



City Council Meeting

March 14, 2011

Tonight's Agenda

1. Developer selection process

- Methods
- Timeline

2. Selection principles

- Approved by Council 3/7/11
- From 2008 request for qualifications (RFQ)



Developer Selection Methods

1. Qualifications
2. Proposal
3. Qualifications and proposal



Developer Selection Timeline

3/21	Council approves process
3/23	Draft RFQ available to Council
3/30	RFQ issued
4/29	Applications due
5/2-5/13	Public review of applications
5/2-5/17	Administration review
5/24	Council discussion
6/6	Council decision



Proposed Selection Principles

As approved by Council 3/7/11

1. The City still holds the vision for Tukwila Village that was adopted in 2007.
2. The library is still a key component of the vision and the City is committed to reasonable deal terms to include the library at the primary corner (“Site B”).
3. Active living, age restricted apartments (“senior apartments” for 62 and older) are an appropriate type of residential space and can be a major portion, or even all, of the residential space.



TUKWILA VILLAGE

Proposed Selection Principles

As approved by Council 3/7/11

4. Some portion of the apartments (senior or non-senior) can be “affordable”, meaning income restricted to levels of 50%, 60%, and 80% of area median income.
5. If possible, a significant portion of apartments should be “market rate”, meaning not income restricted.
6. A healthcare provider, including a non-profit providing primary and dental care to people regardless of income, can be a positive use for this site.



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Proposed Selection Principles

Excerpted and paraphrased from 2008 request for qualifications (RFQ)

1. The City desires a development that accomplishes the City's vision as adopted by the City Council in 2007.
2. The City prefers to sell all six acres to one developer. However, selling significant portions to separate developers will be considered.
3. This project is located in a designated urban renewal area in which the City has eminent domain authority; however, the City is not seeking to acquire additional property at this time.
4. In addition to the library and neighborhood police resource center, the City is amenable to concepts that include office, live/work, or residential as major components of the development. Apartments will be considered but preference may be given to concepts with ownership housing.



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Proposed Selection Principles

Excerpted and paraphrased from 2008 request for qualifications (RFQ)

5. The City encourages both market rate and mixed-income concepts but is not interested in concepts in which the entire residential component is income restricted unless it is to offer housing for active seniors or artists.
6. The City desires to maximize its financial return while achieving the project vision. We are open to creative approaches such as phasing the construction, phasing financial payments, or retaining an equity position.
7. Improvements are scheduled for South 144th Street in the City's capital improvement plan. If technically feasible, the City is willing to coordinate the timing of those improvements to coincide with the development of the project. The City owns Tukwila International Boulevard and is willing to explore on-street parking or other improvements.

Proposed Selection Principles

Excerpted and paraphrased from 2008 request for qualifications (RFQ)

8. The City plans to own or lease approximately 2,000 square feet of office space in the development for a neighborhood police resource center.
9. We encourage green and environmentally sustainable building practices.



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Staff Recommendation

The Council is being asked to forward this item to the March 21, 2011 Regular Meeting to make a formal motion to approve the developer selection procedure and principles outlined in this report.



Council Discussion



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Citizen Comments



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Extra Slides for Questions



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Vision Statement

Tukwila Village will be a welcoming place where all residents can gather and connect with each other. This mixed-use development will draw upon Tukwila's strengths and include a library, a neighborhood police resource center, retail, restaurants, public meeting space, and an outdoor plaza. The Village may also include office, live/work, and residential space. This active, vibrant place will set high standards for quality and foster additional neighborhood revitalization and civic pride.



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Selection Strategy

Approved by Council 3/7/11

1. City selects a developer by 6/6/2011
2. City's RFQ indicates preference to sell all land to the developer but reserves right to sell the primary corner to the library if a developer deal is not to Library's satisfaction
3. City and Library start negotiating deal terms in:
 - City's agreement with developer
 - City's agreement with Library
4. Selected developer and Library meet to reach a deal
5. If no deal Library/developer deal, City sells land to Library

*Note: #2 and 5 assume
reasonableness and good faith*



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Pros/Cons of Selling All Land to Developer

PROS

1. More integrated site maximizes:
 - Site efficiency (vehicle access, parking, utilities, setbacks)
 - User experience (e.g. plaza design)
 - Cost effectiveness
2. Better or easier project financing (“tell the story”)
3. Possibly faster development
4. Library does not need cash now

CONS

1. Library strongly prefers to purchase/lease from City

Senior Housing Concept

This concept is much more than only senior housing. It is a mix of uses including the library, plaza, retail, coffee shop, restaurant(s), police neighborhood resource center, and office/healthcare, with senior and non-senior apartments.



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Comparison

Use	Units	“Senior”	Tarragon
Library	SF	10,000	10,000
Police	SF	2,000	2,230
Retail	SF	7,500	54,470
Office/Health Center	SF	23,000	0
Outdoor Plaza	SF	20,000	20,000
Indoor Commons	SF	3,000	0
Parking	Spaces	350	541
Senior Apartments	Units	321	0
Non-Senior Apartments	Units	61	298

The “senior” housing concept is an example for discussion purposes only. Apartments could be a mix of income restricted and market rate.



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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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Tarragon's Proposal (2008)



Tarragon's Proposal (2008)



Affordable Housing

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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Contact

For a copy of this presentation, or sign up for the email notification list, email Derek Speck at dspeck@ci.tukwila.wa.us.

For more information on Tukwila Village, visit www.ci.tukwila.wa.us/tukwilavillage.html.



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