

Rainier Valley Post

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Makeover in Works for Troubled Rainier Beach Apartment Complex

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Last week, Mt. Baker Housing Association (MBHA) announced that it has purchased the troubled Creston Park Apartments in Rainier Beach for \$1.7 million, and plans to “renovate, reposition and operate the property as affordable housing for individuals and families who earn up to 50% of the area median income,” or about \$38,000 a year for a family of four.

The 26-unit apartment building is located near 51st Avenue South and Beacon Avenue South near the Tukwila border. It contains 24 two-bedroom/one-bath units and two that are one-bedroom/one bath. Since MBHA serves low-income families, the property’s two-bedroom units were very appealing to the organization.

“Apartment buildings with two bedroom units are hard to find in the Rainier Valley” said **Mike Rooney**, MBHA’s Executive Director. “The property was half vacant at the time of closing and we saw a real opportunity to increase the available supply of affordable units with this project.”

Creston Park is MBHA’s first multifamily transaction since 1994 and marks a departure from traditional low-income housing finance models. According to Rooney, “We have created an acquisition and development model that allows MBHA to purchase properties without using

public money or other traditional low income housing finance strategies like tax credits or bonds.”

In late 2008, the MBHA Board of Directors authorized a plan to acquire smaller multifamily properties while not utilizing public money.

“The Board was enthusiastic about getting back into developing new projects, but felt strongly that public money was stretched thin,” said Rooney. “Funding for affordable housing development has been significantly impacted by the credit crisis, and competition for funding has increased. “By following MBHA’s development strategy, we can acquire existing multifamily properties through our own means, thereby enabling other non-profit developers to access public funds for their projects; It’s a win-win.”

MBHA will renovate the newly renamed Crestwood Place property extensively over the next four months, but says that none of the building’s current tenants will be displaced during the project.

The project development team for the Creston Park Apartments renovation includes GGLO Architects, GTR Construction, Falkin and Associates, PBS Environmental, Kantor Taylor Nelson & Boyd, Bush Roed & Hitchings, and Paragon Real Estate Advisors.