

To: Seattle School Board & School District MLK Selection Committee (via Ron English)  
Fr: Citizens for a Community Center at M.L. King (CCC@MLK)  
Re: Protest: Clarifications and corrections to the Selection Committee's draft "Comparison of Proposals"  
(dated 12/18/09)  
CC: Senator Kline, Speaker Chopp, Reps. Tomiko Santos and Pettigrew, King County Executive Constantine,  
Mayor McGinn, and City Council President Richard Conlin  
Date: January 12, 2010

This memo is in response to the Seattle School District's Selection Committee's draft report entitled "Comparison of Proposals" dated 12/28/09 (the "Report") and is a follow-up to Mr. Ron English's suggestion (made at the end of the School Board's public workshop session on 1/6/10) that we send an e-mail if we wished to comment on the Selection Committee's analysis.

It is readily apparent from a review of the Report that it contains several inaccurate or misleading statements and a misunderstanding of CCC@MLK's proposal (as supplemented by the 12/1/09 submission) that need to be addressed. We are presenting just some of the many issues, and we reserve the right to make additional points in a follow-up letter. We request that this memo, and any subsequent information, receive full consideration from the Executive Committee, the Selection Committee and the full School Board.

1. *Market-based rents:* This Report states several times that CCC@MLK plans to charge market-based rents. This is not the case. In both our original proposal and our 12/1/09 letter we state that we will charge below market rents for the organizations that plan to be a part of the MLK Jr. Community Center.
2. *Rent comparisons:* Page 4 of the draft report claims that the commercial properties for which we supplied data are not located close enough to the MLK property to qualify as appropriate comparables, and as such do not prove that we would be charging under market-based rents. This is precisely our very point: there are no spaces close to MLK, nor in or near the Madison Valley neighborhood that we can use for a true comparison, so we selected the closest properties for which data is available.

To further supplement the data we have already submitted, we have also checked commercial real estate costs per square foot along in Madison Valley. (Please note that these other spaces are not comparable to the MLK space for use for community and youth programming. We did this additional research since the Selection Committee felt we did not provide data for properties closer to the MLK property.) One tenant with second floor office space in an office building on East Madison Street in the neighborhood's business district pays at least \$1,650 each month for 650 square feet of space, or \$30.46 a square foot a year -- at the high end of the Broadway area comparables we cited in our December 1st letter. The subject tenant does NOT pay for utilities, so it's not triple net like our figures or the comparables we cited. Even deducting a few dollars as low as \$30 still leaves you with a rent that is substantially higher than the \$16 a square foot that CCC@MLK is proposing charging fixed tenants at the MLK building.

In addition, we found the following listing for space in the Madisonian, a building in the heart of the Madison Valley business district on East Madison Street at 29th Avenue E, on Craigslist:

<<http://www.seattle.craigslist.org/see/off/1537320408.html>>

offering at second floor office space of 500 square feet at \$1,050 a month (we presume Triple Net). For a whole year, that's \$25.20 a square foot. Also, ground floor retail space at 2810 East Madison Street is currently being leased at \$28.19/sq. ft. triple net through March 31, 2010, and then goes up to \$29.26.

3. *Special consideration in RFP:* We disagree that CCC@MLK does not meet the criteria for special consideration under the RFP rules, since the majority of the programming we and our partner organization would offer is youth education or social services, and we would not be charging market-based rents to those tenants. It seems that one reason we might not meet the standard is because CCC@MLK is not organization that would be directly providing all of the youth education or social

services. We think this does not follow the “spirit” of the definition. If the Selection Committee applied this same standard to current community centers in surplus school building, many of them would not meet the standard. For example, the organization that now owns the University Heights acts solely as a landlord, and does not provide any programming whatsoever. Rather, the fixed tenants provide the programming. To expect CCC@MLK to provide all or most of the youth and social services programming itself is not fitting with the true model of a community center where many groups contribute to the greater whole. It is also too high a bar to set given that the MLK school building has only been closed for two years, so CCC@MLK has not had the time to establish that level of programming (Phinney Ridge has had ample time – more than twenty years – in comparison).

We also believe that we meet the definition, as we would be providing programming where, as stated in the RFP, “no nearby alternative exists where such services can be provided.”

4. *Annual rent:* The Report is critical of the rent offer contained in our initial proposal, of \$65,000 (with the subtext that we somehow misunderstood the minimum rent criteria set forth in the RFP). Here’s the information contained in the RFP materials:

Essential Information document (hand out):

“MINIMUM PRICE: The minimum purchase price is \$2,500,000.  
The minimum rental amount for the first year is \$40,000.”

Minimum Qualifications for the annually rent was stated in:  
Sales Procedure July 10, 2009 document

“The minimum offer to lease the property is \$50,000 annually.”

Addendum No. 1

7. Q: What is the minimum first year rental?  
A: \$40,000.

None of the above included any caveat such as “net of discount if the entire property used for support of youth education.” We of course amended our rental offer to \$108,000 (subject to transition period discounts) after Mr. English informed us that that was the actual minimum rent required under the RFP. Mr. English confirmed that the \$108,000 rent would be subject to transition discounts of 25% the first year and 15% the second year. Applying these discounts to a gross rent of \$108,000, we project that we could show a surplus, or at least break even in operating the building as a community center until a purchase was finalized. (We projected a surplus of \$56,000 and \$49,500 during the first two years of rental at a gross rental rate of \$65,000 – see page 3 of Tab 16 of our initial submission.)

