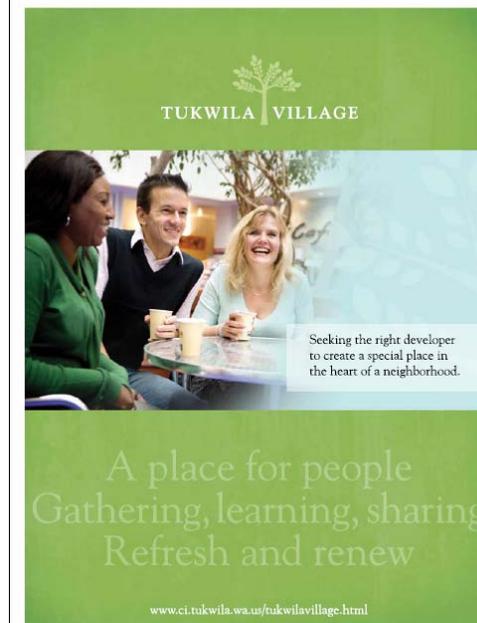




City Council Meeting
April 28, 2008

Tonight's Agenda

1. RFQ process
2. Developer concepts
3. Qualified list
4. Learnings
5. Next steps



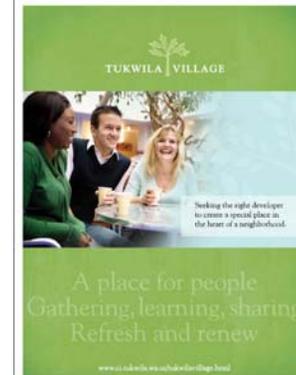
Overall Process

1. Issue request for qualifications (RFQ)
2. Select top 3 developers
3. Issue request for proposals (RFP)
4. Community meeting (late June)
5. Council selection (July)



RFQ Process

1. Issued RFQ 2/29/08
 1. City website
 2. Direct mail to 280 developers and architects
 3. Email to 500 developers and architects
 4. Daily Journal of Commerce
 5. CoStar commercial real estate broker listings
 6. Urban Land Institute website
 7. Other
2. Received applications from 9 developers
3. Staff evaluation determined qualified list



Evaluation Criteria

- Experience
- Financial strength
- Concept



Evaluation Criteria

- Experience
 - Mixed-use projects like Tukwila Village
 - Neighborhoods like ours
 - Quality construction
 - Green and sustainable construction
 - Market knowledge and contacts
 - General development experience



Evaluation Criteria

- Experience
- Financial strength
 - Equity
 - Debt



Evaluation Criteria

- Experience
- Financial strength
- Concept
 - Fits City's vision
 - Long term quality
 - Choice

Vision

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.



TUKWILA VILLAGE

Developers

Firm	National HQ	Local HQ
Alpert International LLLP	Dallas, TX	Mercer Island
Civic Partners	Huntington Beach, CA	None
Essence Company	San Diego, CA	None
Flaherty & Collins	Indianapolis, IN	None
Legacy	Foster City, CA	Mercer Island
Low Income Housing Institute (LIHI)	Seattle, WA	Seattle
Opus Northwest, LLC	Minnetonka, MN	Bellevue
Panattoni	Sacramento, CA	Tukwila
Tarragon	Seattle, WA	Seattle

- Metrovation did not submit
- Urban Partners did not submit

Development Concepts

- Developer A

Retail, office/flex, lodging, educational, artist live/work (affordable), apartments



TUKWILA VILLAGE

Development Concepts

- Developer B

Residential, retail, office



TUKWILA VILLAGE

Development Concepts

- Developer C

Retail, market rate and affordable apartments

-or –

Four floors of apartments over street-level retail



Development Concepts

- Developer D

Multiple buildings up to 190,000 square feet including: farmers market, family/small business incubator, educational space, apartments at 100-140% of area median income (AMI), community service related commercial, restaurants



Development Concepts

- **Developer E**

Develop in phases, starting on southeast corner

Phase 1: Library, PNR, 10,000 square feet retail, 150 apartments (80-120% AMI)

Phase 2: 150 apartments

Phase 3: Northeast corner: office or other

Ownership horizon: typically 7-10 years

No pre-leasing requirement



Development Concepts

- Developer F

Market rate and affordable housing over street-level commercial space on 2 acres on southeast corner. Mix of rental and ownership. Potential artist housing.

No pre-leasing or pre-sales requirement



Development Concepts

- Developer G

Small office and retail spaces, national credit tenant and local retailers, neighborhood professional services.

For rent and for sale residential.

