King County

Housing Finance Program

2020 Capital Funding for Affordable Housing Projects

PROJECT REVIEW MEMO

I. OVERVIEW

1A. PROJECT INFO

Sponsor/owner..... **Seattle Chinatown International District Preservation and Development Authority (SCIDpda)**

Development consultant..... **Edge Developers**

Project name..... **North Lot – Building A**

Project location..... **Seattle, WA**

Project type..... ☒ **Rental** ☒**TOD** ☐ **PSH** ☐**HO** ☐ **DPA**

Project activity..... ☒ **New Construction** ☐ **Rehabilitation** ☒ **Acquisition**

Brief description

This is new construction of 160 units of affordable multi-family housing in Seattle. The site is vacant land, adjacent to the Pacific Medical Tower.

1B. PROJECT COST

Total development cost (TDC)..... **$93,862,074**

Total residential development cost..... **$76,004,939**

Cost per residential unit/ per square foot ..... **$475,030 / $456**

Total non-residential development cost..... **$17,857,135**

1C. KING COUNTY REQUEST

King County Funds requested..... **$1,000,000**

% of TDC/ Cost per unit ..... **1%/ $6,250/ unit**

KC Loan term/ interest rate ..... **50 years/ 1% simple interest hard pay**

Project applied for funding in prior rounds..... ☒ **YES** ☐ **NO**

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Project previously awarded KC funds..... **$3,000,000 for original acquisition**

Does request deviate from HFP guidelines.....☐ **YES** ☒ **NO**

II. PROJECT DESCRIPTION

2A. HOUSING MODEL

of residential units/ managers/ total units..... **159 residential, 1 CAU, 160 total units**

Project total square feet / # of floors..... **201,159 sf / 7 floors (5 over 2)**

Project residential sf/commercial sf ..... **166,435 sf/ 34,724sf**

Unit distribution - Income & AMI

Unit/Income	30% AMI	40% AMI	50% AMI	60% AMI	80% AMI	**Total**	Mgr/ CAU
Studio			21	9		30	
1 Bedroom			32	13		45	1
2 Bedroom			36	15		51	
3 Bedroom			20	9		29	
4 Bedroom			3	1		4	
Total			112	47		159	1

Average unit sizes ..... Studio 464sf, 1B 578sf, 2B 810sf, 3B 1,013sf, 4B 1,255sf

Other type of unit. ..... Building A will include 9 ADA units.

Target population

Project intends to serve working families, and larger size families including intergenerational families in around the communities of Beacon Hill and the CID that are at highest risk of displacement. Household sizes will range from a minimum of one individual in a studio unit, to eight or more individuals in a 4-bedroom unit.

2B. CONSTRUCTION TYPE, SITE, & LOCALITY CHARACTERISTICS

Construction type..... ☒ **Wood Frame** ☐ **Steel Construction** ☐ **Combo**

Construction begins/ Construction period..... **6/15/2021/ 20 months**

Evergreen Sustainable Design Std. (ESDS) Score..... 68

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Project intends to meet higher energy standards (Net-Zero, Passive House, etc.) or include energy efficient systems (solar panels, water systems, etc.)?..... ☒ **YES** ☐ **NO**

Development Processes

Is zoning compatible?.....☒ **YES** ☐ **NO**

Site is zoned CI-75, CI-95.

Challenges in development of the site?..... ☒ **YES** ☐ **NO**

The project is located next to the Pacific Tower which is listed in the National Register of Historic Places and is designated as a landmark building by the City of Seattle. The project will have to comply with prescribed historic standards which includes placement of the building to protect view corridors of the existing tower and will recommend the use of exterior siding materials according to fit with the current building. The site is situated on a triangular parcel that slopes dramatically in several places to the north, so this presents challenges with placement of the two proposed buildings as well as construction when dealing with the elevation changes. The amount of required site work for this site is unusually high, even for Seattle as it is a 3-acre parcel and not an urban infill project. It's more akin to a campus development that might be found in less densely populated areas.

