

21 July 2023

**Superintendent Butler**

San Juan County Public Hospital District No. 1  
535 Market Street, Suite E  
Friday Harbor, WA 98250

**Feasibility Study Deliverable for Friday Harbor Affordable Housing**

Dear Superintendent Butler and San Juan County Public Hospital District No. 1,

Thank you for trusting the Faber and King Architecture teams to assist you with Site Evaluation and Project Feasibility services for your upcoming work. We have enjoyed working with you and your team and look forward to the opportunity to continue to work together on this project as it progresses to the next phase.

Within the following documents, you will find the agreed upon deliverables for our Site Evaluation and Project Feasibility Agreement executed on 3/28/2023. Deliverables include a site evaluation and feasibility report, complete with executive summary, methodology, client objectives, relevant facts, conclusions and recommendations, estimated construction costs and a high-level schematic architectural plan set and site plan.

Thank you again for your trust in our team and please do not hesitate to contact me directly if you have any questions. We look forward to taking the next steps in design with you and your team.

Very Truly Yours,  
**Faber Construction**



Raymond Faber  
Business Development Manager  
360.354.3500



# Site Evaluation and Project Feasibility Report

Healthcare Worker Affordable Housing

Presented By Faber Construction



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## 1.0 – Study Summary

### Objective:

The goal of this predesign study was to look at the feasibility of providing affordable housing for health care workers for both the San Juan County Public Hospital District No. 1 (“The Hospital District”) & Peace Health Peace Island Medical Center (PIMC).

### Background & Overview (as noted in the original RFQ):

Opened in 2012, PIMC is a 501(c)(3) non-profit healthcare organization located at 1117 Spring St., Friday Harbor, Washington.

Finding affordable, available, and adequate housing, is especially difficult for people who live on the island. This is one major factor that makes employment recruiting, retention, and staffing especially difficult. PIMC currently employs approximately 100 caregivers and with much of the local population over the age of 65, there is limited housing for the growing health caregiver workforce that is necessary to take care of these residents.

Affordable housing is a vital condition for good health but unfortunately, the affordable housing supply in Friday Harbor is extremely limited and the caregivers necessary to provide healthcare are threatened by increasing housing costs and without affordable and available housing, caregivers with lower and moderate incomes will continue to have difficulty staying in the community. This housing affordability issue is having a direct impact on the community’s ability to sustain essential services, much less healthcare.

To ensure that PIMC can sustain and continue their health services, they are considering collaborating with The Hospital District, much like they did with the successful construction of the PIMC a decade ago, to explore how likely it is that they can provide their caregivers with an alternative affordable housing option.

Together, PIMC and The Hospital District engaged Faber Construction & King Architecture on March 28<sup>th</sup>, 2023 to provide this feasibility study on this matter.

### Scope of Work:

Faber Construction Corporation in partnership with King Architecture conducted this feasibility study of parcel 351491802000 located between Franklin Drive and Spring Steet in Friday Harbor Washington.

The objective of this study was to identify a high-level path to address caregiver housing at PIMC. Through the course of this study, Tim Faber at King Architecture and Raymond Faber of Faber Construction Corporation met with representatives from The Hospital District and PIMC to review project objectives and to choose a preliminary direction. Once direction was established, King Architects performed a preliminary code review, discussed the project with

the Friday Harbor planning department and created a basic schematic site plan and building elevation drawings for reference.

2020 Engineering was identified as the engineer behind the land development of the existing PIMC and EMS building projects and was consulted to provide insight into existing site conditions, utilities and stormwater management systems.

Zeegers Engineering consulted on basic structural provisions for the foundation and structure.

Precision Approach Engineering consulted on FAA requirements around constructing adjacent to a working airport.

Lynden Sheet Metal, Lightning Electric and Commercial Fire Protection consulted on Mechanical, Electrical and Fire Protection basis of designs, respectively.

These subconsultants provided direction and basis of design of which are reflected in section 2.0 under 'The Vision' section.

Costing information was developed using Faber Construction in-house historical data.

Recommendations and conclusions here-in are intended to be used by PIMC, The Hospital District and their respective boards to establish project viability, fundraising targets and establish a path forward to this affordable housing solution.

## 2.0 – Conclusions & Recommendations

### The Property:

The subject property is parcel 351491802000, which is a 10.06 acre piece currently used by PIMC and adjacent to the Frank Wilson Memorial Emergency Management Services Building. The current Medical Center is sited on the central and southern portion of the property. The parcel is currently zoned as Light Industrial, and the northern portion of this site is largely undeveloped with many large trees, rock outcroppings and steep slopes. This northern area currently slopes from an elevation of 180' down to an elevation of 140' and holds (5) large rock outcroppings that can be seen from a simple site walk. The property is bounded to the Northwest by San Juan Valley Road and from the Southeast by Franklin Drive.

This feasibility report focused on this area (outlined in figure 1.0 below), as it was identified early by the project team as having many inherent advantages; the land is already owned by PeaceHealth Corporation, it is within walking distance to the PIMC, the local airport and the town of Friday Harbor.



