

1. Introduction

This section identifies potential sites for development and redevelopment within the Delridge neighborhood, particularly around the Brandon Node along Delridge Way SW. At the beginning of the project, we performed a broad land inventory of the Delridge neighborhood to gain an understanding of the local real estate market. We focused on land and improvement values (*Refer to Appendix 4.1 Land Inventory*). Delridge Neighborhoods Development Association (DNDA), provided us with an initial set of properties they identified as having future redevelopment potential and that could be of particular value to the community. Having redevelopment potential and value to the community became our general definition of “opportunity spaces.” The properties initially provided by DNDA as potential opportunity spaces included the Louisa Boren School, E.C. Hughes School, and Seattle Fire Department’s Fire Station #37. As we began research on these sites, we found that both acquisition and development for each parcel would likely take a minimum of five to ten years, which led to us developing both a short-term and long-term perspective on potential neighborhood opportunity spaces. Two of the sites, E.C. Hughes School and Fire Station #37, were located approximately two miles from the Brandon Node of the Delridge neighborhood at Delridge Way SW and SW Brandon St. In following with DNDA’s interest in enhancing the Brandon Node, we narrowed our scope from a broad neighborhood perspective to a more concentrated focus within the Brandon Node, extending as far South as the Louisa Boren School and North to the intersection of SW Brandon St. and Delridge Way SW.

We conducted a land inventory survey within the Brandon Node to identify all of the current uses for each property type, including value factors, land restrictions, and location characteristics. Thereafter, the group analyzed each property type through a highest and best use analysis. Each analysis determined whether a property was being used optimally according to its zoning, its proximity to SW Brandon St. and whether the property’s current use was consistent with DNDA’s overall plan and vision for the Brandon Node. Additionally, we considered the overall condition of properties (e.g. obviously dilapidated, disused, or vacant buildings present on the property).

2. Due Diligence

Redevelopment Ratio

To determine the redevelopment potential for developed and partially developed lands, we compared the improvement value (the value of structures on the property) to the value of the land. Where the ratio of improvement to land value is less than 2.0, the property was classified as redevelopable. For instance, the redevelopment ratio for 5953 Delridge Way SW is equal to its improvement value of \$70,000 divided by its land value of \$122,000, which yields a ratio of 0.57. Therefore, this property was classified as redevelopable. In contrast, the property at 5961 Delridge Way SW had a land value of \$75,100 and an improvement value of \$159,900, yielding a ratio of 2.13. This would not be classified as redevelopable, (see Table 4.1). Appendix 4.2 lists parcels deemed suitable for redevelopment under this criteria.

5953 Delridge Way SW

Dev Ratio 1	Appraised Land Value	\$	122,000
	Appraised Improvement Value	\$	70,000
	Appraised Total Value	\$	192,000
	Redevelopment Ratio		0.57
	Suitable for Redevelopment?		YES

5961 Delridge Way SW

Dev Ratio 1	Appraised Land Value	\$	75,100
	Appraised Improvement Value	\$	159,900
	Appraised Total Value	\$	235,000
	Redevelopment Ratio		2.13
	Suitable for Redevelopment?		NO

Table 4.1 Redevelopment Ratio

Zoning

Sites were also selected based on existing zoning. We assumed we would build to current zoning so we specifically sought sites that were zoned NC2-40, Neighborhood Commercial up to 40 foot in height. This zoning allows for a retail component on the ground floor with housing above, which would increase the population density in the neighborhood and help support the local businesses with a higher consumer population.

Ownership

We researched property ownership along Delridge Way SW and found there were several parcels that shared common ownership (see Figure 4.1). Common ownership and NC2-40 zoning were critical components in our site selection criteria. Given our economic development recommendations, we needed 7,200 square feet of total retail space, which could not be achieved given the typical parcel along Delridge Way SW; however acquiring

three typical parcels allowed for sufficient rentable floor area and some surface parking. Groups of parcels that share common ownership and NC2-40 zoning are also very attractive because the overall acquisition costs are greatly reduced as a result of fewer stakeholders and ownership interests.

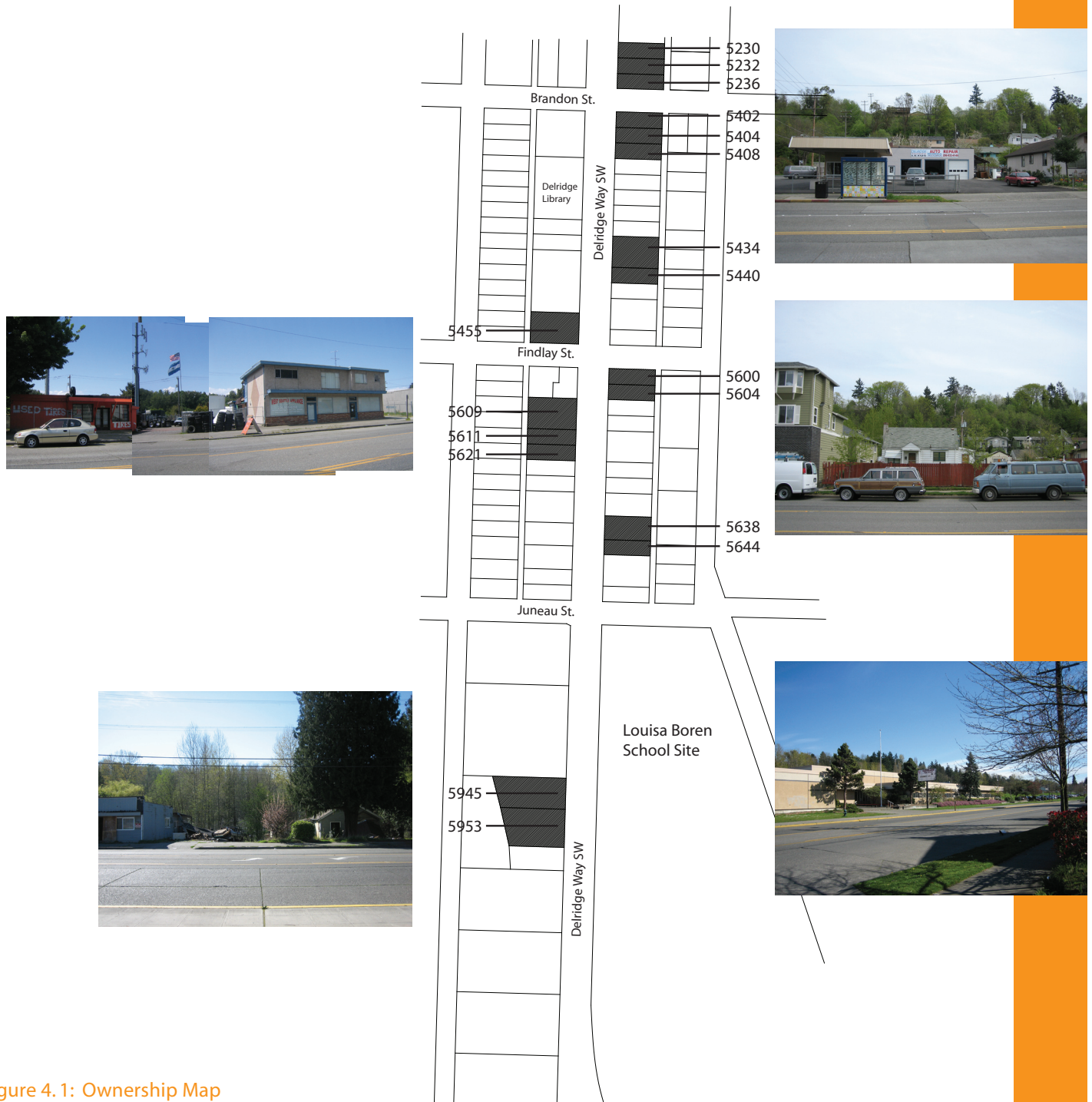


Figure 4. 1: Ownership Map

Location

We used location as another important factor to identify opportunity spaces within the Brandon Node. Parcels at the intersection of Delridge Way SW and SW Brandon St. represent major opportunities for redevelopment. This is largely because redevelopment would help consolidate this intersection so as to serve as a neighborhood anchor. (For more on retail clustering, see the Economic Development section.) However, we also considered sites as a prime location if they were corner sites or sites close to the Delridge Library.