Neighborhood

Describe the neighborhood.....☒ **Single Family** ☒**Multifamily** ☒**Commercial** ☐**Mixed-use**

The project site is located at the intersection of the Chinatown International District (CID) and Beacon Hill. Communities within these two neighborhoods are traditionally underserved communities of color, immigrants, and refugees. The site is located near multiple grocery stores, services, and modes of public transportation.

Transit Oriented Development Eligible project?..... ☒ **YES** ☐ **NO**

- ○ ½ mile to high capacity transit?..... ☒ **YES** ☐ **NO**
- ○ Multi-modal?..... ☒ **YES** ☐ **NO**
- ○ Walk/transit score..... **73/ 94**
- ○ Close proximity to community resources and/or services? ☒ **YES** ☐ **NO**

The project site is located near light rail, streetcar, and bus transit stops.

Nonresidential

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Proposed commercial spaces?..... ☒ **YES** ☐ **NO**

Building A will include an early childhood education center, serviced by El Centro De La Raza. Building A will also include a Program of All-Inclusive Care for the Elderly (PACE) a program that provides care to nursing home eligible seniors with the goal of allowing people to age in place in their communities. PACE will be operated by a partnership between International Community Health Services (ICHS) and Kin On, who have formed the entity called Aging in PACE (AiPACE).

The 24,555 square foot space for the PACE facility will be a condominium separate from the affordable housing project. SCIDpda and AiPACE have executed a Memorandum of Agreement (MOA) that outlines general terms of the condominium agreement. SCIDpda will develop the core and shell of the facility, condo the space (including parking spaces required for licensing), and then sell the property to AiPACE for an amount that will be negotiated. The MOA has been included in the application.

The 10,169 square foot childcare space will remain under the ownership of the tax credit entity. El Centro will lease the space for at least 20 years per funding requirements from the City of Seattle's Childcare Bonus Program.

Parking requirements?..... ☐ **YES** ☒ **NO**

0 residential parking stalls and 25 commercial parking stalls are required. The project is proposing 53 residential parking stalls and 25 commercial parking stalls. The additional residential stalls are provided for the convenience of those with disabilities and larger families.

The North Lot will have two separate daylight parking garages under each building with a total of 53 stalls for residential usage that will help meet the needs of the families and alleviate neighborhood concerns about the lack of parking in the area. Twelve parking stalls will be reserved for the PACE and the early childhood education facilities, as required by State licensing regulations. SCIDpda is also trying to engage with the Department of Commerce to share the use of their existing leased 226 stall parking garage on the adjacent site, especially in the evenings and weekend hours.

Environmental

Environmental/site concerns

The Phase I ESA was completed on 9/5/2019, with an updated letter dated 8/10/2020. A Phase II study is not recommended.

Proposed feasible mitigation measures (in budget) to address issues? ..... ☐ **YES** ☐ **NO** ☒ **N/A**

No environmental issues were identified in Phase I.

Development Incentives & Restrictions

Development incentive programs in project location?..... ☐ **YES** ☒ **NO**

No incentives.

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Restrictions in development?..... ☒ **YES** ☐ **NO**

The project will consist of two separate buildings, which will be oriented to maximize light into the site while also acknowledging the Property Use and Development Agreement (PUDA).

Per historic preservation standards and feedback from early design guidance, the building heights will not block the iconic Pacific Tower. The buildings will be designed not to distract from the Tower in height or in material selection. Project plans preserve views of the tower and the landmarked fence and trees.

No further actions for historical preservation are necessary to complete the review of the supply shed currently on the site. The shed will, however, be studied for hazardous materials before demolition to determine the appropriate abatement protocols during demolition.

In 2016, PHPDA (current owners) and the King County DCHS executed an affordable housing covenant that requires 50 years of affordability (ending on 12/31/70) for the greater of 100 units or 50% of units built on the site at or below 80% AMI with rents capped at 30% of monthly income.