Figure 1.0 – Aerial Parcel Layout

While the location is ideal, one of the more significant and time-consuming hurdles in utilization of this land will be the process of rezoning the land from the current Light Industrial use classification to Multifamily Residential. The other potential hurdle is the proximity to the Friday Harbor Airport. These potential impacts have been explored in detail in the following sections.

## **Rezoning:**

The entire parcel that was explored is currently zoned as Light Industrial. Light industrial zonings, as defined in the Friday Harbor Municipal Code (FHMC) chapter 17.52, are designated areas for the development of commercial and industrial facilities. A few of the permitted uses include wholesale and retail commercial uses, light manufacturing uses, commercial parking lots, amusement facilities, outdoor storage, processional services, cultural, religious and health care facilities.

It is our opinion that the topography and natural features of the identified property do not lend itself well to the current zoning designation. In order to construct large industrial buildings, warehouses, outdoor storage areas and/or commercial parking lots or similar facilities, a large, flat, open area would need to be created by logging the parcel, a large amount of excavation and rock blasting. It would also be necessary to construct 25-30' tall retaining walls along Franklin Drive and adjacent to the medical center. Doing this work would then yield a large enough parcel to develop for beneficial light industrial uses. Performing this site preparation work would be extremely costly and would not be feasible for any reasonably inferable development work.

In order to use this property for affordable caregiver housing, the property would need be separated from the larger parcel and rezoned to a Multifamily Residential Zone designation as defined in Chapter 17.24 in the FHMC (Friday Harbor Municipal Code). The existing hospital and EMS building must remain zoned as lite industrial, and two zoning designations are not permitted on the same parcel. The Multi-family Residential Zone designation would allow for the permitted use of multi-family dwellings with a maximum density of 14 units per acre.

In preliminary discussions with the City of Friday Harbor, rezoning this parcel would require a Comprehensive Plan Amendment and a Zoning Map Amendment. These amendments would need to be put together and taken to city Council to be reviewed for docketing. It should be noted that the city of Friday Harbor is in the process of developing a town of Friday Harbor Housing Action Plan as well as completing a Non-Residential Land Capacity Analysis that will help to inform affordable housing strategies and future zoning changes. It is highly recommended that The Hospital District and PIMC work hand in hand with city planning and city officials to re-zone this property to allow for a much-needed affordable housing strategy.

It is worth noting that rezoning comprehensive plan amendments can take a significant amount of time to work through and are not always successful. City review of zoning amendments happens once a year in January.

## **Proximity to the Airport**

Due to the proximity of the project to The Friday Harbor Airport and approach airspace and, in partnership with Precision Approach Engineering Inc., we completed a preliminary analysis of airspace compatibility for the proposed development.

It was determined that FAA Controlling airspace is approximately 54 feet above the ground elevation for the location of the proposed development.

Based on the preliminary analysis, we anticipate the Port of Friday Harbor asking for a similar aviation easement agreement, as is currently in place with the existing hospital building. We do not foresee any of the existing aviation easement provisions significantly impacting the proposed development, however, only the Federal Aviation Administration (FAA) can make a final determination if the proposed construction will result in a “hazard to air navigation.” It must be understood that our analysis is preliminary and requires an official FAA determination, but the likelihood of an adverse impact is considered low given the building height is proposed as less than the surrounding tree canopy.

In order to achieve a formal, and official, determination, a FAA Form 7460-1 must be submitted for review by all FAA lines of business regarding project impacts on the Friday Harbor Airport and the surrounding airspace. If the official FAA findings were to result in a “hazard to air navigation,” this development would likely impact airspace or airport operations and may require revisions to the proposed development.

The preliminary study here was limited to a preliminary evaluation of airspace and airport impacts based on the schematic plan. Submittal of the proposed development to the FAA for a formal FAA airspace determination was beyond our scope of work. The FAA presumes obstructions are hazards to air navigation unless further aeronautical study concludes otherwise. For planning purposes, the FAA Form 7460-1 evaluations typically take 45-60 days for the FAA to complete.

### **The Vision:**

The following “Vision” was developed during this feasibility study and consists of information provided by the subconsultants identified above. This vision is also the basis for our costing exercise in section 3.0.

Attached to this study you will find a schematic site plan, floor plans and elevation views reflective of this narrative.

### **PHASED CONSTRUCTION**

We are proposing (4) eight plex apartment buildings, for a potential of 32 apartment units. The full build-out would provide (8) one bedroom, (16) two-bedroom & (8) three-bedroom units. The three-bedroom units are designed such that one of the bedrooms could be isolated into a single bedroom for more of a transient / short term stay. We have also provided an alternate plan where one or more of the three-bedroom units could be substituted for a unit with five bedrooms. Also suitable for more of a transient / short term dormitory experience with a common kitchen and bathroom facilities.



This project would lend itself well to phasing. The initial Phase 1 will be all the associated site work for the (4) proposed buildings, and construction of (2) buildings with the potential to add the third and fourth buildings as the demand increases and fundraising allows.

## CIVIL/SITE LAYOUT

The northern portion of the parcel 351491802000 was identified as the target for this study as it lends itself well to smaller scale residential apartment units. Multiple smaller buildings would allow for the strategic positioning between the natural rock outcroppings, mature trees and other natural site features. The goal would be to nestle the buildings between rock outcroppings and save as many of the mature trees as possible. This would limit site clearing, rock blasting and preserve the natural beauty of the landscape.

