



City Council Meeting

May 23, 2011

Tonight's Agenda

1. Overview of selection process
2. Developer capabilities
 - experience, financing, team
3. Developers' concepts
4. Staff recommendation
5. Council Q&A and discussion

No decision requested tonight



Developer Selection Timeline

- | | |
|------|--|
| 3/21 | Council approved process |
| 3/30 | RFQ issued |
| 4/29 | Applications due |
| 5/2 | Start public review of applications <ul style="list-style-type: none">• 5/2 - 5/13 Applications available in City Hall• 5/13 Applications available on City website |
| 5/24 | Council discussion |
| 6/6 | Council decision |



Selection On Qualifications

1. Developer Capabilities

- Experience
- Financial capacity
- Team

2. Developer's Concept



Developer Organization

1. Trillium

- Corporation based in Bellingham, WA.
- “master developer”

2. SHAG

- Tukwila Village Development Associates, LLC
 - Senior Housing Assistance Corporation (SHAC)
 - Pacific Northern Construction Company (PNCC)
- Senior Housing Assistance Group (SHAG)
 - Affordable senior housing; now mixed-income

Developer Capabilities

Trillium Examples

1. Cordata

600 acres; residential (single family, duplex, condos, senior care); medical campus; college; retail; industrial; office.

2. Denver

165 acres; rail yard redevelopment; 21 city blocks; 2,000 residential units; 3,700,000 sf commercial; 550,000 sf retail

3. Semiahmoo

1100 acre resort; 800 housing units; hotel; golf course



Trillium:Cordata



Trillium: Denver



Trillium: Semiahmoo



Developer Capabilities

SHAG Examples

1. Arrowhead Gardens (West Seattle)

4 acres; 449 senior apartments; income restrictions; 5,500 sf commercial/retail

2. Linden Place at Bitter Lake (North Seattle)

3.25 acres; 251 senior apartments; 140 family apartments; income restrictions; 13,000 sf commercial/retail

3. Rainier Court (South Seattle)

7 acres; 208 senior apartments; 178 family apartments; income restrictions; 18,500 sf commercial/retail



SHAG: Arrowhead Gardens



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SHAG: Linden Place at Bitter Lake



SHAG: Rainier Court



Developer Capabilities

Financial Capacity



Developer Capabilities

Team

Trillium

- Architect: Collins Woerman
- Regency Pacific (potential senior housing developer)

SHAG

- Architect: Johnson Braund Design Group, Inc.
- General Contractor: Inter-City Contractors, Inc.
- Construction Project Manager: Pacific Northern
- Property Manager: Independent Living Associates and Senior Housing Assistance Group



Developer Concept



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Tarragon's Proposal (2008)



- 10,000 SF library
- 55,000 SF retail
- 298 apartments
- 4 townhouses

Looking easterly at intersection of Tukwila International Boulevard and S. 144th

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Concept Comparison

Use	Units	Trillium	SHAG
Library	SF	up to 20,000	10,000
Police NRC	SF	2,000	2,000
Retail	SF	Unspecified	7,000
Office/Health Center	SF	20,000 – 40,000	20,000
Outdoor Plaza	SF	20,000	20,000
Indoor Commons	SF	Unspecified	2,000
Apartments	Units	300 – 600	382

Apartments could be a mix of income restricted and market rate.



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Apartments Comparison

Restrictions	Example Max Income	Trillium	SHAG
Senior			
Unrestricted	No limit	150 - 300	67
80% of AMI	\$54,800/two persons		41
60% of AMI	\$41,100/two persons		130
50% of AMI	\$34,250/two persons		83
None (Family)			
Unrestricted	No limit	150 – 300	49
80% of AMI	\$54,800/two persons		0
60% of AMI	\$41,100/two persons		0
50% of AMI	\$34,250/two persons		12
Total		300 – 600	382

Trillium does not anticipate restricting incomes or rent but would like to have the option.

Affordable Housing Income Limits

Max % of AMI	1 Person	2 Persons	3 Persons
80%	\$48,000	\$54,800	\$61,680
60%	\$36,000	\$41,100	\$46,260
50%	\$30,000	\$34,250	\$38,550

This table reflects the maximum income for households eligible to rent apartments set aside for households at 80%, 60% or 50% of the area median income.

AMI = area median income

Income limits per Washington State Housing Finance Commission for King County effective 5/14/10.



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Housing Finance Options

1. Tax Exempt Bonds

- 20% of units at household income under 50% of AMI
- Applies to bonds for entire project

2. Federal Tax Credits

- 20% of units at household income under 50% of AMI or 40% of units at household income under 60% of AMI
- Rent restricted to 30% of actual income
- Proportional to qualifying units

3. Property Tax Exemption

- For senior apartments if over 50% of units below 80% AMI
- Applies to entire senior project



Other Considerations

1. Zoning:

- Shag requests 5' increase in height
- Trillium's 600 units may need changes

2. City Revenue

- SHAG: Tax benefits = higher land price
- Trillium: Higher property tax

3. King County Library

4. Future projects



Staff Recommendation

Both developers are highly qualified.

SHAG's experience and concept are more predictable and certain as related to Tukwila Village.

The Council is being asked to forward this item to the June 6, 2011 Regular Meeting to make a formal motion to select Tukwila Village Development Associates, LLC as the preferred developer and to authorize staff to enter into exclusive negotiations with said developer.



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Council Discussion



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