



SEATTLE CITY COUNCIL

Legislative Summary

CB 119026

Record No.: CB 119026

Type: Ordinance (Ord)

Status: Passed

Version: 1

Ord. no: Ord 125366

In Control: City Clerk

File Created: 06/27/2017

Final Action: 08/02/2017

Title:

AN ORDINANCE relating to property at Sand Point; authorizing the Housing Director to execute an amendment to and partial termination of the lease of City of Seattle land authorized by Ordinance 122459, as amended pursuant to Ordinance 123195, to remove two parcels from that lease; authorizing a new lease of the removed parcels to SPH Two LLLP; authorizing deeds to buildings on those parcels; authorizing related documents and actions; and ratifying and confirming certain prior acts.

Notes:

Sponsors: Burgess

Date

Filed with City Clerk: 8/2/2017

Mayor's Signature: 7/26/2017

Vetoed by Mayor:

Veto Overridden:

Veto Sustained:

Attachments: Att 1 - Form of Fourth Amendment to Lease, Att 2 - Ground Lease v2, Att 3 - Quitclaim Deed with Reversion

Drafter: kelly.gonzalez@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	07/03/2017	Mayor's leg transmitted to Council	City Clerk			
1	City Clerk	07/05/2017	sent for review	Council President's Office			
1	Council President's Office	07/07/2017	sent for review	Affordable Housing, Neighborhoods, and Finance Committee			

Action Text: The Council Bill (CB) was sent for review. to the Affordable Housing, Neighborhoods, and Finance Committee

Notes:

- 1 Full Council 07/17/2017 referred Affordable Housing, Neighborhoods, and Finance Committee

Action Text: The Council Bill (CB) was referred. to the Affordable Housing, Neighborhoods, and Finance Committee

Notes:

- 1 Affordable Housing, Neighborhoods, and Finance Committee 07/19/2017 pass as amended Pass

Action Text: The Committee recommends that Full Council pass as amended the Council Bill (CB).

In Favor: 3 Chair Burgess, Vice Chair Herbold, Member Johnson

Opposed: 0

- 1 Full Council 07/24/2017 passed Pass

Action Text: The Council Bill (CB) was passed by the following vote, and the President signed the Bill:

Notes:

In Favor: 7 Councilmember Bagshaw, Councilmember Burgess, Councilmember González , Council President Harrell, Councilmember Herbold, Councilmember Johnson, Councilmember Sawant

Opposed: 0

- 1 City Clerk 07/25/2017 submitted for Mayor's signature Mayor

- 1 Mayor 07/28/2017 Signed

- 1 Mayor 08/02/2017 returned City Clerk

- 1 City Clerk 08/02/2017 attested by City Clerk

Action Text: The Ordinance (Ord) was attested by City Clerk.

Notes:

CITY OF SEATTLE

ORDINANCE

125366

COUNCIL BILL

119026

AN ORDINANCE relating to property at Sand Point; authorizing the Housing Director to execute an amendment to and partial termination of the lease of City of Seattle land authorized by Ordinance 122459, as amended pursuant to Ordinance 123195, to remove two parcels from that lease; authorizing a new lease of the removed parcels to SPH Two LLLP; authorizing deeds to buildings on those parcels; authorizing related documents and actions; and ratifying and confirming certain prior acts.

WHEREAS, Ordinance 118770, passed November 3, 1997, and Ordinance 118963, passed April 13, 1998, authorized the acceptance of a deed from the United States to The City of Seattle (City) for land and buildings constituting a portion of the former Naval Station Puget Sound at Sand Point ("Sand Point") and acceptance of related personal property, and authorized the leasing of such land, and transfer of title to buildings, to Sand Point Community Housing Association (SPCHA); and

WHEREAS, the lease of such land from the City to SPCHA ("Ground Lease") and quitclaim deed with reversion for the buildings thereon from the City to SPCHA were executed on April 22, 1998, the Ground Lease was subsequently assigned to and assumed by Sand Point Community Connections LLC (SPCC), and it was superseded by an Amended and Restated Lease ("Master Lease") as of April 23, 2008, all pursuant to Ordinance 122459, and was further amended and partially terminated pursuant to Ordinance 123195; and

