27	6/30/27	7/31/27	8/31/27	9/30/27	10/31/27	11/30/27	12/31/27	1/31/28	2/29/28	3/31/28	4/30/28	5/31/28	6/30/28
			Project Phase	Constrn	Constrn	Constrn	Constrn	Constrn	Constrn	Constrn	Constrn	Constrn	Constrn	Constrn	Constrn	Constrn	Constrn	Pre-Stab
Key Milestones			Start Date	End Date														
Developer Selection			10/1/2024	10/31/2024														
Execution of Land Lease Agreement			11/1/2024	11/30/2024														
Design																		
Schematic Design			11/1/2024	3/31/2025														
Design Development			4/1/2025	7/31/2025														
Construction Documentation			8/1/2025	12/31/2025														
Community Engagement																		
Alignment with City			11/1/2024	11/30/2024														
Community Outreach: Introduction and Socialization			12/1/2024	12/31/2024														
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Permanent Loan Conversion			12/1/2028	12/31/2028														

35 Sherburne Road | Portsmouth, NH

Project Month	46	47	48	49	50	51
Period Ending	7/31/28	8/31/28	9/30/28	10/31/28	11/30/28	12/31/28
Project Phase	Pre-Stab	Pre-Stab	Stabilized	Stabilized	Stabilized	Stabilized

Key Milestones	Start Date	End Date	
Developer Selection	10/1/2024	10/31/2024	
Execution of Land Lease Agreement	11/1/2024	11/30/2024	
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Permanent Loan Conversion	12/1/2028	12/31/2028	





## Section 6: Required Forms

## Exhibit A

### Applicant Certification

The Applicant hereby certifies that:

1. The applicant has not given, offered, or agreed to give any gift, contribution, or offer of employment as an inducement for, or in connection with, the award of contract for these services.
2. No consultant to, or subcontractor for the applicant has given, offered, or agreed to give any gift, contribution, or, offer of employment to the applicant, or, to any other person, corporation, or entity as an inducement for, or, in connection with, the award to the consultant or subcontractor of a contract by the applicant.
3. That no person, corporation, or, other entity, other than a bona fide full-time employee of the applicant has been retained or hired to solicit for or in any way assist the applicant in obtaining the contract for services upon an agreement or understanding that such person, corporation, or entity be paid a fee or other compensation contingent upon the award of the contract to the applicant.

I hereby attest with full knowledge of the penalties for perjury, that all information provided in this application for services is correct.

Aaron Gornstein

Executor (Printed)



Executor (Signature)

President & CEO

(Title)

Preservation of Affordable Housing, Inc.

(Name of Firm)

2 Oliver Street, Suite 500, Boston, MA 02109

(Address)

October 1, 2024

(Date)



## Exhibit B

### Proposal Signature Page

#### RFP #09-25 Below Market Rate Housing Development at 35 Sherburne Road Proposal

Preservation of Affordable Housing, Inc.

Company Name

Alex Finigan

Contact Person (*please print*)

2 Oliver Street, Suite 500

Street

617-449-1013

Phone

Boston, MA 02109

City, State, Zip

afinigan@poah.org

Email

Submits the attached Proposal to the City of Portsmouth, on the authority of the undersigned and as dated below. I confirm and pledge to abide by and be held to the requirements of this RFP and its resulting Land Lease Agreement, to perform any tasks and deliver any documents required.

Proposer acknowledges receipt of the following addenda\*

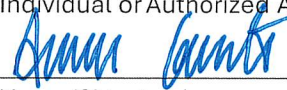
1. Addendum 1

2. \_\_\_\_\_

3. \_\_\_\_\_

4. \_\_\_\_\_

Individual or Authorized Agent of the Contractor



Name (Signature)

Aaron Gornstein

Name (Printed)

President & CEO

Title

October 1, 2024

Date

Form must be signed by a duly authorized officer(s) eligible to sign contract documents for the respondent firm, joint ventures, or teams submitting proposal. Proposals will not be considered responsive unless it is established that all contractual responsibility rests solely with one contractor or one legal entity. The Proposal must indicate the responsible entity.

