

## 2017/2018 Annual Report

# Building Communities that Matter





# Milestones

## Placemaking

BRIDGE completed or acquired 953 apartments in 2017, with more than 7,000 additional homes in our pipeline. Our Community Development approach integrates the facets of our work far beyond housing, so that people and neighborhoods have more opportunities to thrive.

## New Geographies

New construction and strategic partnerships demonstrated BRIDGE's commitment to helping communities meet the need for quantity, quality and affordability. Our activity in 2017 included some newer places for BRIDGE, such as Ventura, Portland's South Waterfront and Cornelius, OR.

## The People We Serve

We are proud to serve a diverse range of people, the majority of whom earn somewhere between 0% and 60% of Area Median Income. Whether they are young families or seniors, working or retired, our residents have at least one thing in common: the stability that comes with living in a decent, affordable apartment.

## Quality Assurance

BRIDGE asset- and/or property-manages more than 11,600 apartments. From initial lease-up to ongoing maintenance, compliance and rehab of older buildings, BRIDGE is a careful steward of the long-term financial and physical health of the portfolio.



# 2017 Highlights

In initial findings of our resident survey, 80% of respondents said their overall quality of life improved since moving into a BRIDGE property and 69% reported a reduction in anxiety and stress.

BRIDGE exceeded its 2013-2017 real estate development target of 3,800 homes, with some 2,700 completed and 1,400 under construction at the end of 2017.

In its history, BRIDGE has been honored with local, national and international awards. In 2017, The Abigail received the Editors' Choice Award from *Multifamily Executive* magazine.

Impact on  
People

Five-year  
strategic  
plan goals

More than 190  
awards received

\$2.5 billion in  
construction and  
approvals

Scholarships:  
\$332,588 awarded

Largest nonprofit  
affordable housing  
developer on the  
West Coast

Our pipeline includes a diversity of development types, such as mixed-use, mixed-income and large-scale master-planned communities.

BRIDGE awarded scholarships to residents who are advancing their educational and career goals: 25 residents received awards from the Alan L. and Ruth Stein program, and five residents received awards under the Kent Colwell business-oriented scholarship program.

*Affordable Housing Finance*  
Top 50 Developers of 2017.

# President & CEO's Message

By integrating housing opportunities with access to education, economic vitality and wellness, we strive to create and preserve places where everyone can thrive.

Dear Friends:

At the heart of BRIDGE's core values is commitment to mission. We persevere in the face of challenges, seek resources to ensure the best outcomes and work toward our goals with a sense of purpose and urgency. Why is this so important?

Today in America and especially on the West Coast, the need for affordable housing is greater than ever. The shortage of affordable homes affects everyone and everything: individuals, businesses and employers, neighborhoods and cities, the economy, quality of life.

Parents work multiple jobs, yet rents are still out of reach. Companies can't expand their workforce, because employees can't find housing that's affordable or within commuting distance. Seniors and people with disabilities struggle to stay in their homes. And the social and fiscal costs of homelessness are alarmingly on the rise.

BRIDGE is proud to deliver solutions based on 35 years of experience in producing and owning well-managed, affordable homes. We've learned that thoughtful, holistic real estate development—beyond putting roofs over heads—can reap even greater benefits

for people and communities. By integrating housing opportunities with access to education, economic vitality and wellness, we strive to create and preserve places where everyone can thrive.

Dayana, for example, is a single mom who was homeless for four years before she and her children moved into BRIDGE's One Church Street Apartments. Despite a lifelong learning disability, Dayana has worked hard to advance her education and job goals. She earned a Stein Scholarship through BRIDGE, which helped her complete her training as a surgical technician. "The scholarship proved that you believe in me," said Dayana, whose children have been inspired by their mother's perseverance.

At BRIDGE, we are working hard to bring solutions and results to the table: building homes, strengthening neighborhoods and creating opportunities for families such as Dayana's.


Thank you, from all of us at BRIDGE, for your partnership and commitment.

Cynthia A. Parker  
President & CEO

An affordable apartment (right) and a Stein scholarship are helping Dayana create a brighter future for her family.





A photograph of an elderly woman with short, curly grey hair, smiling and looking up at a large orchid plant she is holding. She is wearing a blue and white floral patterned top and blue earrings. The orchid has several light purple flowers with darker purple spots. The plant is in a white pot. The background is a simple indoor setting with a light-colored wall and some other plants visible in the distance.

“This is my home—it  
was meant to be, and I  
couldn’t be happier.”

