

***Rainier Valley
Homeownership Project***
Seeking public comment on M2021-08

2/4/21



Why we are here

- This hearing is being held to notify the public and receive comment on Sound Transit's plans to convey surplus real property at no cost to the City of Seattle for the development of affordable housing, pursuant to RCW 39.33.020.

Program context

Statute on surplus property

80

≥80% of suitable property must be first offered for affordable housing creation

80

≥80% of created units must be affordable

80

Units must serve those earning ≤80% of area median income

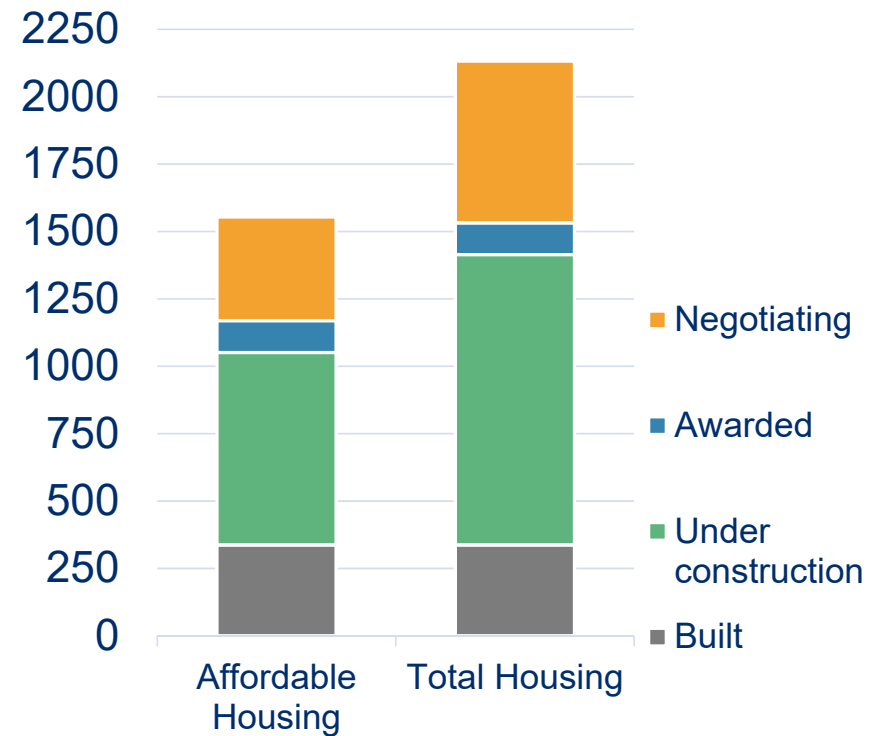
TOD Program highlights

2,100  Homes built or in process

\$1.1
BILLION  Total public and private investment in projects built or in process

\$ 63
MILLION  Total revenue for transit from projects built or in process

Forecasted housing production on Sound Transit property*



***M2021-08: Rainier Valley
affordable housing sites key
business terms***

TOD sites

10 sites

- Sites are 2,300-14,000 square feet; fenced and vacant
- Near Othello, Columbia City and Mt. Baker light rail stations
- Smaller sites can accommodate 2 homes; larger up to 40 homes
- Most sites were federally funded



Project background

Key milestones

- Summer 2019: Extensive equitable engagement effort
- Sept. 2020: FTA approved disposition method that allows for federal interest to be extinguished with transfer to City of Seattle for affordable housing
- Oct. 2020: Board authorized staff to negotiate the terms of a no cost transfer to City of Seattle for affordable housing



Action 1: Key business terms

Category	Agreement
Sale price	Transfer at no cost; City will pay closing costs, transfer taxes, recording fees, and title insurance premiums.
Affordable housing	<ul style="list-style-type: none">• 100% of housing units will be sold or rented to households whose adjusted income is at or below 80% AMI• At least 100-150 homes or units will be created across the sites.• Sites will be restricted to use as affordable housing for a term of 50 years.• Groundfloor community or nonprofit space permitted where required by local zoning code. Other groundfloor uses may be allowed on a case by case basis.

Action 1: Key business terms, ctd.

Category	Agreement
Sustainability	<ul style="list-style-type: none">• Evergreen Sustainable Development Standard v3.0.1• LEED Mid-rise v4 or LEED Residential v4.1 Gold level• Or approved equivalent
FTA Approval	<ul style="list-style-type: none">• The parties agree to comply with the FTA letter of approval and to cooperate with any requests for information by FTA in connection with FTA's approval of the transfer and monitoring for compliance.

Action 1: Key business terms, ctd.

Category	Agreement
Community engagement	Seattle Office of Housing will: <ul style="list-style-type: none">• Affirmatively engage developers and homebuyer readiness organizations led by/serving people of color• Make good faith effort to achieve community goals identified in equitable engagement effort
Development timeline	<ul style="list-style-type: none">• Issue request for proposals on all 10 sites within 10 years• Issue request for proposals on first 3 sites within 180 days of property transfer
Funding commitment	<ul style="list-style-type: none">• OH will make \$10 million in funding available to develop affordable housing on the sites

Action 2: Delegation of authority to CEO

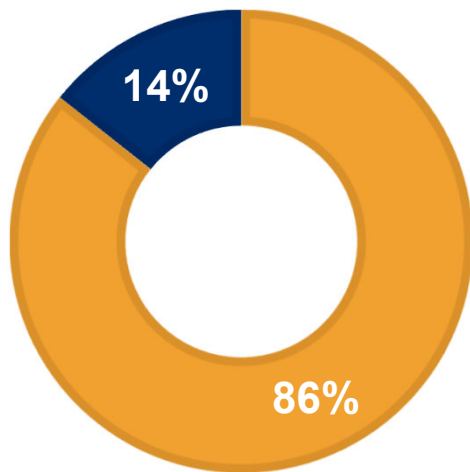
Action would authorize CEO to:

- Execute Property Transfer Agreement and related documents
- Approve any amendments as necessary
- All subject to Board-approved key business terms



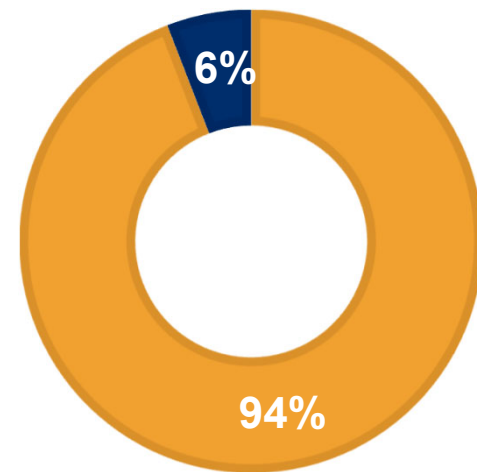
Tracking the 80/20 split for offerings

SINCE STATUTE ENACTED



- Affordable Housing (6)
- Open Market (1)

+10 RAINIER VALLEY SITES



- Affordable Housing (16)
- Open Market (1)

Thank you.



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