2C. ROLES & RESPONSIBILITIES

Project development consultant? .....☒ **YES** ☐ **NO**

Edge is the development consultant for this project. The project will be owned and managed by SCIDpda to ensure that the public benefits remain within a public entity. Edge will ensure that SCIDpda has the resources it needs to successfully navigate the financing and project management required to make this project a reality.

General contractor selection process

Marpac was selected by SCIDpda through a competitive RFQ process. In April of 2019, SCIDpda released an RFQ for Construction and Pre-Construction Services. The organization actively sent the request to four general contractors that are known to construct mixed-use and residential buildings in the Seattle area at the scale of the proposed project. Of the four, only Marpac responded to the request and submitted a Statement of Qualifications. The other three firms declined to submit because they were at capacity with active projects in their pipelines. SCIDpda conducted an interview and selected Marpac to ensure that the project's predevelopment activities could move forward and allow SCIDpda to submit a comprehensive NOFA application in 2020.

Who will manage construction?

Edge will manage construction.

III. FINANCING & MARKET ANALYSIS

3A. SOURCES & USES

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Permanent Residential Sources of funding

Source	Proposed Amount	Committed Amount	TOTAL
King County	$1,000,000	$0	$1,000,000
Permanent Loan	$19,200,000	$0	$19,200,000
State Housing Trust Fund	$3,000,000	$9,000,000	$12,000,000
City	$0	$14,000,000	$14,000,000
Seattle City Light	$560,000	$0	$560,000
4% Equity	$24,502,264	$0	$24,502,264
Deferred Developer Fee	$0	$4,742,675	$4,742,675
TOTAL	$48,262,264	$27,742,675	$76,004,939

Proposed commercial spaces?..... ☒ **YES** ☐ **NO**

The project will include two commercial spaces; 24,555 square feet for Programs for All-Inclusive Care for the Elderly (PACE) and 10,169 square feet for an early learning childhood education facility. TDC for the commercial portion of the building is $17,857,135. $5,775,000 of State BDCF and direct appropriation funds have been committed for commercial portion. Most funding for commercial will be public and grant sources, except for a $1,500,000 permanent loan which will be repaid through cash flow.

Permanent Residential Uses of funding

Type	Amount	Comments
Acquisition Costs	$6,014,633	
Construction/ Rehab Costs	$52,461,365	
Soft Costs	$11,787,891	
Financing Costs	$3,427,922	
Capitalized Reserves	$1,153,761	
Other Development Costs	$1,159,367	
TOTAL	$76,004,939	

3B. COST EFFECTIVENESS

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Appraisal, Acquisition, & Construction

Appraised value/date/tax assessor value..... $9,830,000 - addendum dated 9/6/2019, 03/14/2019

Appraisal value greater than (or equal to) acquisition costs?..... ☒ **YES** ☐ **NO**

Developer fee..... $6,900,000

Developer's fee is $6,900,000 on the residential budget. $7,515,000 for total developer's fee from both residential and commercial. Developer's fee is 8% of TDC and is reasonable. $4,742,675 will be deferred developer's fee repaid through hard debt in the first 11 years after project completion.

Third-Party Construction Consultant Report

Notable departures in construction costs with comparable projects?..... ☐ **YES** ☐ **NO**

Third-party construction consultant reports were requested by the Office of Housing and have not been received by the County.

Suggestions to revisions in project design or project team?..... ☐ **YES** ☐ **NO**

Third-party construction consultant reports were requested by the Office of Housing and have not been received by the County.

Appropriateness of contingency

Third-party construction consultant reports were requested by the Office of Housing and have not been received by the County.

Will federal wages be triggered?..... ☐ **YES** ☒ **NO**

The project is assuming Residential State Prevailing Wage rates. A commercial prevailing wage will be required for the childcare tenant improvements.

