

ORDINANCE No. 118129

COUNCIL BILL No. 111233

Law Department

The City of Seattle--Legislative

relating to the 1-90 corridor, appropriating funds for payment to
Kingston under the Land Transfer Agreement authorized by
for certain parcels of unimproved land in Block 4 of the Ramier
Addition to the City of Seattle and Block 3 of Charles Addition to the
City of Seattle, authorizing reconveyance of certain other parcels to the State of
Washington, and ratifying and confirming prior acts.

REPORT OF COMMITTEE

Committee President:

Your Committee on HEALTH/HOUSING/HUMAN SERVICES/HUMAN

to which was referred the within Council Bill No. 111232
report that we have considered the same and respectfully recommend that

PASSED 3-0

Full Council vote 7-0

COMPTROLLER FILE No. _____

Introduced: MAY - 6 1996	From: CHOW
Referred: MAY - 6 1996	To: Health, Housing, Human Services, Education & Libraries Committee
Referred:	To:
Referred:	To:
Reported: MAY 13 1996	Second Reading: MAY 13 1996
Third Reading: MAY 13 1996	Signed: MAY 13 1996
Presented to Mayor: MAY 13 1996	Approved: MAY 16 1996
Returned to City Clerk: MAY 16 1996	Published: <i>title</i>
Vetoed by Mayor:	Veto Published:
Passed over Veto:	Veto Sustained:

Cory Chow
Committee Chair



Law Department

The City of Seattle--Legislative Department

Date Reported
and Adopted

REPORT OF COMMITTEE

able President:

Your Committee on HEALTH/HOUSING/HUMAN RESOURCES / HUMAN RES. / EDUC & LIBRARY COMM.

to which was referred the within Council Bill No. 116232
report that we have considered the same and respectfully recommend that the same:

PASSED 3-0

5/8/96

Full Council vote 7-0

[Signature]

Committee Chair

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1996

ORDINANCE 118129

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2 AN ORDINANCE relating to the I-90 corridor, appropriating funds for payment to
3 the State of Washington under the Land Transfer Agreement authorized by
4 Ordinance 115220 for certain parcels of unimproved land in Block 1 of the
5 Rainier Boulevard Addition to the City of Seattle and Block 3 of Charles Addition
6 to the City of Seattle, authorizing reconveyance of certain other parcels to the
7 State of Washington, and ratifying and confirming prior acts.

8 WHEREAS, pursuant to the Land Transfer Agreement authorized by Ordinance
9 115220 ("Agreement"), the State of Washington conveyed title to certain parcels
10 of unimproved real property ("Unimproved Parcels") to the City to facilitate
11 redevelopment; and

12 WHEREAS, in accordance with the Agreement, as amended, title to such properties
13 must be reconveyed to the State unless payment is made in full within five years
14 of the date of conveyance, together with interest payable in the fifth year at eight
15 per cent per year; and

16 WHEREAS, by Resolution 27901 the City Council approved the I-90 Development
17 Policies in order to facilitate the replacement of lost housing and commercial
18 development on surplus publicly-owned land that became vacant in the vicinity of
19 I-90 through a planned program of new housing and commercial construction; and

20 WHEREAS, certain of the Unimproved Parcels are adjacent to other property owned
21 by the City, and retaining the consolidated properties in City ownership would
22 make them more attractive for redevelopment in accordance with the purposes of
23 the I-90 policies; and

24 WHEREAS, retaining ownership of these parcels would permit disposition and
25 development plans to be coordinated with plans for the Dearborn-Hiawatha
26 properties, which are proceeding under the direction of the Department of
27 Neighborhoods, as provided in Ordinance 117612; and

28 WHEREAS, certain other parcels are attractively priced and physically suitable for
the development of housing for sale to moderate income buyers; and

WHEREAS, the City has available unprogrammed income derived from federal
grants that has accrued to the Urban Renewal Closeout Account from sale of
properties acquired through the Urban Renewal Program and other redevelopment
projects funded with federal Community Development funds; and

WHEREAS, the eligible purposes for the available funds are consistent with the
proposed use of the property as mixed income housing, including housing for low
and moderate income persons; and

WHEREAS, the Director of Housing and Human Services recommends that certain
other I-90 properties be reconveyed to the State for disposition by public auction;
NOW THEREFORE,

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BE IT ORDAINED BY THE CITY OF SEATTLE AS FOLLOWS:

Section 1. The Director of the Department of Housing and Human Services is hereby authorized, for and on behalf of The City of Seattle, to complete the acquisition of and payment for the following real property:

Lots 8, 9, and 10, Block 1, Rainier Boulevard Addition to the City of Seattle, according to plat recorded in volume 9 of Plats, page 59, in King County, Washington ("Parcel 1");

The west 100 feet of Lot 5 in Block 3 of Charles Addition to the City of Seattle, as per plat recorded in volume 2 of plats, page 131, records of King County, situate in the City of Seattle, County of King, State of Washington ("Parcel 33");

Lot 3, Block 3, Charles Addition to the City of Seattle, as per plat recorded in volume 2 of plats, page 131, records of King County, situate in the City of Seattle, County of King, State of Washington ("Parcel 34").

