

December 4, 2019

City of Valdez
Attn: Nathan Duval
212 Chenega Avenue
Valdez, AK 99686-0307

Dear Mr. Duval,

Cordes Development 2, LLC appreciates the opportunity to submit our proposal for Valdez Woodside Subdivision Housing Development. We have responded to the items requested in the RFP within the context of our approach to housing development and what our 30+ years of experience has proven to be financially feasible, long term successful projects.

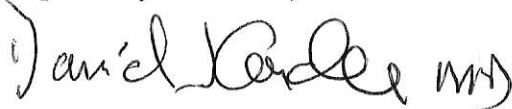
To best meet the needs of the community and to garner full support by the community and Council, we recommend that the City develop Woodside as a combination of affordable/restricted income and market rate units.

We strongly believe that a combination of low income housing tax credits(LIHTC) and grants/low or no interest soft funding is critical to build a sustainable, high quality apartment complex(es) with rents that are within an appropriate range for Valdez citizens. Because of the high infrastructure costs and considerable cost of traditional debt sources, we believe this development, if financed as a typical market rate complex, would need to be built with inferior quality materials and/or charge prohibitive rents in order to be financially feasible.

The entire development team takes pride in creating high quality affordable and market rate housing that serves the needs of communities long term.

We welcome the opportunity to be interviewed and provide more insight for our vision of Woodside Subdivision Housing Development.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "David J. Cordes" followed by a stylized monogram or initials.

David J. Cordes
Managing Member
Cordes Development 2, LLC