\* to be filled in by proposer, if addenda are issued.





# Appendix

## POAH 2023 Community Impact Report



**Placework**  
ARCHITECTURE • PLANNING





# 2023

## COMMUNITY IMPACT REPORT

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# 2023 ANNUAL COMMUNITY IMPACT REPORT

POAH is a national nonprofit organization whose mission is to preserve, create and sustain affordable, healthy homes that support economic security, racial equity and access to opportunity for all.

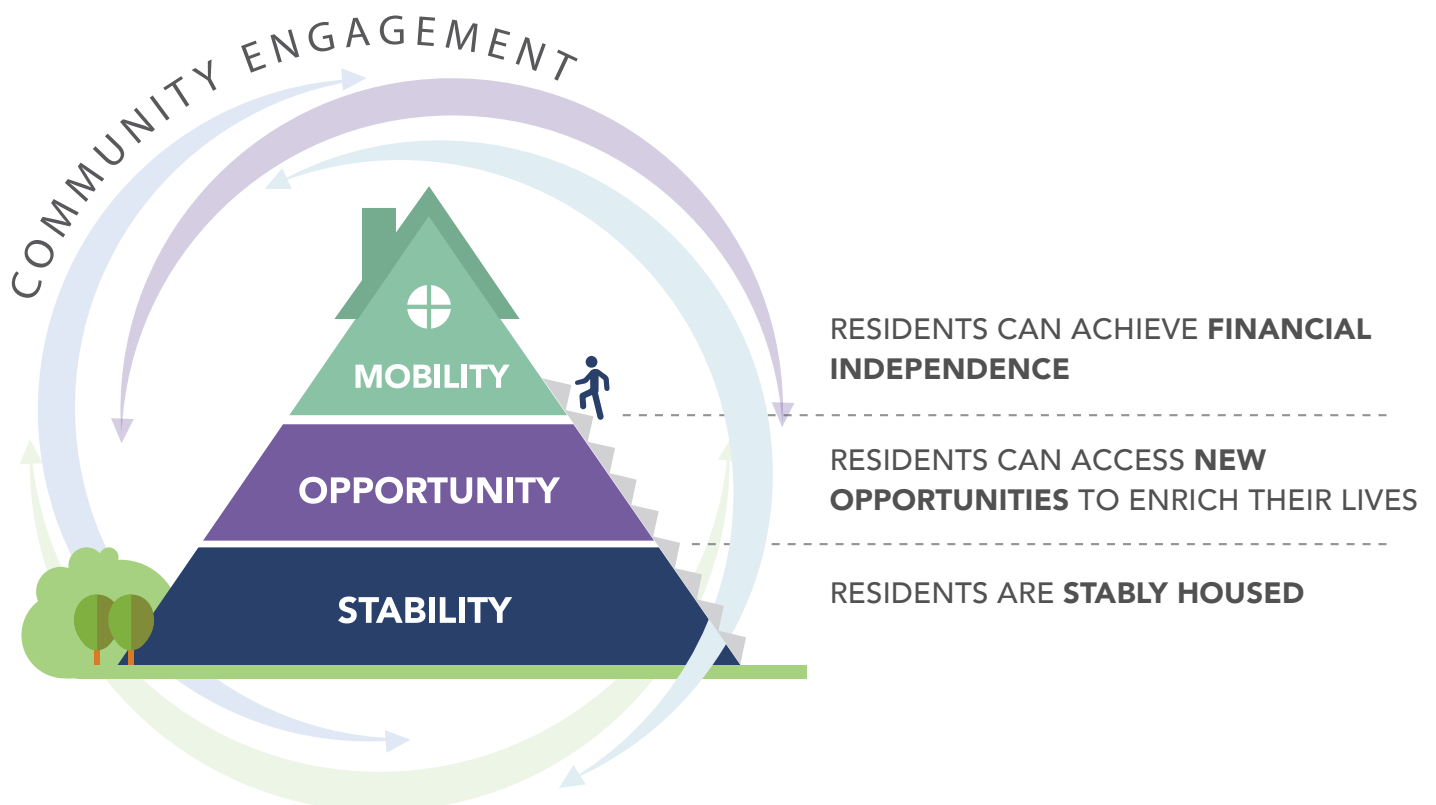
People's need for decent housing is fundamental, without it, they cannot thrive and grow. But access to housing alone is not enough, especially for housing providers like POAH who understand our work as only one front in the broader fight against poverty and inequality in this country.

