

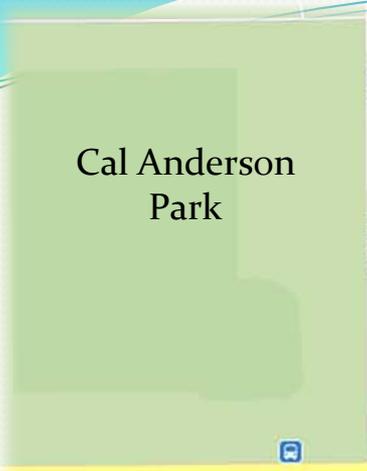
# Proposed Disposition of the East Precinct Police Parking Facility (12<sup>th</sup> Avenue Arts Project)

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Finance and Administrative Services  
Office of Economic Development  
Office of Housing  
Capitol Hill Housing



September 5, 2012

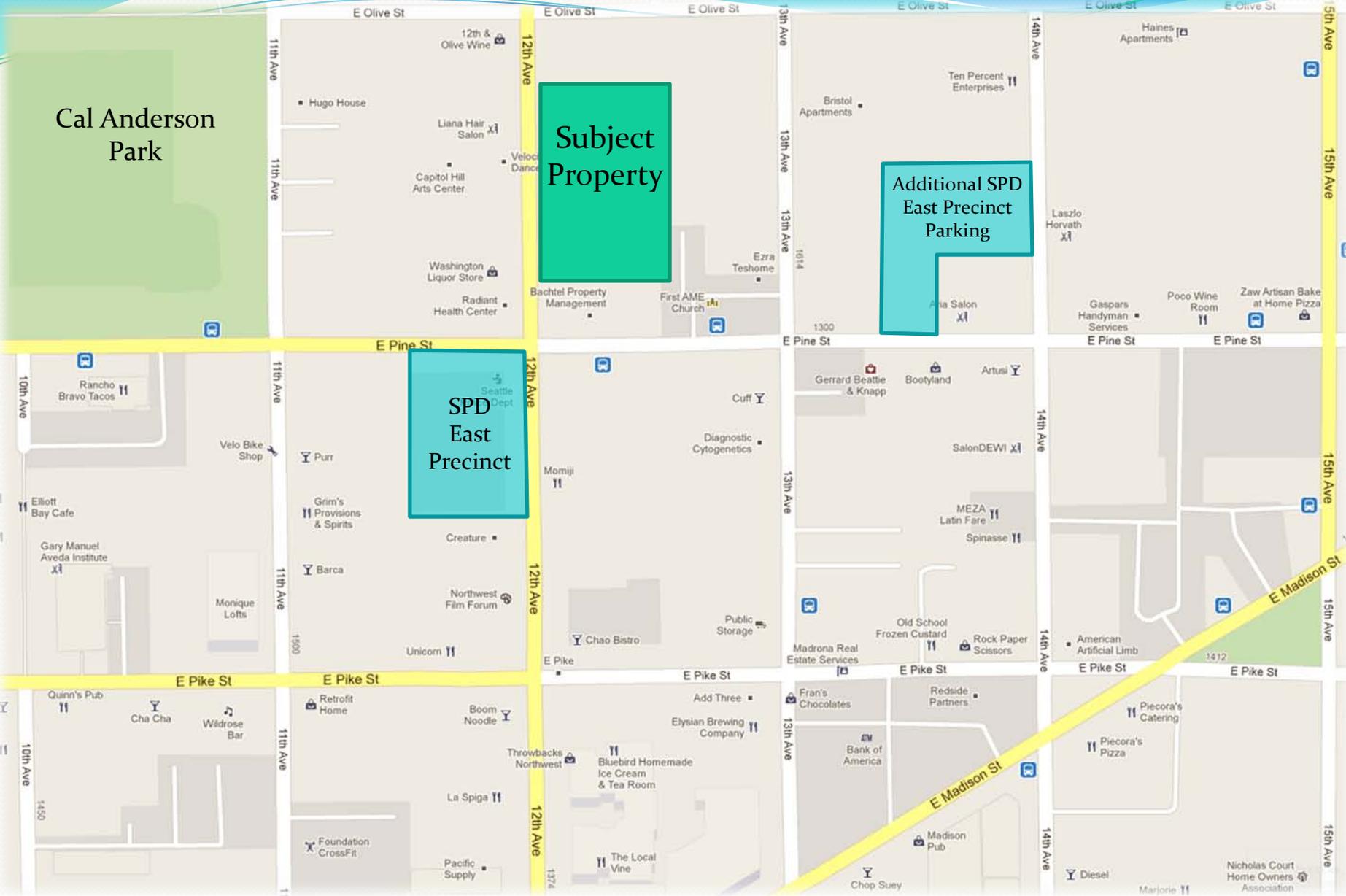


Cal Anderson  
Park

Subject  
Property

Additional SPD  
East Precinct  
Parking

SPD  
East  
Precinct



# Project Overview

- LOI Signed with Capitol Hill Housing (CHH)
- CHH builds garage, housing and commercial development
- Sufficient Parking for SPD's needs
- City provides land, receives garage of greater value
- City Funding towards housing and community development
- Asset to neighborhood