3C. MARKET DEMAND

Market study required .....☒ **YES** ☐ **NO**

Date conducted..... 9/12/2020

Capture rate/ Lease-up rate ..... **0.3%/ 12.8 units/ month**

Notable findings

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The subject project will target tenants earning 50- 60% or less of the area median income. The subject will benefit from its proximity to the services provided in the South Seattle (North Beacon Hill) market. The subject's location to the areas major transportation routes affords tenants average to good access, employment centers, shopping, and services. For more traditional low-income tenants, supply and demand appear favorable. Vacancies are generally low. Developing or potential supply likely will not materially change this supply/demand balance, as the development currently under consideration is less than the sufficient to meet demand. Potential demand is also supported by an income banding. Overall, the subject will be marketable to tenants in the proposed income strata.

3D. FINANCING

How will construction be financed?..... ☐ **Construction Loan** ☒ **LIHTC** ☒**Bonds** ☒ **Other**

Preliminary letters of interest provided? .....☒ **YES** ☐ **NO**

LIHTC Project

Proposed use of LIHTC?..... ☒ **YES** ☐ **NO**

Anticipated 4%/9% round application... Anticipated to apply for 4% January 2021

Projected LIHTC pricing ..... $.92

4%LIHTC self-score..... **92**

Were Letters of Interest provided? How does pricing and self-score compare to comparable projects?

The project received an LOI from Enterprise for equity pricing at $.92.

Is project subject WSHFC TDC limits?..... ☒ **YES** ☐ **NO**

The project is over WHFC TDC limits, but the application does not state the % over the WSHFC TDC limits.

Reasons for exceeding the TDC limits include:

Continued escalation of construction, site specific reasons include a gradual slope on the land which poses some construction challenges, design and program changes to the project, participation in the Exemplary Building Program; collocation of two different licensed non-residential uses; and larger 3 and 4 bedrooms to serve families.

Debt & Contributions

Amount of private permanent debt proposed **$19,200,000**

Is debt coverage sufficient?..... ☒ **YES** ☐ **NO** ☐ **N/A**

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DCR is 1.05 in year one and remains at 1.05 and 1.04 in the first 10 years, slightly lower than a typical DCR.

Could project leverage other financial resources not yet identified? ..... ☒ **YES** ☐ **NO**

The project is leveraging all public funding available to this project. Bellwether Enterprise Development Capital, LLC provided an LOI for up to $19.7M of permanent financing.

Sponsor contributions? ..... ☒ **YES** ☐ **NO**

The project is proposing deferring $4,742,675 the developers fee. SCIDpda had also provided a $1,200,000 sponsor loan for predevelopment.

Proposed fundraising? ..... ☒ **YES** ☐ **NO**

The project is proposing to fundraise $5,119,860 for the non-residential portion of the project.

IV. PROJECT SERVICES & OPERATIONS

4A. OPERATING PRO FORMA

Annual operating expense total/ per unit... $1,017,254 for the 1st full year / $6,385 per unit

Rent & utility allowance schedule within AMI limits? ..... ☒ **YES** ☐ **NO**

Project rents have been determined by WSHFC program requirements. The project will utilize the most recent Seattle Housing Authority utility allowance schedule. The project will individually meter utilities (electricity, and water/sewer).

Proposed project-based or tenant-based rent subsidies? ..... ☐ **YES** ☒ **NO**

The project is not proposing any rental subsidies.

Expected vacancy rate

Expected vacancy rate for residential is 5%, and 0% for the non-residential portion of the project. These rates are typical for this type of project.

Expense comparison

Legal services and marketing are slightly higher for this project. Overall total operating expenses costs are slightly higher than the median and lightly lower than the average for similar affordable housing projects of this size.

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Replacement & operating reserve payments

Replacement reserves in year 1 is $56,000 or $350 per unit, typical for this type of project. The project will include $1,153,761 in capitalized operating reserves.

If TOD project, are TOD loan repayment terms included in proforma? ..... ☒ **YES** ☐ **NO** ☐ **N/A**

4B. PROPERTY MANAGEMENT

Property Management Plan

SCIDpda will provide the property management of the North Lot. On-site staff will include one full time building manager, a full-time maintenance technician, and a full time custodian. Off-site staff will include a part-time compliance manager, part-time maintenance manager, a part-time senior property manager, and a part time commercial manager.

