

# Central Issaquah TOD - Announcement for Market Rate Developer

## Issaquah Opportunity

Development Site for  
Market Rate Housing

Issue Date: July 30, 2025

Site Walk: August 13, 2025  
2:00 p.m.

Due Date: September 10, 2025  
by 2:00 p.m. PDT

Central Issaquah TOD Site  
1550 Newport Way NW  
Issaquah, WA 98027

Urban Core Zoning

FAR Chargeable Area  
208,199 Sq. Ft.





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King County Housing Authority is seeking a qualified developer for the opportunity to purchase and develop property located along Newport Way NW in Issaquah, Washington. The development of the property must align with the vision established by the City of Issaquah to create a transit-oriented development (TOD) in Central Issaquah. The development site is across the street from Tibbetts Valley Park and contains an established wetland, so the development must be sensitive to the natural context of the site.

## EXECUTIVE SUMMARY

The selected developer and Trailhead Apartments LLLP will each own a unit in the condominium, Central Issaquah TOD. Trailhead Apartments LLLP will own the Affordable Housing Unit, and the selected developer will own the Market Rate Housing Unit. The Affordable Housing Building is located on the north portion of the site and the Market Rate Building on the south portion. Trailhead Apartments LLLP will oversee the master development of the site. At the time of this announcement, the Site Development permit has been submitted to the City of Issaquah, with both the Affordable Building and the Market Rate Buildings being permitted together for site development. Common elements included in the site development permit submission include: the construction of a public through street, utility infrastructure, a mid-block community space, a pedestrian path and the restoration of the existing wetland.

Trailhead Apartments LLLP was formed to develop the Affordable Housing Building. The building will be a condo, Trailhead Plaza, with Trailhead Apartments, the City of Issaquah and Life Enrichment Options (LEO) each owning a condo unit. Trailhead Apartments LLLP will own 154 units of affordable housing, 2 units for site staff, and amenity space; Life Enrichment Options will own 3 units of housing for individuals with developmental disabilities; and the City of Issaquah will own 10,000 sq. ft. of commercial space intended for community services, known as the Issaquah Opportunity Center. Trailhead Plaza will have 172 parking spaces with three levels of structured parking. Trailhead Apartments will be financed with a variety of public financing, including equity from Low-Income Housing Tax Credits (4%), tax-exempt bond financing, and funds from King County and ARCH.

The Market Rate Housing Building, as submitted in the Site Development permit, has 205 units and 191 parking spaces in structured parking. Total unit count can change, depending on the unit mix preferred by the selected developer. As with Trailhead Apartments, the structure is anticipated to be 5 levels of Type III over 3 levels of Type I construction. The Market Rate Housing building is not required to have identical materials as Trailhead Apartments, but both buildings need to be complementary and share a common context. The City of Issaquah has extended waivers from certain code requirements (see section on Housing Cooperation Agreement) to help the developer of the market rate building design a building that isn't immediately distinguishable from the affordable housing building. Though initial design of the market rate development building was required for the site development permit application, the developer of the Market Rate Housing Building is free to bring their own architect, general contractor and development team.



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## CENTRAL ISSAQUAH LOCATION

### General Boundaries

North: NW Maple St

East: Cascade Business Park

South: Newport Way NW

West: Private Road /  
Issaquah Transit Center





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## CENTRAL ISSAQUAH LOCATION

### Neighborhood Uses

- Big Box Retail
- Civic
- Groceries
- Retail





# Central Issaquah TOD - Announcement for Market Rate Developer

## PROPERTY DETAILS

Site Address:	1550 Newport Way NW, Issaquah, WA 98027
King County Parcel Number:	292406-9002
Legal Description:	Lot 2, City of Issaquah short plat NO. SP-79-12, recoded under recording number 8001020405, and revised by instrument recorded under recording number 9510199010, records of King County, Washington
Zoning Designation:	Urban Core (UC) - a mixed zone
Site Area:	For both north and south buildings
Gross Site Area:	174,189 SF
Area Deductions:	95,679 SF
Developable Area:	78,621 SF
Chargeable FAR Calculation:	
Max FAR:	390,323 SF
Affordable Building FAR:	182,124 SF (as currently designed)
Market Building FAR:	208,199 SF (as currently designed)
Condo:	Central Issaquah TOD
Unit 1:	Affordable Housing Unit
Unit 2:	Market Rate Housing Unit