We considered parcels located close to the Louisa Boren School as prime location properties, as well, because of our proposal to consider the school property as a potential acquisition site in a ten year time frame. Sites located in this area would be likely to increase in value under this assumption and present an opportunity to expand the Brandon Node south.

Community Needs

Based on previous studies in the neighborhood and the Visualize Delridge community meeting, (March 2006), we designated the community's desire for a solid economic base that attracts local businesses in the area, especially a grocery store, as a high priority. (For a more detailed analysis of community retail needs and their feasibility, see the Economic Development section.) Other key issues were those related to housing ownership and affordability, as well as the desire to maintain a balance between built and open space.

3. Opportunity Space Selection Criteria

Once we performed the due diligence of properties along Delridge Way SW, we had sufficient information to narrow the site selection to specific properties that fit into our established criteria. The criteria was based upon the recommendations from our housing and economic development analyses. We then developed a weighted matrix of sites based on the recommendations (see figure 4.2). In this matrix, different scales were assigned to these factors, the most important being common ownership. Our conclusion is that the acquisition of commonly-owned, adjacent parcels would fall within the following three parameters:

1. The typical lot size along Delridge Way SW within the Brandon Node is 4,000–5,000 sq. ft.
2. As described in the Economic Development section of the study, a retail mix strategy would be beneficial at an early stage for sustaining businesses. An area of 6,200 to 7,400 sq. ft. located at ground level would be enough to provide a desirable mixture of businesses.

3. If a group of sites does not provide enough ground floor area, then the rest of the factors (location, community needs, zoning, redevelopment ratio) would no longer be relevant.

The second most significant site selection factor was the community's needs. We scored this on a 1 - 5 scale. As stated in the section above, we were guided by community input to identify properties that would allow the following:

1. A mixed use development with commercial space on the ground floor large enough to allocate the uses and services recommended by the Economic Development section of the study.
2. Encourage home ownership that caters to tenants of different ethnicities and income.
3. Provide enough open and green space that would help maintain Delridge's balance between the built environment and nature.

Location is regarded as a fundamental determinant of value in Real Estate theory. We graded it as the third most important factor in our criteria selection. This is because of our focus on the specific Brandon Node area of the neighborhood. Within the Node, however, there are several different locations that would benefit from strategic interventions. These locations were graded in the matrix on a 1 – 5 scale, with a score of 5 representing the most advantageous location. The criteria for this scoring are determined by the following hierarchy:

1. Proximity to SW Brandon St
2. Proximity to the Delridge Library
3. Corner parcels
4. Proximity to Louisa Boren School
5. Parcels located in the middle of the block.

The redevelopment ratio test was a less significant variable. This is due to three factors:

1. If the redevelopment ratio indicates that the sites are suitable for redevelopment, then the land value is worth more than the value of the improvements. Therefore, the land would not serve its highest and best use.
2. Highest and best use usually refers to the maximum capability of the site. In this case, however, DNDA is a non-for-profit organization whose principles and values do not necessarily match the common real estate development theory of pursuing the maximum economic benefits from the land. Therefore, other factors such as community needs occupy a higher rank in our criteria.

	Ratio	Ownership	Zoning	Location	Community	
Weightings	15%	30%	10%	20%	25%	100%
Parcels						
5429	1	0	1	5	1	
5435	1	0	1	5	1	
5455	1	0	1	3	1	
5609	1	1	1	3	4	
5611	1	1	1	3	4	
5621	1	1	1	3	4	
5625	1	0	1	2	1	
5631	0	0	1	2	1	
5635	1	0	1	2	1	
5643	1	0	1	2	1	
5230	1	1	1	3	5	
5232	1	1	1	3	5	
5236	1	1	1	5	5	
5402	1	1	1	5	5	
5404	1	1	1	4	5	
5408	1	0	1	4	1	
5414	1	0	1	4	1	
5416	1	0	1	3	1	
5420	1	1	1	3	1	
5424	1	1	1	3	1	
5428	0	1	1	2	1	
5434	1	1	1	2	3	
5440	1	1	1	2	3	
5647	1	0	1	2	2	
5653	0	0	1	3	2	
5945	1	1	0	4	4	
5953	1	1	0	4	4	
5961	0	1	0	4	4	
5638	1	1	1	1	3	
5644	0	1	1	1	3	
5652	1	0	1	1	1	
5656	1	0	1	3	1	
5444	1	0	1	2	1	
5448	1	0	1	2	1	
5458	1	0	1	4	1	
5600	1	1	1	4	4	
5604	1	1	1	3	4	
5608	1	0	1	2	1	
5616	1	0	1	2	1	
5618	1	0	1	2	1	
5626	0	0	1	2	1	
5628	0	0	1	2	1	
5632	1	0	1	2	1	

Figure 4.2-1: Sites Matrix/Weightings

Parcels	Ratio	Ownership	Zoning	Location	Community	Score
5429	0.15	0	0.1	1	0.25	1.5
5435	0.15	0	0.1	1	0.25	1.5
5455	0.15	0	0.1	0.6	0.25	1.1
5609	0.15	0.3	0.1	0.6	1	2.15
5611	0.15	0.3	0.1	0.6	1	2.15
5621	0.15	0.3	0.1	0.6	1	2.15
5625	0.15	0	0.1	0.4	0.25	0.9
5631	0	0	0.1	0.4	0.25	0.75
5635	0.15	0	0.1	0.4	0.25	0.9
5643	0.15	0	0.1	0.4	0.25	0.9
5230	0.15	0.3	0.1	0.6	1.25	2.4
5232	0.15	0.3	0.1	0.6	1.25	2.4
5236	0.15	0.3	0.1	1	1.25	2.8
5402	0.15	0.3	0.1	1	1.25	2.8
5404	0.15	0.3	0.1	0.8	1.25	2.6
5408	0.15	0	0.1	0.8	0.25	1.3
5414	0.15	0	0.1	0.8	0.25	1.3
5416	0.15	0	0.1	0.6	0.25	1.1
5420	0.15	0.3	0.1	0.6	0.25	1.4
5424	0.15	0.3	0.1	0.6	0.25	1.4
5428	0	0.3	0.1	0.4	0.25	1.05
5434	0.15	0.3	0.1	0.4	0.75	1.7
5440	0.15	0.3	0.1	0.4	0.75	1.7
5647	0.15	0	0.1	0.4	0.5	1.15
5653	0	0	0.1	0.6	0.5	1.2
5945	0.15	0.3	0	0.8	1	2.25
5953	0.15	0.3	0	0.8	1	2.25
5961	0	0.3	0	0.8	1	2.1
5638	0.15	0.3	0.1	0.2	0.75	1.5
5644	0	0.3	0.1	0.2	0.75	1.35
5652	0.15	0	0.1	0.2	0.25	0.7
5656	0.15	0	0.1	0.6	0.25	1.1
5444	0.15	0	0.1	0.4	0.25	0.9
5448	0.15	0	0.1	0.4	0.25	0.9
5458	0.15	0	0.1	0.8	0.25	1.3
5600	0.15	0.3	0.1	0.8	1	2.35
5604	0.15	0.3	0.1	0.6	1	2.15
5608	0.15	0	0.1	0.4	0.25	0.9
5616	0.15	0	0.1	0.4	0.25	0.9
5618	0.15	0	0.1	0.4	0.25	0.9
5626	0	0	0.1	0.4	0.25	0.75
5628	0	0	0.1	0.4	0.25	0.75
5632	0.15	0	0.1	0.4	0.25	0.9

 Opportunity Spaces

Figure 4. 2-2: Sites Matrix/Sites

3. The redevelopment ratio cannot be used as a single condition for selection criteria as it is based on purely numerical information. Hence, we determined that even though a site would not be deemed feasible for redevelopment under this test, DNDA still may be interested in pursuing an acquisition due to the influence of the other factors.

