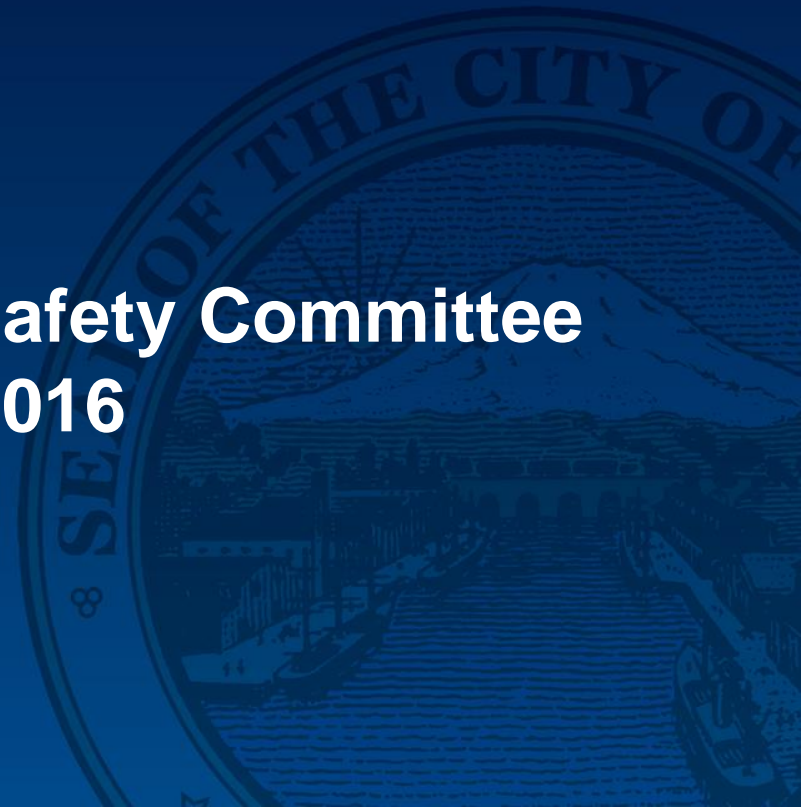


TCRA UDAG Loan Agreement Valhalla Hall (“Project”)

City of Tacoma

Community and Economic Development Department

**Community Vitality and Safety Committee
August 11, 2016
Item #1**



Project Background

- January 2014 - TCRA Board authorizes staff to bid on 3-story vacant commercial building
- January 2014 - TCRA acquires building at foreclosure auction using CDBG funds.
- Analysis of redevelopment alternatives conducted
- September 2014 BLRB performs multifamily feasibility study, conceptual design and estimated cost proforma

Hilltop Subarea Plan Policy Points

- Create affordable, healthy, mixed-use, mixed-income housing
- At least 25% of total housing units affordable to HH at 80% AMI; 12.5% affordable to HH at 50% AMI
- Create local employment opportunities
- Implement catalytic development projects
- TOD Opportunity

Project Description

- **Current Design**

- Four story residential building (top floor lofts)
- 26 dwelling units to include 2 work/live units
- Mixed income units to include 9 affordable (L/T)

- **Development Team**

- Development Consultant – Bellwether Housing
- Architect – SMR Architects
- General Contractor – Rafn Company
- Structural Engineer - PCS Structural Solutions
- Surveyor – ABHL, Inc.

Project Financing

- Estimated TDC \$7.2 million
- Increase since 2014 due to change in design and rising construction costs
- Per unit cost consistent with other TCRA financed affordable housing projects

UDAG Loan Terms

- \$3.0 million
- 0% Interest rate
- 30 year term
- Repayment terms:
 - Net cash flow provides repayment
 - Shared with TCRA contribution (60% / 40%)
 - Paid back to City in full by year 30

Current Design (SMR Architects)



Front Exterior
Elevation
(along MLK)

Current Design (SMR Architects)



Front Interior
Elevation
(along MLK)

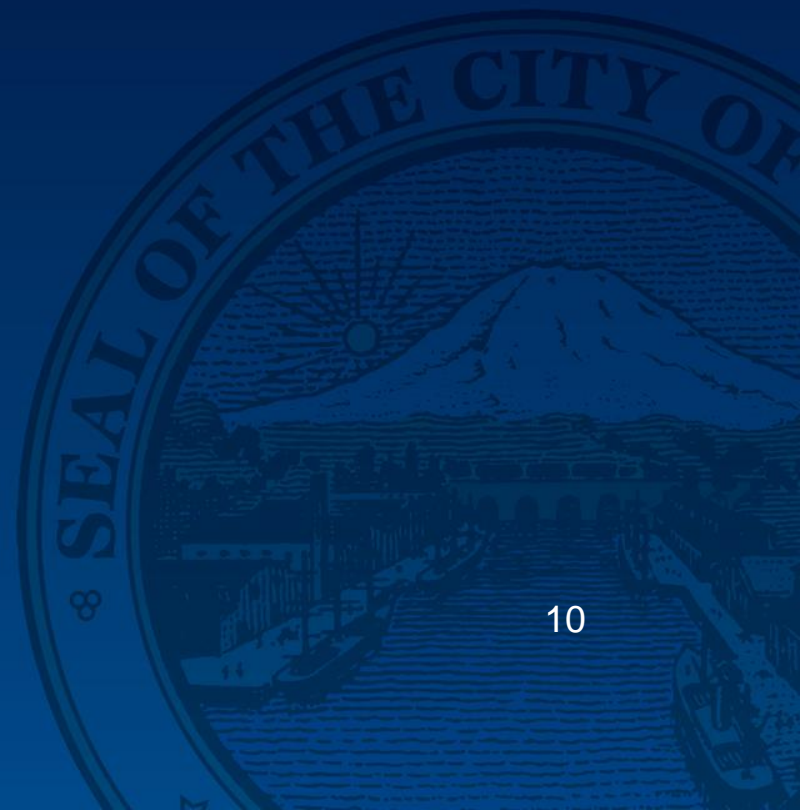
Current Design (SMR Architects)



Inside Courtyard
(west facing view)

Next Steps

- **City Council Consideration- August 16, 2016**
- **Commence construction - September 2016**



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