5. *Tenant vs. public prioritization:* The Report makes assumptions that CCC@MLK would prioritize fixed-space tenants over community for use of the flex space. The opposite is in fact true, given that the very nature of our vision and plan is to be a Community Center making the site more available to community on the whole. Our plan is to have full-time anchor tenants that would provide coordinated community programming and/or are otherwise considered grassroots groups that provide benefit to Madison Valley and adjacent neighborhoods and the larger community of the Central Area. In fact, of the four proposals, ours is the only one that puts the highest priority on the community over all entities private or otherwise. Yes, we said that we would allow fixed tenants to make use of “flex” spaces. But we also said that we would limit such use if it interfered with the general public’s demand to use the flex spaces. In addition, our analysis of rental of the flex spaces (see page 4 of Tab 16 of our original submission) assumed utilization rates for particular spaces ranging from 25% to 50%, and not full use of 100%, meaning that there is sufficient availability for the public if the demand for these spaces is substantially greater than our initial, conservative estimates. There is enough of a buffer that we could make allow use of the flex

spaces free of charge to some groups with little or no budgets for room rental fees, and still make our business plan pencil out.

We would have a community “living room” (which is a more accurate term over “lounge”) that is a dedicated space for neighbors to meet and visit, throughout the Community Centers hours of operation (8am - 9pm). Our computer lab would be available to the community for free time as well as for classes, with designated hours for youth after school programming – restoring the Village Technology Education Center that the community had previously established at the MLK site (see Tab 6 of our initial submission). The playground, outdoor covered basketball court, the playscape with playground equipment, and the atrium planting spaces would all be available before and after school hours during the week for youth and the general public programming.

The same people who are a part of CCC@MLK raised the needed funds and worked with the school in the creation of the current playscape. It is this space as well as the covered ballcourt that would be returned to free and open space as it was for over 50 years, which was stated in our bid addendum as well. Therefore we already have a vested interest in maintaining the playscape and insuring its continuous use.

6. *Veterans Group office:* We challenge the Report’s assertion that the Veterans Group currently has an office, and the implication that our statement to the contrary was untruthful. The address referenced in the Report is a Post Office box not an office. Was there a confirmation of any services being offered at the location the Selection Committee cited? The Selection Committee indicated at the public workshop that staff did not make any effort to confirm or deny the current accuracy of their information. There hasn’t been and isn’t this type, to this level or a centralize place where our veterans can go for assistance and referrals in Madison Valley and/or in the Central Area. The African American Veterans Group of Washington State is being proactive in our governments efforts to provide expansive assistance and services to all of our veterans (past and current wars like Iraq and Afghanistan) and their families. There is a big difference between just a working office in a nearby office complex, a mailing address and Veterans Service Organization (VSO). We truly need to support our Veterans, their children and families, which is what this neighborhood and Community is doing.

Once again “no nearby alternative exists where such services can be provided.”

(Please see the attached support letter from Congressman Jim McDermott and other documentation of the actual locations of the homes where limited services are being offered)

7. *Mitchell’s House clarification:* Nowhere in our proposal was Mitchell’s House referred to as a social service agency. (Please see our original proposal, at page 14 of Attachment No. 5). Mitchell’s House is listed as: “Provides support to at-risk youth of color”. This is a grassroots organization that is being proactive in working with our gang and youth violence issues.
8. *Hours of Usage:* The draft report says our hours of use are not clear, but we state hours of use in page 4 of Tab 16 of our proposal.
9. *Two meeting rooms are not enough:* We are concerned that the Report’s tacit approval of The Bush School’s or Hamlin Robinson School’s plan to provide two meeting rooms for community groups and a playground implies that this would provide enough community support. As stated in CCC@MLK’s proposal and by many community members who provided public statements during the SUAC process and/or who have contacted the School Board: when the MLK Jr. school building was open it was the *Heart and Soul of the Neighborhood*, the hub of Madison Valley, providing the only gathering space in the community, social or otherwise. Two meeting rooms provided by a private school would not fill the void left when the school closed. Under the two private schools’ proposals, there would be no social

gathering spaces for youth and community events (kids' dance or theatre performances, spaghetti dinners, pancake breakfasts, etc.).

CCC@MLK's proposal meets and exceeds this two-room minimum offered at an hourly rate. We offer the kitchen, cafeteria, assembly area, stage, and gym to the community (in addition to outdoor spaces). The current Book Room would also be an incubator for local non-profit and grassroots groups and organizations that need occasional administrative space. In addition, if any spaces designated for fixed tenants were not being rented by fixed tenants, those spaces would be available for short-term, flex use rental as well.

Also, The Bush School's proposed rental rate in accordance with Seattle Public Schools rate is substantially higher than our rental rates CCC@MLK proposes to charge. (See attachment document "Rental Rates 2009-10" which is the rates Seattle Public School charges.) If The Bush School were to charge these rates local and grassroots organizations could not afford to use their space.