In discussions with 2020 Engineering, based on their extensive experience on adjacent parcels and in Friday Harbor, the land is believed to be rocky with pockets of topsoil. Existing LIDAR imagery was gathered to get establish site topography and assisted the team with a preliminary the site layout that minimized grading and capitalized the natural features.

## SITE UTILITIES

Water, sewer, power and communication utilities were identified along Franklin Drive and are believed to be adequate for the planned development. Utility consumption for the proposed Multifamily housing is considered negligible when compared to the large users of the adjacent hospital and other industrial buildings.

Water for domestic and fire protection use is proposed to be established by tapping into the existing water main on Franklin drive and extending a new line up the proposed access road and branching off to each building separately for domestic and fire sprinkler needs. It is proposed that branch lines to all potential future buildings be established during the first phase of construction in order to eliminate cutting and patching of the parking area in the future. A fire water flow test would need to be conducted on a nearby hydrant to confirm adequate fire flow for the building needs.

Trenching for utility lines and potentially some rock excavation is unavoidable and has been included as part of the costing information provided in section 3.0.

## STORMWATER MANAGEMENT

The town of Friday Harbor currently operates under the Department of Ecology's 2005 Stormwater Management Manual. Per this manual, Low Impact Development (LID)

requirements for Stormwater management will be required for the project, as it falls over the threshold of 5,000 square feet of new, impervious surface. To meet the LID requirements, the project will have to treat and detain stormwater on site prior to releasing it to regional systems. This will be achieved by a combination of rain garden treatment and onsite stormwater detention via an earthen pond. Rainwater from the parking lot would be passively conveyed to rain gardens through thoughtful site grading and paving, where it would go through passive biological treatment and be conveyed to an onsite detention pond. After in the pond, the water would then go through a metered release into the local stormwater swale system along Franklin Drive.

## PAVEMENT

Paving details were assumed as typical residential construction with standard 3" asphalt in the parking area and 6" concrete approaches. Sidewalks joining the dwelling units and connecting the housing area with the adjacent EMS building and PIMC are all assumed to be standard 4" construction.

Access is proposed to come from Franklin Drive, preserving as much of the natural buffer between the housing units and Spring Street. If access should be determined to need to be from Spring Street, we believe that this would be feasible as well, but additional grading and sitework would be necessary and would add cost to the project.

## ARCHITECTURAL / STRUCTURAL

### STRUCTURAL

A standard concrete foundation with shallow concrete footings and a 4" slab on grade was determined to be adequate based on the assumed firm ground conditions. This foundation construction is typical of multifamily construction in the Northwest.

The structure is proposed to be traditionally wood framed following local building codes and regulations. Party walls to be framed between units for sound mitigation. The roof structure is proposed to be built out of wood I-joists rafters or slopped trusses.

### ARCHITECTURAL

We envision a Northwest style architecture to allow the units to blend in harmoniously with the natural environment.

Access to first floor units would be gained through ground level entry doors while a single stair structure would lead up to a common landing platform and entry doors to second floor units.

Dwelling units are proposed to be finished with mid-grade residential finishes such as; luxury vinyl tile (LVT) in living areas, carpet in bedrooms, wood doors and frames, painted plywood cabinets, quartz countertops and standard residential type lighting and trim.

Exterior finishes will reflect the northwest style architecture with naturally colored metal roofing, and wood look side.

## **MECHANICAL, ELECTRICAL, FIRE PROTECTION**

### **MECHANICAL**

Mechanical Systems shall meet the current Washington State Energy code and building code. HVAC system consists of a multi-zone ductless heat pump system with a single distribution head in each unit providing both heat and air conditioning in the main living area and bedrooms. Each unit is proposed to have a bathroom exhaust fan and an Energy Recovery Ventilator (EVR) system to provide fresh air ventilation per code. These mechanical systems provide a climate controlled units in all seasons.

Plumbing systems shall meet current residential building code and are proposed to consist of standard residential fixtures, a single hot water heat pump system in each unit to meet Washington State Energy Code.

### **ELECTRICAL**

Primary electrical service will be provided by Orcas Power & Lighting Cooperative (OPALCO).

Standard electrical systems typical of multi-family housing have been assumed. A single 100-amp service for each dwelling unit will be installed. Electrical systems include power distribution, lighting, fire/CO2 alarm, ethernet and coax distribution. Conduits will be installed from a space near the service entrance panel to the roof and space should be left near the service entrance panel to provision for future solar panel and gear installation. Installing solar panels at a future date would limit the initial build costs and a specialty subcontractor could be brought in directly to perform this work.

Backup power was not considered during this study due to the residential nature of these dwelling units and the significant financial investment needed for a generator, transfer switch gear at each unit and distribution to each individual unit.

### **FIRE PROTECTION**

Per 2018 International Fire Code, Residential Structures containing 4,000 square feet or more of living area must be services by a fire suppression system installed in

accordance with NFPA 13R. A compliant sprinkler system has been budgeted for at each building.