# Proposed Use

- Mixed Use Residential Building:

- 88 units of affordable housing
  - 8 studios
  - 8 two bedrooms
  - 72 one bedrooms
- 1 ½ floors of secure underground parking for SPD
- 2 community theatre spaces
- 4 pedestrian oriented retail spaces
- 15,000 sf community office space



Rendering Courtesy of SMR Architects

# Capitol Hill Housing: Vibrant, engaged communities

## Affordable Housing

- 1,132 units in 44 buildings
- CHH helps people of limited means to have a home and become self-sufficient
- More than 1,700 people call a CHH apartment home

## Sustainable & Equitable Communities

- 12<sup>th</sup> Avenue meets Broadway (OED-OIS)
- EcoDistrict
- Transit-Oriented Development



# 12<sup>TH</sup> Ave Arts - OWNERSHIP STRUCTURE

## AT CLOSING 2012

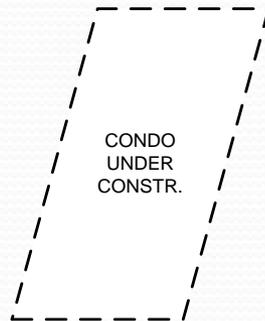
City Creates 3 Airspace Condominiums – sells to CHH



GROUND LEASE  
Lessor: City  
Lessee: CHH  
65 yrs

## DURING CONSTRUCTION 2013-2014

CHH provides offsite parking to SPD



CHH pays for parking

GROUND LEASE  
Lessor: City  
Lessee: CHH  
65 yrs

## YEARS 1-7 2014-2021

City Leases Condo Unit 1 Garage from CHH



City Lease from CHH

GROUND LEASE  
Lessor: City  
Lessee: CHH  
65 yrs

## END OF YEAR 7 2021

City acquires title to Condo Unit 1 Garage



City ownership

GROUND LEASE  
Lessor: City  
Lessee: CHH  
65 yrs

# Parking Facility Comparison

	Existing	Proposed
Total Parking Stalls	77	111 (Minimum)
Alternative Vehicle Parking	None	Additional space and charging stations for alternative vehicles (PEO's, Segways, Police Bicycles)
Car Wash/Vacuum Station	Yes	Yes
Fueling	Yes	No
Back-up Generator	Yes	Yes
Mobile Command Center Parking	Yes	Will be moved off-site
Vehicle Charging Stations	No	12 stalls
Storage	1 – 40' shipping container	The equivalent of 3 – 40' shipping containers
Security	Keypads at each location	New proximity card system, along with monitored security cameras



# City's General Fund Contribution

- Land valued at \$7.4m (as of February 2012)
- \$700,000 cash contribution for tenant improvements
  - 268,750 - 2012
  - Residual paid between 2014 – 2020
- Tenant Improvements:
  - Garage improvements
  - Security

# Financing

Source	Amount
FAS – Land	\$6.5 million
FAS – Monetary contribution	\$700,000
Office of Housing	\$7.7 million (Housing Levy Loan)
Office of Economic Development	\$1.0 million (HUD 108 Loan)
State of Washington Dept. of Commerce	\$1.5 million
Washington Housing Trust Fund	\$2.0 million
Low Income Housing tax Credit	\$5.4 million
Qualified Low Income Community Investment	\$5.1 million
Capital Campaign	\$4.5 million
Commercial Loan (commercial space)	\$3.9 million
Commercial Loan (residential space)	\$6.5 million
<b>Total:</b>	<b>\$45.0 million</b>

# 12<sup>th</sup> Avenue Meets Broadway

- The 12<sup>th</sup> Arts Project is a major component of Capitol Hill's "12<sup>th</sup> Avenue Meets Broadway" initiative
- This initiative is a part of OED's *Only in Seattle* neighborhood business district program and serves as the comprehensive plan to support 12th Ave, portions of Pike/Pine and Broadway
- Capitol Hill Housing and the Capitol Hill Chamber partnered to organize businesses owners, build business organization capacity, develop marketing, cleaning, transit planning and business support programs
- For 2011 and 2012, OED invested \$269,000 to support this effort



# OED - HUD Section 108 Loan

- \$1 Million Loan
  - Part of City's \$10 million Section 108 loan fund
  - Finances development of project's office, retail and community theater space
  - Benefits the project with low interest rate (variable rate currently at 0.6%) and 20 year term
  - Project will create a minimum of 29 permanent FTE jobs

# Office of Housing

- OH awarded up to \$7.66 million during 2011 Multifamily Rental Housing NOFA round
- Mainly Housing Levy funds, supports only construction of housing “condo”
- All 88 apartments will serve households earning up to 60% AMI (1 person: \$36,960; 3 person: \$47,520)
- Must remain affordable for at least 50 years; option to extend affordability for additional 25 years
- As part of OH portfolio, will be monitored annually by OH’s Asset Management unit for ongoing physical and financial fitness.

# Documents

- Condominium Declaration
- Survey Map and Plans
- Purchase and Sale Agreement
- Quit Claim Deed
- Ground Lease
- Sublease
- Completion Guaranty
- Pledge of Garage Lease Revenues