



**City of Seattle**  
Office of Housing

**TO:** Councilmember Nick Licata, Chair, Housing, Human Service, Health, & Culture Committee  
Councilmember Sally Bagshaw  
Councilmember Sally Clark  
Councilmember Tom Rasmussen

**FROM:** Amy Gray

**DATE:** March 4, 2011

**SUBJECT:** Multifamily Property Tax Exemption Program Application: Bella Lago Apartments, Oregon 42 Apartments, Interbay Apartments, Trovere Apartments, and GreenHouse Apartments.

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Legislation authorizing the Acting Director of the Office of Housing to enter into five contracts outlining the terms and conditions for eligibility for a tax exemption (site maps below), is scheduled to be considered by your Committee on March 9, 2011. The five are:

- CC Lake City, LLC ("Bella Lago Apartments" located at 14027 Lake City Way NE);
- Oregon 42, LLC ("Oregon 42 Apartments" located at 4502 – 4516 42<sup>nd</sup> Ave SW);
- Block 20, LLC ("Interbay Apartments" located at 3040 17<sup>th</sup> Ave W);
- 7<sup>th</sup> Ave NE, LLC ("Trovere Apartments" located at 4309 7<sup>th</sup> Ave NE); and
- Harbor Columbia One LLC ("GreenHouse Apartments" located at 3701 S Hudson St),

A table is attached that provides more detail on the projects. Below is a brief summary of the projects for your review.

<b>Bella Lago Apartments – Lake City</b>	
<b>Developer / representative:</b>	CC Lake City, LLC (ConAm developer)
<b>Residential target area:</b>	Lake City
<b>Total housing units:</b>	320 rental units: 59 studios, 190 one-bedroom units, and 71 two-bedroom units
<b>Number of affordable units:</b>	64 rental units are affordable: 12 studios, 38 one-bedroom units, and 14 two-bedroom units.
<b>Affordability:</b>	Per MFTE program requirements, a minimum of twenty percent (64) of the units are affordable at 80% and 90% of median income.
<b>Site demolition:</b>	No demolition required; new construction.
<b>Estimated City portion of tax shift:</b>	\$0.50 on average assessed value home for the first year.

Location Map 14027 Lake City Way NE:



<b>Oregon 42 Apartments – West Seattle Junction</b>	
<b>Developer / representative:</b>	Oregon 42, LLC (ConAm developer)
<b>Residential target area:</b>	West Seattle Junction
<b>Total housing units:</b>	135 rental units: 51 studios, 64 one-bedroom units, and 20 two-bedroom units
<b>Number of affordable units:</b>	27 rental units are affordable: 10 studios, 13 one-bedroom units, and 4 two-bedroom units.
<b>Affordability:</b>	Per MFTE program requirements, a minimum of twenty percent (27) of the units are affordable at 80% and 90% of median income.
<b>Site demolition:</b>	Demolition of 3 houses. One is used for commercial space by Hope Lutheran Church. Two are rented month to month. Replacement housing does not apply because the code only requires it when a rental housing building contained four or more units. Developer is in compliance with the tenant relocation assistance ordinance.
<b>Estimated City portion of tax shift:</b>	\$0. 20 on average assessed value home for the first year.

Location Map 4502-4516 42<sup>nd</sup> Ave SW:



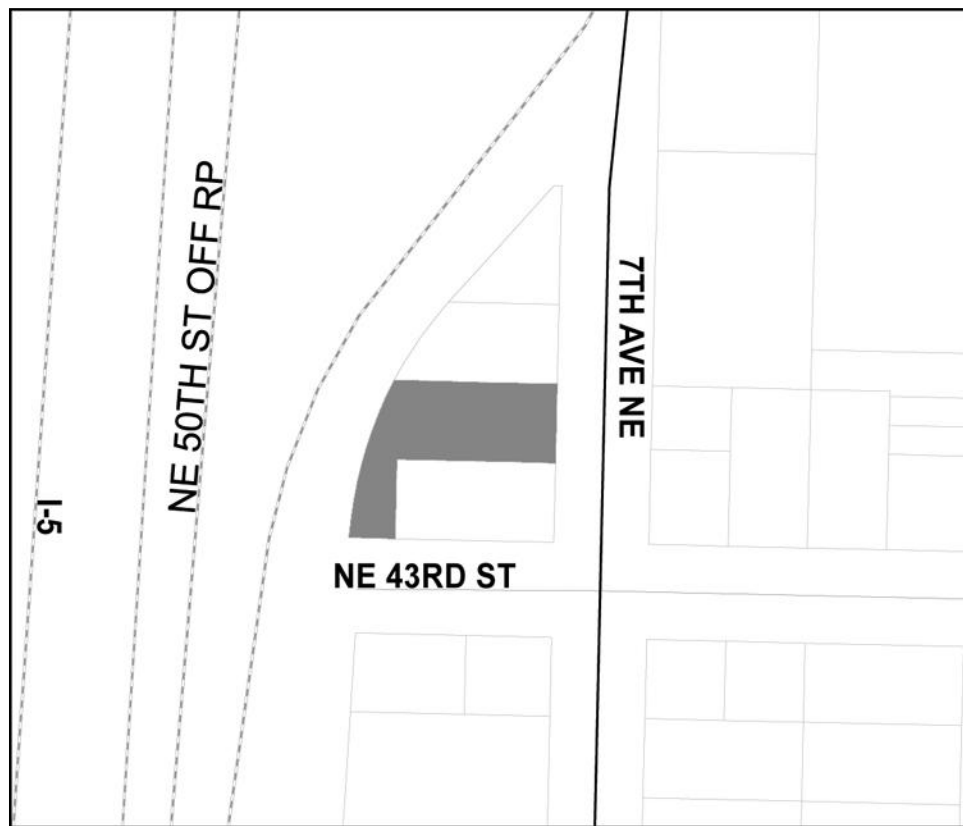
<b>Interbay Apartments – Interbay</b>	
<b>Developer / representative:</b>	Block 20, LLC (Unico developer)
<b>Residential target area:</b>	Interbay
<b>Total housing units:</b>	215 rental units: 52 studios, 120 one-bedroom units, and 43 two-bedroom units
<b>Number of affordable units:</b>	43 rental units are affordable: 10 studios, 24 one-bedroom units, and 9 two-bedroom units.
<b>Affordability:</b>	Per MFTE program requirements, a minimum of twenty percent (42) of the units are affordable at 80% and 90% of median income.
<b>Site demolition:</b>	No demolition required; new construction.
<b>Estimated City portion of tax shift:</b>	\$0.52 on average assessed value home for the first year.

