

09/09/98
rfpord-2

Introduced By: CYNTHIA SULLIVAN

Clerk 11/19/98

Proposed No.: 98-708

ORDINANCE NO. **13382**

AN ORDINANCE authorizing the sale of one parcel of tax title property, located in Council District 10, for affordable housing purposes.

STATEMENT OF FACTS:

1. The subject property is located in the central area of Seattle, in Council District 10.
2. The subject property is held in trust by King County as tax title property and is considered surplus to the needs of the county.
3. Notices were sent to county departments and no other department expressed a need for the property for essential government services.
4. The subject property meets the basic affordable housing criteria of Ordinance 12394.
5. Ordinance 12394, Section 4, allows King County to negotiate a direct sale with a developer of affordable housing provided that the developer has been selected through a request for proposals.
6. In January 1998, a request for proposals was issued to sell eight parcels of surplus property. A number of proposals were received and have been processed for sale.

1 7. The surplus property review committee reviewed each of the proposals for
2 the subject property and made recommendations to the King County executive
3 for approval of the proposal deemed to be in the best interests of King County.

4 BE IT ORDAINED BY THE COUNCIL OF KING COUNTY:

5 SECTION 1. The King County executive is hereby authorized to execute the
6 necessary documents to sell the following described property for development of affordable
7 housing.

8 SECTION 2. A deed restriction or other covenant will be recorded to assure that the
9 affordability goals identified in the proposal is achieved. The proposal provides for housing
10 to households at or below eighty percent of median income.

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LEGAL DESCRIPTION

SALES PRICE

Lot 4, Block 3, Flints Addition, as recorded in Volume 9
of Plats, page 51, records of King County, Washington.
(Abrahams Architects/Tangent)

\$9,000

INTRODUCED AND READ for the first time this 30th day of
November, 1998

PASSED by a vote of 12 to 0 this 18th day of December, 1998

KING COUNTY COUNCIL
KING COUNTY, WASHINGTON

Louise Miller
Chair

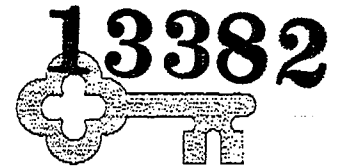
ATTEST:

Annunzio
Clerk of the Council

APPROVED this 21 day of December 1998

Goldman
King County Executive

Attachments: A - Description of Property



Luis F. Lopron
Relationship Associate & Officer

KeyBank National Association
Community Development
Mailcode: WA-31-10-5380
700 5th Avenue 53rd fl.
P.O. Box 90
Seattle, WA 98111-0090

Tel: (206) 684-6311
Fax: (206) 684-6299

February 11, 1998

Betsy Czark
King County
Community Services Division
Department of Community and Human Services
Key Tower
700 5th Avenue Suite 3700
Seattle, WA 98104

Re: Flint's Addition Block 3, Lot 4 Parcel #257240-0180

On February 9, 1997 I was approach by Robin Abrahams of Abrahams Architects and Anne Van Dyne of Tangent. We discussed the possibility of KeyBank participation on the Flint's Addition project. KeyBank did not received a loan request package at the time and was unable to make a commitment; however the possibility of our participation was discussed if a loan request is received and it meets with KeyBank National Association guidelines. The following was discussed:

Credit Facility: \$200,000.00

Purpose: To finance the possible construction and predevelopment of the project.

Term/Maturity: A 20 year amortization/term was suggested and again depending if the loan request is received and it meets KeyBank NA guidelines.

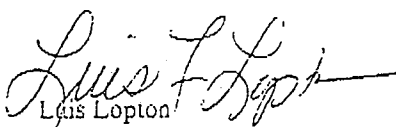
Interest: It was suggested that a CIP rate is used, once the project is completed.

Loan Fee: Was not discussed, however it is customary to have a loan fee between 1% and 2%

We also discussed the possibility of submitting an application for the FHLB Seattle AHP program, which would reduced the principal costs on the property and therefore allowing for the rents to be more affordable.