Reather, resident of  
The Coronet



# Our Donors

BRIDGE is grateful for the contributions we received in 2017; philanthropic support catalyzes our ability to deliver resident programs and to advance our holistic community development work.



Left: Madera Vista serves families and seniors in Temecula

Right: Kai Ming Head Start, a comprehensive preschool, is co-located at North Beach Place

## INSTITUTIONAL AND CORPORATE DONORS

### \$150,000 AND ABOVE

WELLS FARGO FOUNDATION  
CANNON CONSTRUCTORS, INC.  
CITI FOUNDATION

### \$50,000-\$149,999

BANK OF AMERICA CHARITABLE FOUNDATION  
BATTERY FOUNDATION  
CHAN ZUCKERBERG INITIATIVE  
U.S. BANK FOUNDATION

### \$25,000-\$49,000

THE SUMMERHILL HOUSING GROUP

### \$10,000-\$24,999

BANK OF THE WEST  
CAHILL CONTRACTORS, INC.  
CAPITAL ONE  
CARL GELLERT AND CELIA BERTA GELLERT FOUNDATION  
CHARLES SCHWAB BANK  
MUFG UNION BANK FOUNDATION

### \$1,000-\$9,999

COOLEY LLP  
EAST BAY COMMUNITY FOUNDATION  
FINE LINE CONSTRUCTION  
GROSVENOR AMERICAS  
KOHLER COMPANY  
PYATOK ARCHITECTS, INC.  
SEVEN POST PRIVATE INVESTMENT OFFICE LP  
VAN METER WILLIAMS POLLACK

### \$999 AND BELOW

KNAPP ARCHITECTS  
HERITAGE BANK

HKIT ARCHITECTS  
MILLER COMPANY LANDSCAPE ARCHITECTS  
PGA DESIGN

## INDIVIDUAL DONORS

### \$50,000 AND ABOVE

BARBARA BAKAR

### \$25,000-\$49,999

MICHELE AND JOHN MCNELLIS  
RONALD AND MARY NAHAS  
PAUL STEIN

### \$10,000-\$24,999

RICHARD AND CONNIE ADAMS  
ROBERT AND SHARON FREED  
KENNETH AND VERA MEISLIN  
CONSTANCE MOORE AND ROGER GREER  
ALAN AND RUTH STEIN  
ERNESTO AND SOCORRO VASQUEZ

### \$1000-\$9,999

CARSON BARNETT  
PEGGY (MARGARET) COLWELL  
BILL FALIK AND DIANA COHEN  
THOMAS FASSETT  
JOE AND KATHRYN HAGAN  
NANCY HEMMENWAY AND THOMAS WELSH  
SUSAN JOHNSON  
ALISON LORIG  
MICHAEL MCAFFEE  
ED MCNAMARA  
THOMAS METCALF  
RICHARD AND MARLENE MILLIKAN  
KENNETH AND DEBORAH NOVACK  
DENNIS AND GLORIA O'BRIEN FOUNDATION

CYNTHIA PARKER  
PAUL SACK  
CRAIG SHIELDS  
JAMES VALVA  
SCOTT WARD  
JOANNA YONG

### \$999 AND BELOW

SAVANAH ALBERTS  
ELLEN ANDERTON  
ANONYMOUS  
THU BANH  
PAUL BARNHART  
KASSIE BERTUMEN  
JONATHAN BLATTEIS  
BRYAN BREZIC  
BRANDON BREZIC  
LAUREN BRODY  
STACY COLWELL  
HILARY COLWELL AND DAVE THOMAS  
MITCHELL CRISPELL  
MARIE DEBOR  
KEARSTIN DISCHINGER  
ARUNA DODDAPANENI  
HELEN DUNLAP  
MONICA EDWARDS  
RENNIE ELLIOTT  
CATHERINE ESCOBAR  
KATHERINE FLEMING  
FRANZISKA FREY  
KEVIN GRIFFITH  
CAROL HALE  
JAY HANSETH  
RODNEY HENMI  
WILLIAM HEYWOOD  
LYN HIKIDA  
REBECCA HLEBASKO  
CARRIE HORTON

