

Holly House Property Sale – Summary and Bid Comparisons

Affordable Housing Offers:

We have two viable affordable housing bids: Attain Housing and LifeWire. Both organizations have decades of experience and significant operations. Both are proposing “transitional” housing, defined as temporary housing that includes services to help people become self-sufficient and move into permanent housing, similar to the current operations of the Sophia Way program.

Both Attain Housing and LifeWire provide case management and counseling to help residents address barriers to housing, though the organizations differ in how these services are provided. Attain Housing case managers will visit the site weekly; LifeWire will provide two full time advocates on site. LifeWire’s proposal includes office and meeting space for these services. Both Attain Housing and LifeWire believe that through case management and counseling, tenants will develop life and work skills necessary to secure permanent housing while living in a stable, supportive environment. The professionals providing these services are employees of the organizations.

Attain Housing focuses on families experiencing a housing crisis. LifeWire focuses on women and families who are victims of domestic violence. (80% of homeless families in regional shelters are victims of domestic violence.) Both proposals provide 25 units, though they are different sizes based on needs of the populations served. Attain Housing would initially rent about half the units to market rate tenants, which will help them finance the project. Attain Housing indicates that there can be greater success in transitional housing when tenants have mixed incomes, but they intend eventually to convert all units to transitional housing units. LifeWire, by contrast, will immediately use all 25 units to serve their target population.

Both of the affordable housing bidders foresee that there is insufficient space for the amount of parking required by the City of Bellevue. Both would attempt to get a variance, though they have different back-up plans. The details are explained in Section 4 of the full voters’ pamphlet.

Attain Housing and LifeWire have submitted detailed financial information and statements. Both organizations appear to have sufficient assets to close their offer to purchase of ESUC property. It is the opinion of the Task Force that LifeWire has superior liquid financial resources to close in a timely manner. Attain Housing is depending in part upon the sale of a duplex to fund the purchase of the ESUC property. While that property appears to have value, there is always the danger that a buyer of the duplex could fail to close escrow, delaying or possibly preventing the closing on ESUC property. LifeWire submitted a detailed letter from King County Housing Authority (KCHA) pledging the full amount of the purchase price at closing, as well as a letter from the City of Bellevue supporting the project with a grant.

Market Rate Offer:

We selected the buyer we are recommending for many reasons; they demonstrated the most genuine investment and interest in the property through their work with the City, their architect and the broker; they have a reputation for negotiating fairly from a “partner” rather than opponent perspective; they have a strong track record of building quality construction; they take care when coming into a new neighborhood to be “good neighbors;” their due diligence and other terms were more favorable than the rest; and they offered the highest earnest money and highest price.

We have created two options for purchase by a market rate buyer. One sets aside a portion of the net proceeds from the sale to be designated to a benevolent fund for earth and social justice ministries and philanthropic contributions. The other option is for no restrictions on the proceeds.

For all four options, the use of proceeds, whether designated or not, will be decided by the congregation and managed by the board or their designee after the sale.

Bid Comparisons
(More detail provided in the voters' pamphlet)

CRITERIA/FEATURES	ATTAIN HOUSING	LIFEWIRE	WOODBIDGE NW
<i>Website</i>	https://www.attainhousing.org/	https://www.lifewire.org/	http://www.woodbridgenw.com/
<i>Date Established</i>	1989	1982	1989
<i>Staffing</i>	8	37	N/A
<i>% of Budget Spent on Services</i>	81%	91%	N/A
<i>Bid</i>	\$1,200,000	\$1,050,000	\$4,000,000
<i>Fee Paid to Broker</i>	none	none	3.5%
<i>Earnest Money</i>	\$25,000	\$25,000	\$190,000
<i>Due Diligence</i>	120 days	90 days	60 days
<i>Time to Close (potential)</i>	210 days	194 days	365 days
<i>Source of Funds for Purchase</i>	sale of a property before closing; donations on hand	loan from KCHA* at closing	Internal funds; likely from balance sheet or principals
<i>Population Served</i>	homeless families; initially includes some market rate units	homeless women and families who are victims of domestic violence	Nondiscriminatory (estimated selling price Est. \$775K / unit) **
<i>Number of Units</i>	10 two-bedroom units 15 three-bedroom units (initially 12 units would serve homeless families and 13 would be rented at market rate)	7 one-bedroom units 16 two-bedroom units 2 three-bedroom units (all would serve homeless women and families)	19 to 21 townhouses, 1400-1800 square feet, 3-bedroom units with some having dens (all would serve market rate buyers)
<i>Parking</i>	waiver from the City requested, backup plan detailed in the voters' pamphlet	waiver from the City requested, backup plan detailed in the voters' pamphlet	tandem or single garages attached to the units
<i>Support Services</i>	case managers visit housing site weekly	two full time case managers on site	N/A
<i>Playground Use</i>	Neighbors currently use the playground—no change. In addition, Attain Housing offers a playground upgrade at their expense.	Neighbors currently use the playground—no change.	Willing to improve or contribute towards improvements of the playground areas in exchange for access easement for the future townhome residents.
<i>ESUC- Ongoing Involvement</i>	none required, see full pamphlet for details	none required, see full pamphlet for details	N/A
<i>Green Building</i>	meets State of WA and City of Bellevue minimum standards	exceeds State of WA and City of Bellevue minimum standards	meets or exceeds State of WA and City of Bellevue minimum standards

* KCHA is King County Housing Authority

** median selling price for a condo on the Eastside in February 2019 was \$445,000 (Northwest Multiple Listing Service)