

# Montlake Homes

Housing, Arts, & Civil Rights Committee

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# Proposed Legislation

- Authorizes OH to purchase of the Montlake Homes site from WSDOT for no more than \$6,050,000 for affordable housing development
- Places the property under the jurisdiction of OH, after purchase
- Authorizes OH to issue a competitive RFP to select a developer of 50+ permanently affordable homes
- Following the RFP, authorizes OH to transfer the site to the selected developer to construct and steward permanently affordable homes



# Investments in Affordable Homeownership

- Prevent displacement.
- Foster security and neighborhood connections for families.
- Ensure essential workers can live in the communities they serve.
- Maintain affordability at resale for 50+ years.



# Permanently Affordable Homeownership

- Eligibility below 80% AMI.
- Home prices aim to meet 65% AMI.
- To calculate price: 35% of pre-tax income used for housing cost.
- Housing cost includes principal, interest, property taxes, insurance, HOA dues, and stewardship fee.
- Current permanently affordable home prices for buyers: \$250-\$350K.



# How Permanently Affordable Homeownership Works

## HOME

- Homebuyer purchases home.
- Homeowner leases the land in a long-term, renewable lease.
- Homeowner agrees to sell homes at restricted prices.

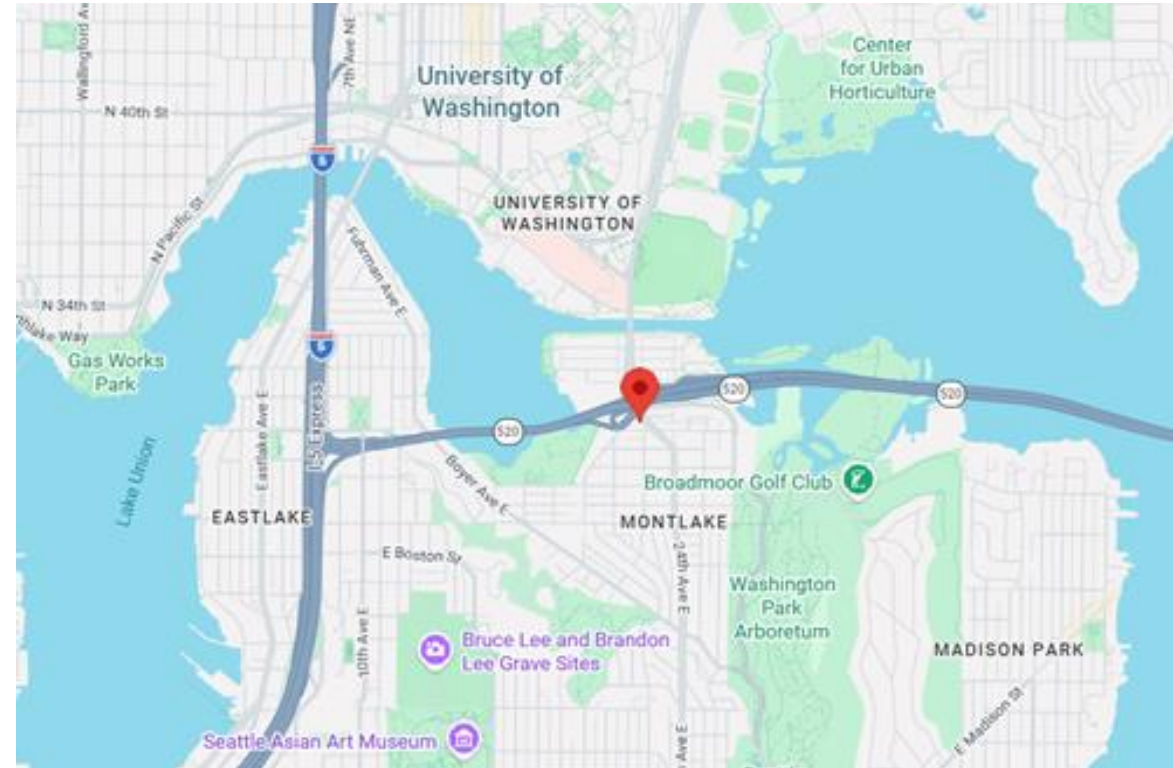
## LAND

- Owned by a nonprofit.
- Nonprofit provides long-term stewardship.
- Ensures homes are sold at affordable prices to income eligible buyers in perpetuity.



# Montlake Homes Opportunity

- 2625 East Montlake Place East
- WSDOT construction staging for SR 520
- Now vacant; considered surplus
- State legislature appropriated funds for OH to acquire site from WSDOT to develop at least 50 permanently affordable ownership homes
- WSDOT to lease site during predevelopment and permitting



# Montlake Homes Site

- Amenity-rich neighborhood, without affordable homeownership
- NC-2 zoning anticipated
- RFP to encourage:
  - 50 homes with 2+ bedrooms for families
  - Trees/greenery between the homes and 520, as well as other green building and pollution mitigation strategies
  - Ground-floor commercial if feasible
  - Creative strategies to mitigate congestion



# Thank you!

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