WHEREAS, in 2017 the City Office of Housing made a conditional funding commitment of \$3,584,259 to Solid Ground Washington, the Sole Member and Manager of Sand Point Community Connections LLC, for the rehabilitation of the Sand Point Family Housing and Santos Place, and construction is scheduled to begin in August 2017; NOW, THEREFORE,

BE IT ORDAINED BY THE CITY OF SEATTLE AS FOLLOWS:

Section 1. The Director of The City of Seattle Office of Housing (“Director”) is authorized to execute, acknowledge, deliver, and administer on behalf of The City of Seattle (City) a Fourth Amendment to Amended and Restated Lease and Partial Termination of Lease, substantially in the form attached to this ordinance as Attachment 1, amending the Amended and Restated Lease dated as of April 23, 2008, between the City as lessor and Sand Point Community Connections LLC (SPCC) as lessee, as previously amended and partially terminated (“Master Lease”), and partially terminating the Master Lease as to PARCELS 2 and 4 described in Exhibit D to the Master Lease, where Buildings 26N and 26S (“Sand Point Family Housing”) and Building 224 (“Santos Place”) are located, respectively. The Mayor, Director, and their respective designees shall have the same authority with respect to the Master Lease, as so amended, as was granted to the Mayor, Director, and their respective designees with respect to the Master Lease by Ordinance 122459, in addition to any other authority granted by this ordinance or otherwise by ordinance.

Section 2. The Director is further authorized to execute, acknowledge, deliver, and administer on behalf of the City a new ground lease (“Lease”), substantially in the form attached to this ordinance as Attachment 2, between City as lessor and SPH Two LLLP as lessee. The Lease with SPH Two LLLP shall be for the land described in Exhibit B to the Lease. As conditions to delivery and recording of the Lease, the lessee shall assume obligations to serve the homeless under a new or amended regulatory agreement satisfactory to the Director, which the Director may accept in place of existing Regulatory Agreements in favor of the City on the land described in Exhibit B to the Lease, Sand Point Family Housing, and Santos Place. The Mayor or Director is further authorized to execute, deliver, acknowledge, accept, record, amend, perform,

1 enforce and administer on behalf of the City substitute leases for any or all of the land described
2 on Exhibit B after any termination of a lease authorized in this section before expiration of its
3 stated term, which substitute leases shall be substantially on the terms described for "New
4 Leases" in Attachment 2 to this ordinance. In connection with any such substitute lease the
5 Mayor or Director is authorized to convey by quitclaim deed to the new lessee, subject to
6 reversion to the City upon expiration or termination of the substitute lease, any title or interest of
7 the City in or to the improvements on any of the land subject to the substitute lease. The Mayor,
8 Director, and their respective designees shall have the same authority with respect to the Lease as
9 was granted to the Mayor, Director, and their respective designees with respect to the Master
10 Lease by Ordinance 122459, in addition to any other authority granted by this ordinance or
11 otherwise by ordinance.

12 Section 3. In connection with the transactions authorized in Sections 1 and 2 of this
13 ordinance, the Director may consent to the conveyance of SPH One LLC's title to and interest in
14 Sand Point Family Housing and Santos Place to SPH Two LLLP and the continuation of such
15 title and interest notwithstanding termination of the Master Lease as to the underlying land, or
16 the Director may accept deeds to the City of those buildings. The Director is further authorized
17 to execute, acknowledge, and deliver on behalf of the City a Quit Claim Deed with Reversion to
18 SPH One LLC or SPH Two LLLP for Sand Point Family Housing and Santos Place,
19 substantially in the form of Attachment 3 to this ordinance.

20 Section 4. The Mayor or Director each is authorized to make immaterial revisions to the
21 forms of documents attached to this ordinance, consistent with applicable law and with legal
22 requirements affecting the property involved, and each is authorized to execute, deliver,
23 acknowledge, accept, record, perform, enforce, and administer on behalf of the City such other

1 documents as the Mayor or Director may deem necessary or appropriate to carry out the
2 purposes of this ordinance and the documents authorized herein, including without limitation to
3 ensure delivery of the financing for the rehabilitation of Sand Point Family Housing and Santos
4 Place, and to grant such consents and approvals, and perform such other acts on behalf of the
5 City, as the Mayor or Director shall deem necessary or appropriate for such purposes. The
6 Mayor or Director each is further authorized, for and on behalf of the City, to grant such
7 consents and approvals under any lease authorized in this ordinance, and to enter into such
8 assignments, estoppel certificates, subordination agreements and other ancillary agreements, as
9 may be required in order to enable the lessee and its assignees or sublessees to obtain public and
10 private financing based upon leasehold interests and interests in the buildings and other
11 improvements now existing, or to be rehabilitated or constructed, for purposes of serving the
12 homeless.