EVAN KROKOWSKI  
JUSTIN LAI  
ALEXIS LAING  
JOHN LANDIS  
GABRIELLE LAPACHET BLAKE  
LEO LOZANO  
ERIK LUND  
MARJORIE MAEHLER  
DEN MARCELO  
KIMBERLY MCKAY  
BEN METCALF  
KRISTINE MIRANDA  
CHLOE NEILSON  
SUSAN NEUFELD  
PHILIP NEVILLE  
CHRISTOPHER NICHOLSON  
CHRISTINA PAGLIALUNGA  
EDWARD PARILLON  
JENNIFER RAIKE  
SIMONE ROBINSON  
LARA SAO PEDRO  
LIBBY SEIFEL  
SMITHA SESHADRI  
ANN SILVERBERG  
ANNA SLABY  
JULIE SONTAG  
ALLIE STEIN  
ARTHUR SULLIVAN  
ELBERT TSE  
D. VALENTINE  
KIRK WALLIS  
CHUCK WEINSTOCK  
TRINA WHITMAN  
BRAD WIBLIN  
CHRISTIAN WIEDEL  
JEFF WILLIAMS  
NICHOLAS ZIMMERER

For a full list of donors, please visit our website at [www.bridgehousing.com](http://www.bridgehousing.com).

# Building Community



**“It is great to be involved in this process. Everyone here has such great energy and I am so happy they have pushed me to be the person I have become.”**

**Sherina, Resident of Jordan Downs**

Sherina works within her community to recruit construction workers for Jordan Downs in Watts, where BRIDGE and partners are rebuilding distressed housing and transforming the community.

“I had lived in the original Jordan Downs project for five years when they started construction on Phase 1A. I submitted an application to work on the project and to learn the construction trades. When they heard that I had experience working with homeless people and helping people to transition to housing, they offered me a job (Section 3 Local

Hire Administrative Assistant) to work with people in my neighborhood who were seeking employment on our project.”

“I was not sure what they saw in me and why they thought I could handle this position, but this has been a life-changing experience. I am now working on my G.E.D. and my life is very busy. As a single mother, I will do whatever I can to make sure my son and daughter have better educational opportunities. Our family will have an opportunity to move into the finished building.”

# Our Developments

| Project Name                                      | City          | State | Project Type                    | Total Homes & Apartments | Affordable Homes & Apartments | Dev Cost      |
|---|---------------|-------|---------------------------------|--------------------------|-------------------------------|---------------|
| Acquisitions                                      |               |       |                                 |                          |                               |               |
| Ramona  | Portland      | OR    | Family Rental                   | 138                      | 138                           | N/A           |
| Acquisitions                                      |               |       |                                 | 138                      | 138                           |               |
| In Construction                                   |               |       |                                 |                          |                               |               |
| 3850 18th Street, Mission                         | San Francisco | CA    | Sr/Disabled Rental              | 107                      | 107                           | 57,363,745    |
| Alemaný, Bernal                                   | San Francisco | CA    | Family Rental                   | 150                      | 150                           | 145,914,800   |
| Cornelius Place                                   | Cornelius     | OR    | Senior Rental                   | 45                       | 45                            | 13,839,854    |
| Jordan Downs Phase 1                              | Los Angeles   | CA    | Family Rental                   | 115                      | 115                           | 58,734,396    |
| Mission Dolores, Mission                          | San Francisco | CA    | Sr/Disabled Rental              | 91                       | 91                            | 54,586,093    |
| Potrero Block X                                   | San Francisco | CA    | Family Rental                   | 72                       | 72                            | 69,248,954    |
| RiverPlace Parcel 3                               | Portland      | OR    | Family Rental/Veteran           | 203                      | 203                           | 83,964,883    |
| San Leandro Senior (La Vereda)                    | San Leandro   | CA    | Senior Rental                   | 85                       | 85                            | 39,315,789    |
| Transbay Block 9                                  | San Francisco | CA    | Family Rental                   | 109                      | 109                           | 85,810,000    |
| Westview Village - Phase I                        | Ventura       | CA    | Family Rental                   | 131                      | 131                           | 59,279,949    |
| In Construction                                   |               |       |                                 | 1,108                    | 1,108                         | 668,058,463   |
| In Approvals                                      |               |       |                                 |                          |                               |               |
| 1950 Mission                                      | San Francisco | CA    | Family Rental                   | 157                      | 157                           | 84,361,000    |
| 4840 Mission                                      | San Francisco | CA    | Family Rental                   | 175                      | 175                           | 110,841,646   |
| 490 South Van Ness                                | San Francisco | CA    | Family Rental                   | 81                       | 81                            | 66,860,241    |
| 735 Davis (88 Broadway Senior)                    | San Francisco | CA    | Senior Rental                   | 53                       | 53                            | 38,861,570    |
| 88 Broadway                                       | San Francisco | CA    | Family Rental                   | 125                      | 125                           | 93,667,495    |
| Anaheim and Walnut (The Children's Clinic)        | Long Beach    | CA    | Family Rental                   | 88                       | 88                            | 39,095,079    |
| Balboa Reservoir                                  | San Francisco | CA    | Masterplan                      | 1100                     | 550                           | 580,629,000   |
| Bay Meadows Affordable                            | San Mateo     | CA    | Family Rental                   | 68                       | 68                            | 51,460,363    |
| Berkeley Way                                      | Berkeley      | CA    | Family and Supportive           | 142                      | 142                           | 56,323,323    |
| Central Station Phase II / 16th St. Train Station | Oakland       | CA    | Family Rental/ Land Development | 1170                     | 324                           | TBD           |
| Fruitvale   | Oakland       | CA    | Family Rental                   | 180                      | 180                           | TBD           |
| Jordan Downs (multi-phase)                        | Los Angeles   | CA    | Masterplan                      | 1235                     | 985                           | 747,882,000   |
| Mayfair Site/ El Cerrito Del Norte BART           | El Cerrito    | CA    | Family Rental                   | 68                       | 68                            | 31,244,000    |
| Mission Bay Block 9                               | San Francisco | CA    | Supportive                      | 141                      | 141                           | 60,147,656    |
| North Williams                                    | Portland      | OR    | Family Rental                   | 61                       | 61                            | 22,349,856    |
| Potrero (remaining phases)                        | San Francisco | CA    | Masterplan                      | 1528                     | 744                           | 600,000,000   |
| RiverPlace Phase 2                                | Portland      | OR    | Family Rental                   | 187                      | 187                           | 65,387,578    |
| Westview Village (remaining phases)               | Ventura       | CA    | Family and Senior Rental        | 153                      | 153                           | 76,231,973    |
| In Approvals                                      |               |       |                                 | 6,712                    | 4,282                         | 2,725,342,780 |
| Total 1983-2017 Activity                          |               |       |                                 | 17,885                   | 13,880                        | 3,762,558,806 |
| Grand Total To Date                               |               |       |                                 | 25,705                   | 19,270                        | 7,155,960,049 |