4C. SERVICE MODEL & FUNDING ANALYSIS

Project seeking operating or service subsidies? ..... ☐ **YES** ☒ **NO**

Subsidized Units/ Funding per subsidized unit... **N/A**

Service Funding			
Funder	**Fund Type**	**Amount**	**Awarded?**
N/A	N/A	N/A	N/A
Total		Total here	

Requests for service funding feasible? ..... ☒ **YES** ☐ **NO**

Project competitive for ORS funding? ..... ☐ **YES** ☐ **NO** ☒ **N/A**

The project is not applying for ORS.

4D. REFERRALS

Permanent supportive housing for homeless? .....☐ **YES** ☒ **NO**

Coordinated Entry for All (CEA) participation for ALL homeless units?.....☐ **YES** ☐ **NO** ☒ **N/A**

N/A

Referrals/marketing

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SCIDpda is targeting their marketing to residents in Beacon Hill and the CID who rely upon culturally competent resources and services provided in the area.

The marketing strategy will follow SCIDpda's general community engagement plan and will evolve into an affirmative marketing plan as outlined in the City's Housing Levy Administrative and Financing Plan (A&F Plan). The City is expected to formally include a community preference plan for families that work and live in the area. Upon that amendment to the A&F Plan, and if completed before the marketing plan is finalized, SCIDpda will include a community preference plan as well.

Property Management will work with Community Initiatives in generating marketing materials, distributing through community channels, attending meetings and speaking about the project and leasing in general. The geographic focus of marketing will be the same as SCIDpda's community engagement focus. SCIDpda will also rely on their partners at this project– PHPDA, El Centro, and AiPACE to help market the property.

Community Spaces.....☒ **YES** ☐ **NO**

Community spaces will include a bike rooms, parking and amenity rooms.

Resident Services..... ☐ **Referral Services** ☐ **Counseling** ☐**Medical Services** ☐**Financial Assistance**

N/A

V. FUNDING PRIORITIES

5A. FUNDING PRIORITIES

Which source(s) of King County funds is the project compatible with?

☐ **2331 Document Recording Fee** ☒ **RAHP** ☐ **HOME** ☒ **VSHSL** ☐ **MIDD 2** ☒ **TOD**

The project is eligible for RAHP on the 50% AMI units, VSHSL vulnerable populations, and TOD.

This project meets the following 2020 King County RFP priorities:

Homeless/Extremely Low-Income/Affordable Housing

- ☐ A majority of the units (50% or more) are set-aside for homeless individuals and families, and participate in CEA
- ☐ The proposed project serves special needs population such as (but not limited to) households with a member with mental illness, is disabled and/or developmentally disabled, also experiencing homelessness
- ☐ The proposed project provides access to case management and behavioral health services

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☐ The proposed project leverages other resources for both the construction and operations of the project, including social services expenses

System-connected housing

☐ The proposed project will be V**eteran housing**, serving Veterans, Military Service members, and their family members.

☐ The proposed project serves a MIDD-eligible population (individuals/households exiting treatment facilities or other institutionalized settings); the sponsor is or is partnering with a State-licensed certified mental health provider

Transit-Oriented Development

☒ Project leverages present and future public investment in transit infrastructure.

☒ Repurpose under-utilized publicly owned property or other community assets

☐ Utilize alternative housing models and cost saving construction methods

☐ Serve lower income households between 30% to 50% AMI.

☒ Project is within ½ mile of a high capacity transit station, and is eligible for the:

- ☐ All-County South pool (2016 TOD)
- ☐ All-County North/East pool (2016 TOD)
- ☒ Geographic Set-aside (N/E/S/Seattle) (2019 TOD)

☒ Projects funded with 2016 TOD Allocation Plan funding will be required to set aside 10% of the TOD Bond-funded units for tenant referrals from King County or a King County-approved agency operating criminal justice system diversion programs.