Zoning is an important feature in most typical site selections. This is simply due to the fact that if the desired development is allowed under current zoning, there is less risk of being denied a building permit. However, as all sites in the Brandon Node along Delridge Way SW are zoned as NC2-40, (a zoning code that allows our proposed mixed-use developments), zoning does not play an important role in our site selection.

We assigned a binary scale to this factor, meaning that sites zoned NC2-40 received a score of one, and all other sites received a zero. *Refer to Figure 4.2: Sites Matrix*

4. Opportunity Spaces – Property-Specific Analysis

Opportunity Space One

The first opportunity space is located at the North end of the Brandon Node at the intersection of SW Brandon St. and Delridge Way SW. This space consists of three parcels addressed 5230, 5232, and 5236 Delridge Way SW. The current uses consist of multi-family duplex housing. These sites are attractive because of their common ownership and zoning. Acquiring all three properties and developing multi-family housing above retail space would triple the amount of residential units. Also 5236 Delridge Way SW is a corner parcel maximizing visual exposure to traffic heading northbound into downtown Seattle.

Opportunity Space Two

The second opportunity space we identified is located at the end of the Brandon node across from the Louisa Boren School property. This location has two sites with abandoned buildings, currently zoned for low rise development and that back onto Longfellow Creek. In addition to location, the properties are attractive for redevelopment, especially with the expectation of the Louisa Boren School re-design in the upcoming future, which would likely increase the market value of each property for any investor.

Opportunity Space Three

The last opportunity space we identified consists of three parcels: 5609, 5611, and 5621 Delridge Way SW, located at the center of the Brandon Node. Currently there is a used tire shop at 5611 Delridge Way SW. This space meets our criteria described above: zoning NC2-40, common ownership, and redevelopment ratios all under 2.0. It is also centrally located within the Brandon node and on the West side of Delridge Way SW, which only requires a right-hand turn for traffic heading southbound from downtown Seattle. Certain businesses we

recommend in the Economic Development section gain advantage by locating on the west side of Delridge Way SW because they can capture rush-hour vehicular traffic going home and minimize the traffic impacts to potential customers by reducing the number of left-hand turns they need to make.

5. Building Envelope Analysis

We conducted a building envelope analysis for each of the above opportunity spaces to determine the required building, parking, and open space footprints based on their current zoning (refer to Appendix 4.3).

We used the building envelope analysis is used as a tool¹ to determine the maximum capability of the sites under current zoning regulations. This analysis does not take the most appropriate configuration of the development into account, which is its fit into the greater community.

The results of this analysis validate our assumption that in order to provide an appropriate configuration for Delridge's needs, a minimum of two adjacent parcels are needed. A balanced configuration should consist of an ensemble of three parcels. This is due to the Open Space requirement, which under the current zoning regulations, consists of only 5% of the total site area. We recommend that at least 10% should be treated for landscaping, especially since the commercial component would demand a common area. Our proposal includes a common area that would be used as an entrance to the retail mix.

For more detailed analysis, we examined the parcels numbered 5609, 5611, 5621 as a potential ensemble (See figure 4.3).

The ensemble of these three parcels results in 19,872 Gross Site sq. ft., leaving 10% for landscape and open space. The building footprint would be 17,885 sq. ft. We are assuming an 85% efficiency factor, meaning that 15% of the building footprint would make up the Common Areas, (hallways, structural elements, vertical circulations etc.). Therefore, we consider a total of 15,202 sq. ft. as rentable footprint.

This configuration proposal leaves all the rentable footprint at ground floor level for commercial and parking purposes. 7,200 sq. ft. are allotted for the retail mix proposed by the *Economic Development* section of the study. The rest is allocated for surface parking.

Current zoning requirements limit building height above grade level to 40 feet. We propose

1 Note: this analysis is used as a tool and it does not represent a final recommendation of pursuing the acquisition of this specific sites.

5609 + 5611 + 5621 Delridge Way SW, Seattle, WA 98106

Zoning NC2-40

Neighborhood Commercial 2

Land 1	Gross Site Square Footage	SqFt	19,872
	Open Space Requirement	%	10%
	Height Limit	Feet	40
	Height per Story	Feet	13
	Lot Coverage Ratio	%	90.00%
	Bldg footprint	SqFt	17,885
	Open Space footprint	SqFt	1,987
	# Stories in Building	# St	3
	Building Gross Square Footage	SqFt	55,030

Proposed use: Mixed-Use development (residential-retail)

Improvements 2	Efficiency Factor		85%
	Rentable Footprint	SqFt	15,202
	Commercial Component Sq Footage		7,200
	Typical Housing Unit SqFt		1,100
	Number of Units		29
	Landscape	SqFt	1,987
	Commercial Component	SqFt	7,200
	Housing	SqFt	31,574
	Common Areas	SqFt	8,255
	Rentable SqFootage	SqFt	47,028

Type of Parking: Surface/Underground

Parking 3	Parking Index/Commercial	per SqFt	2000
	Parking Index Housing	per Unit	1.1
	Parking Stall Size	SqFt	400
	Number of Stalls (Commercial)		4
	Number of Stalls (Housing)		32
	Total Number of Stalls		35
	Parking footprint		14,069

Summary 4	Commercial Component	11.41%	7,200
	Housing	50.05%	31,574
	Common Areas	13.08%	8,255
	Open Space	3.15%	1,987
	Parking	22.30%	14,069
	Total Site	100.00%	63,085

Figure 4.3: Building Envelope Analysis

a height of 13 ft. per story, including structural elements. Hence the building would be 3 stories high. The housing market in the area is providing apartments of 1,000 to 1,600 sq. ft. We propose a typical housing unit of 1,100 sq. ft. With just two stories allocated for housing, the building would contain 29 housing units.

The proposed development requires at least 35 parking stalls be provided. A 400 sq. ft. parking stall before inclusion of the necessary circulation space would need to be 14,069 sq. ft. after inclusion of adequate circulation space. This parking area could be entirely underground; however, for the purpose of reducing construction costs, we recommend both surface and underground parking. This configuration requires further analysis, especially as it relates to a detailed construction costs.

6. Proforma Analysis – Condominium Units above Commercial Use

To evaluate the feasibility of building condominium units above commercial use (our proposed development), we created a proforma to calculate cost. (See figure 4.4).

The proforma calculates the cash flow for the development based on the total number of units, selling price, vacancy rates, and operating expenses which include common space utilities, management, sales and marketing. The cash flow assumes a total of 29 units sold at the median price of \$320,000 which produces an overall cash flow of \$9.4 million (after vacancy and operating expenses). See Figure 4.4 for detailed assumptions and calculations.

We then calculate the project costs, which include land, construction, services and fees, financing, and contingency. The total cost for the development is approximately \$9 million. From this cost we can compute the total amount of principal a lender would provide for this project. Assuming an 80% loan-to-value ratio, this yields a loan amount of \$7.2 million. This loan-to-value ratio requires 20% of the total project costs (\$9.0 M) in equity prior to releasing interim loan funds to the developer. The developer needs to creatively acquire \$1.8 million to be spent on the project prior to the interim loan funds being distributed. This equity could be acquired by pre-selling the condominium units, having a private equity partner, or obtaining the land at zero cost, (for example, through a joint-venture structure with the current landowner), and paying it off incrementally throughout the project life as units are sold.

