

## Proposed Amendments to Yesler Terrace Cooperative Agreement

### 1. Use of Yesler Terrace land proceeds to fund 30% of AMI housing (Licata)

Add language in Article 3 and 3.3.2 of the Cooperative Agreement, page 6 and 9, to read as follows:

#### 3. HOUSING PRODUCTION PLAN

SHA shall provide or cause to be provided Replacement Housing, 60% of AMI Housing and 80% of AMI Housing in accordance with Article 3. Table A provides a summary of housing production for the Yesler Terrace Redevelopment Area. Sections 3.1 –3.5 provide details of the housing production plan, including the types of housing that will be developed, location and other requirements. All housing shall be new construction except as expressly provided in this Agreement.

If any Proceeds remain unexpended, or are received, after at least 395 80% of AMI Housing units described in subsection 3.3.2 below have been constructed or fully funded, and after 561 units of Replacement Housing have been completed or fully funded, then SHA shall use those Proceeds to produce 30% of AMI Housing in the Yesler Terrace Redevelopment Area with a minimum term of affordability of 50 years, until 100 such 30% of AMI Housing units have been produced.

\* \* \*

**TABLE A**  
**Summary of Housing Production for Yesler Terrace Redevelopment Area**

Unit Type	Term of Affordability	Units to be Produced
Replacement Housing	Minimum of 50 years	561
60% of AMI Housing	Minimum of 50 years	290
80% of AMI Housing	Minimum of 50 years	160 <sup>1</sup> (4.5% of total residential units built in the MPC-YT zone excluding Replacement Housing and 60% of AMI Housing)
80% of AMI Housing <sup>2</sup>	Minimum of 20 years	790 <sup>1</sup> (22% of total residential units built in the MPC-YT zone excluding Replacement Housing and 60% of AMI Housing)
Market Rate Housing	Not Applicable	3,199 <sup>1</sup>

<sup>1</sup> Units to be produced are estimated based on the maximum permitted floor area for residential development in the MPC-YT zone and projected housing unit sizes. Actual development may result in lower unit production.

<sup>2</sup> ~~If funding is available, SHA may produce~~count up to 100 units of 30% of AMI Housing with a minimum term of affordability of 50 years. ~~Any 30% of AMI Housing units produced will be counted~~ toward the required number of units of 80% of AMI Housing with a 20-year term of affordability.

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### **3.3.2 80% of AMI Housing - 20-Year Term**

Through requirements included in property sales to private developers, SHA will cause to be provided 80% of AMI Housing – 20 Year Term units equal to 22% of all housing units built in the MPC-YT zone other than Replacement Housing and 60% of AMI Housing units, which is estimated to be up to 790 units of 80% of AMI Housing. These housing units will be rented or sold to households with income no higher than 80% of AMI, at the time of initial occupancy by the household, and if they are rented then monthly rent, including an allowance for basic utilities, shall not exceed thirty percent of eighty percent of AMI, for a minimum 20-year term of affordability. SHA may count up to 100 units of 30% of AMI Housing with a minimum term of affordability of 50 years toward the required number of units of 80% of AMI Housing with a 20- year term of affordability. SHA shall enforce the affordable housing requirements on rental housing via land sale contracts and recorded covenants on the units.

~~If capital and operating funding is available, SHA may produce 30% of AMI Housing in the Yesler Terrace Redevelopment Area that is in addition to the 561 Replacement Housing units. Any 30% of AMI Housing units produced must have a minimum term of affordability of 50 years, and will be counted toward the required number of 80% of AMI Housing with a 20 year term of affordability.~~

## **2. State intent to prohibit use of housing levy funds for Yesler Terrace redevelopment after Phase I and Phase II (Licata)**

Add language to Article 7 of the Cooperative Agreement, page 18, to read as follows:

### **7. FUTURE CITY CONTRIBUTIONS**

Future City contributions, if any, for development beyond Phase II may come from a variety of City funding sources. However, the City does not intend to provide any housing levy proceeds to Yesler Terrace redevelopment in addition to the amounts of housing funds shown above for Phase I and Phase II.

For infrastructure development, SHA shall work with the City to identify specific capital expenditures to be considered for funding by the City in future City budgets and six-year Capital Improvement Programs (CIPs). Each year when the City’s annual budget is being developed, SHA will work with City departments to explore opportunities where departmental priorities align with development. Funding support for development may be included in a department’s budget proposal to the Mayor. The Mayor would consider Yesler Terrace-related requests as part of the Mayor’s proposed budget to the City Council. Budget proposals are submitted by departments to the City Budget office in May of each year; any proposals related to development should be included at that time.

The City will not commit capital funds for housing development anywhere in the Yesler Terrace Redevelopment Area that is in addition to City funding commitments in Phase I and Phase II included in this Agreement unless explicitly authorized in an amendment to this Agreement. Any future funding, whether awarded to SHA or a Nonprofit Housing Developer, shall be considered a City contribution to redevelopment of Yesler Terrace.

SHA shall not request City Funds for development that is in addition to City funding for Phase I and Phase II unless and until SHA has provided information to demonstrate and has certified to OH and DPD that SHA is in compliance with all terms of this Agreement. SHA shall also provide a summary of income from local sources (including City Funds), state and federal grants, land sales, and other capital contributions, and of capital expenses, to support any request for City Funds.