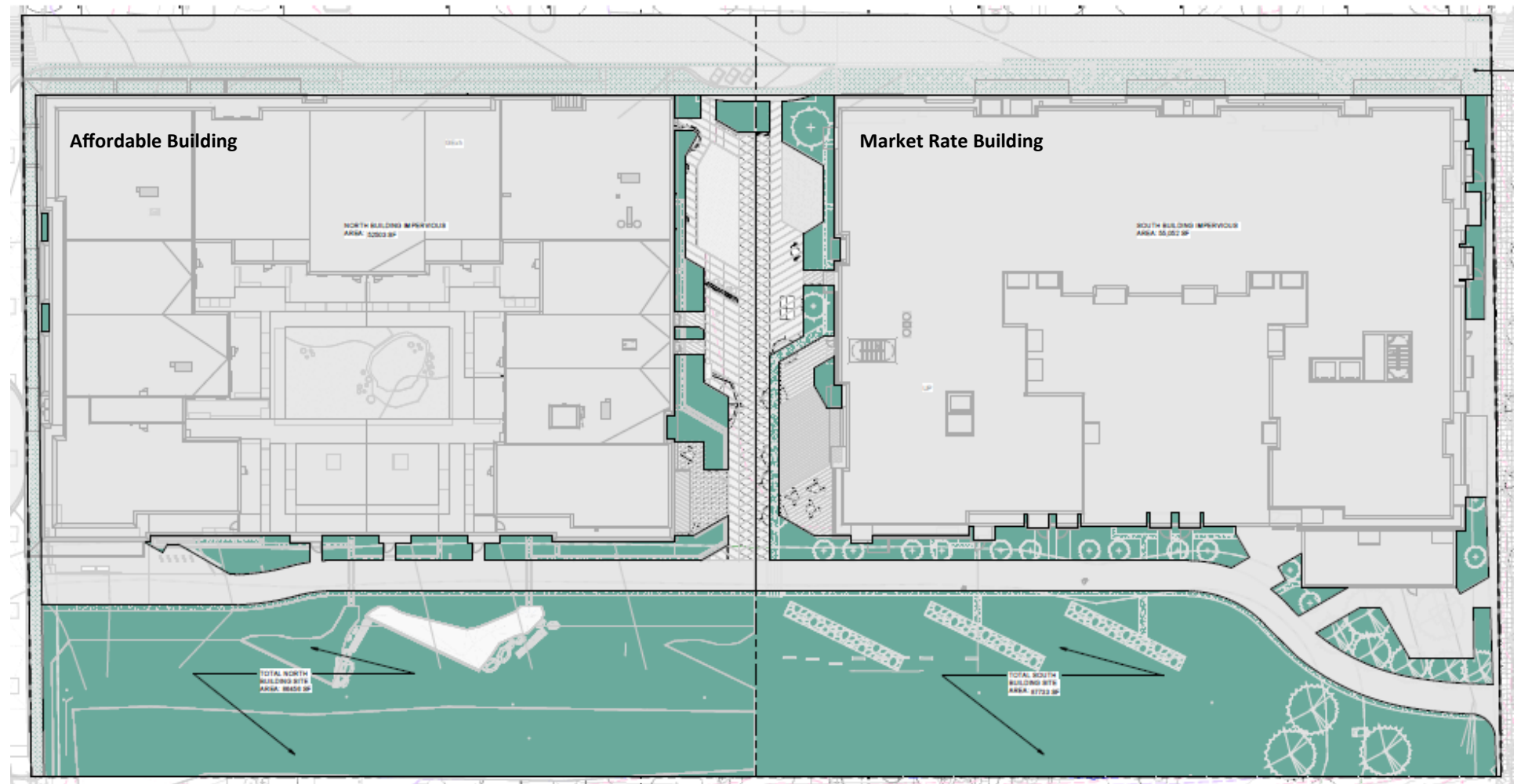
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## PROPERTY DETAILS

General Division

Unit 1 - North Building  
Affordable Building

Unit 2 - South Building  
Market Rate Building





# Central Issaquah TOD - Announcement for Market Rate Developer

## PROPERTY DETAILS

Common Amenities with  
Trailhead Apartments

Mid-block Community Space

Pedestrian Trail

Restored Wetland





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## **AFFORDABLE HOUSING CONSIDERATIONS**

### **Affordable Housing Requirements**

The Issaquah Land Use Code (Chapter 18.514) requires that multifamily developments within the Urban Core provide affordable units for the life of the building, with either 12.5% of the units affordable at 60% AMI or 10% affordable at 50% AMI. The Affordable Housing Building will satisfy this requirement for the entire site, so there will be no affordable housing requirement for the Market Rate Building.

### **MFTE - Multi-Family Housing Property Tax Exemption Program**

The Issaquah TOD site is one of two targeted properties in the City of Issaquah's Multifamily Housing Tax Exemption program (Chapter 3.09 of the Issaquah Municipal Code). This program offers a property tax exemption on qualified improvements for 12 years as long as the required minimum number of units are kept at required affordability levels. 15% of the units need to be affordable at 60% AMI and an additional 5% affordable at 80% AMI. Participation in this program is not mandatory but is an option available to the developer.