To track the total dollar amounts of the sources and uses during pre-construction, construction, and lease-up we created a sources and uses model which track these expenditures per quarter (See Figure 4.5). Assuming the initial \$1.8 M in equity is acquired through an equity partner, the project would need to pre-sell condominiums in order to pay for the costs incurred during pre-construction and construction. During pre-construction one condo unit per quarter would generate enough revenue to pay the interim loan for the first year. During construction this number escalates from three to seven units. The unit sales per quarter assumes full lease-up one quarter past the end of construction. Given that full lease-up

will be obtained during the last quarter; the development would see an estimated profit of \$330,000 dollars. (This figure is an estimate and does not include interest given to the initial equity investor).

Condominium & Commercial Lease Option

OPERATING PROFORMA	Amount	Unit	Rent/Cost	Subtotals	Totals
Monthly Income					\$9,330,400
Housing	29	@	\$320,000.00	\$9,280,000	
Commercial	7,200 SF	@	\$7.00	\$50,400	
Less Vacancy/Credit Loss					(\$3,528)
Housing/Comm	0%	@	\$9,280,000	\$0	
Commercial	7%	@	\$50,400	(\$3,528)	
Less Operating Expenses					(\$60,727)
Housing	29 Apt	@	\$333	(\$9,667)	
Commercial	7,200 SF	@	\$0.09	(\$660)	
Commercial Subsidy	7,200 SF	@	\$7.00	(\$50,400)	
Net Sale Proceeds					\$9,266,145
Debt Service					
Borrow 80% of total Cost	80%		\$9,032,825	\$7,226,260	
LOAN AMOUNT					\$7,226,260

COST PROFORMA	Amount	Unit	Rent/Cost	Subtotals	Totals
Land	19,872 SF		\$80.00		(\$1,589,760)
Construction					(\$4,842,335)
Site Prep				\$25,000	
Housing	31,574 SF	@	\$128.00	\$4,041,472	
Parking	14,069 SF	@	\$27.00	\$379,863	
Commercial	7,200 SF	@	\$55.00	\$396,000	
Services/Fees					(\$1,249,346)
WSST	(\$4,842,335)	@	8.79%	(\$425,641)	
A/E				(\$400,000)	
Developers Fee	(\$4,842,335)	@	5.00%	(\$242,117)	
Other Consultants	(\$4,842,335)	@	2.00%	(\$96,847)	
Permits	(\$4,842,335)	@	1.75%	(\$84,741)	
Financing					(\$867,151)
Interim Fee	\$7,226,260	@	2.00%	\$144,525	
Interim Interest	\$7,226,260	@	10.00%	\$722,626	
Contingency	(\$4,842,335)	@	10.00%		(\$484,234)
TOTAL DESIGN & CONSTRUCTION PROJECT COSTS					(\$9,032,825)

SOURCES OF FUNDS	
Loan Amount	\$7,226,260
Design & Construction Project Costs	(\$9,032,825)
EQUITY GAP	(\$1,806,565)

Figure 4.4: Proforma

	Q1 07	Q2 07	Q3 07	Q4 07	Q1 08	Q2 08	Q3 08	Q4 08	Q1 09	Q2 09	Totals
SOURCES			Pre-Construction				Construction			Leasing	
Interim Loan Proceeds	\$0	32,042	145,609	268,949	769,250	993,995	1,581,222	2,060,087	1,108,579	266,528	7,226,260
Equity	1,714,183	92,382	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	1,806,565
Total Sources	1,714,183	124,423	145,609	268,949	769,250	993,995	1,581,222	2,060,087	1,108,579	266,528	9,032,825
USES											
<u>Land</u>	(\$1,589,760)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$1,589,760)
<u>Construction</u>											
Site Prep	\$0	\$0	\$0	\$0	(\$23,750)	\$0	\$0	\$0	\$0	(\$1,250)	(\$25,000)
Housing	\$0	\$0	\$0	\$0	(\$202,074)	(\$404,147)	(\$1,010,368)	(\$1,616,589)	(\$606,221)	(\$202,074)	(\$4,041,472)
Parking	\$0	\$0	\$0	\$0	(\$113,959)	(\$113,959)	(\$94,966)	(\$37,986)	\$0	(\$18,993)	(\$379,863)
Commercial	\$0	\$0	\$0	\$0	\$0	(\$158,400)	(\$158,400)	(\$39,600)	(\$39,600)	\$0	(\$396,000)
<u>Services/Fees</u>											
WSSST	\$0	\$0	\$0	\$0	(\$85,128)	(\$85,128)	(\$85,128)	(\$85,128)	(\$85,128)	\$0	(\$425,641)
AVE	(\$76,000)	(\$76,000)	(\$76,000)	(\$76,000)	(\$15,200)	(\$15,200)	(\$15,200)	(\$15,200)	(\$15,200)	(\$20,000)	(\$400,000)
Dev Fee	(\$24,212)	(\$24,212)	(\$24,212)	(\$24,212)	(\$24,212)	(\$24,212)	(\$24,212)	(\$24,212)	(\$24,212)	(\$24,212)	(\$242,117)
Other Consultats	(\$24,212)	(\$24,212)	(\$24,212)	(\$24,212)	\$0	\$0	\$0	\$0	\$0	\$0	(\$96,847)
Permits	\$0	\$0	(\$21,185)	\$0	(\$63,556)	\$0	\$0	\$0	\$0	\$0	(\$84,741)
<u>Financing</u>											
Interim Fee	\$0	\$0	\$0	(\$144,525)	\$0	\$0	\$0	\$0	\$0	\$0	(\$144,525)
Interim Interest	\$0	\$0	\$0	\$0	(\$144,525)	(\$144,525)	(\$144,525)	(\$144,525)	(\$144,525)	\$0	(\$722,626)
Contingency	\$0	\$0	\$0	\$0	(\$96,847)	(\$48,423)	(\$48,423)	(\$96,847)	(\$193,693)	\$0	(\$484,234)
Total Uses	(\$1,714,183)	(\$124,423)	(\$145,609)	(\$268,949)	(\$769,250)	(\$993,995)	(\$1,581,222)	(\$2,060,087)	(\$1,108,579)	(\$266,528)	(\$9,032,825)

Figure 4.5: Sources and Use Model

Since our development's objective is to increase the resident base in Delridge to support local business, we propose using the profit to subsidize rents for the commercial component. The local businesses leasing the commercial portion of the development could pay substantially lower rents or no rents for a number of years. Currently the market rate for commercial rents in Delridge is \$14 per sq. ft./yr. After running different scenarios in the proforma, we show that DNDA would be able to provide a subsidy of \$ 7 per sq. ft./yr. during the holding period. This is the result of not receiving \$7 per sq. ft./yr. in the annual income cash flow for that timeframe. After an estimated 2.5 year holding period, DNDA would receive the net proceeds from sales and this profit could be used to continue the same subsidy for close to 5 years. This is attributable to the condominium structure of the project. In a rental structure there is not enough cash flow to provide any subsidy. Based on our proforma, we conclude that this case study is currently feasible. We recommend further analysis with regard to the lease structure and operation costs. Additionally, DNDA can use this strategy to improve market accessibility and mitigate risk for businesses that may otherwise have difficulty in establishing themselves in a competitive market.

7. Louisa Boren School Redevelopment - Conceptual Design

The second component of our report comprises the redevelopment of the Louisa Boren School. As one of the original properties identified by DNDA as a potential future redevelopment site for the community, the Boren School represents a significant opportunity for creative and conceptual visioning of what could be. Since the school is currently used by the Seattle School District as an interim school, and will likely be used in this capacity for the next several years, the value represented in conceptualizing a redevelopment is in giving the community a basis for developing future plans and ideas for the site. Our group took a community-minded approach to the site redevelopment, while considering site constraints, market realities, and the greater community context (in particular the neighboring Brandon Node). We recognize that redevelopment of the Boren School will be key to complementing the Node. Some potential beneficial uses that were developed in the economic development analysis were a grocery store, a drug store/pharmacy, a dry cleaner, a "community focused" athletic store, and a second-run movie theater (to be integrated into part of the existing Boren School). A more complete narrative follows, expanding on these themes and detailing the conceptual redevelopment, including site plans and conceptual mockups.