# Consolidated Financial Statements

| <b>Assets</b>                           | <b>2017</b>      | <b>2016</b>      |
|---|------------------|------------------|
| <b>Assets</b>                           |                  |                  |
| Cash and cash equivalents               | \$ 78,659,000    | \$ 97,425,000    |
| Restricted cash and deposits            | 74,964,000       | 66,100,000       |
| Accounts receivable - net               | 11,609,000       | 7,368,000        |
| Notes receivable                        | 23,617,000       | 24,057,000       |
| Prepaid expenses, deposits and impounds | 13,974,000       | 18,235,000       |
| Property and equipment - net            | 2,022,937,000    | 1,851,459,000    |
| Deferred costs - net                    | 5,079,000        | 5,195,000        |
| Land under lease and other investments  | 10,186,000       | 9,869,000        |
| Total assets                            | \$ 2,241,025,000 | \$ 2,079,708,000 |

## Liabilities And Net Assets

|                                       |                  |                  |
|---------------------------------------|------------------|------------------|
| <b>Liabilities</b>                    |                  |                  |
| Accounts payable and accrued expenses | \$ 54,097,000    | \$ 66,011,000    |
| Notes and interest payable            | 1,596,879,000    | 1,446,981,000    |
| Deferred revenues                     | 21,388,000       | 21,400,000       |
| Security and other deposits           | 6,779,000        | 6,670,000        |
| Total liabilities                     | \$ 1,679,143,000 | \$ 1,541,062,000 |

## Net Assets

|                                |                  |                  |
|--------------------------------|------------------|------------------|
| Unrestricted:                  |                  |                  |
| Controlling interests          | \$ 166,027,000   | \$ 166,686,000   |
| Non-controlling interests      | 391,354,000      | 367,307,000      |
| Total unrestricted             | 557,381,000      | 533,993,000      |
| Temporarily restricted         | 2,841,000        | 2,993,000        |
| Permanently restricted         | 1,660,000        | 1,660,000        |
| Total net assets               | 561,882,000      | 538,646,000      |
| Total liabilities & net assets | \$ 2,241,025,000 | \$ 2,079,708,000 |

\* The above Financial Statements were consolidated adopting EITF 04-5 whereby entities which BRIDGE controls are consolidated. To obtain a copy of BRIDGE's audited financial statements, please contact the BRIDGE offices.