*10. Soccer fields:* We are concerned about the proposal by The Bush School to build playfields. First, The Bush School has a soccer field on its property already, and there is another soccer field at the Arboretum at East Madison Street and Lake Washington Blvd. In reference to H02.01 IV. B. (2), which provides, "Where no alternative nearby location exists where such service can be provided", the community already has a play field at Washington Park, so the creation of another field is duplication, not "enhance the benefits to the community."

Second, we question how often playfields built by The Bush School would really be available to the public. While they state they would make it available to the public when not in use, they then describe extensive use by the school (including summer day camps), as well as other schools in the area on the weekends and in the summer (since they would most likely have an imperative to rent it out often to make it fiscally feasible to have the property – especially under a long term rental scenario at \$262,000/yr rent, plus escalations). It feels like it would most likely be "token" public access (their current playground and soccer field are not available to the public). Finally, we are concerned that there is no requirement to never develop that property in 40 or 50 years.

*11. Move-in costs:* As we stated previously, the proposed \$40,000 move-in costs also includes volunteer time as well as materials being offered in-kind. This was a figure that was developed by our outside consultant, Environmental Works, which has years of experience in constructing, designing and/or remodeling buildings as community centers. We are also concerned with the re-assertion of the need for toilets in each room, challenging our information from our experienced contractor and DPD and among other issues the exits. (Please review our December 1<sup>st</sup> bid addendum for more discussion on this issue.)

*12. CCC@MLK move-in date:* The final page of the Report is misleading. The discussion of the building vacancy implies that CCC@MLK and its partner organizations do not intend to occupy the building until 2012. We state in our proposal and again in our December 1<sup>st</sup> addendum that we plan to rent by June 2010 (or as soon thereafter as feasible, depending on the final timeline of the School Board's decision). The City of Seattle Dept. of Planning and Development has stated the building needs to be occupied by August of 2010 to avoid retrofits.

*13. Building vacancy:* The final page of the Report is also misleading, as it implies that the building needs to be occupied by Spring 2010, as the building will have been substantially vacant for five years. However, according to Ron English's September 25, 2009 letter to DPD:

“..if substantial occupancy (i.e., at least 4 of the 12 classrooms in regular use) of the building does not commence by August 1, 2010 (two years from the end of the District’s prior use of the building for summer school), and such activities do not continue for at least two months, then DPD may require installation of substantial improvements as a condition of reuse of the building.”

*14. Misleading Parks & Rec staffing and partnership:* F.A.M.E’s assertion that they have an agreement with Seattle Parks and Recreation is a misrepresentation. According to Seattle Parks and Recreation senior management there is no such conversation or negotiation taking place. Ironically, if any kind of conversation and/or negotiation were to be taking place, one of our board members would be one of the persons involved in this process. On the other hand CCC@MLK does have an agreement with Garfield Campus Advisory Council (the citizen arm of the Parks and Recreation facilities Garfield Community Center, Medgar Evers Pool and Garfield Teen Life Center) for collaborative programming. (Please see the attached letter from ARC.)

In closing, we are concerned that the framing of the summary in the Report can lead a reader to believe that the Selection Committee is positioning for a recommendation to sell “to the highest bidder” vs. taking into account non-fiscal factors that are of utmost importance not only to Madison Valley residents, but also the Central Area and all Seattle taxpayers. This is the very same community that responded generously in less than seven (7) days to a request for funds to pay the \$10,000 deposit. We understand that District is under tremendous financial pressure, but if a public building is to be sold or leased, it should go to community use. Given the State Legislature’s passing, and Gov. Gregoire’s signing into law, funding to make a community center possible at MLK, other elected officials clearly agree. We hope that given the Selection Committee’s Report is a draft, the Board and the Selection Committee take into account our clarifications and corrections before making any recommendations or decision. We would like to request the opportunity to meet with the School Board and/or the Selection Committee to be able to further explain our proposal, answer any questions or provide additional information that will permit the School District to fully understand the details of our proposal. We minimally request confirmation of receipt of this emailed memo and confirmation that it will be sent to the School Board which will be voting on the four proposals that were presented.

Ms. Adrienne W. Bailey, President  
CCC@MLK

Attachments:

McDermott Ltr  
African American Veterans Group of Washington State Documents:

Business Lic

Agent Ltr

Inc.

Paper

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IRS

Ltr

Seattle Public School 2009 - 2010 Rental Rates

DPD Ltr

ARC/Seattle Parks and Recreation Ltr

Links:

CCC@MLK website:

<http://mlkcommunitycenter.org>

Martin Luther King School RFP:

<http://www.seattleschools.org/area/propertymg/mlkschool.html>

CCC@MLK Original Bid:

<http://www.seattleschools.org/area/propertymg/ccc%20bid.pdf>

CCC@MLK Addendum Bid:

<http://www.seattleschools.org/area/propertymg/ccc%20bid%20amendment.pdf>

Comparison of Proposals:

<http://www.seattleschools.org/area/propertymg/091218%20comparison%20of%20proposals.pdf>