



SEATTLE CITY COUNCIL

Legislative Summary

Res 31786

Record No.: Res 31786

Type: Resolution (Res)

Status: Adopted

Version: 2

Ord. no:

In Control: City Clerk

File Created: 11/08/2017

Final Action: 12/15/2017

Title: A RESOLUTION calling for the issuance of a combined Request for Proposals (RFP) for the disposition of 800 Mercer Street and 620 Aurora Avenue N where that disposition would address neighborhood interests, creating opportunities for all City residents to take advantage of South Lake Union as a "neighborhood of opportunity."

Notes:

Date
Filed with City Clerk: 12/15/2017

Mayor's Signature: 12/15/2017

Sponsors: O'Brien

Vetoed by Mayor:

Veto Overridden:

Veto Sustained:

Attachments:

Drafter: adam.schaefer@seattle.gov

Filing Requirements/Dept Action:

History of Legislative File

Legal Notice Published:

☐ Yes

☐ No

Ver- sion:	Acting Body:	Date:	Action:	Sent To:	Due Date:	Return Date:	Result:
1	Mayor	11/14/2017	Mayor's leg transmitted to Council	City Clerk			
1	City Clerk	11/14/2017	sent for review	Council President's Office			
Action Text: The Resolution (Res) was sent for review. to the Council President's Office							
Notes:							
1	Council President's Office	11/21/2017	sent for review	Sustainability and Transportation Committee			
Action Text: The Resolution (Res) was sent for review. to the Sustainability and Transportation Committee							
Notes:							
1	Full Council	12/04/2017	referred	Sustainability and Transportation Committee			

Action Text: The Resolution (Res) was referred. to the Sustainability and Transportation Committee
Notes:

- | | | | | |
|---|---|------------|------------------|------|
| 1 | Sustainability and Transportation Committee | 12/05/2017 | adopt as amended | Pass |
|---|---|------------|------------------|------|

Action Text: The Committee recommends that Full Council adopt as amended the Resolution (Res).
Notes:

In Favor: 2 Chair O'Brien, Vice Chair Johnson
Opposed: 0

- | | | | | |
|---|--------------|------------|---------|------|
| 2 | Full Council | 12/11/2017 | adopted | Pass |
|---|--------------|------------|---------|------|

Action Text: The Resolution (Res) was adopted by the following vote, and the President signed the Resolution:
In Favor: 7 Councilmember Bagshaw, Councilmember González , Council President Harrell, Councilmember Herbold, Councilmember Johnson, Councilmember Mosqueda, Councilmember O'Brien
Opposed: 0

- | | | | | |
|---|------------|------------|---------------------------------|------------|
| 2 | City Clerk | 12/15/2017 | submitted for Mayor's signature | Mayor |
| 2 | Mayor | 12/15/2017 | Signed | |
| 2 | Mayor | 12/15/2017 | returned | City Clerk |
| 2 | City Clerk | 12/15/2017 | attested by City Clerk | |

Action Text: The Resolution (Res) was attested by City Clerk.
Notes:

CITY OF SEATTLE

RESOLUTION 31786

..title

A RESOLUTION calling for the issuance of a combined Request for Proposals (RFP) for the disposition of 800 Mercer Street and 620 Aurora Avenue N where that disposition would address neighborhood interests, creating opportunities for all City residents to take advantage of South Lake Union as a “neighborhood of opportunity.”

..body

WHEREAS, the Seattle Department of Transportation is requesting vacation of the Broad Street right-of-way between Dexter Avenue North and Ninth Avenue North and any remaining Eighth Avenue North right-of-way between Mercer and Roy streets across the Broad Street right-of-way; and

WHEREAS, this Broad Street right-of-way, together with the abutting property, is no longer needed, or used, for transportation purposes because of changes to the transportation network constructed under the Mercer Corridor Project; and

WHEREAS, the Seattle City Council’s interest in the 800 Mercer Street (“Teardrop”) site and nearby sites grew out of an effort to use City assets in South Lake Union (SLU) to create opportunities for all City residents to take advantage of SLU as a “neighborhood of opportunity”; and