Section 2. An amount of up to ONE HUNDRED EIGHTEEN THOUSAND, EIGHT HUNDRED DOLLARS AND NO CENTS (\$118,800.00), as requested by the Mayor and the Director of the Department of Housing and Human Services, is hereby appropriated from the Urban Renewal Closeout subaccount of the Housing and Community Development Revenue Sharing Fund for the payment of the purchase price owing, including interest, for Parcel 1, Parcel 33, and Parcel 34 and the City Finance Director is hereby authorized to draw and pay the necessary warrants. The Director of the Department of Housing and Human Services is authorized to accept and record, for and on behalf of the City, one or more deeds or other instruments from the State evidencing that full payment for Parcel 1, Parcel 33, and Parcel 34 has been made and that such parcels are no longer subject to the Agreement.

Section 3. The Director of the Department of Housing and Human Services is authorized, for and on behalf of the City and consistent with applicable law, to grant permits or licenses for temporary use of Parcel 1 and the adjacent lot previously owned by the City, revocable in not less than 30 days.

Section 4. The Director of the Department of Housing and Human Services is authorized, for and on behalf of The City of Seattle, to execute and deliver to the State

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of Washington, Department of Transportation, a quit claim deed in the form attached as Exhibit A to the following real property:

Lots 8, 9, and 10, Block 7, Rainier Boulevard Addition to the City of Seattle, according to plat recorded in volume 9 of Plats, page 59, in King County, Washington,

and to execute such other documents and take such other actions as she shall deem necessary or appropriate in order to complete the reconveyance of such property to the City and to comply with the City's obligations under the Agreement.

Section 5. Any action pursuant to the authority and prior to the effective date of this ordinance is hereby ratified and confirmed.

Section 6. This ordinance shall take effect and be in force thirty (30) days from and after its passage and approval by the Mayor, but if not approved and returned by the Mayor within ten (10) days after presentation, it shall take effect as provided by Municipal Code Section 1.04.020.

Passed by the City Council the 13 day of May, 1996, and signed by me in open session in authentication of its passage this 13 day of May, 1996.

Martin Cleve

President _____ of the City Council

Approved by me this 16 day of May, 1996.
Thomas B. Rice

Mayor

Filed by me this 16 day of May, 1996.
Judith E. Papp

City Clerk

(SEAL)

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Your
Seattle
Department of
Housing & Human
Services



Venerria L. Knox, Director
Norman B. Rice, Mayor

618 Second Avenue
Seattle, WA 98104-2232
206/386-1001
TDD: 206/684-0274

Division on Aging
Co-sponsor, by King
County and United Way
of King County

Division of Family and
Youth Services

Division of Housing and
Community Services

Program Support Division

Office for Education

Mayor's Office for
Senior Citizens

Director's Office for
Policy Support

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MEMORANDUM

TO: The Honorable Jan Drago, President
Seattle City Council

VIA: Tom Tierney, Director
Office of Management and Planning

FROM: Venerria L. Knox *Van K. Knox*

DATE: April 29, 1996

SUBJECT: Ordinance Appropriating Funds for Payment of Purchase
Price for Portions of I-90 Parcel 1 (1618-24 S. Dearborn
Street), Parcel 33 (908 26th Ave. S.) and Parcel 34 (918 26th
Ave. S.) and Authorizing Reconveyance of I-90 Parcel 10
(1917-21 S. Bush Place) to the State

The Department of Housing and Human Services is requesting City Council approval of the attached ordinance, which would appropriate program income in the Community Development Revenue Sharing Fund for payment to the Washington State Department of Transportation (WSDOT) of the purchase price of five WSDOT parcels in the I-90 Redevelopment Project Area. The proposed use of the property is for development of mixed income housing, including housing for low and moderate income persons. The ordinance would authorize reconveyance of two WSDOT parcels comprising I-90 Parcel 10 to the Washington State Department of Transportation.

I. BACKGROUND

In 1989, the City of Seattle entered into a Land Transfer Agreement with the Washington State Department of Transportation (WSDOT) for sale and transfer to the City of certain properties which WSDOT had found to be no longer necessary for construction of the I-90 project. Title to the unimproved properties was conveyed to the City through a series of quit claim deeds. Payment to WSDOT for these properties was deferred for up to five years. Any of the unimproved properties not paid for during this five-year time period are to be reconveyed to the State.