### 3.0 – Costing

#### Cost Estimate:

The following budgets are intended to be within +/-20% and are based on in-house historical data and high-level discussions with key subcontractors and design consultants. The budgets are only to be used as a general guideline to plan and assess the financial feasibility of this project. Further design development and direction are needed to verify the accuracy of these budgets.

Estimated costs for the construction of all the site development and two (2) of the four (4) proposed structures were calculated based on a Summer of 2025 start with prevailing wage rates.

#### PHASE 1 – FULL SITE DEVELOPMENT & BUILDINGS 1/2

<b>SITE CLEARING &amp; GRADING</b>	<b>\$1,325,000</b>
Site Clearing & Grading <ul style="list-style-type: none"> <li>▪ Remove existing trees and vegetation, leaving select trees for landscaping, as requested.</li> <li>▪ Grade site and export over burden.</li> <li>▪ Excavate for building foundations.</li> <li>▪ Fine grading.</li> </ul>	
<b>SITE UTILITES</b>	<b>\$925,000</b>
Site Utilities <ul style="list-style-type: none"> <li>▪ Stormwater collection, treatment via rain gardens and retention in on site detention pond system.</li> <li>▪ Sewer to each building manifolded to a single connection to the municipal system.</li> <li>▪ Establish water main from Franklin Street for domestic and fire protection.</li> <li>▪ Power service from street.</li> </ul>	
<b>LANDSCAPE &amp; PAVING</b>	<b>\$750,000</b>
Driveway & Paving <ul style="list-style-type: none"> <li>▪ Asphalt pavement for parking lot.</li> <li>▪ Concrete driveway approach.</li> <li>▪ Concrete sidewalk within development and to connect walk paths with the hospital and EMS building to the southwest.</li> <li>▪ Curb and gutter and/or barrier curb throughout.</li> </ul> Landscape <ul style="list-style-type: none"> <li>▪ Landscaping with native, drought resistant plants.</li> </ul>	
<b>PHASE 1 – BUILDINGS #1 &amp; 2</b>	<b>\$6,050,000</b>

**Structure**

- Traditionally wood framed structure over strip footings and a typical, reinforced slab on grade foundation.
- 2 story construction
- Single slopped roof
- Acoustical and 1hr fire rated separations between residential units

**Exterior Finishes**

- Stone Veneer to 3’ around perimeter of first floor with Fiber cement siding above.
- Metal Roofing.
- Standard windows and sliding patio doors to exterior decks and patios.

**Interior Finishes**

- Insulation per code.
- Drywall walls and ceilings with lite texture and paint throughout.
- Standard residential type cabinetry with solid surface countertops.
- Stained wood base moldings and door trim.
- Luxury Vinyl Tile in wet areas, Carpet in bedrooms, tile backsplash at kitchen.
- Residential appliances throughout.
- Blinds throughout.

**Mechanical systems**

- Residential fire sprinkler system.
- Residential plumbing fixtures with undermount sinks, fiberglass shower inserts and shower curtains.
- Multi-zone ductless mini-splits for heating/cooling in main areas.
- Electric resistance heaters in bedrooms and bathrooms for auxiliary heat.
- ERV in each unit to provide fresh air ventilation per code.

**Electrical systems**

- Standard electrical systems typical of multi-family housing. 100-amp service to each dwelling unit. Electrical to include power distribution, fire alarm, ethernet and coax distribution.
- Conduits to roof for future solar panel installation.

**PHASE 1 CONSTRUCTION TOTAL    \$9,050,000**

**OPTION 1: Change a single 1-bedroom unit into an open exercise room                    (\$100,000)**

**PHASE 2 – FUTURE BUILDINGS 2 & 3**

<b>MISC. SITE WORK</b>	<b>\$150,000</b>
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**Site Work**

- Excavation and Backfill
- Fine Grade around building
- Limited Landscaping

<b>BUILDINGS #3 &amp; 4</b>	<b>\$7,005,000</b>
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**Scope**

- Same scope of work as Buildings 1 and 2.

<b>ESCALATION FOR STARTING WORK IN SPRING OF 2029</b>	<b>\$1,125,000</b>
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**Features**

- 5% per year for inflation based on the Mortenson national average for the last 12 months.

**PHASE 2 CONSTRUCTION TOTAL \$8,280,000**

**Soft Costs:**

In addition to the hard construction costs, The Hospital District and PIMC will need to budget for other soft costs as part of their development planning. Soft costs may include but are not limited to the items noted below. We recommend a budget range between 25-30% for soft costs. We are showing 25% in the calculations below; however, The Hospital District and PIMC should use this only as general guidelines as permitting, impact fees and financing charges can change greatly over time and based on specific jurisdictional requirements.

- Washington State Sales Tax (WSST)
- Permitting
- Architectural and Engineering Design Fees
- Furniture, Fixtures and Equipment
- Owner Related Financing and Construction Costs
- Construction Contingency

**Total Project Budget:**

	(Construction) x (Soft Costs) = <u>Total</u>
<b>Phase 1</b>	<b>\$9,050,000 x 1.25 = <u>\$11,312,500</u></b>
<b>Phase 2</b>	<b>\$8,280,000 x 1.25 = <u>\$10,350,000</u></b>

## 4.0 – Permitting

### Permitting:

To begin the permitting process with the Town of Friday Harbor, a Pre-application meeting would be scheduled with the city planning department where a preliminary site plan and detailed scope narrative (both provided in this feasibility study), would be presented. After this meeting, the Town of Friday Harbor will lay out exactly what is needed and the process for gaining a permit to perform this work.