Location Map 3040 17<sup>th</sup> Ave West:



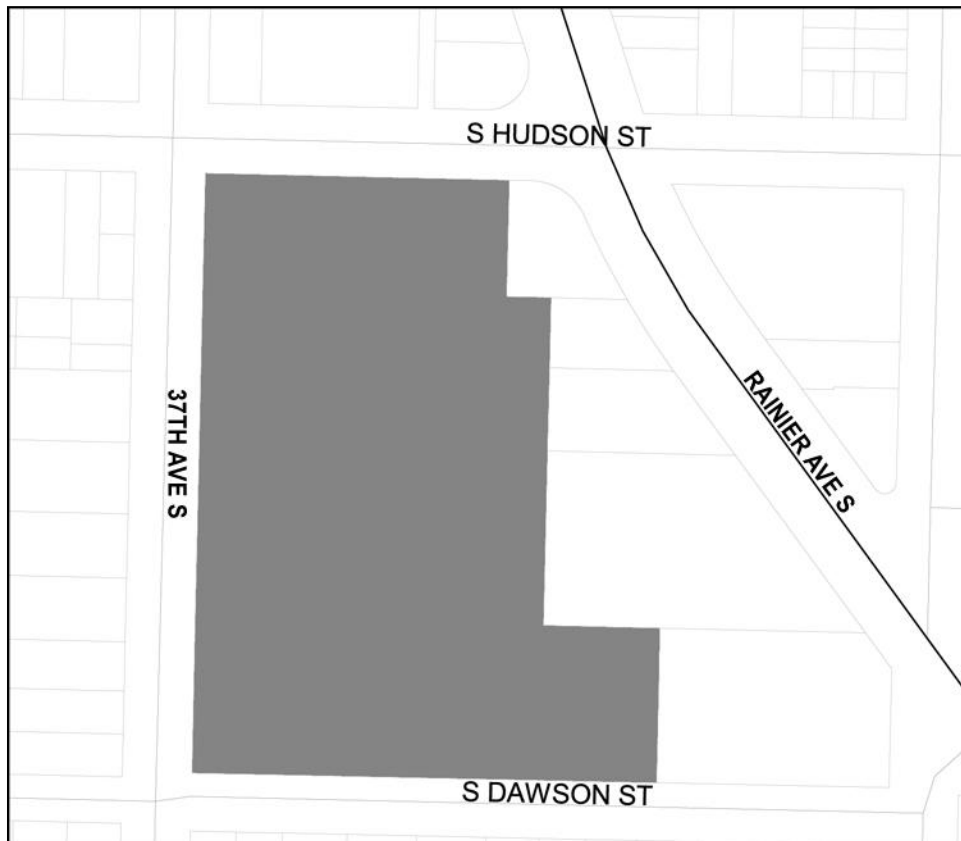
<b>Trovere Apartments – University District - NW</b>	
<b>Developer / representative:</b>	7 <sup>th</sup> Ave NE, LLC (Gary Mulhair developer)
<b>Residential target area:</b>	University District - NW
<b>Total housing units:</b>	47 rental units: all studios
<b>Number of affordable units:</b>	47 rental units are affordable: all studios.
<b>Affordability:</b>	Per MFTE program requirements, a minimum of twenty percent (10) of the units are affordable at 80% of median income. However, the developer anticipates that all of the units will be affordable due to the market rents that will be charged.
<b>Site demolition:</b>	No demolition required; new construction.
<b>Estimated City portion of tax shift:</b>	\$0.02 on average assessed value home for the first year.

Location Map 4309 7<sup>th</sup> Avenue NE:



<b>GreenHouse Apartments – Columbia City</b>	
<b>Developer / representative:</b>	Harbor Columbia One LLC (Harbor Properties developer)
<b>Residential target area:</b>	Columbia City
<b>Total housing units:</b>	124 rental units: 120 one-bedroom units and 4 two-bedroom units
<b>Number of affordable units:</b>	25 rental units are affordable: 24 one-bedroom units and 1 two-bedroom unit.
<b>Affordability:</b>	Per MFTE program requirements, a minimum of twenty percent (25) of the units are affordable at 80% and 90% of median income.
<b>Site demolition:</b>	No demolition required; new construction.
<b>Estimated City portion of tax shift:</b>	\$0.19 on average assessed value home for the first year.

Location Map 3701 S Hudson Street:



**Sequence of Events for Each Project:**

- City Council approves resolution authorizing OH to enter into MFTE Agreement;
- OH and owner sign and record MFTE Agreement;
- OH issues Conditional Certificates of Tax Exemption to owner;
- Once construction is complete within three years, the owner submits an application for Final Tax Exemption;
- OH reviews application for final tax exemption and issues Final Certificate of Tax Exemption;
- Upon issuance of Final Certificate of Tax Exemption, OH forwards documentation to the King County Assessor's office.

cc: Sara Belz, Council Central Staff  
Amanda Allen, City Budget Office