Please feel free to give me a call at (206) 684-6337.

Sincerely,


Luis Lopron
Community Development Department

ABRAHAMS ARCHITECTS + TANGENT
303 E. Pine Street, Seattle, WA 98122
206-382-7288

13382
RECEIVED
BY:

MAY 20 1998

PROPERTY SERVICES
PERMIT SECTION

May 20, 1998

Carol Thompson
King County Property Services Division
Room 500 K.C. Admin Bldg.
500 Fourth Avenue
Seattle, WA 98104

RECEIVED

JUN 11 1998

RE: King County Surplus Property RFP - Flint's Addition

Dear Carol Thompson,

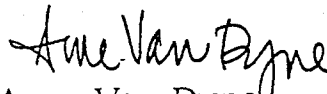
Thank you for asking us to resubmit our proposal. We have revised our financial analysis to meet Homesight's price guidelines.

Although we believe that mother-in-law rental units can be an ideal method to both increase the supply of affordable housing and to assist homebuyers with their mortgage payment, we have discussed the matter with Tom Jacobi of Homesight and have concluded that a rental unit would not be advisable for the financing available. We would like to propose building three townhouse units on this parcel.

Thank you for your consideration.



Robin Abrahams
Owner, Abrahams Architects



Anne Van Dyne
Owner, TANGENT

13382

Attachment A

Property	Tax ID #	Size	Jurisdiction	Zoning	Owner	Est Units
Flint's Addition	257240-0180	3000 s.f.	Seattle	L3	Property Services - Tax Title	2

Approximate Location - E. Fir St. & 15th Ave., Seattle

This property was acquired through tax foreclosure in 1995 for delinquent real property taxes. The property at one time had a home on it which was torn down after Seattle declared it uninhabitable.

The property is a good candidate for housing because it is a level, narrow lot measuring 30' x 100' with good access.

All utilities are available to the site. The site is zoned L-3, Multifamily - Lowrise 3.

Back Taxes	-	-	\$ 1,383.78
Abatement Charges	-	-	\$ 7,151.98
Total Charges	-	-	\$ 8,535.76

Administrative Costs	-	-	\$ 460.00
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MINIMUM SALES PRICE - \$ 8,995.76 or \$ 9,000.00