50% pre-sales for condos; some pre-leasing for office and retail



Development Concepts

- Developer H

200,000 square feet of office with some retail (possibly deli or café)

Does not specialize in residential; however, could find a partner

Would phase project (soft office market)

50% pre-leased or pre-sold



Development Concepts

- Developer I

Street level retail with office or residential above, depending on project timing and market

Prefers condo-quality apartments instead of condos

Likely to retain long-term ownership

Pre-leasing or pre-sales to be determined



Qualified List

Firm	Main Uses
Developer D	Apartments, services, restaurants, educational
Developer E	Apartments (first phase) with some affordable, retail
Developer F	Market rate and affordable apartments and condos, some artist housing
Developer G	Apartments and condos, small office and retail, neighborhood professional
Developer H	Large office
Developer I	Office or apartments, retail

- **All include library, plaza and police neighborhood resource center**



Learnings

- All like library & police resource center
- None asked for more money; issue will be land sale price and typical incentives
- Prefer phasing site development
- No condo-led concept
- Implications of office, condo, or apartments
 - Phasing, pre-sales, pre-leasing
- Developer's ownership duration
- Not much depth in “activating the space”
- Affordable housing (artists/teachers/ownership)



Affordable Housing

- As a component of mixed-income
- Incomes already match the neighborhood
- A method for artist, teacher, and workforce housing
- Potential for ownership
- Tax incentives support higher land value
- Downsides can be managed



Affordable Housing

Household Income Limits to Qualify For Tax Credit & Tax Exempt Bond Financing

%of Median Income	Persons Per Household		
	2	3	4
80%	\$49,200	\$55,350	\$61,500
60%	\$39,060	\$43,980	\$48,840
50%	\$32,550	\$36,650	\$40,700

The income limits above are based on Washington State Housing Finance Commission data for King County median household income for 2008 of \$81,400. According to the 2000 Census, Tukwila median household income was approximately 76% of the King County median income. According to the 2007-2008 statewide salary schedule, a school teacher with a bachelor's degree starts out at a salary of \$32,746.



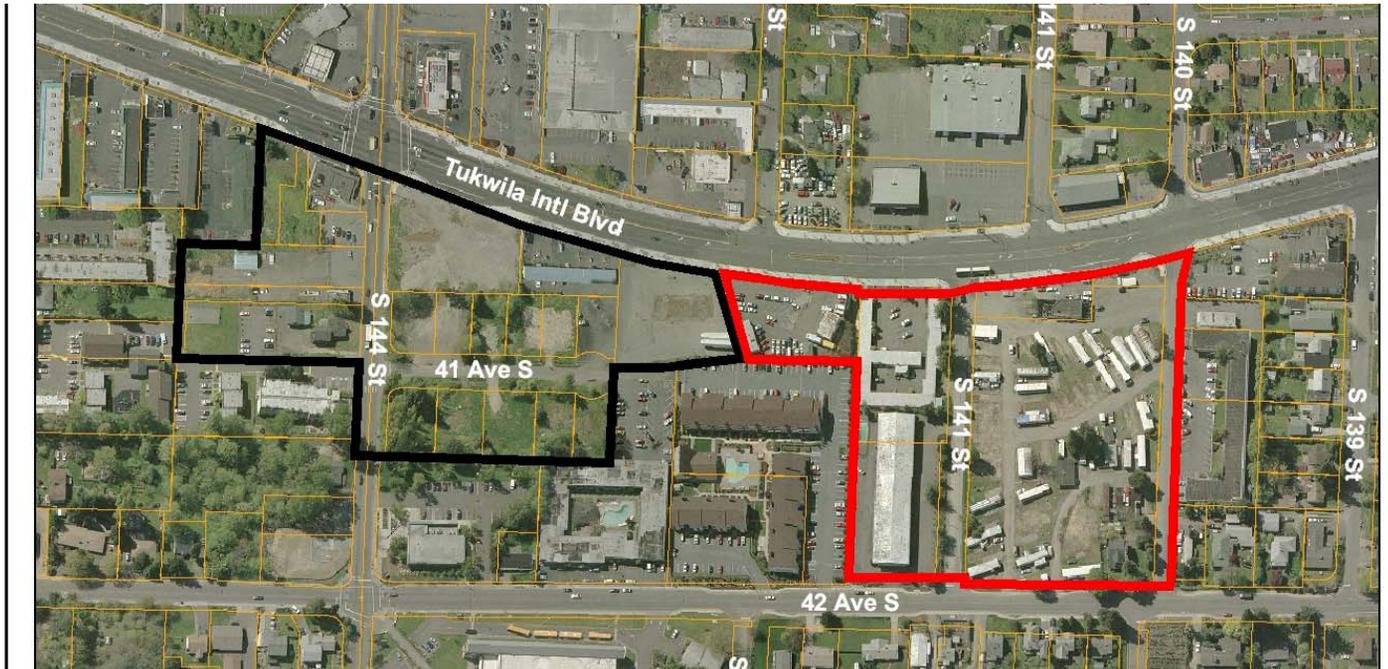
Next Steps



1. Administration selects three most qualified developers (by 5/1)
2. Council considers RFP (5/5 and 5/12)
3. RFP responses due mid-June
4. Community presentations (6/25 or 6/26)
5. Council selects developer (July)



Site Aerial



TUKWILA VILLAGE

Contact

For a copy of this presentation, 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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