The Land Transfer Agreement, as amended in 1994, further provided that interest would be payable on the purchase price beginning in the fifth year, at eight per cent per year simple interest. (Interest is not payable if title is reconveyed to the State.)

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The Honorable Jan Drago
April 29, 1996
Page 2

To date, the City has paid WSDOT in full for 31 unimproved parcels¹, at a price totalling \$572,000. Another eight parcels have been authorized for sale to HomeSight and are expected to close prior to the deadline for payment to WSDOT. The amount due WSDOT on these parcels, \$161,000 plus interest, will be paid from the proceeds of the sale to HomeSight.

Payment on ten additional parcels is due to WSDOT before June 5, 1996. Eight of these parcels were offered for sale in a 1995 Request for Qualifications (RFQ). Ordinance authorization has been received or is pending for the sale of three parcels to the purchasers/developers selected through the RFQ. The developers selected for the remaining parcels have declined to proceed, and insufficient time remains before the payment deadline to reoffer these parcels for sale to other potential developers. It has been contemplated that the remaining two parcels would be sold to the adjoining property owner, as anticipated in the I-90 Area Development Policies, but negotiations with the adjoining owner have not proceeded to a timely conclusion.

The options open to the City at this point are to make payment for the properties from City funds by the WSDOT payment deadline in order to be able to reoffer them for development, or to relinquish the parcels to WSDOT for disposition in accordance with State procedures.

II. PROPOSED ACTION

The Department of Housing and Human Services (DHHS) is recommending appropriation of funds for payment of the purchase price of three WSDOT parcels, which comprise a portion of I-90 Parcel 1. The property identified as Parcel 1 in the I-90 Area Development Policies includes four platted lots, the easternmost of which the City purchased from King County in the 1980's. Parcel 1 is located north of Dearborn Street, just east of Rainier Avenue South. It overlooks the Dearborn-Hiawatha properties, a total of 3.2 acres of industrial, commercial, and residential properties also owned by the City. A process to plan for the development of the Dearborn-Hiawatha properties has been initiated, under the direction of the Department of Neighborhoods.

Retaining these parcels would keep them together with the adjacent parcel owned by the City, and would allow the disposition and development of this property to be coordinated with redevelopment of the Dearborn-Hiawatha properties.

I-90 Parcel 1 is zoned L-3, and is suitable for apartments or terraced housing. The zoning would accommodate up to 20 units, but the I-90 Area Development Policies recommend a

¹ The State's parcel configurations are different from those in the I-90 Area Development Policies, which generally gives a single parcel number to an assembled development site which may include several State parcels. The State Department of Transportation identified parcels for disposition to the City in the I-90 Land Transfer Agreement, generally based on the parcel definition when acquired by the State.

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The Honorable Jan Drago
April 29, 1996
Page 3

maximum of nine units. DHHS' proposal is that the property be used for development of rental or condominium residences, essentially at market rate, but including units affordable to moderate-income households, consistent with CDBG program purposes.

DHHS is also recommending payment for two WSDOT parcels comprising I-90 parcels 33 and 34. These parcels (4,000 sf and 4,340 sf, respectively, in area and zoned LDT) are attractively priced and physically suitable for housing for sale to moderate-income buyers.

DHHS is recommending that one site (our I-90 Parcel 10) comprising two WSDOT parcels be reconveyed to WSDOT for disposal by public auction. Only one developer expressed interest in this property when it was offered through DHHS' 1995 Request for Qualifications, and that developer subsequently declined to proceed with acquisition. We believe this site is best suited for market rate housing, and do not recommend acquiring it for low-income housing. Public auction of this property by WSDOT would also provide a test of market demand for and pricing of I-90 sites.

III. FINANCIAL IMPLICATIONS

The proposed legislation includes an appropriation of program income from the Community Development Revenue Sharing Fund of \$118,800 for payment to the State of Washington of the purchase price, including interest due, for the WSDOT parcels included in I-90 Parcels 1, 33, and 34. This program income is derived from the sale of property acquired with federal funds in the Yesler Atlantic Urban Renewal Area and the Judkins-Rejected Redevelopment Project A.2a. It is anticipated that all or most of the appropriation would be returned to the Community Development Revenue Sharing Fund when the property is sold for development. The City has had maintenance responsibility for the property since 1991, and may hold the property as much as an additional two years in order to coordinate development plans with those for the Dearborn Hiawatha properties.

For additional information, please call Martha Dilts, Director of Housing and Community Services, at 684-0347, or Janeen Smith, I-90 Project Manager, at 684-0211.