Attachments: Assessor's Map
Vicinity Map
Zoning Map

13382

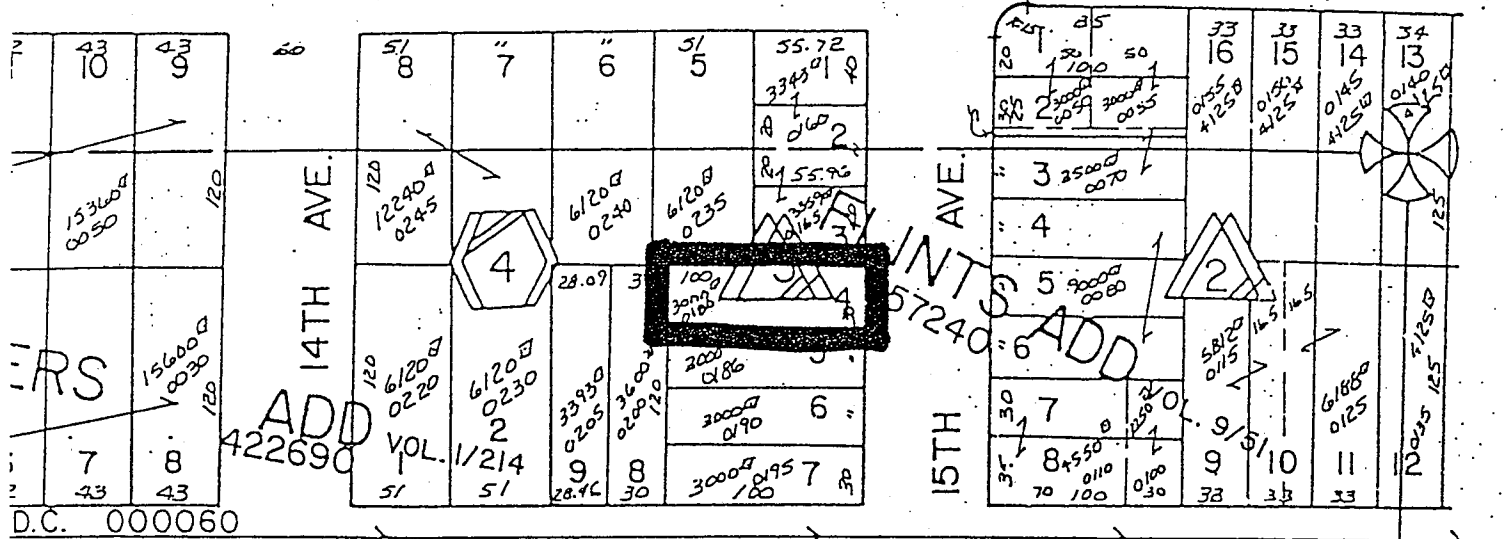