Background/Context

The Louisa Boren School property is a former junior high school that is currently being used to temporarily accommodate students of other schools in the Seattle School District whose home schools are being rebuilt. Having a stake in the (re)development of the Boren School site could represent an exciting opportunity for the DNDA, and would complement their experience with the development and redevelopment of major community-focused sites in the neighborhood, including the recent Historic Cooper School adaptive re-use (converted to artist lofts and performance space), the Delridge Library mixed-use project (first in City of Seattle to build residences over a library), and the West Seattle Food Bank and Community Center, among others. Most DNDA projects involve the incorporation of an affordable housing component or somehow address a community need.

The Boren School site is in close proximity to the development node at the intersection of Brandon Street and Delridge Way that is currently a special focus of the DNDA. Based on the research and recommendations provided by the economic development group within our team, future development at this node should include pedestrian-friendly street-level retail and a small grocery store to complement the existing library and nearby public park. The redevelopment of the Boren School will be key to complementing this node with a use that helps support its economic viability and community vitality.

Site Characteristics

The Boren School site is actually comprised of two separate parcels, the larger of the two consisting of most of the property, including the site of the school, parking areas, a large playfield, and steep slope areas totaling approximately 13 acres. The rest of the site is a 1.36 acre parcel at the southern-most end, which is currently being used as a grassy playfield. The site is bounded on the west side by Delridge Way, to the south by single family housing, to the east by Croft Place SW, and to the north by SW Juneau St. Significant steep slope areas border the existing school site to the east and were not considered for new development.

Methodology/Rationale

The Boren School Site Redevelopment represents an opportunity to give the Delridge community a space that responds to and represents the needs of a growing neighborhood while presenting a development option that maintains the themes of community ownership. Two main options for site redevelopment have been put forth by the Opportunity Spaces group that conceptualize the “highest and best use” of the site with the needs of the community providing the central kernel of inspiration. One option, in the

form of a conceptual model and site plan, includes a partial re-use of the Boren School gym, with a strong focus on “urban village” themes that attempts to balance the public and private functions of the space. A second option places more emphasis on strategies and recommendations, and includes a complete, phased redevelopment of the Boren School site with an emphasis on street-level retail serving Delridge Way. Both options include new multi family housing, mixed-use and retail uses, enhanced non-auto transportation facilities and corridors, community gathering spaces, a public park, and cottage housing (located on the smaller second parcel to the south).

The development concepts mentioned herein were derived through collaboration with other project teams and were informed by input received from community members and research undertaken during the course of two academic quarters. Advice was also received from individuals with experience and background in architecture and urban design, and integrated into the site layout, form, and spatial order. Texts such as Rob Krier’s “Town Spaces,” Frank Ching’s “Architecture: Form, Space, and Order,” and William Whyte’s “The Social Life of Small Urban Spaces” were consulted for design ideas and theoretical basis. Case studies of similar developments in the Puget Sound area, such as Burien’s forthcoming Town Square development and Kirkland’s Juanita Village were examined to provide some practical foundation for our design and usage recommendations.

8. Site Plans and Potential Uses

Preliminary site plans and conceptual mockups are presented in this section. We have proposed two options for the site. The first option includes a re-use of the existing Boren School Gym. The second option makes no use of the existing buildings, but does use some of the site’s other attributes.

Option 1

Our plan for this option of the Boren site redevelopment attempts to integrate private users with the public, and to maintain an overall feeling of community ownership of the site. The central plaza is designed to be a shared space with amenities that encourage active use of the space by people of all ages. The main public (existing) green space at the center of the site was regarded as a valuable piece of open space that should be declared a neighborhood park or playing field. Finally, the parcel at the southernmost end of the site was deemed appropriate for a “cottage housing” style development, modeled after similar such developments in other communities in the Puget Sound area, such as Bainbridge Island, Redmond, and Shoreline. This style of development encourages a communal feel,

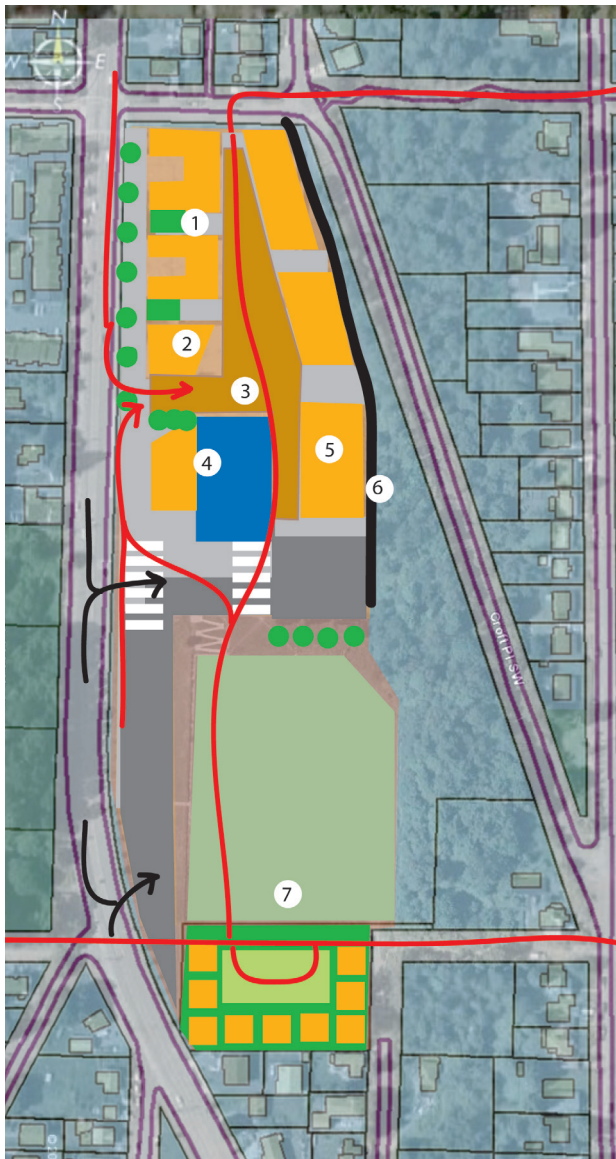
mixes well with adjacent single family housing to the south, and can be designed to be especially accommodating for inclusion of light pedestrian traffic from the neighboring trail network.

The larger residential structures located along Delridge Way, as well as commercial facilities located on the south end of the main development area, have been afforded some detail so as to represent a general typology of building to symbolize their use, rather than to communicate a specific architectural style. For example, the representations of structures along Delridge way on the redevelopment site are generally represented as medium-density multi-family housing. Additionally, it is important to note that the renderings are not meant to portray structures as they may later be built, rather their purpose is simply to give the viewer a sense of the overall spatial composition of one possible building scenario. Similarly, structures along the east edge of the main development area have been left as simple block structures and exist to represent the overall site plan rather than specific construction.

The Boren School

Conceptual Redevelopment

Site Plans and Renderings



- Legend**
- New structure
 - Existing structure
 - Tree/Vegetation
 - Plaza
 - Semi-private greenspace
 - Public greenspace/Park
 - Parking Area
 - Pedestrian pathways
 - Automotive pathways

The following conceptual redevelopment of the Louisa Boren School site has been prepared with the intention of inspiring ideas and imaginative solutions to what is perhaps the most significant “opportunity space” that may one day present itself to the Delridge community. All of the concepts presented are meant to be representative of actual strategies that the community could pursue should the Boren space become available. The basis for these concepts are presented in the narrative portion of this chapter, and have been projected, to the extent possible as the visual representation presented in the following pages.