### **Market Rate Expectation**

The goal of the development of the Issaquah TOD site is that it will be a mixed-income community. It is the expectation of King County Housing Authority and the City of Issaquah that the Market Rate Building will be primarily market rate and not primarily affordable. It is not intended to be developed as a 4% Low-Income Housing Tax Credit project. A portion of the units in the Market Rate Building may be dedicated to affordability at lower income levels as long as it is not a majority of the units.



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## **TRAILHEAD APARTMENTS (Affordable Building)**

Renderings





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<div>TRAILHEAD APARTMENTS (Affordable Building)</div> <div>Building Details</div>	Total Units:	156 total units (excluding 3 LEO units)	
	Trailhead Apartments Unit Mix:		
	Studios:	6 (4%)	
	1-Bedroom:	62 (39%)	
	2-Bedroom:	50 (32%)	
	3-Bedroom:	38 (24%)	
	Parking Spaces:	172 total stalls	
	Bike Parking:	161 long-term stalls	
	Community Amenities:	Mid-block Community Space	Ground Level Outdoor Amenity
		Pedestrian Path	Ground Level Outdoor Amenity
		Restored Wetland	Ground Level Outdoor Amenity
		Community Room	Level 1
		Fitness Room	Level 1
		Bike Storage Room	Level 1
	Study Room	Level 4	
	5,000 sq. ft. terrace	Level 4	
	Construction Type:	Type IA / Type IIIA	



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<b>TRAILHEAD APARTMENTS (Affordable Building)</b>  Development Team	Architect:	Weber Thompson
	Construction Manager as Constructor:	Walsh Construction Co. / Washington
	Landscape Architect:	Weber Thompson
	Structural Engineer:	Coughlin Porter Lundeen
	Civil Engineer:	Latitude 48
	Geotech:	PanGEO Inc.
	MEP Design:	Delta-E



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**TRAILHEAD  
APARTMENTS  
PROJECT SCHEDULE**

Concept Design Complete	September 2, 2024
Schematic Design Complete	December 20, 2024
Site Development Permit Submitted	March 13, 2025
Trailhead 50% Design Development Complete	February 28, 2025
Trailhead 100% Design Development Complete	May 9, 2025
Submission of Building Permit - Affordable Building	August 20, 2025
Issuance of 90% Construction Documents	January 2, 2026
Bidding complete	April 3,2026
Finalization of CMc GMP	April 3,2026
Issuance of Building Permit - Affordable Building	May 29, 2026
Full Notice to Proceed to GC	June 1, 2026
Construction Complete (23 months)	March 24, 2028
Residents Move-in	April 1, 2028



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## HOUSING COOPERATION AGREEMENT

The City of Issaquah approved a Housing Cooperation Agreement with King County Housing Authority on July 21,2025. Many of the waivers to the IMC for the affordable housing building have also been extended to the market rate building, as the City has a long-held interest in the buildings not being immediately distinguishable based on rental costs. The following waivers have been passed through to the market rate building through the Housing Cooperation Agreement.

IMC 18.602.080(F)	Relief from the 40% ground floor façade transparency requirement for the building facades facing 13th Ave NW and the mid-block crossing.
IMC 18.604.180(G)	Allows for the ability to place structured parking along 13th Ave NW without fronting residential or commercial uses.
IMC 18.812.070(A),	Relief from the requirement that 25% of the total caliper (dbh) of all significant trees in the developable site area be retained.
IMC 18.600.042(A)(3)	Relief from the requirement that buildings be designed with doors and windows making up 50% of the wall(s) oriented toward natural areas. Doors and windows will make up 20% of both buildings’ wall(s) oriented toward the wetlands natural area and 30% of the market rate building’s wall(s) oriented toward Tibbetts Valley Park.
IMC 18.600.042(A)(10)	Relief from the prohibition on building activities and design that close off buildings from the natural areas, including, but not limited to storage and solid walls with lack of windows and doors.
IMC 18.702.100(D)(3)(c) & IMC 18.702.100(C)(3)(b)	Relief from the requirement to step back above the fifth floor on buildings taller than five stories.
IMC 18.600.042(A)(10)	Relief from the provision that would prohibit or require transparency in bicycle storage areas. With the waiver, bicycle storage areas with a ground floor wall oriented towards natural areas are permitted and are not required to meet the natural areas transparency requirement provided that the non-transparent wall is no longer than 65 feet and that transparency requirement is met along the remaining portion of the walls oriented towards natural areas.