WHEREAS, Council has adopted three Green Sheets (GS) relative to these sites: 14-1-A-1 (2014), 90-3-A-1 (2016), and 90-3-A-2 (2016); and

WHEREAS, the Mayor’s Office responded to GS 14-1-A-1 (2014) in a report to the City Council on July 31, 2015, outlining opportunities identified by various City departments for programs that could operate in South Lake Union; and

1 WHEREAS, the Mayor's Office responded to GS 90-3-A-1 (2016) and 90-3-A-2 (2016) in a
2 briefing to the Sustainability and Transportation Committee on May 31, 2016, with
3 recommendations supported by the Sustainability and Transportation Committee; and

4 WHEREAS, those recommendations included marketing 800 Mercer Street and 620 Aurora
5 Avenue N together as part of a joint Request for Proposals (RFP); engaging a consultant
6 to assist the City in the preparation of the RFP, develop objective criteria, develop a
7 marketing plan, and review responses to the RFP; and authorizing the property
8 disposition to differ from the current Department of Finance and Administrative Services
9 disposition guidelines for a "complex" site; and

10 WHEREAS, subsequent to the May 31, 2016, Sustainability and Transportation Committee
11 meeting, the Seattle Design Commission supported the proposed public benefits for the
12 vacation of remnants of Broad Street; and

13 WHEREAS, subsequent to the May 31, 2016, Sustainability and Transportation Committee
14 meeting, the City selected Jones Lang LaSalle Americas, Inc. (JLL) to provide real estate
15 consulting and brokerage services RFP preparation, develop objective criteria, develop a
16 marketing plan, and review responses to the RFP; and

17 WHEREAS, the finance plan for the Mercer West Corridor Project included proceeds from the
18 sale of the Teardrop property, and in 2015 the City Council passed Ordinance 124904
19 authorizing a \$26,300,000 interfund loan for the Mercer West project; and

20 WHEREAS, on November 20, 2017 the City Council passed the ordinance introduced as
21 Council Bill 119098 to extend the term of the interfund loan for the Mercer West project
22 to December 31, 2019; and

1 WHEREAS, on November 20, 2017, the City Council passed the ordinance introduced as
2 Council Bill 119132 authorizing a \$4,300,000 interfund loan to address homelessness to
3 be repaid no later than December 31, 2020 with proceeds from the sale of the Teardrop
4 property; and

5 WHEREAS, vacating Broad Street to consolidate all property for sale will help ensure that the
6 City receives the maximum value for the property and that the full value of the block is
7 realized when the property is sold; and

8 WHEREAS, the City's goal for disposing of 800 Mercer Street and 620 Aurora Avenue N is to
9 increase affordable housing resources either through on-site production or through
10 increasing the amount of funding available for affordable housing projects; and

11 WHEREAS, the success of the disposition of these City-owned properties depends on a clear,
12 strategic, and achievable vision, defined through principles which will guide the
13 redevelopment of these properties; and

14 WHEREAS, in particular, the principles will look at the mix of uses that will build on the
15 uniqueness and character of this part of the community, activate the site, and provide
16 places for the community to gather; these uses may include a mix of housing (both
17 affordable and market rate), commercial development, and public uses; and

18 WHEREAS, 800 Mercer Street and 620 Aurora Avenue N are valuable properties that, properly
19 marketed, could achieve significant leveraging of these City assets, creating substantial
20 public and community benefits for this neighborhood of opportunity; and

21 WHEREAS, to generate maximum interest in these properties and value to the City, and
22 potentially mitigate for the value dampening encumbrances of public and community

benefits, specific actions will need resolution prior to issuing the RFP for 800 Mercer Street and 620 Aurora Avenue N; NOW, THEREFORE,

**BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SEATTLE, THE
MAYOR CONCURRING, THAT:**

Section 1. The Council declares its intent to support the issuance of a joint Request for Proposals (RFP) for the disposition of 800 Mercer Street and 620 Aurora Avenue N, subject to the following conditions being implemented prior to issuing the RFP, thus resolving property configuration, removing uncertainties for potential respondents, and achieving maximum valuation of these assets to the City. These conditions include, but are not limited to, the following:

A. Approve a final street vacation ordinance approval for Broad Street.

B. Complete a lot line boundary adjustment to create two parcels at 800 Mercer Street.

C. Record an American Land Title Association (ALTA) survey, which will note the final vacation ordinance requirements as deed restrictions on the property.