The Louisa Boren School - Existing Conditions



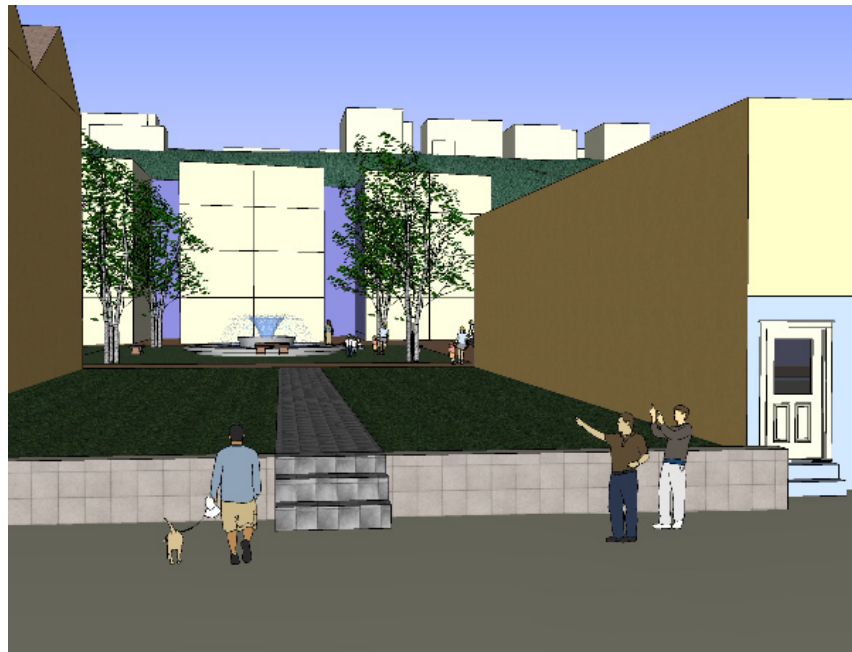
Conceptual Re-development of the Boren School Site

1

Representation of street level retail along Delridge Way, with a mix of rental and condo housing above. Neighborhood research has indicated a need for market-rate (80-100% median income) rental housing, so emphasis will be placed on providing for this need.

Other possible residential uses within the development could include retirement housing as well as live-work lofts that would combine living and office space. Potential retail uses include a small grocery store, running store (similar to Greenlake's Super Jock and Jill, for example), a coffee/ice cream shop, florist, and gym facility. 45 foot height limits were assumed for all structures..

The plaza is kept visible to pedestrians and traffic along Delridge Way in order to maintain a sense of openness and to emphasize the public nature of the place.



2

View of main entrance to plaza along Delridge Way, indicated by a prominent archway. Other features include a public notice board/kiosk near the entrance, and a representation of a potential live/work development at the corner of the plaza entrance and sidewalk.



3

Conceptual view of inner plaza, looking north. Main features include a central fountain with a common grassy area surrounded by trees. This plaza could serve as shared open space for both residents and public users, and would be closed to automobile traffic. The south area of the plaza could serve as space for community events, such as outdoor movie showing in the summer months.



4

Rendering of the south portion of the main development, with restaurant and second-run movie theater in the foreground. The movie theater structure could be created out of an adaptive re-use of the Boren School gym. Outdoor patios could be built on both the south and north side of the proposed restaurant (south patio shown in foreground).



5

View of southeast entrance to plaza, with potential grocery store at the right of the image. Plaza space or parking area adjacent to the grocery store could potentially be used as a farmers' market



6

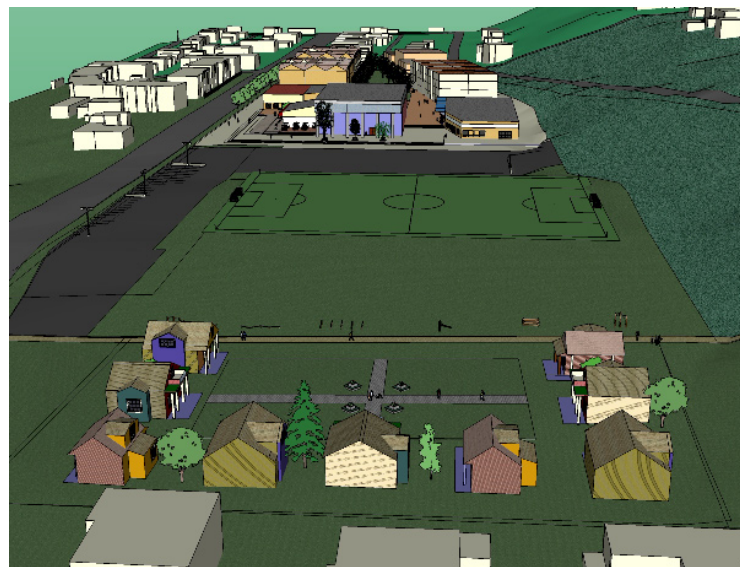
Automobile access to rear of site for parking and deliveries (highlighted in green). Parking for residential uses could be accommodated on the ground level of adjacent buildings on the site.



7

View of public playfield area, with cottage housing conceptual development in foreground. Existing parking along Delridge way could be used for the athletic field and park.

Renderings of a possible cottage housing development illustrate existing east-west pedestrian paths passing just to the north of the site, with shared green space at the center of the development. Such a development would fit well into the existing single-family uses to the south, and would build upon the community feel of the new site development to the north. The green space at the middle of the development could serve as an amenity to private homeowners and the public alike.



Option 2

This concept is based on the assumption that no parts of the existing structure will be reusable, but that the site itself holds several existing attributes that will facilitate redevelopment. Each phase of the redevelopment process builds on the previous phase and will allow the site to gradually evolve into a full-service, compact entity consisting of residences, open space and retail, all focused around a high-quality transit center. Phasing is used in this scheme for two principal reasons: 1) to allow for redevelopment as funds become available, and 2) to establish a residential density that will support the retail and transit service improvements. Please refer to the four diagrams that show the proposed phases, appended in this document.

Existing Attributes

The site is served by Metro Route 120 which stops at both the northern and southern ends. These stops would serve the new residents from Phases 1 and 2 well, but should be consolidated into a centrally-located, high-quality transit station after Phase 3. While it would be a further walk to the new station from the residences, passengers would be rewarded with the faster service that limited-stops transit service provides. The station would also serve as a gateway to the retail and open spaces on the site, providing a grand entrance to the proposed courtyard.

The site is well-connected at the southern end by the Graham Street stairs to the East and to the Longfellow Creek Trail to the West. Improvements to the stairs and an East-West connector path would make pedestrian access to the new development more attractive.

The fields hold enormous potential for redevelopment as open space. The parking lot should also be retained until Phase 3, when it should be dispersed to allow for easier access to retail while still providing sufficient parking space for people coming to use the open space or to visit the residences.

Phase 1

The first step in the Complete Redevelopment Option is to tear down the school and prepare the northern portion of the site for new residences. While this is being done, the separate 1.36 acre parcel at the southern end of the site would be used for the development of 8-12 cottages. A local expert on so-called cottage development is The Cottage Company, a Seattle-based firm that has built several successful cottage housing developments like the one pictured. This particular development is located in the town of Langley on Whidbey Island.

This phase is also the best time to start making improvements to the field. This includes planting new grass and trees plus designating space for athletic fields, playgrounds and a courtyard.

Phase 2

This stage commences with the development of multi-family housing units on the former school building site. There are endless possibilities for the total number and size of the dwelling units, as well as the proportion of affordable-to-market rate units within each building. We do not evaluate these options. For our purposes, we assume that a sufficient number of people will move into the site to create a demand for more immediate services.

After the improvements to the field are made, the open space should be designated as a new city park by the Parks and Recreation Department. It would be accessible to everyone: residents of the new dwelling units, Longfellow Creek trail users, bicyclists, automobiles, plus residents of the eastern ridge via the Graham Street stairs. The stairs themselves should also be repaired during this phase or in Phase 3.