| <b>Activities</b>                                | <b>2017</b>    | <b>2016</b>    |
|--|----------------|----------------|
| <b>Support &amp; Revenue</b>                     |                |                |
| Rental income - net of vacancies and concessions | \$ 135,494,000 | \$ 126,657,000 |
| Developer Fees                                   | 11,381,000     | 12,750,000     |
| Management revenue                               | 2,727,000      | 2,806,000      |
| Contributions                                    | 23,212,000     | 22,277,000     |
| Interest income                                  | 2,759,000      | 1,642,000      |
| Other  | 7,348,000      | 4,153,000      |
| Total support and revenue                        | \$ 182,921,000 | \$ 170,285,000 |
| <b>Expenses</b>                                  |                |                |
| Program services <sup>(1)</sup>                  | \$ 137,694,000 | \$ 145,701,000 |
| Supporting services                              | 7,395,000      | 7,285,000      |
| Fundraising                                      | 674,000        | 625,000        |
| Total expenses                                   | 145,763,000    | 153,611,000    |
| Cash Operating income                            | \$ 37,158,000  | \$ 16,674,000  |

(1) Expenses exclude \$54,634,000 and \$50,254,000 of non-cash Depreciation and Amortization Expense and \$16,663,000 and \$11,665,000 of non-cash Interest Expense on project related subordinate financing in 2017 and 2016 respectively.



# BRIDGE Leadership

BRIDGE is governed by a Board of Directors who share a commitment to “quality, quantity and affordability” with our Senior Leadership Team.

## Board of Directors

### **Ron Nahas**

Board Chairman  
Partner, Rafanelli & Nahas

### **Ray Carlisle**

Board Vice Chairman  
President, Carlisle Companies

### **Douglas D. Abbey**

Chairman, Swift Real Estate  
Partners

### **Robert Freed**

President & CEO, SummerHill  
Housing Group

### **Joe Hagan**

President and CEO, National  
Equity Fund

### **Nancy Hemmenway**

Retired Chief Human Resources  
Officer, Prologis

### **Michael McAfee**

President, PolicyLink

### **Ed McNamara**

Owner, Turtle Island  
Development LLC

### **Connie Moore**

Retired CEO, BRE Properties, Inc.

### **Kenneth M. Novack**

Founding Partner, Schnitzer West

### **Paul Stein**

Managing Partner, SKS  
Investments LLC

### **Ernesto Vasquez**

FAIA, NCARB  
Partner and CEO,  
SVA Architects, Inc.

### **Chuck Weinstock**

Retired, Community  
Development Banking

## Emeritus

### **Richard Bender**

Professor of Architecture &  
Dean Emeritus  
College of Environmental Design  
University of California, Berkeley

### **Kent Colwell**

Principal  
Parthenon Associates  
In Memoriam

### **Anthony Frank**

Founding Chairman  
Belvedere Capital Partners

### **Harry Haigood**

Private Investor

### **Richard Holliday**

President, Holliday Development

### **Sunne Wright McPeak**

President & CEO  
California Emerging  
Technology Fund

### **Dennis O'Brien**

President, The O'Brien Group

### **Peter Palmisano**

Partner  
Pacific Union Development Co.

### **Lynn Sedway, CRE**

President  
Sedway Consulting

### **Angelo Siracusa**

Retired President & CEO  
Bay Area Council

### **Alan L. Stein**

Chairman Emeritus  
In Memoriam

### **Clark Wallace**

Principal  
Clark Wallace Realtor  
& Associates

### **Susanne B. Wilson**

Principal  
Solutions by Wilson

## Senior Leadership Team

### **Cynthia A. Parker**

President & CEO

### **Susan Johnson**

Executive Vice President &  
Chief Operating Officer

### **Kurt Creager**

Executive Vice President

### **Kimberly McKay**

Executive Vice President

### **D. Kemp Valentine**

Executive Vice President & CFO

### **Brad Wiblin**

Executive Vice President

### **Rebecca V. Hlebasko**

Senior Vice President & General  
Counsel

### **Aruna Doddapaneni**

Senior Vice President

### **Alison Lorig**

Senior Vice President

### **Smitha Seshadri**

Senior Vice President

### **James Valva**

Senior Vice President

### **Katherine Fleming**

Vice President of Portfolio

### **Damon Harris**

Vice President of Community  
Development

### **Lyn Hikida**

Vice President of  
Communications

### **Susan J. Neufeld**

Vice President of Evaluation &  
Resident Program Design

### **Chris Nicholson**

Vice President of Resource  
Development

### **Simone Robinson**

Vice President of Human  
Resources

### **Joanna Yong**

Vice President of Compliance

### **Alexa Jeffress**

Director, Potrero