



**City of Seattle**  
Office of Housing

**TO:** Councilmember Nick Licata, Chair, Housing, Human Service, Health, & Culture Committee  
Councilmember Sally Bagshaw  
Councilmember Sally Clark  
Councilmember Tom Rasmussen

**FROM:** Rick Hooper, Acting Director

**DATE:** July 12, 2010

**SUBJECT:** Scargo Hotel Transfer of Development Rights

---

An Ordinance authorizing the City to purchase unused development rights (TDR) from the Scargo Hotel is before the Committee on June 14, 2010. Plymouth Housing Group (PHG) owns the Scargo Hotel, located in Belltown. PHG wants to sell 3,900 SF of TDR; the City would purchase for \$15 SF, for a total of \$58,500. PHG wants to sell in order to combine the proceeds with other financing to renovate the building.

Seattle's Downtown Land Use Code allows the transfer of unused development rights from low-income housing to help preserve that housing. The Office of Housing administers a program to facilitate the buying and selling of TDR. OH will hold the TDR from the Scargo for later resale to a commercial developer wanting to purchase TDR for future development. Legally, TDR is considered real property and is bought and sold as a real estate transaction.

The Scargo Hotel is a 47 unit building located at 2209 First Avenue. If you have any questions, please contact Rick Hooper at 684-0338.

cc: Traci Ratzliff, Council Central Staff  
Elliott Day, Mayor's Office  
Amanda Allen, City Budget Office