With the increased number of people moving around and to/ from the site, North/ South pedestrian and bike improvements are desired to maximize connectivity within the site and the entire Brandon Node. Separate paths, as pictured, are safer and add character.

Phase 3

The final phase turns the site of new housing and open space into a compact branch of the Delridge Community. This is achieved by adding mixed-use residential/ retail units along Delridge Way and interspersing parking between buildings. Again, possibilities are endless, but for now it is assumed that the retail will fulfill the immediate needs of residents.

The success of this development in a part of Seattle that has such a highly transit-dependent population hangs on the central transit station. It features real-time information about the next bus' arrival, allows passengers to buy tickets in advance using automated machines, and includes all-season waiting facilities. Because transit is integral to the community, the station celebrates transit riders by greeting them with a fountain leading to the parks' courtyard.

Existing Attributes



Parking Lot



Bus Stops at Northern and Southern ends of the site



Field



Graham Street Stairs



Seperate 1.36 Acre Parcel within existing site



Longfellow Creek Trail Access

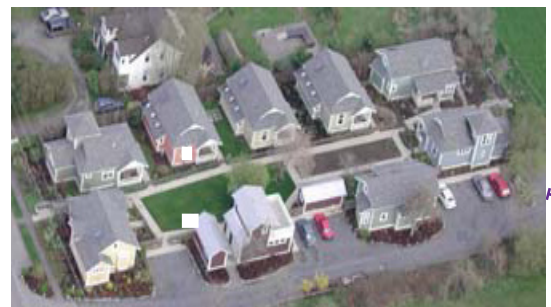
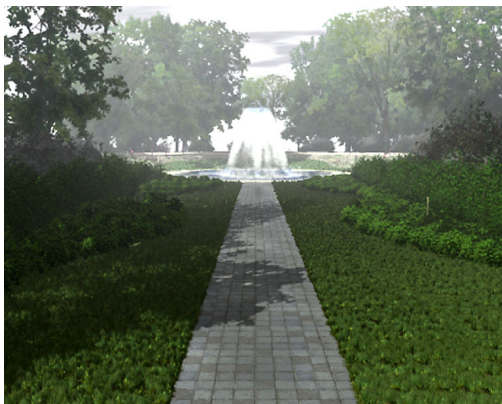


Phase 1

1. Tear down Boren School
2. Acquire separate 1.36 parcel and develop cottage housing
3. Expand and make improvements to the field including:
 - * Build a swimming pool and playground
 - * Create an inviting central plaza
 - * Retain baseball diamond and soccer fields

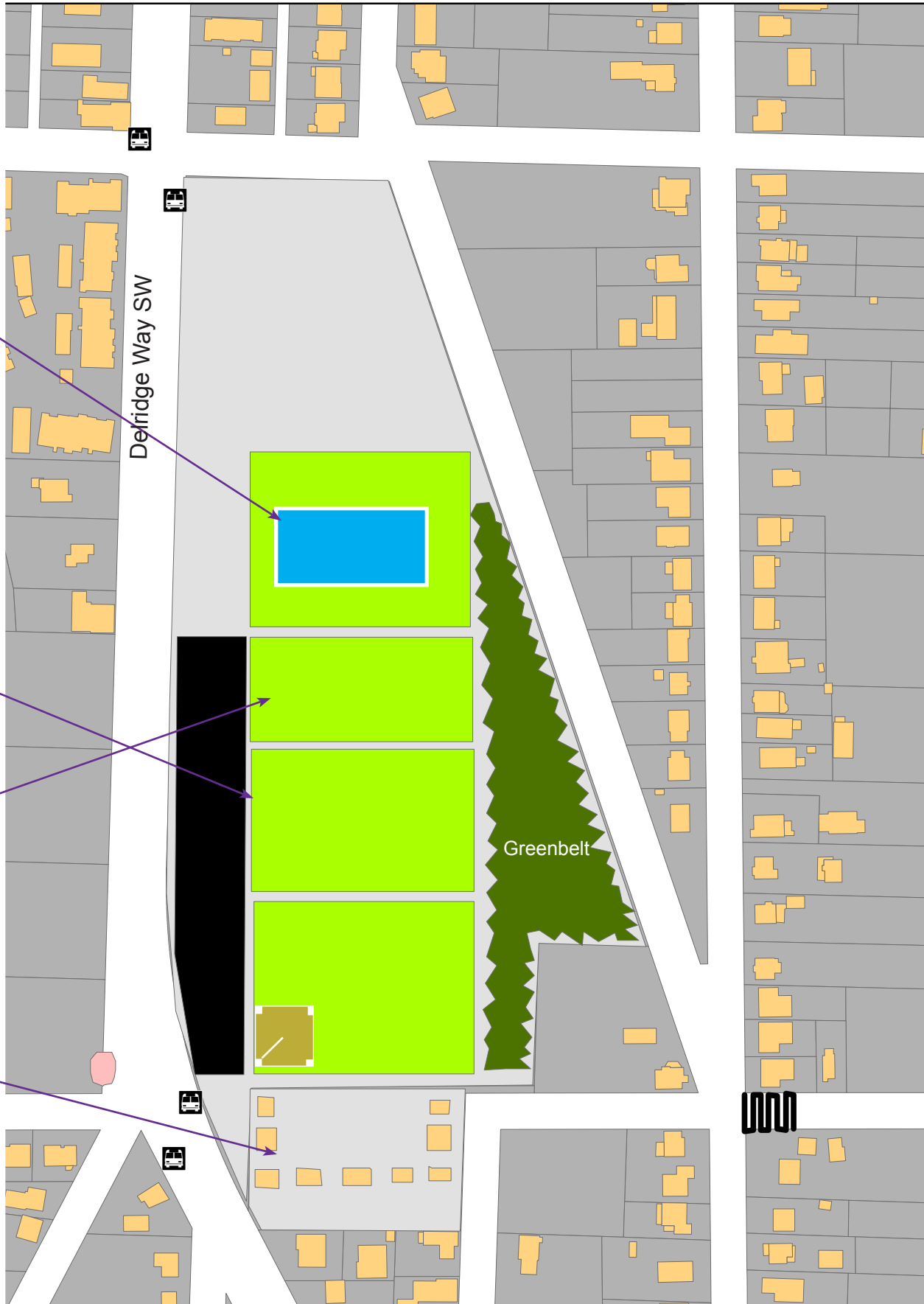


Planting new grass and keeping the grounds landscaped will encourage use of the fields



A cottage housing development, visible as one approaches the site from the south, would be an indicator that you have entered a special place

Photo Courtesy of the Cottage Company



Phase 2

- 1. Develop new multifamily housing units
- 2. Enhance sidewalks / bicycle lanes
- 3. Designate improved green spaces as a new public park



