

BRISTLECONE DEVELOPMENT, LLC

Policy Statement

The goal of the Board of Commissioners and staff leadership is to sustain Bristlecone Development, LLC, as a profit-generating construction and development arm of MHA.

Purpose

By having an in-house construction/development arm MHA increases its control over subcontracting, relationships with tenants, the level of care, the quality of work, the timeline and project budget, as well as generating profit for Bristlecone and MHA through in-house and outside projects. This policy was requested by the Board of Commissioners at its Development Strategic Planning session on June 2, 2017, to outline the permissible activities of Bristlecone Development, LLC and the decision-making process involved when considering potential projects.

Scope

The policy applies to all employees of MHA and Bristlecone Development, LLC, if Bristlecone in the future becomes an employer.

Responsible Party

Bristlecone Development, LLC is responsible to the Executive Director and the Board of Commissioners. Final decision-making on projects to be accepted is delegated to the Executive Director.

Policy

Bristlecone Development, LLC may consider activities where it will act as:

- a. General Contractor
- b. Owner's Representative
- c. Project Manager
- d. Physical Needs Assessment Consultant

Bristlecone is also authorized to seek and explore new development opportunities on behalf of MHA.

The projects may be for MHA directly, or for non-profit or for-profit entities, with each project screened through the listed criteria. MHA projects will take priority over outside projects. Bristlecone will also assist with day-to-day in-house procurement and modernization activities as time allows. These activities are primarily handled by other staff, but Bristlecone may be considered an in-house resource to assist if it has no major projects underway. Bristlecone staff will be paid from the Bristlecone property, except in the case of assistance with day-to-day activities, when staff will be paid by the

project for which the work is being done. The source of payment will be determined by the Finance Director and the Executive Director, taking into consideration the impact on the property budget.

Non-MHA projects will focus on one of these two types of projects:

- a. Housing that includes affordable units for a moderate income family (defined as 120% of Area Median Income).
- b. A public benefit facility operated by a 501(c)3 or government entity.

For projects that do not meet one of these objectives, board approval will be required before a bid is submitted.

The following criteria will be considered for each potential project:

1. Does it meet our mission? Or does it generate revenue that can be used to support MHA's mission and goals?
2. Is the project financially feasible? Will it generate a profit?
3. Does it involve partners we want to work with?
4. Does Bristlecone have time and capacity for the project?
5. How will it impact existing MHA resources and assets?
6. Does the market demand it?
7. Are there legal hurdles or questions (for example, bonding requirements, debarred owners/contractors, procurement requirements)?
8. Is there potential harm to MHA? (If so, what?)
9. Is there potential harm to others, or perceived harm? (If so, what?)
10. What opportunities does this create in the future, if any?