Homeownership Development

☐ Projects that expand homeownership opportunities for 1) Veterans and their families or

☐ 2) Vulnerable Populations who can become homeowners, be stably housed, and avoid intergenerational poverty.

5B. Federal HOME funds

HOME funding requested?..... ☐ **YES** ☒ **NO**

Rents and UA within HOME rent/utility allowance limits?..... ..... ☒ **YES** ☐ **NO**

Within HOME maximum per unit subsidy limits?..... ☐ **YES** ☒ **NO** ☒ **N/A**

N/A

Is sponsor a Community Housing Development Organization (CHDO)?..... ☐ **YES** ☒ **NO**

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N/A

VI. SPONSOR CAPACITY

6A. PORTFOLIO & PERFORMANCE

of sponsor projects in King County portfolio... **1**

KC - Sponsor Projects	
Project Name	**Brief Description**
	No projects funded with King County funds withing the last 5 years.

How have these KC projects performed?

King County Asset Management does not have any concerns over SCIDpda's monitoring and reporting. Asset Management noted that generally SCIDpda's reports are completed on time. There was a large negative cashflow in 2019, but that may be explainable by a change in programing.

6B. PIPELINE & DEVELOPMENT CAPACITY

Does the sponsor have other projects under construction and/or under development? ... ☒ **YES** ☐ **NO**

# of projects under construction..... **1**

Projects under construction		
Project Name	**Location**	**Brief description**
Yesler Family Housing	Seattle	New construction of 156-unit rental apartments. The project is expected to place in service on 9/1/2022. This project is not funded with King County funds.

# of projects under development..... **1**

How is the sponsor staffed to handle multiple projects?

With the development the North Lot, and other potential projects currently in their pipeline, SCIDpda has brought on staff with relevant real estate experience to assist in workload.

6C. SPONSOR FINANCIAL SOUNDNESS

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Audit findings, material weaknesses and/or corrective action plan required? ..... ☐ **YES** ☒ **NO**

Sponsor's financial audits consistently clear, steady? ..... ☒ **YES** ☐ **NO**

Operating cash provides appropriate levels of liquidity for operations? ..... ☒ **YES** ☐ **NO**

Portfolio maintains strong debt ratios? ..... ☒ **YES** ☐ **NO**

Summary of audited info for the past two years (Assets, Liabilities, Net Worth, Liquidity, Debt Ratios)

King County Fiscal Team found no concerns on the internal control reported in the 2019 SCIDpda North Lot has a debt ratio averaging 79%.

In addition to audit reports, were unaudited financial statements also reviewed? ☒ **YES** ☐ **NO**

If unaudited financial statements were reviewed, did they show the same trends as audits? ☒ **YES** ☐ **NO**

If Audits were not available, were unaudited financial statements reviewed? ☒ **N/A** ☐ **YES** ☐ **NO**

If more than one applicant submitted financial statements for review summarize the second applicant's financial statements below. ☐ **N/A**

King County Fiscal Team found no significant concerns and 79% debt ratio.

VII. EQUITY & SOCIAL JUSTICE

How will this project impact the target population of residents and the surrounding community?

SCIDpda's mission is to preserve, promote, and develop the Chinatown International District (CID) as a vibrant community and unique ethnic neighborhood. SCIDpda uses real estate development as one of several tools to address social inequities among the historically underserved, vulnerable, and marginalized communities in and around the CID. The North Lot will address the social inequities tied to affordable and culturally inclusive housing, senior care, and childcare. Most of the families that reside in the nine buildings SCIDpda currently manages include many seniors for whom English is not a primary language and mobility is increasingly a challenge. Sitting just to the south of the traditional boundaries that define the CID, that North Lot will expand opportunities for these families and others in the community that are at high risk of displacement due to the commodification of housing in the current economic system, generally, and the increased speculative development in both the CID and North Beacon Hill neighborhoods, specifically. SCIDpda engages the communities in both neighborhoods through their affordable housing and commercial property management as well as with their community and economic development programs. SCIDpda will leverage their existing relationships within the community to ensure that an affirmative marketing and community preference plan is developed with maximum community input and awareness. By maintaining close contact with members of the communities that are in need of affordable housing or know of others who are in need of affordable housing, SCIDpda intends to meet its objective of stabilizing the community and providing as many families as possible the opportunity to stay in the community they have called home for generations.