That's why POAH invests in Community Impact. POAH's Community Impact initiatives build on a

platform of stable housing to create opportunity for residents who choose to live in a POAH community.

POAH's vision for thriving communities:

- **Residents are stably housed.**
- **Residents can access new opportunities to enrich their lives.**
- **Residents can achieve financial independence.**
- **Community engagement, rooted in principles of Trauma Informed Housing, guides our work at every stage.**



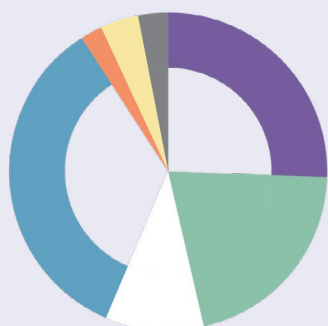


# 2023 BY THE NUMBERS

15,481



INDIVIDUAL SERVICES PROVIDED TO RESIDENTS

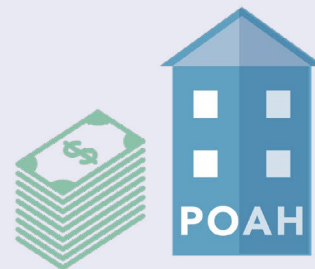


Services by Outcome Area

- Community Engagement
- Financial Stability
- Health
- Housing
- Youth Engagement
- Technology
- Employment

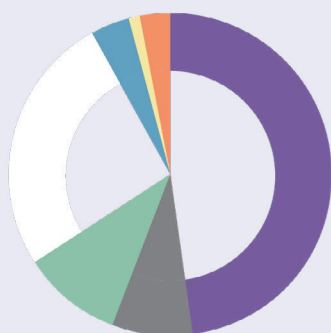
\$831,000

IN EMERGENCY RENTAL ASSISTANCE FOR RESIDENTS IN 2023



5,085

PROGRAMS HOSTED



Programs by Outcome Area

- Community Engagement
- Financial Stability
- Health
- Housing
- Youth & Education
- Technology
- Employment

74%

OF POAH PROPERTIES ARE SERVED BY A COMMUNITY IMPACT COORDINATOR



98

PROPERTIES SERVED

88

COMMUNITY IMPACT STAFF ACROSS THE PORTFOLIO

340+



PARTNERS ENGAGED

791



FOOD DISTRIBUTION EVENTS HOSTED

# COMMUNITY IMPACT OUTCOME AREAS

POAH is dedicated to resident's success in our housing and beyond. Through this Annual Report, you'll learn more about our residents, their experiences and successes, and the community partners that make this work possible.



HOUSING



EMPLOYMENT  
AND FINANCIAL  
STABILITY



HEALTH



YOUTH  
ENGAGEMENT



COMMUNITY  
ENGAGEMENT

## PRESERVING STABLE HOUSING



Our first and most important job is to help our residents maintain stable, affordable housing. POAH's dedicated Community Impact Coordinators (CICs) work one-on-one with any resident who needs help finding emergency rent assistance, maintaining a healthy home, understanding their lease and more. In 2023, CICs helped more than 361 households stabilize their housing with over \$830,000 in emergency assistance.