As noted in section 1.0 under “Rezoning”, preliminary discussions with the City of Friday Harbor lead us to believe that rezoning this parcel would require a Comprehensive Plan Amendment and a Zoning Map Amendment to be reviewed by the city Council.

Other permits and processes that may be needed:

- SEPA Review
- Cultural/Archeology Review
- Building Permit
- Fill & Grade Permit
- Fire Alarm Fire Sprinkler Permit
- Mechanical Permit
- Plumbing Permit
- Stormwater Service Application
- Water Service Application
- Sewer Service Application

## 5.0 – Schematic Plans

### **Schematic Plans:**

Attached on the following pages are a schematic site plan, building floor plan, 3D rendering and room layouts, of which the cost estimates were based off.



Zoning: Light Industrial  
Parcel Rezone to Multi-Family.



SJCPHD #1 & PHP1MC  
HOUSING FEASIBILITY STUDY

03/29/23

SITE PLAN 1"=60'-0"

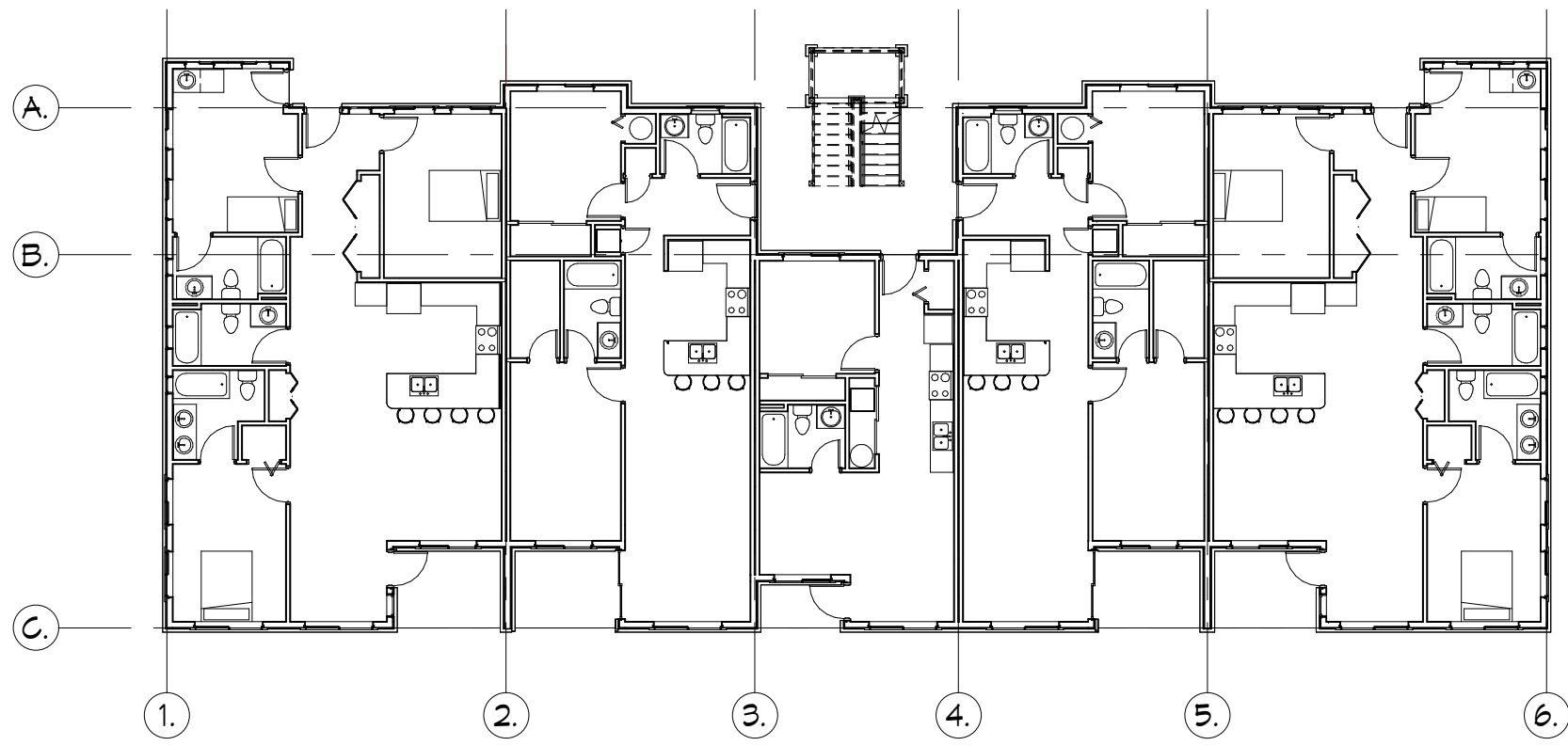
SITE PLAN 1"=60'