Attachments

cc: Dilts
Smith
Hanna
Liston

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City of Seattle

Executive Department—Office of Management and Planning

Thomas M. Tierney, Director
Norman B. Rice, Mayor

April 29, 1996

The Honorable Mark Sidran
City Attorney
City of Seattle

APPROVED AS TO FORM ONLY
MARK H. SIDRAN
City Attorney



By John R. Tierney 4/29/96
Assistant City Attorney

Dear Mr. Sidran:

The Mayor is proposing to the City Council that the enclosed legislation be adopted.

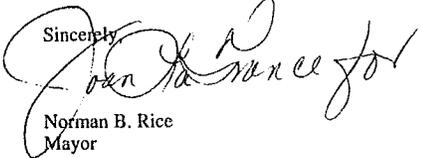
REQUESTING DEPARTMENT: Housing and Human Services

SUBJECT: AN ORDINANCE relating to the I-90 corridor, appropriating funds for payment to the State of Washington under the Land Transfer Agreement authorized by Ordinance 115220 for certain parcels of unimproved land in Block 1 of the Rainier Boulevard Addition to the City of Seattle and Block 3 of Charles Addition to the City of Seattle, authorizing reconveyance of certain other parcels to the State of Washington, and ratifying and confirming prior acts.

Pursuant to the City Council's S.O.P. 100-014, the Executive Department is forwarding this request for legislation to your office for review and drafting.

After reviewing this request and any necessary redrafting of the enclosed legislation, return the legislation to OMP. Any specific questions regarding the legislation can be directed to Joan LaFrance and 684-8070.

Sincerely,


Norman B. Rice
Mayor

by

TOM TIERNEY
Director

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Enclosure

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TIME AND DATE STAMP

SPONSORSHIP

THE ATTACHED DOCUMENT IS SPONSORED FOR FILING WITH THE CITY COUNCIL BY THE MEMBER(S) OF THE CITY COUNCIL WHOSE SIGNATURE(S) ARE SHOWN BELOW:

City Council

FOR CITY COUNCIL PRESIDENT USE ONLY

COMMITTEE(S) REFERRED TO: _____

PRESIDENT'S SIGNATURE

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STATE OF WASHINGTON - KING COUNTY

68444 City of Seattle City Clerk

-55-

No. ORDINANCE TI

City of Seattle

TITLE-ONLY PUBLICATION

The full text of the following ordinances, passed by the City Council on May 12, 1996, and published here by title only, will be mailed, at no cost, upon request for two months after this publication. For further information, contact the Seattle City Clerk at 624-6344.

ORDINANCE 118125

AN ORDINANCE relating to the Seattle Engineering Department; authorizing the Director of Engineering to execute Public Works Trust Fund Loan Agreements with the Washington State Department of Community, Trade and Economic Development for bridge seismic improvement projects and for the Harbor Avenue Reconstruction Project; and authorizing acceptance of the Public Works Trust Fund proceeds and the incurring of indebtedness.

ORDINANCE NO. 118127

AN ORDINANCE accepting the proposal of Novalco Enterprises Inc. to purchase and develop Parcel 29 in the I-90 Redevelopment Project area; authorizing a Contract for Sale of Land and deed; appropriating funds for payment to the State of Washington of the purchase price owing and designating the disposition of sales proceeds; and ratifying and confirming prior acts, all by a three-fourths vote of the City Council.

ORDINANCE NO. 118128

AN ORDINANCE accepting the proposal of George L. and Shirley J. Wallace, dba GW Construction Company, to purchase and develop Parcel 7 in the I-90 Redevelopment Project area; authorizing a Contract for Sale of Land and deed; appropriating funds for payment to the State of Washington of the purchase price owing and designating the disposition of sales proceeds; and ratifying and confirming prior acts, all by a three-fourths vote of the City Council.

ORDINANCE NO. 118129

AN ORDINANCE relating to the I-90 corridor; appropriating funds for payment to the State of Washington under the Land Transfer Agreement authorized by Ordinance 116220 for certain parcels of unimproved land in Block 1 of the Rainier Boulevard Addition to the City of Seattle and Block 3 of Charles Addition to the City of Seattle; authorizing reconveyance of certain other parcels to the State of Washington, and ratifying and confirming prior acts.

Publication ordered by JUDITH PIP-PIN, City Clerk.

Date of official publication in Daily Journal of Commerce, Seattle, May 28, 1996. 626(68444)

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

CTOT: 118125, 127-129

was published on

05/28/96

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

Subscribed and sworn to before me on

05/28/96 [Signature] Notary Public for the State of Washington, residing in Seattle

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