SEA TILE 89

NE

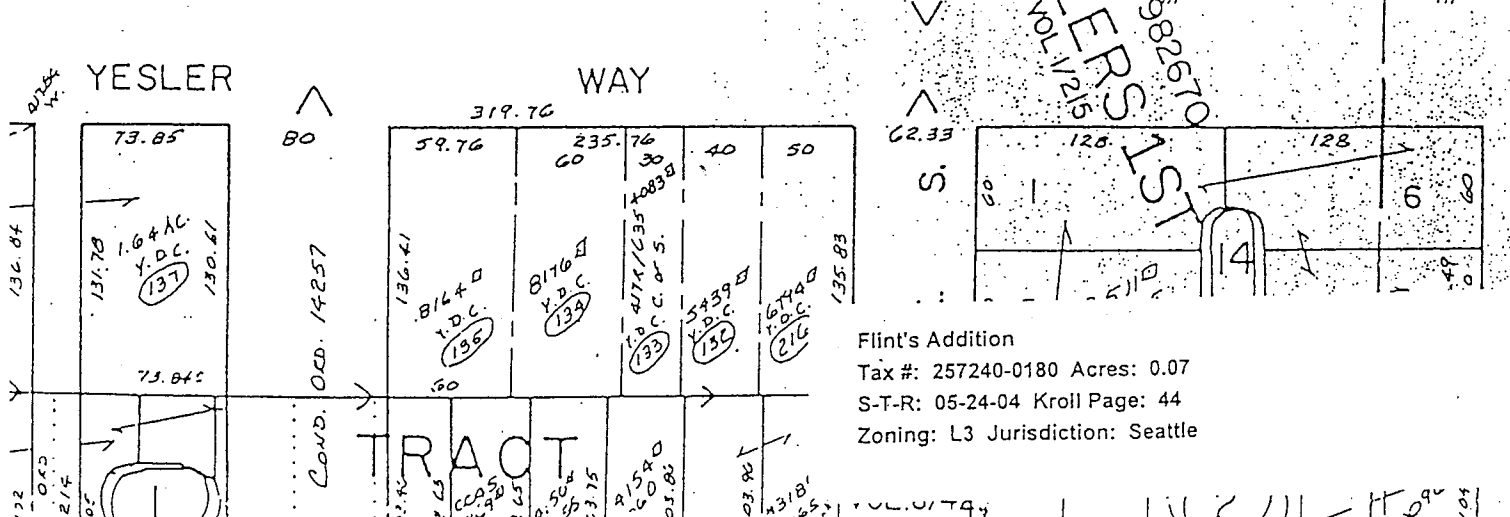
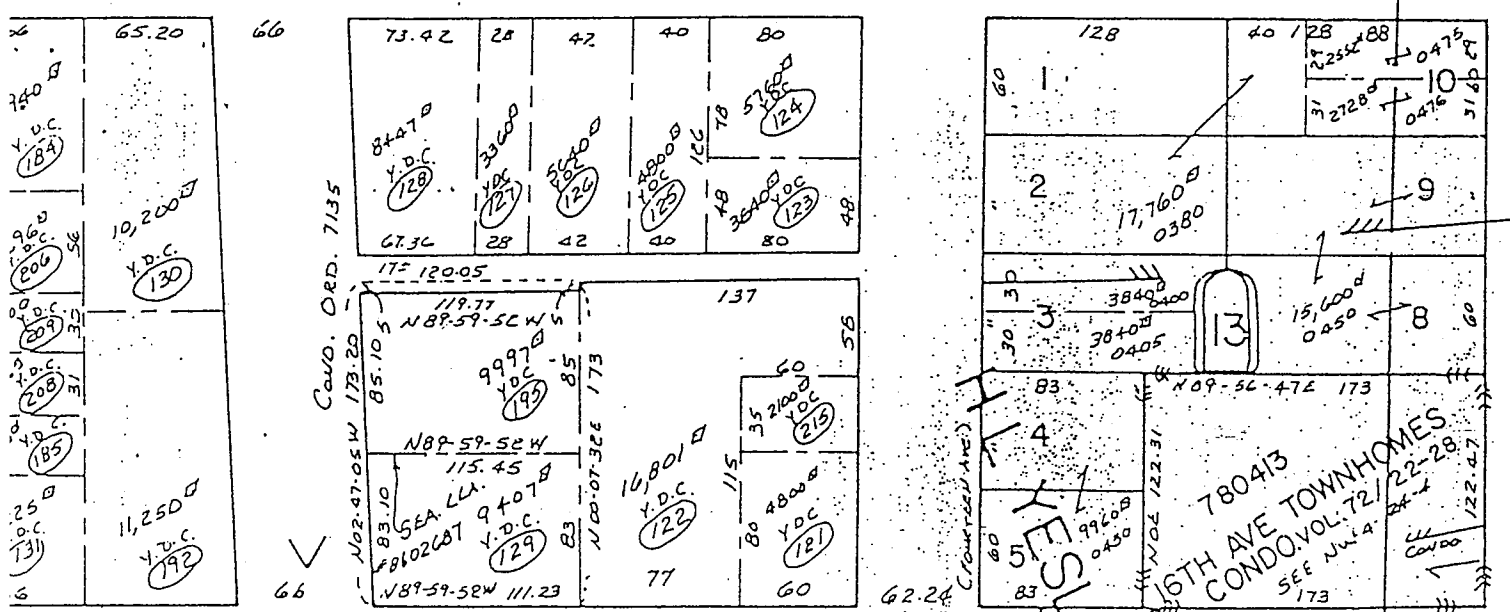
5-24-4