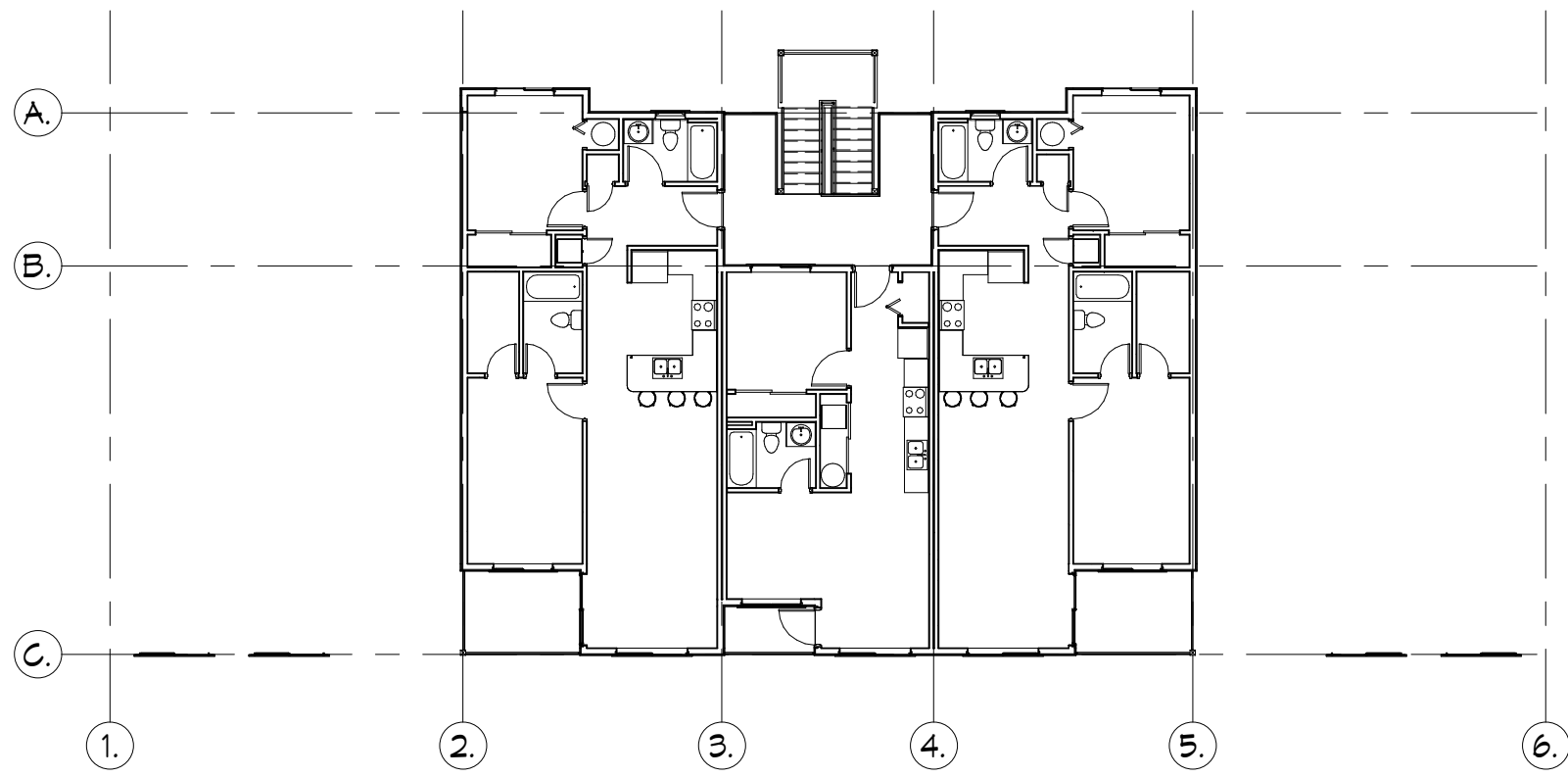
3D View 3



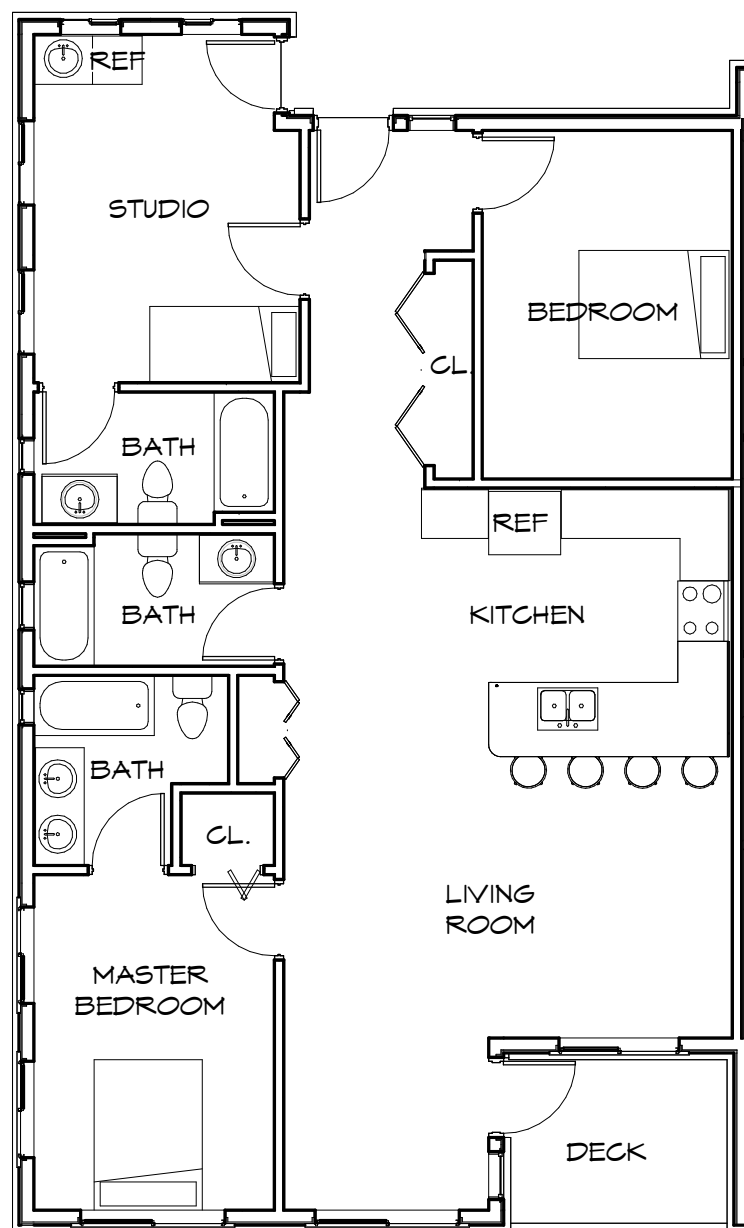
3D View 4



**1** 1ST FLOOR PLAN  
A2.1 1/16" = 1'-0"