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**REQUESETED  
ADMINISTRATIVE  
DEVIATIONS**

The following deviation requests were included in the site development permit submission to the City of Issaquah:

- |                      |  |
|----------------------|--|
| IMC 18.404.060 (A-2) | Allow the project to exceed 20 feet in length of solid walls without modulation.                   |
| IMC 18.404.060 (A-3) | Allow the project to provide less than 10 lineal feet of transparency between solid wall segments. |
| IMC 18.404.140 (E-2) | Allow the project a reduction in the 60’ frontage to accommodate building modulation.              |
| IMC 18.602.070       | Reduce the length of weather protection along the new core street.                                 |



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## **MARKET RATE DEVELOPMENT PERMITTING SEQUENCE**

The Affordable Building and the Market Rate Building sites are located on one parcel. To transact the sale of the site for the Market Rate Building we will create a condominium with two units. Developing both buildings on the same parcel and submitting them as part of a combined site development permit application affords us the following advantages:

1. Ability to transfer unused zoning capacity from Affordable Building to the Market Rate Building.
2. Ability to extend code waivers in the Housing Cooperation Agreement to both the Affordable Building and the Market Rate Building.
3. Ability for the Affordable Building to satisfy the affordable housing requirements for the entire site.

After both buildings have received Certificates of Occupancy, we are amenable to having the site divided into two parcels and collapsing the condominium.

The building permit application for the Affordable Building will be submitted in August 2025. It will be the responsibility of the Market Rate developer to submit the building permit application for the Market Rate Building. The developer may, but is not obligated to, coordinate with Weber Thompson to use the plans they developed for the Market Rate Building.

Construction on the Affordable Building will begin after Building Permit issuance in June 2026. As long as the Market Rate developer coordinates with the Affordable Housing contractor, we are amenable to having both projects begin at the same time. We are also amenable to having the Market Building begin construction after completion of the Affordable Building in 2028.



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## SUBMITTAL REQUIREMENTS

### 1. Development Team

Identify key members of Development Team, including, to the extent they have been identified, the ownership entity, developer, investors, architect, and property manager. Please include contact information for each member of the team. Please describe past experience working with each of the team members. If any team members have not yet been identified, please indicate how you will select them.

### 2. Experience with Similar Projects

Please provide recent similar projects that have been completed by members of the development team. Include information about the project location, unit mix, rents, development cost and financing sources. Discuss any issues you encountered in these developments.

### 3. Financing Plan and Financial Capacity

Please specify how you will finance the development, what the timeline is for securing the financing, and your experience using this type of financing. Please provide evidence of the financial capacity of the ownership/developer team.

### 4. Proposed Project

Describe the project you intend to develop, including the number of units, unit mix, rent levels, amenities, what, if any, commercial space will be developed , and whether you will utilize the MFTE.

### 5. Timeline

Indicate the timeline for your development. If you intend to begin construction prior to the completion of the Trailhead Apartments, please discuss how you will coordinate with our contractor.

### 6. Price

Specify the price you are offering for the site inclusive of the site development permit, how much earnest money you will be putting down, and the timing and conditions for the balance of payments. For purposes of this price, assume that you will be demolishing the existing building on the site.

### 7. Contingencies

Please discuss all contingencies included in your offer.



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## EVALUATION CRITERIA & SELECTION PROCESS

### Evaluation Criteria

- 1. Acquisition Price
- 2. Timing and Conditions of Payments
- 3. Experience of Development Team completing similar projects
- 4. Financial Capacity of Developer
- 5. Compatibility of Proposed Development

### Selection Process

- |   |                                   |
|---|-----------------------------------|
| 1. Addendum questions due:                    | August 20, 2025, 2:00 p.m. PDT    |
| 2. Proposal due:                              | September 10, 2025, 2:00 p.m. PDT |
| 3. Review of applications by KCHA:            | September 11 - 16, 2025           |
| 4. Notification of finalists for interview:   | September 17, 2025                |
| 5. Interview of finalists:                    | November 1, 2025                  |
| 6. Reference Checking & Due Diligence:        | Ongoing                           |
| 7. Notification of Selected Development Team: | November 10, 2025                 |

King County Housing Authority is an Equal Employment Opportunity Employer and strongly encourages minority-owned and women-owned businesses, socially and economically disadvantaged businesses, and small businesses to submit proposals.



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## LIST OF EXHIBITS

**Exhibit A - Architectural Design Packet - 100% DD Set**

**Exhibit B - Municipal Code Summary**

**Exhibit C - BOMA & FAR Information**

**Exhibit D - Arborist Report**

**Exhibit E - Environmental Reports - Phase I & Phase II**

**Exhibit F - GeoTech Report**

**Exhibit G - Traffic Impact Analysis**

**Exhibit H - Critical Areas Report**

**Exhibit I - Topographic Survey - September 2024**

**Exhibit J - Housing Cooperation Agreement**

**Exhibit K - Central Issaquah TOD Condominium (Draft)**