**Ayla Lopez** moved into **Salem Heights Apartments** in Salem, Massachusetts in the summer of 2016. "I had my oldest daughter at the time, and it was a good move for us — 1000%" says Ayla. Over the years her family grew with two more children. When Ayla's youngest son fell ill in 2023 due to an autoimmune disease, she reduced her hours at work to care for him. "It was extremely difficult seeing him so sick — I stayed home for him and missed a lot of work" "I fell behind on everything — groceries are expensive along with everything else." Ayla reached out to the management team at Salem Heights, who referred her to Community Impact. Applying with the guidance of the Community Impact team, Ayla was awarded a rental assistance amount from RAFT (Residential Assistance for Families in Transition) that covered her entire arrearage. "It took away my balance. I could sleep at night and not worry about not having a home."



Ayla Lopez, pictured here with her son and Community Impact Manager, Vicky White, worked with POAH's Community Impact team to obtain emergency assistance when her family needed it most.



At the **Woodlawn Resource Center** in Chicago, IL, POAH serves not only residents of our properties but neighbors in the surrounding community as well. In 2023, **Tamelya Lett**, a mother of one and Chicago Public School employee, received a text message from her landlord notifying her that he was selling the single-family home she and her son were renting. The unintended move forced her to double up with a friend, in the hopes of staying close to her job in the area. Through a partnership with **All Chicago**, the POAH team at Woodlawn Resource Center worked swiftly to help Ms. Lett obtain more than \$4,800 to cover a security deposit and three months of rent assistance. As a result, she was able to secure a new rental with a cushion to help cover the transition costs. In 2023, POAH's partnership with All Chicago provided over \$50,000 to 20 families at risk of homelessness.

## SPOTLIGHT

**In 2023, POAH's partnership with All Chicago provided over \$50,000 to 20 families at risk of homelessness.**

# CREATING OPPORTUNITY FOR RESIDENTS OF ALL AGES



POAH's housing is designed to not only meet an immediate need for shelter, but to serve as a platform for opportunity and wellbeing. That's why we provide a range of physical and emotional health programming, youth development services and community engagement opportunities throughout our communities.

At **Colony Plaza Apartments** in Excelsior Springs, MO, senior residents enjoy a pen pal program with 5th graders at a local elementary school. At the end of the school year, residents and students have an opportunity to meet and celebrate in person. At **Lafayette Terrace** in Chicago, IL, POAH partners with **Oak Street Health** to host isolation intervention and wellness programs for residents each month. Through dancing, luncheons and Medicare Open enrollment, residents can connect with one another and with preventative healthcare services.



*Residents of Colony Plaza enjoy meeting their pen pals at the local elementary school.*



At **Fairweather Apartments** in Salem, Massachusetts, POAH partners with the **CVS Mobile Clinic** to offer on-site health screenings. At one recent screening, a resident was made aware of elevated glucose levels that required immediate transfer to monitoring at her local physician. Thanks to the mobile clinic in her apartment community, the resident was able to avoid a dangerous health event and connect with her provider for ongoing care.

In Boston, MA POAH partners with **Boston Senior Home Care (BSHC)** to deliver a range of health programming and services from food bank coordination to hospitalization-home transitions, options counseling and beyond. At the **Blackstone Apartments**, a senior community in Boston, a longtime resident began showing signs of distress in their hygiene, health and home. BSHC immediately stepped into action, providing Heavy Chore services to help clean and organize the resident's home while introducing a weekly Home Care service to ensure the resident receives ongoing support. Through the BSHC partnership, residents are connected to many services they are already eligible for but have not been able to access. BSHC also provides evidence-based programming such as digital literacy and fall prevention education, that support seniors to live safely and independently with dignity for as long as possible.