13 Section 5. Any act consistent with the authority of this ordinance taken after its passage
14 and prior to its effective date is ratified and confirmed.

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

Passed by the City Council the 24th day of July, 2017,
and signed by me in open session in authentication of its passage this 24th day of
July, 2017.



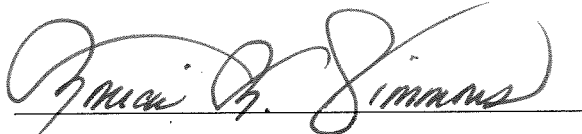
President _____ of the City Council

Approved by me this 28 day of July, 2017.



Edward B. Murray, Mayor

Filed by me this 2nd day of AUGUST, 2017.



Monica Martinez Simmons, City Clerk

(Seal)

Yelias Bender
OH City of Seattle/SPH Two LLLP Lease ORD
D3

- 1 Attachments:
- 2 Attachment 1 – Fourth Amendment to Amended and Restated Lease and Partial Termination of
- 3 Lease
- 4 Attachment 2 – Ground Lease
- 5 Attachment 3 – Quitclaim Deed with Reversion

STATE OF WASHINGTON -- KING COUNTY

--SS.

352754

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.

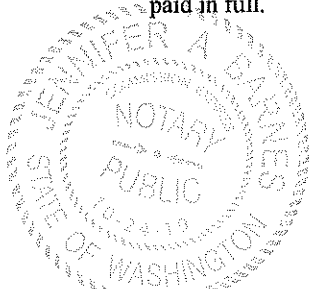
The notice in the exact form annexed, was published in regular issues of The Daily Journal of Commerce, which was regularly distributed to its subscribers during the below stated period. The annexed notice, a

CT:125357,359-125370

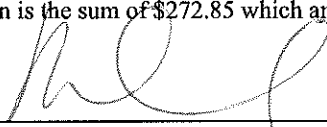
was published on

08/10/17

The amount of the fee charged for the foregoing publication is the sum of \$272.85 which amount has been paid in full.



Affidavit of Publication


Subscribed and sworn to before me on

08/10/2017


Notary public for the State of Washington,
residing in Seattle

State of Washington, King County

City of Seattle

The full text of the following legislation, approved by the City Council on July 24, 2017, and published below by title only, will be mailed upon request, or can be accessed at <http://seattle.legistar.com>. For information on upcoming meetings of the Seattle City Council, please visit <http://www.seattle.gov/council/calendar>.

Ordinance 125357

Council Bill 119028

AN ORDINANCE relating to land use and zoning; amending Chapter 23.32 of the Seattle Municipal Code at page 113 of the Official Land Use Map to rezone property located at 2320 E Union Street from Neighborhood Commercial 2 with a Pedestrian Overlay and 40-foot height limit (NC2P-40) and Neighborhood Commercial 2 with a 40-foot height limit (NC2-40) to Neighborhood Commercial 2 with a Pedestrian Overlay and a 65-foot height limit (NC2P-65), and accepting a Property Use and Development Agreement as a condition of rezoning approval. (Petition by Capitol Hill Housing, C.F. 814349, SDCI Project 3018178)

Ordinance 125359

Council Bill 118981

AN ORDINANCE relating to land use and zoning; amending Chapter 23.32 of the Seattle Municipal Code at pages 112 and 113 of the Official Land Use Map to rezone land in the 23rd and Cherry node of the 23rd & Union-Jackson Residential Urban Village; and amending Sections 23.45.510, 23.45.512, 23.45.514, and 23.45.517 of the Seattle Municipal Code to implement Mandatory Housing Affordability (MHA).

