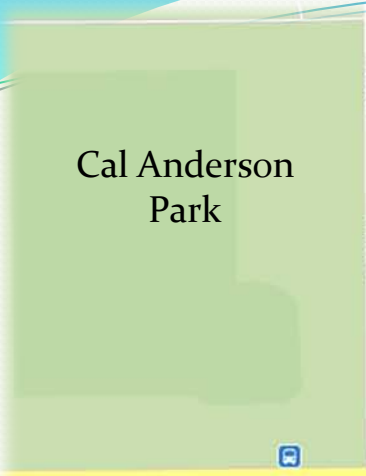


Proposed Disposition of the East Precinct Police Parking Facility (12th Avenue Arts Project)

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



September 5, 2012

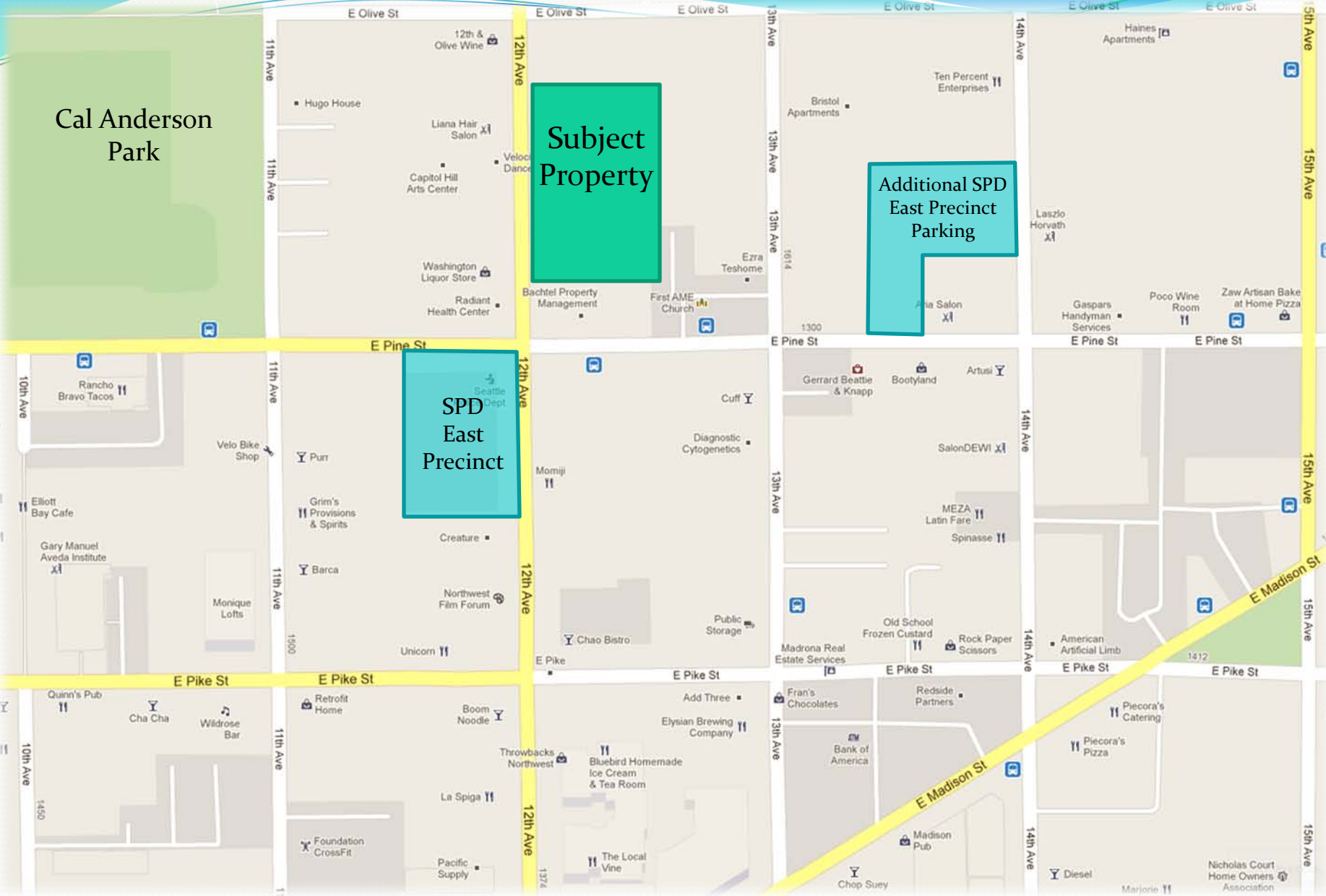


Cal Anderson Park

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

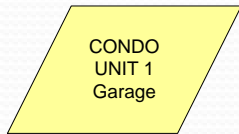
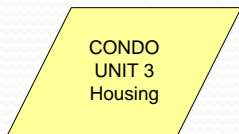
- 12th Avenue meets Broadway (OED-OIS)
- EcoDistrict
- Transit-Oriented Development



12TH Ave Arts - OWNERSHIP STRUCTURE

AT CLOSING 2012

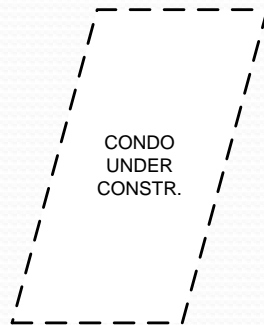
City Creates 3 Airspace Condominiums – sells to CHH



GROUND LEASE
Lessor: City
Lessee: CHH
65 yrs

DURING CONSTRUCTION 2013-2014

CHH provides offsite parking to SPD

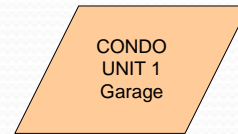
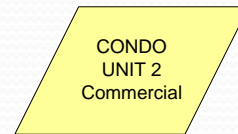
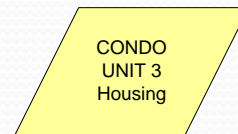


CHH pays for parking

GROUND LEASE
Lessor: City
Lessee: CHH
65 yrs

YEARS 1-7 2014-2021

City Leases Condo Unit 1
Garage from CHH

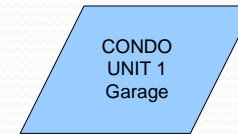
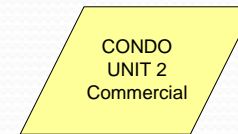
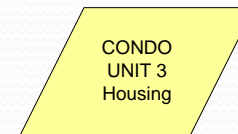


City Lease from
CHH

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
Total:	\$45.0 million

12th Avenue Meets Broadway

- The 12th Arts Project is a major component of Capitol Hill's "12th 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