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Does the applicant have a plan for reviewing structures, policies, and programs with an equity and social justice lens? ☒ **YES** ☐ **NO**

According to SCIDpda' s charter, SCIDpda exists to "work for the conservation and renewal of the unique cultural and ethnic integrities characteristic of the area historically known as the Chinatown-International District," which informs what is at stake when working for, with, and/or within SCIDpda: is an organization mostly led by people of color, mostly composed of people of color, serving people of color. SCIDpda's employee handbook clearly states that "it is their intent to maintain a work environment which is free of harassment, discrimination, or retaliation because of age, race, color, national origin, ancestry, religion, sex, marital status, sexual orientation (including gender identity and expression), pregnancy (including childbirth, lactation, a woman's potential to get pregnant, and pregnancy-related conditions), physical or mental or sensory disability (including the use of a trained dog guide or service animal), genetic information (including testing and characteristics), military status or status as an honorable discharged veteran, or HIV/AIDS or Hepatitis C status. SCIDpda is dedicated to the fulfillment of this policy in regard to all aspects of employment, including but not limited to recruiting, hiring, placement, transfer, training, promotion, rates of pay, and other compensation, termination, and all other terms, conditions, and privileges of employment. SCIDpda expressly prohibits any form of unlawful employee harassment or discrimination based on any of the characteristics mentioned above. Improper interference with the ability of other employees to perform their expected job duties is absolutely not tolerated."

What is the diversity of the board and senior leadership?

SCIDpda currently has 13 sitting board members. Of the 13: 9 are of East Asian descent, three are of Pacific Islander descent, and 1 is white. Seven of the 13 use she/her pronouns and the remaining six use he/him. Of the four executive positions, three use she/her pronouns. SCIDpda believes this composition helps organizational capacity to understand and address diverse needs of the underserved communities because ethnically and racially, their members represent those communities of the CID. SCIDpda' s board members have themselves grown up in the CID, work in the CID, or have historical family ties to the CID., which means they can provide firsthand accounts or have direct access to firsthand accounts of the challenges and needs of the community.

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VIII. SUMMARY AND RECOMMENDATION

Staff recommends funding this project at the requested amount due to the following reasons:

Financial feasibility & Leverage of other public and private sources- The project is leveraging all available public sources. King County and the Office of Housing have already committed funds to this project in a previous funding round.

How well the proposed housing model meets the County's priorities established in the RFP – SCIDpda– North Lot is requesting $1,000,000 to develop a Building A on the lot adjacent to the Pacific Medical Tower. Building A will include 160 units of affordable housing include commercial space for Programs for All-Inclusive Care for the Elderly (PACE) and an early learning childhood education facility. The project intends to serve working families, and larger size families including intergenerational families in around the communities of Beacon Hill and the CID that are at highest risk of displacement. The project site is located near multiple nodes of transportation, and ideal to received TOD funding.

Additional considerations –North Lot will be participating in the HDC Exemplary Building Program with a goal to create a 100% electric residential building free of fossil fuels.

Organizational capacity, financial and experience/pipeline – SCIDpda will be working with EDGE as their consultant to develop this project. This project will help grown SCIDpda's portfolio and produce more affordable housing to the community in the CID and Beacon Hill.

Readiness –The project currently has $27.7M already committed. The site will now be acquired by SCIDpda instead of leased as originally proposed. In October of 2019, SCIDpda and PHPDA entered into a Purchase and Sale Agreement (PSA) and expect to close in summer of 2021.

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