Ordinance 125360

Council Bill 118982

AN ORDINANCE relating to land use and zoning; amending Chapter 23.32 of the Seattle Municipal Code at pages 112 and 113 of the Official Land Use Map to rezone land in the 23rd and Union node of the 23rd & Union-Jackson Residential Urban Village; amending Section 23.47A.009 of the Seattle Municipal Code to adopt development standards for certain properties in the 23rd & Union-Jackson Residential Urban Village; and amending Sections 23.58C.040 and 23.58C.060 of the Seattle Municipal Code to implement Mandatory Housing Affordability (MHA).

Ordinance 125361

Council Bill 118983

AN ORDINANCE relating to land use and zoning; amending Chapter 23.32 of the Seattle Municipal Code at pages 118 and 119 of the Official Land Use Map to rezone land in the 23rd and Jackson node of the 23rd & Union-Jackson Residential Urban Village to support community vision and implement Mandatory Housing Affordability (MHA); and amending Section 23.47A.009 of the Seattle Municipal Code to adopt development standards for certain properties in the 23rd & Union-Jackson Residential Urban Village.

Ordinance 125362

Council Bill 118980

AN ORDINANCE relating to land use and zoning; amending Section 23.41.010 of the Seattle Municipal Code to update the list of approved neighborhood design guidelines; approving and adopting the new Mount Baker Town Center Design Guidelines; and approving and adopting augmented Pike/Pine Design Guidelines.

Ordinance 125363

Council Bill 119004

AN ORDINANCE relating to land use and zoning; amending Map A for Section 23.68B.060 of the Seattle Municipal Code (SMC); and amending the Official Land Use

Map (Chapter 23.82 of the SMC) to make typographical corrections related to Exhibit A to Ordinance 125291 that rezoned certain land in Downtown, South Lake Union, and adjacent IC zones.

Ordinance 125364

Council Bill 119021

AN ORDINANCE relating to the reconstruction of Alaskan Way and the construction of Elliott Way surface street improvements necessary as part of the State of Washington's State Route 99 Alaskan Way Viaduct Replacement Program; authorizing the Mayor or the Mayor's designee to execute an Agreement with the State of Washington whereby the State will fund the construction of those improvements by The City of Seattle; and ratifying and confirming certain prior acts.

Ordinance 125365

Council Bill 119024

AN ORDINANCE relating to funding for housing and community development programs; adopting The City of Seattle 2017 Annual Action Plan to the 2014 - 2017 Consolidated Plan for Housing and Community Development and authorizing its submission to the United States Department of Housing and Urban Development; authorizing acceptance of grant funds from that department for programs and activities included in the Annual Action Plan; amending Ordinance 125207, which adopted the 2017 Budget, by modifying appropriations to various departments and budget control levels in the 2017 Adopted Budget; and lifting a proviso; and ratifying and confirming certain prior acts; all by a 3/4 vote of the City Council.

Ordinance 125366

Council Bill 119026

AN ORDINANCE relating to property at Sand Point; authorizing the Housing Director to execute an amendment to and partial termination of the lease of City of Seattle land authorized by Ordinance 122459, as amended pursuant to Ordinance 123196, to remove two parcels from that lease; authorizing a new lease of the removed parcels to SPH Two LLLP; authorizing deeds to buildings on those parcels; authorizing related documents and actions; and ratifying and confirming certain prior acts.

Ordinance 125367

Council Bill 119031

AN ORDINANCE amending Ordinance 125205, which conditioned the Seattle Department of Transportation's 2017 grant applications and repealed Ordinance 118719.

Ordinance 125368

Council Bill 119032

AN ORDINANCE related to City public works and the priority hire program; amending Sections 20.37.010, 20.37.020, 20.37.040, and 20.37.050 of the Seattle Municipal Code to change references to "project labor agreement" to "community workforce agreement," to make certain technical corrections, and to change the number of core workers open-shop contractors may bring to a project.

Ordinance 125369

Council Bill 119033

AN ORDINANCE appropriating money to pay certain audited claims and ordering the payment thereof.

Ordinance 125370

Council Bill 118984

AN ORDINANCE relating to the Seattle Office for Civil Rights; amending Section 3.14.920 of the Seattle Municipal Code to increase the membership of the Seattle Human Rights Commission, the Seattle Lesbian, Gay, Bisexual, Transgender, Queer (LGBTQ) Commission, and the Seattle Commission for People with Disabilities and change the appointment authority for these and the Seattle Women's Commission.

Date of publication in the Seattle Daily Journal of Commerce, August 10, 2017.
8/10(362754)