MAP REV. 4-20-95

SCALE: 1"=100'



D.C. 000060 000760 E. FIR ST. 66



Flint's Addition
 Tax #: 257240-0180 Acres: 0.07
 S-T-R: 05-24-04 Kroil Page: 44
 Zoning: L3 Jurisdiction: Seattle

13382

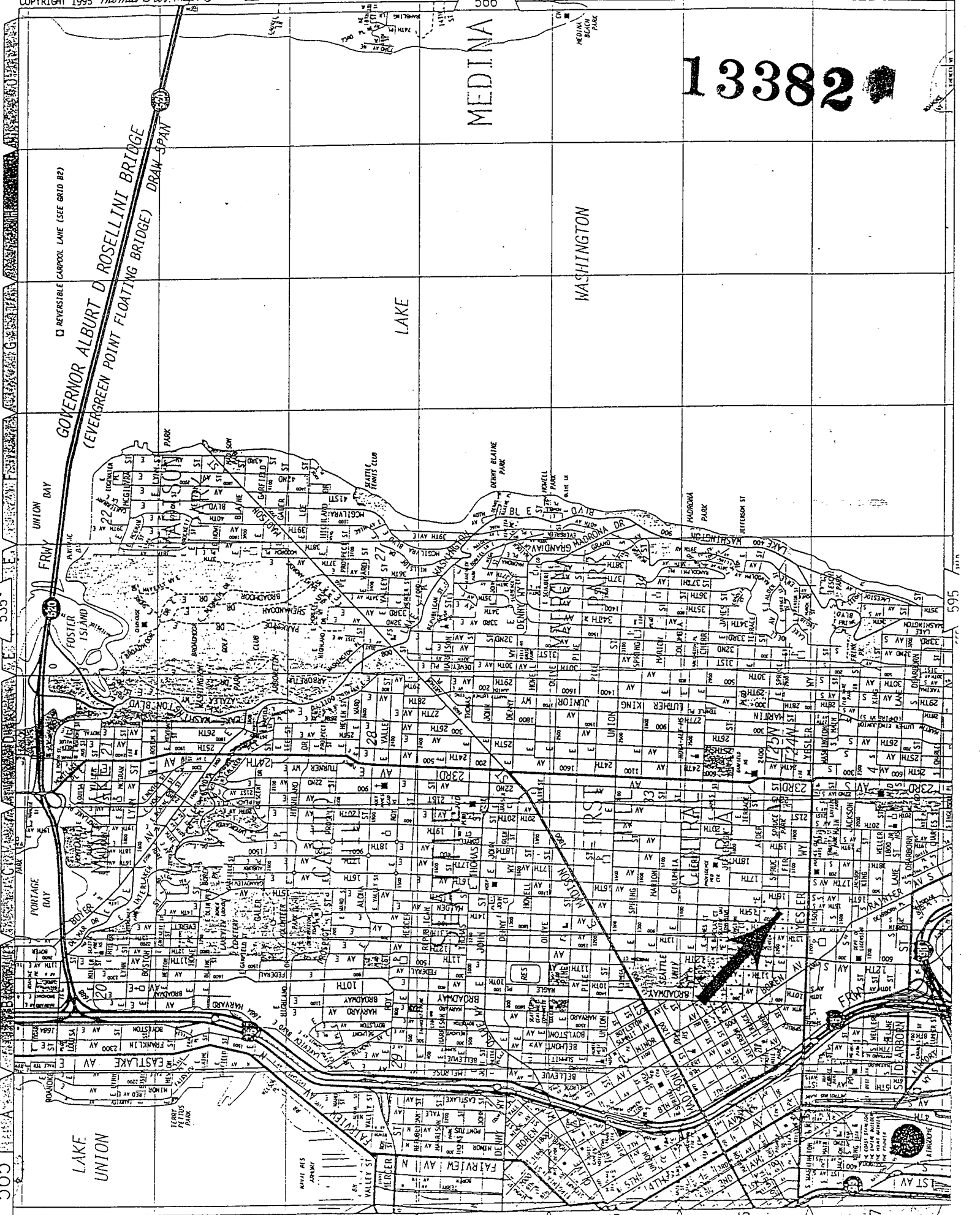
MEDINA

WASHINGTON

LAKE

GOVERNOR ALBERT D. ROSELLINI BRIDGE
(EVERGREEN POINT FLOATING BRIDGE) DRAW SPAN

REVERSIBLE CARPOOL LANE (SEE GRID B2)



535

595

606

666

ABRAHAMS ARCHITECTS/TANGENT

303 East Pine Street

Seattle, WA 98122

206/382-7288

13382

February 13, 1998

King County
Housing and Community Development
Key Tower, 700 5th Avenue, Suite 3700
Seattle, WA 98104
attn: Betsy Czark, Housing Planner

Selection Committee:

Abrahams Architects/Tangent is pleased to submit this proposal to develop affordable housing on the **Flint's Addition** parcel (@ East Fir Street & 15th Avenue) and the **Hillman City Addition #2** parcel (@ South Findlay Street & Renton Avenue South).

The proposal is organized in the following manner:

1. Project Description
2. Purchase Offer
3. Development Budget
4. Team Members Experience & Qualifications
5. Schematic Site Plan

Thank you for your consideration and we look forward to your response.