D. Implement the conditions in subsections 1.A, 1.B, and 1.C of this resolution with the following near-term steps:

1. Preparation of materials for a City Council vote on an ordinance to dedicate real property at 800 Mercer as right-of-way;

2. Preparation of materials for a City Council vote on an ordinance for final Broad Street vacation;

3. Prepare materials for City Council vote on an ordinance to authorize execution of utility easement with King County;

4. Preparation of a Lot Line Adjustment creating two parcels;

5. Preparation and recording of the ALTA survey; and

6. After the steps in subsections 1.D.1 through 1.D.5 of this resolution, issue an RFP for the disposition of 800 Mercer Street and 620 Aurora Avenue N.

Section 2. The City Budget Office and other City departments are all requested to coordinate and work collaboratively to achieve the steps and conditions in Section 1 of this resolution in an expeditious manner with the intent to issue the joint RFP for the disposition of 800 Mercer Street and 620 Aurora Avenue N no later than the end of the first quarter of 2018. The RFP should include the following requirements:

1. Development of the site must meet or exceed sustainability standards of LEED Gold or Washington State's Evergreen Sustainable Development Standards.

2. Hospitality operators that are part of the development will enter into a Labor Harmony Agreement.

3. The respondent will be responsible for any incremental costs to remediate environmental contamination on the site.

4. The future developer(s) of the sites will enter into a project labor agreement prior to construction.

5. The properties must be sold at Fair Market Value.

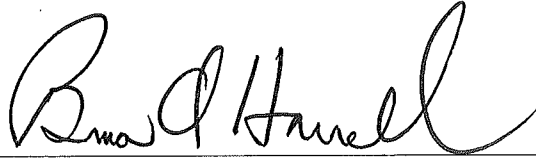
6. Priority may be given to respondents that include additional community benefits as part of their project, in particular, provision of affordable housing units that exceed the requirements of the Mandatory Housing Affordability program will be considered a priority.

Section 3. The Council requests that prior to selecting the respondent(s) to the RFP, CBO present the top three proposals to the Council. For this presentation, CBO should, at least, provide a comparison of the proposed number of affordable units and income levels provided by those respondent's proposals. CBO's presentation should also identify how the proposals would

1 provide affordable housing as a result of on-site development of affordable housing,
2 commitments to fund affordable housing off-site, and the amount of affordable housing that
3 could be leveraged through City allocation of the proceeds of the sale of the property for
4 affordable housing purposes. Because real estate negotiations are typically held confidential,
5 such presentation should occur in an Executive Session of the Full Council, or other appropriate
6 forum agreed to by Councilmembers.

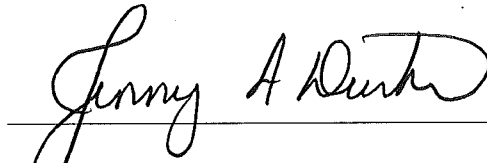
7 Section 4. The Council intends to use the proceeds from the sale of these
8 properties to pay off any outstanding debt from loans secured against the property and to fund
9 the development of affordable housing.
10

1 Adopted by the City Council the 11th day of December, 2017,
2 and signed by me in open session in authentication of its adoption this 11th day of
3 December, 2017.