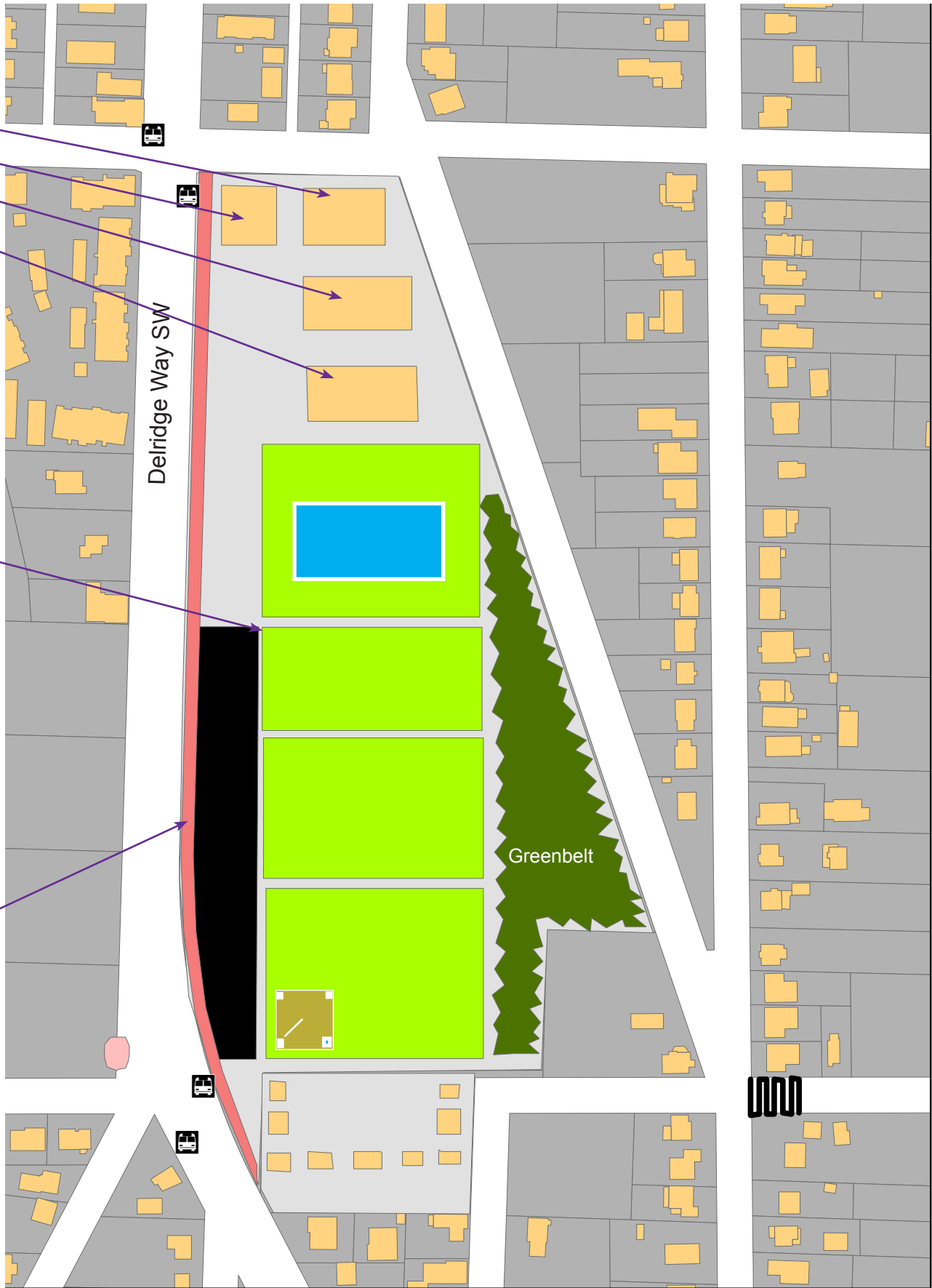
Modern apartment buildings offer efficient, attractive & affordable living quarters



With multi-modal access and new living spaces adjacent, the new Boren Park would serve as an excellent neighborhood gathering space



Separate bike lanes and sidewalks are safe and create an increased sense of importance for people, not cars



Phase 2

- 1. Add Mixed-Use / Commercial Retail along Delridge Way
- 2. Disperse parking to provide easy access to retail
- 3. Consolidate northern and southern bus stops into a central bus station around a courtyard
- 4. Improve Graham St. Stairs to encourage pedestrian access to and from the site



Typical Mixed-Use development combining neighborhood-oriented retail plus living units above



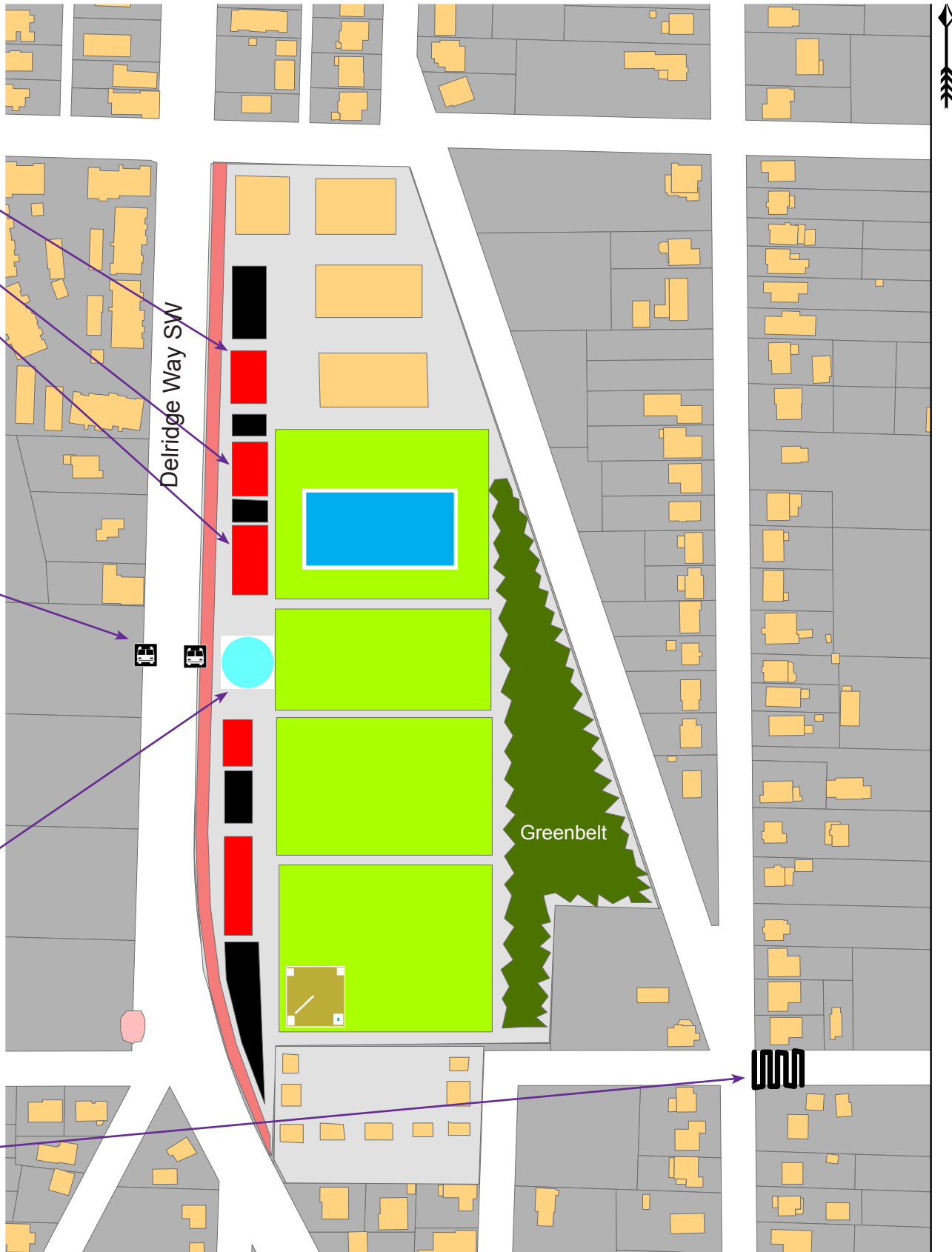
Full Service bus station with real-time information, pre-paid ticket machines, easy-to-interpret maps and comfortable waiting areas.



New Steps that match the character of the area



Transit Courtyard in Renton



9. Conclusion

In conclusion, we focused on identifying areas within the Brandon Node along Delridge Way SW that we determined were suitable for redevelopment/development based on a variety of factors, such as DNDA's objectives and the other sections' analyses. *Appendix 4* contains the detailed products of our research and analysis, including a building envelope analysis for specific opportunity spaces; a development ratio chart, detailing simple feasibility of site redevelopment; a sample proforma to be used for analysis of specific properties; an ownership map; and a land survey inventory.