Sincerely,


Robin Abrahams
Owner, Abrahams Architects


Anne Van Dyne
Owner, Tangent

FLINT'S ADDITION

Section 1 -- PROJECT DESCRIPTION

This project proposes to develop three housing units, all on a homeownership basis affordable to households at or below 80% median income. The lot can be utilized to provide two single-family, detached fee simple houses with three bedrooms and two baths each. The house to the rear has a one bedroom accessory dwelling unit which could be either sold independently as a condominium, or could be an income generating feature for the homeowner.

This development is possible using the existing Lowrise 3 zoning and observing all existing development standards of setbacks, heights, lot coverage. No design departures will be sought. The project will fit into the existing neighborhood in its architectural style, massing and use. Although the configuration of the houses is limited by the size of the lot, each house will be light and airy with a pleasant territorial view, including downtown Seattle. The exterior architectural detailing will be thoughtful and clever, and the interior will be comfy and colorful.

Funding sources for the project will be conventional financing, privately obtained by the developers. We will apply for a \$15,000 to \$20,000 grant from the Affordable Housing Program funded by the Federal Home Loan Bank. Financial feasibility of the project does not depend on this grant. If the grant application is successful, the funds will be passed on to the homebuyers. We will develop a marketing plan to target the the housing to Homesight's qualified buyers who would receive down payment assistance from the City of Seattle. This assistance, which can be up to \$25,000 with a 15 year deed restriction would be a primary instrument for insuring long-term affordability.

The development timeline can be achieved within two years. Pre-development work including survey, soils analysis, architecture and engineering can be completed in six months following executing the contract for property selection, approximately 11/98. The building permit process, including short plat typically takes 6 to 10 months, with construction taking 6 to 7 months. Thus, the project could be completed by 11/99 or 12/99.

Section 2 -- PURCHASE OFFER

As this is a tax title property, we propose the minimum purchase price of back taxes, administrative fees, and abatement charges of \$9,000. As the proposed project is the development of three housing units, all of which will be affordable to households of 80% median income or below, this offer satisfies the minimum price requirement.

Funding sources for the acquisition of the property and the construction financing will be conventional loans obtained by the developers. A small grant (\$15,000 to \$20,000) from the Federal Home Loan Bank's Affordable Housing Program will be sought to lower the housing costs to the homebuyers. The grant is not included in the financial feasibility assessment of the project. It is the intention of the developers that the homebuyers be qualified through the Homesight program for the City of Seattle's down payment assistance. The deed restriction of the City's assistance program would be an instrument for long-term affordability.

13382

KING COUNTY SURPLUS PROPERTIES

SITE: Flint's Addition Parcel

				PER UNIT COSTS		
				Townhouse A	Townhouse B	Townhouse C
			TOTAL PROJECT COSTS			
ACQUISITION						
	Purchase Price		\$9,000	\$3,000	\$3,000	\$3,000
	Closing & Recording Costs		\$1,500	\$500	\$500	\$500
		sub-total	\$10,500	\$3,500	\$3,500	\$3,500
PRE-DEVELOPMENT COSTS						
	Appraisal		\$500	\$150	\$150	\$150
	Architect/Engineer		\$12,000	\$4,000	\$4,000	\$4,000
	Survey/Soils Survey/Engineering		\$3,000	\$1,000	\$1,000	\$1,000
	Legal		\$500	\$150	\$150	\$150
	Other: HazMat Survey		\$1,000	\$350	\$350	\$350
		sub-total	\$16,950	\$5,650	\$5,650	\$5,650
CONSTRUCTION						
	New Construction		\$225,000	\$75,000	\$75,000	\$75,000
	Contingency (5%)		\$12,000	\$4,000	\$4,000	\$4,000
	Project Management (4%)		\$9,450	\$3,150	\$3,150	\$3,150
	Permits & Fees: Building Permit		\$4,500	\$1,500	\$1,500	\$1,500
	Utilities		\$6,000	\$2,000	\$2,000	\$2,000
	Builder's Fee (7%)		\$15,750	\$5,250	\$5,250	\$5,250
	Sales Tax (8.6%)		\$22,500	\$7,500	\$7,500	\$7,500
		sub-total	\$295,200	\$98,400	\$98,400	\$98,400
DEVELOPMENT COSTS						
	Site Improvements		\$21,000	\$6,800	\$6,800	\$6,800
	Condo Development		\$3,000	\$1,000	\$1,000	\$1,000
	Real Estate Tax		\$1,500	\$500	\$500	\$500
	Insurance		\$1,500	\$500	\$500	\$500
	Developer Fee (7%)		\$21,000	\$7,000	\$7,000	\$7,000
	Technical Assistance (2%)		\$6,000	\$2,000	\$2,000	\$2,000
	Loan Fee		\$1,950	\$650	\$650	\$650
	Holding Costs		\$9,000	\$3,000	\$3,000	\$3,000
	Operational Overhead (6%)		\$18,000	\$6,000	\$6,000	\$6,000
		sub-total	\$82,350	\$27,450	\$27,450	\$27,450
		TOTAL	\$405,000	\$135,000	\$135,000	\$135,000
SALES						
	Townhouse A		\$135,500			
	Townhouse B		\$135,000			
	Townhouse C		\$135,000			
		TOTAL	\$405,500			
		NET GAIN	\$500			