*The CVS Mobile van stops at POAH's Massachusetts properties to offer on-site preventative health screenings to residents at no cost.*

## Community Impact programs invest in the wellbeing of residents of all ages.



In 2018, the Community Impact team at **Brandy Hill Apartments** in Wareham, MA helped launch "Brandy Hill Leads" a youth-led, adult supported program for young residents in their community. At a "Whats Your Dream?" brainstorming session, youth talked about their hopes and goals

including, among other things, seeing (or even riding!) horses. With the help of the **MassHousing TAP** program, 20 youth had the opportunity to visit Mesa Horse Farm to learn horseback riding, trick riding and horse grooming. Staff worked to make the trip a tradition, developing a relationship with a local horse sanctuary that hosts a regular equestrian program, now in its sixth year, for POAH youth from multiple properties across the state. The program is free for residents and remains an important community tradition where youth develop confidence, relationships and lasting memories.





Youth Leadership Arts Program participants at The Washington at Woodlawn Park Apartments in Chicago, IL created a range of pieces to explore their creativity, emotions and dreams.



At **The Washington** at Woodlawn Park, POAH hosted a multiweek youth art program in collaboration with local youth arts partners. Funded in part through an innovating partnership with the **Strong Families Fund**, the program offered youth ages 7-16 opportunities to explore technology, music and art in a setting that fostered social-emotional learning and development. The program featured partnerships with the **Chicago Hip Hop Heritage Museum**, which celebrates, honors, and cherishes the community that nurtured collective talents and creative energies within the elements of Hip Hop; and **Urban Gateways**, which engages young people in arts experiences to inspire creativity and impact social change. When asked about their experience, youth reported that the social interaction was engaging, the teaching was interesting and amazing, their self-esteem was elevated, communication was improved; and the projects were fun. Overall, it was a time for youth to learn, produce art, grow, and engage with others.



Throughout the year, the **Woodlawn Resource Center** hosts events for residents and neighbors to connect with one another while learning about the Center's services. At a Juneteenth + Father's Day event called "O Taste & See" community members enjoyed food, music and fellowship, alongside a personalized acknowledgment for fathers and a Juneteenth themed community quiz game. Community building and engagement events like these not only build essential connections among neighbors, but also establish the relationship and trust that make POAH's financial and employment programming possible.



Residents of the Woodlawn Park neighborhood in Chicago enjoy food and fellowship at the Father's Day + Juneteenth celebration and community resource fair.





From June to October, POAH partners with the **Anacostia BID**, **Far Southeast Family Strengthening Collaborative** and **Black+Forth** to host the **Hillsdale Farmers Market**. The market was held on the 3rd Sunday of the month and highlighted local produce vendors, food trucks, artisanal makers, fitness instructors and live music. Residents and community members were able to come out monthly to support local businesses, connect with one another, and learn more about the **Barry Farm Redevelopment**.



*The Hillsdale Farmers market supports small businesses and builds community connections all summer long.*



In 2022 POAH set a goal to help close the digital divide by launching affordable building-wide WiFi networks in our communities. In 2023, POAH launched two new networks at **Salem Heights Apartments** in Salem, MA and **Oxford Place & Gardens** in Providence, RI, reaching more than 300 residents with free WiFi. We have ambitious plans to expand affordable broadband networks at locations throughout our portfolio, ensuring that residents of affordable multifamily housing communities have equal access to the internet and full participation in our online society.



*Residents at Oxford Place & Gardens attend a floral arranging workshop and sign up for free WiFi - all in one!*



## Did you know?

You can search for free or low-cost social services around the country utilizing POAHs Resource Website: **<https://poah.findhelp.com/>**



# UNLOCKING THE POWER OF FINANCIAL HEALTH

POAH is excited to announce the launch of **POWER: Providing Opportunities for Wellbeing and Equity for Renters**. POWER builds on POAH's years of experience running highly impactful asset building programs and gaining a deeper understanding of the structural and systemic forces that limit residents in achieving their personal and financial goals. You can learn more about POWER [here](#). Read on to learn how asset building, credit building and financial coaching are helping POAH residents take steps towards their personal and financial goals.