**2** 2ND FLOOR PLAN  
A2.1 1/16" = 1'-0"



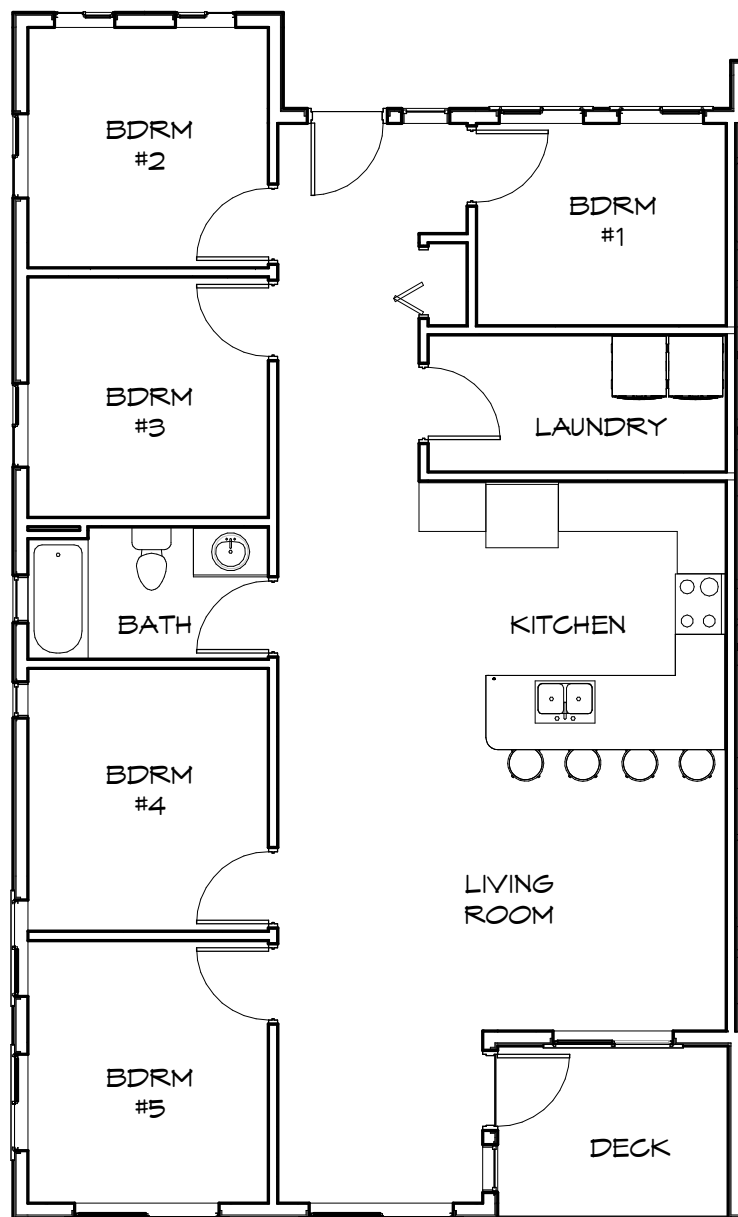
**3 BDRM (FLEX) UNIT** 1,271 S.F.