Section 4 --- EXPERIENCE & QUALIFICATIONS

The Architects: The office of Abrahams Architects + Tangent is located in the urban, vital and artistic Capitol Hill neighborhood of Pike-Pine. Our office is non-formal and dedicated to work. We like being close to downtown and in a storefront space. The huge windows and glass doors that open up our work space to the street has been an inspiration in our architectural design work. As architects, we are generalists. Our projects span between the public and private sectors. Representative work includes numerous projects by Tangent for affordable and low income families. Abrahams Architects/Tangent have produced a variety of projects similar to this proposal for the Flint Addition site.

- **HOMESIGHT HOMES** Affordable single family homes in Seattle's Central Area; this project sites two adjacent streetfront houses.
- **MADISON QUALITY HOMES** Attached townhouses in Seattle's Central Area; this project sites four units on an L3 zoned infill urban lot.
- **EASTLAKE TOWNHOUSES** Attached townhouses in Seattle's Eastlake neighborhood; this project sites four units on an L3 zoned infill urban lot.
- **ARBORETUM RESIDENCES** Four new shingle style homes set adjacent of the Arboretum.
- **RAVENNA HOUSE** Two new houses with designs based on the style of traditional Seattle Bungalows. Each a comfortable fit with its surrounding neighbors.
- **RAVENNA HOUSES** (under construction) Three new adjacent single family houses, each based on a variation of Bungalow styling.
- **PIKE STREET CORNER BUILDING** (under construction) New five story mixed use loft structure; this larger scale project incorporates the building's original brick storefront.

Recent projects produced by the firms have been recognized by magazines and professional organizations:

- **McCARTHY RESIDENCE** AIA Home of the Month 1994/Seattle Times 1994
- **CUMMINS RESIDENCE** AIA Home of the Month 1997/Seattle Times 1994/1998
Better Homes & Gardens Magazine 1997

The Contractor: Caledonia Bay Builders has over ten years experience as a medium size construction company with an expertise in Residential work. The company splits their work between custom projects and spec development. The company's owner, and project contact, Toby Taylor, employs 2 job superintendents, 3 carpenters and 3 apprentices. Caledonia Bay Builders is exactly the size and type of construction company Abrahams Architects/Tangent prefer; their attention to schedule/detail and cost sensitivity is critical to any housing project, especially an affordable one. Caledonia Bay Builders is currently developing 14 lots in Lake Tapps; two houses are under construction and 3 have been pre-sold. The company is scheduled to develop an additional 8 lots in Puyallup in the coming year. The team of Abrahams Architects/Tangent and Caledonia Bay Builders are currently completing the construction of a custom single family residential project in Seattle.