4 

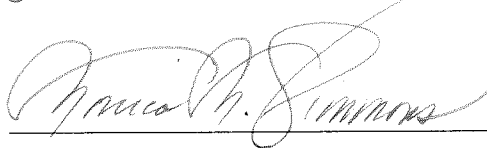
5 President _____ of the City Council

6 The Mayor concurred the 15th day of December, 2017.

7 

8 Jenny A. Durkan, Mayor

9 Filed by me this 15th day of December, 2017.

10 

11 Monica Martinez Simmons, City Clerk

12 (Seal)

STATE OF WASHINGTON -- KING COUNTY

--SS.

357152

No.

CITY OF SEATTLE, CLERKS OFFICE

Affidavit of Publication

The undersigned, on oath states that he is an authorized representative of The Daily Journal of Commerce, a daily newspaper, which newspaper is a legal newspaper of general circulation and it is now and has been for more than six months prior to the date of publication hereinafter referred to, published in the English language continuously as a daily newspaper in Seattle, King County, Washington, and it is now and during all of said time was printed in an office maintained at the aforesaid place of publication of this newspaper. The Daily Journal of Commerce was on the 12th day of June, 1941, approved as a legal newspaper by the Superior Court of King County.

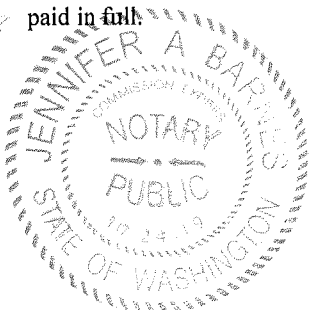
The notice in the exact form annexed, was published in regular issues of The Daily Journal of Commerce, which was regularly distributed to its subscribers during the below stated period. The annexed notice, a

CT:31765,784,786,788-790

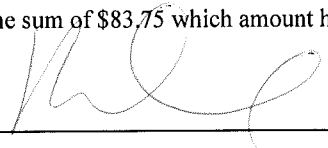
was published on

01/05/18

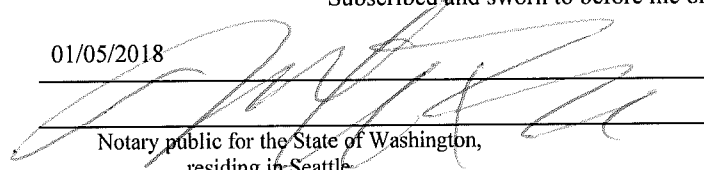
The amount of the fee charged for the foregoing publication is the sum of \$83.75 which amount has been paid in full.



Affidavit of Publication


Subscribed and sworn to before me on

01/05/2018


Notary public for the State of Washington,
residing in Seattle

State of Washington, King County

City of Seattle

Resolution 31765

A RESOLUTION relating to the City Light Department; acknowledging and approving City Light's adoption of a biennial energy conservation target for 2018-2019 and a ten-year conservation potential.

Resolution 31784

A RESOLUTION approving the alignment, station locations, and maintenance base location for Sound Transit's Central Link, University Link, Northgate Link Extension, East Link, and Lynnwood Link Extension light rail lines in The City of Seattle; and superseding the alignment, station locations, and maintenance base location approved in Resolution 31465.

Resolution 31786

A RESOLUTION calling for the issuance of a combined Request for Proposals (RFP) for the disposition of 800 Mercer Street and 620 Aurora Avenue N where that disposition would address neighborhood interests, creating opportunities for all City residents to take advantage of South Lake Union as a "neighborhood of opportunity."

Resolution 31788

A RESOLUTION relating to the Central Puget Sound Regional Transit Authority ("Sound Transit"); affirming the Mayor's execution of a Partnering Agreement with Sound Transit to implement light rail extensions between Ballard and West Seattle as approved by regional voters under Sound Transit 3.

Resolution 31789

A RESOLUTION relating to committee structure, membership, meeting times, and duties of the standing committees of the Seattle City Council for 2018 and 2019; and superseding Resolution 31643.

Resolution 31790

A RESOLUTION designating the monthly President Pro Tem of the City Council of The City of Seattle for 2018-2019 and superseding Resolution 31777.

Date of publication in the Seattle Daily Journal of Commerce, January 5, 2018.

1/5(357152)