SCALE: 1/8" = 1'-0"

SJCPHD #1 & PHP1MC

**HOUSING FEASIBILITY STUDY**

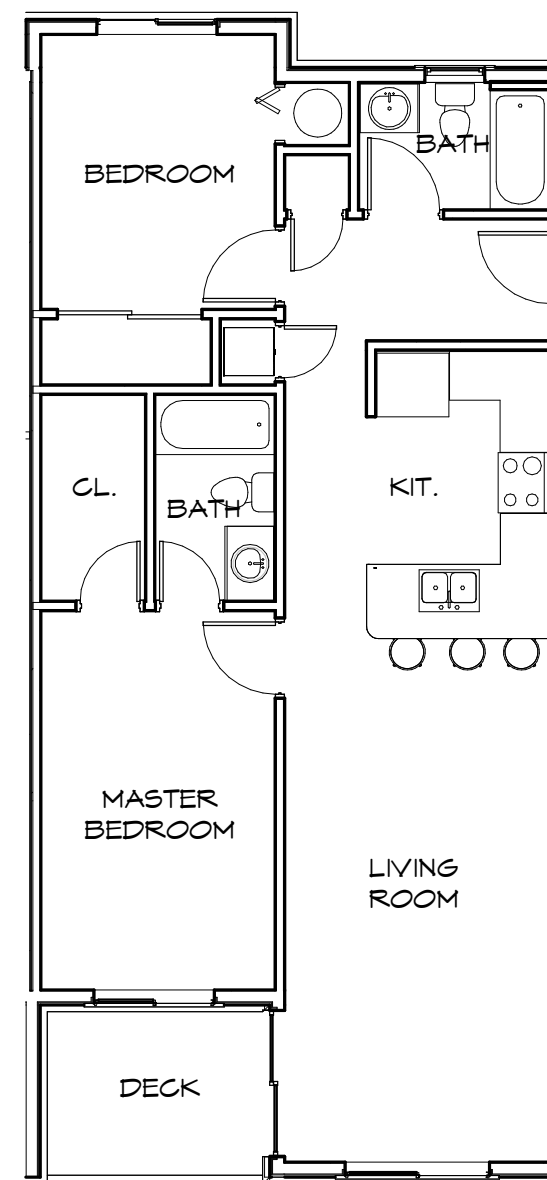
04/07/23



**DORM STYLE UNIT**

SCALE: 1/8" = 1'-0"

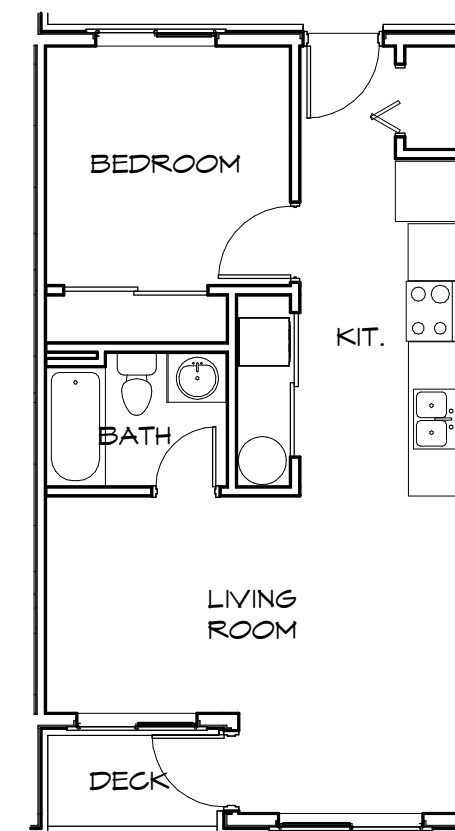
1,271 S.F.



**2 BDRM UNIT**

900 S.F.

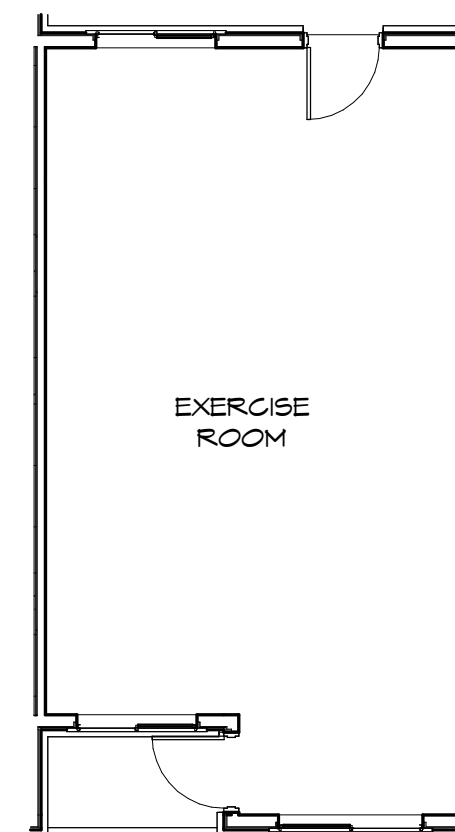
SCALE: 1/8" = 1'-0"



**1 BDRM UNIT**

515 S.F.

SCALE: 1/8" = 1'-0"



**EXERCISE UNIT**

515 S.F.

SCALE: 1/8" = 1'-0"

**Thank-you for choosing  
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for your Feasibility Services.**

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