The Owner: Well versed in urban sites, Robin Abrahams, owner of Abrahams Architects, holds two renovated properties in Seattle. She is the owner of a site on Bainbridge Island. Short platting is currently underway on this island site; Abrahams Architects is developing two residential structures and renovating another on this parcel.

Financial assets and liabilities include:

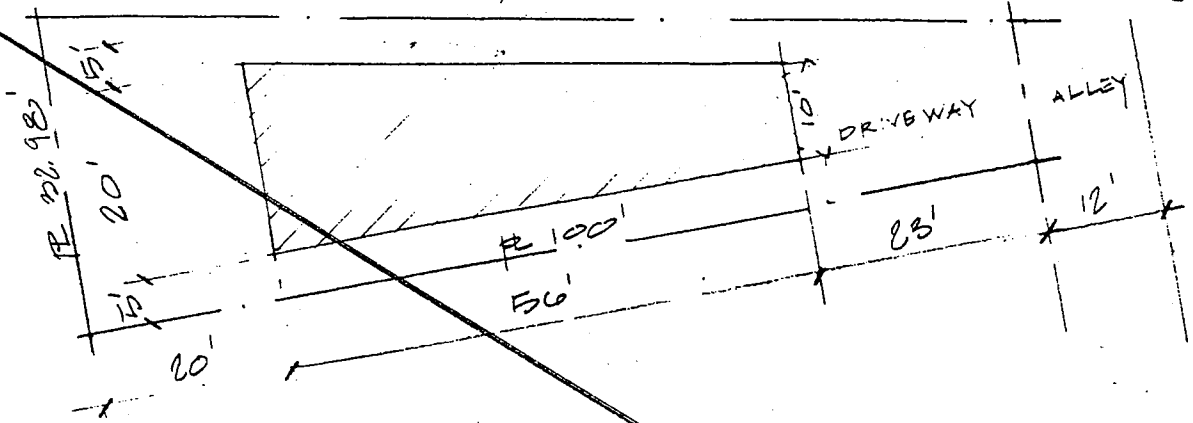
	ASSETS	LIABILITIES
Cash	\$60,000.	
Stock Investments	\$100,000.	
Real Estate	\$900,000.	\$400,000.

Robin Abrahams will secure conventional construction loans for these projects.

HOBLEY ST. S.

13382

REHTON AVE S.

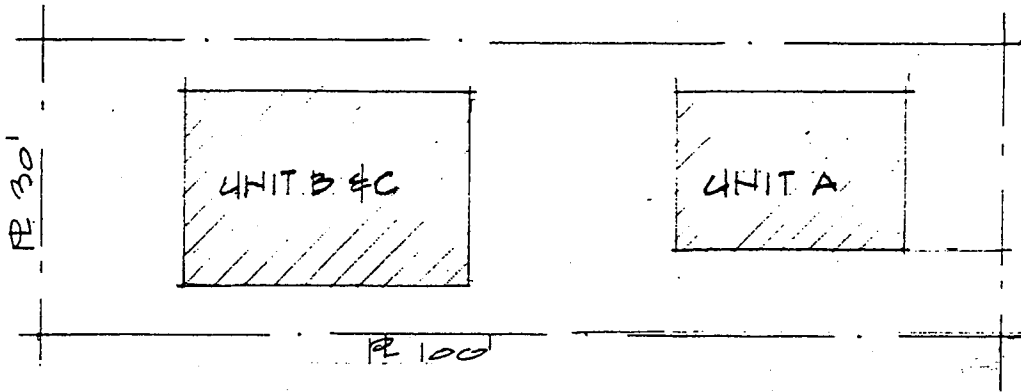


SCHEMATIC SITE PLAN

SCALE: 1:80

HILLMAN CITY ADDITION

NORTH



SCHEMATIC SITE PLAN

SCALE: 1:80

FLINT'S ADDITION

NORTH

15TH AVENUE

ABRAHAM ARCHITECTS

303 EAST PINE / SEATTLE, WA 98102 / 206.441.5775



KING COUNTY SURPLUS PROPERTY
SCHEMATIC SITE PLANS