Providing Opportunities for Wellbeing and Equity for Renters

## DESTINY'S STORY

**Destiny Smith** is a single parent of two who moved to **Cutler Manor Apartments** in Miami, FL in 2021. In 2021, Destiny enrolled in a GED program, but had to put her education on hold to care for her children. One day, she came to the Cutler Manor community center and the Community Impact Coordinator informed her about an upcoming workshop to learn about the FSS program. Destiny attended the workshop and immediately signed up for the program, which POAH runs in partnership with **Compass Working Capital**. The CIC also referred Destiny to the Early Learning Coalition to obtain daycare for her children so she could start job hunting. Not long after she began a new job after a long period of unemployment. Now, all of Destiny's



rent is saved in an FSS escrow account, building each month as she continues to work toward her goals. Destiny says she is determined to provide a better future for herself and her children, and the FSS Program is helping her make that happen.

## LASHINA'S STORY

**Lashina Ward** enrolled in the FSS program not long after it launched in Cincinnati, OH. Run in partnership with **CincinnatiWorks**, and nicknamed "**SPARK**," the program builds on CincinnatiWorks experience in both career and financial coaching to help residents achieve their goals. Since making the decision to join, Lashina says she couldn't be happier with the guidance and support she receives from her financial coach. "Nina will step in wherever I need help. If she does not know an answer right away, she is diligent in searching for one and communicating with me. Nina has always been nice, consistent, and honest with me." Lashina's goal is to continue building her credit so that she can purchase and own a home leading to an even brighter future for herself and her family. Through SPARK, she not only saves her rent increase each month, totally more than



\$12,000, but she can also access to a range of resources at CincinnatiWorks, like free tax prep, counseling, and employer connections. "My advice to anyone considering the program" says Lashina, "is to be completely open and honest about where you are in your life. The coaches won't know how to really help you unless you are honest and stick with the program."

## CINDY'S STORY

**Cindy Chowing** arrived at **Hawthorne Place Apartments** in Independence, MO looking for a fresh start. Not long after she moved in, Cindy connected with the team at the Hawthorne Resource Center, run in partnership with **Community Services League (CSL)**. CSL provides a range of financial, career and income supports in a welcoming and compassionate environment. Cindy learned about the FSS program CSL runs in partnership with POAH, and the opportunity to work toward her big dream of becoming a homeowner. With the support of her coach, she was able to learn how to create a budget, work to build her credit, manage and overcome debt and ultimately save money. Cindy saved over \$11,500 toward her goal of owning her own home – a goal she achieved this year. Now that she has the knowledge and resources, Cindy says she knows she could do it all again for her future life milestones and family goals such as purchasing her daughter's first car, attending her senior prom, and starting a college fund toward her daughter's future dreams.





## ABOUT POAH

POAH's primary mission is to preserve, create and sustain affordable, healthy homes that support economic security, racial equity and access to opportunity for all.

POAH specializes in the preservation of existing affordable housing that is at risk of being lost due to market pressures or physical deterioration. POAH has expertise in new construction and neighborhood-scale mixed-income development and mixed-use redevelopments.

POAH Communities serves a broad range of households, including families, seniors, and persons with disabilities.

[www.poah.org](http://www.poah.org)

   @poahcommunities

## PRESERVATION OF AFFORDABLE HOUSING

2 Oliver St, Suite 500  
Boston, MA 02109  
(617) 261-9898



## THANK YOU TO OUR FUNDERS

Bank of America

Boston Financial

Eastern Bank

Enterprise Community Partners

Housing Partnership Network

MacArthur Foundation

Ohio Capital Corporation for  
Housing

Santander Bank

SVB/First Citizens

US Department of Housing and  
Urban Development

Wells Fargo

