



SEATTLE CITY COUNCIL

Legislative Summary

CB 119603

Record No.: CB 119603

Type: Ordinance (Ord)

Status: Passed

Version: 1

Ord. no: Ord 125908

In Control: City Clerk

File Created: 08/01/2019

Final Action: 09/06/2019

Title: AN ORDINANCE relating to the transfer of City real property for housing development; declaring the property located at 1314, 1326, and 1336 Yakima Avenue South ("PMA 1594") surplus to the City's needs; transferring the jurisdiction of this property from the Department of Finance and Administrative Services to the Office of Housing; authorizing its transfer to Homestead Community Land Trust or its designee; and authorizing the Director of the Office of Housing to execute and deliver the contract for transfer of land, deed, and related documents.

Date

Notes:

Filed with City Clerk:

Mayor's Signature:

Sponsors: Bagshaw

Vetoed by Mayor:

Veto Overridden:

Veto Sustained:

Attachments: Att A - Term Sheet

Drafter: Emilia.Sanchez@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	City Clerk	08/02/2019	sent for review	Council President's Office			
	Action Text: The Council Bill (CB) was sent for review. to the Council President's Office						
1	Council President's Office	08/02/2019	sent for review	Finance and Neighborhoods Committee			
	Action Text: The Council Bill (CB) was sent for review. to the Finance and Neighborhoods Committee						
1	City Council	08/05/2019	referred	Finance and Neighborhoods Committee			

1 Finance and Neighborhoods Committee 08/09/2019 pass Pass
Action Text: The Committee recommends that City Council pass the Council Bill (CB).
In Favor: 3 Chair Bagshaw, Mosqueda, Pacheco
Opposed: 0

1 City Council 09/03/2019 passed Pass
Action Text: The Council Bill (CB) was passed by the following vote, and the President signed the Bill:
In Favor: 9 Councilmember Bagshaw, Councilmember González, Council President Harrell, Councilmember Herbold, Councilmember Juarez, Councilmember Mosqueda, Councilmember O'Brien, Councilmember Pacheco, Councilmember Sawant
Opposed: 0

1 City Clerk 09/06/2019 submitted for Mayor
Mayor's signature
1 Mayor 09/06/2019 Signed
1 Mayor 09/06/2019 returned City Clerk
1 City Clerk 09/06/2019 attested by City Clerk
Action Text: The Ordinance (Ord) was attested by City Clerk.

CITY OF SEATTLE

ORDINANCE

125908

COUNCIL BILL

119603

AN ORDINANCE relating to the transfer of City real property for housing development; declaring the property located at 1314, 1326, and 1336 Yakima Avenue South ("PMA 1594") surplus to the City's needs; transferring the jurisdiction of this property from the Department of Finance and Administrative Services to the Office of Housing; authorizing its transfer to Homestead Community Land Trust or its designee; and authorizing the Director of the Office of Housing to execute and deliver the contract for transfer of land, deed, and related documents.

WHEREAS, the Department of Finance and Administrative Services (FAS) notified other City of Seattle ("City") departments about the availability of the property at 1314, 1326, and 1336 Yakima Avenue South ("PMA 1594") as excess to the City's needs; and

WHEREAS, none of the notified departments indicated any interest in PMA 1594 except the Office of Housing (OH), which expressed its interest in facilitating the development of the property for affordable housing; and

WHEREAS, FAS prepared a preliminary report and recommendation for OH to solicit development proposals for use of the property for affordable homeownership opportunities; and

WHEREAS, in September 2017 the City Council adopted Resolution 31770, which provides that the City intends to prioritize the use of surplus properties for the development of affordable housing and to expedite such dispositions to create more affordable housing as quickly as possible; and

WHEREAS, the Office of Housing conducted a competitive process to select a developer for permanently affordable homeownership on PMA 1594; and

WHEREAS, the development team consisting of Homestead Community Land Trust and Edge Developers, LLC, was selected to develop this property as permanently affordable homeownership; and

WHEREAS, Homestead Community Land Trust and Edge Developers propose to develop 16 townhomes, at least ten of which will be affordable to households earning less than 80 percent of the area median income, and six or fewer will be sold at market rate in order to subsidize the low sales prices of the affordable homes; NOW, THEREFORE,

BE IT ORDAINED BY THE CITY OF SEATTLE AS FOLLOWS:

Section 1. Jurisdiction over the real property located at 1314, 1326, and 1336 Yakima Avenue South legally described below ("Property") is hereby transferred from the Department of Finance and Administrative Services to the Office of Housing, at no cost to the Office of Housing:

Lots 5 through 11, Block 3, Jackson and Rainier Street Addition recorded in Volume 3 of Plats, page 65, Records of King County, Washington

Section 2. The Director of the Office of Housing ("Director") is hereby authorized to assume jurisdiction over the Property and make the Property available for development of affordable housing.

Section 3. The Director is authorized to negotiate a property transfer agreement ("Agreement") and any ancillary documents to accomplish the transfer of ownership of the Property to Homestead Community Land Trust ("Homestead"), a Washington nonprofit corporation, or with a designee of Homestead approved by the Director (Homestead and any approved designee, and any assignee of the Agreement approved by the Director, are referred to as "Transferee"), on the terms and subject to the conditions authorized in this ordinance.

1 Section 4. The Agreement shall reflect the provisions included in the Term Sheet attached
2 to this ordinance as Attachment A, with such revisions and additions as the Director may
3 determine are reasonably necessary to carry out the intent of this ordinance.

4 Section 5. The improvements to be developed on the Property are to include at least 16
5 townhomes, no fewer than ten of which are to be sold to households with incomes at or below 80
6 percent of median income at prices deemed to be affordable by the Director. Up to six of the
7 townhomes may be sold at market value to subsidize the prices of the affordable homes. The
8 townhomes, together with any additional improvements to be developed on the Property with the
9 approval of the Director and all necessary regulatory approvals, are referred to in this ordinance
10 as the "Project."

11 Section 6. The Director is authorized to execute and deliver such additional documents,
12 which may include amendments to the Agreement and related covenants, and to take such other
13 actions, as may be necessary or appropriate to implement the intent of this ordinance, and to
14 administer and enforce the Agreement, covenants, and any other such documents that the
15 Director deems appropriate to implement the intent of this ordinance. The authority given to the
16 Director in this ordinance may be delegated to and exercised by the Director's designee.

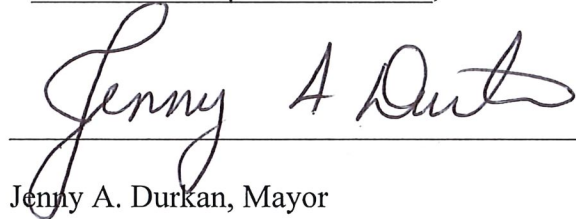
Section 7. This ordinance shall take effect and be in force 30 days after its approval by the Mayor, but if not approved and returned by the Mayor within ten days after presentation, it shall take effect as provided by Seattle Municipal Code Section 1.04.020.

Passed by the City Council the 3rd day of September, 2019,
and signed by me in open session in authentication of its passage this 3rd day of September, 2019.



President _____ of the City Council

Approved by me this 6th day of September, 2019.


Jenny A. Durkan, Mayor

Filed by me this 6th day of September, 2019.



Monica Martinez Simmons, City Clerk

(Seal)



Attachments:
Attachment A - Term Sheet

Attachment A: Term Sheet

TRANSFER OF PROPERTY FROM THE CITY OF SEATTLE (City) TO HOMESTEAD
COMMUNITY LAND TRUST OR ITS ASSIGNEE (Purchaser)

This term sheet describes the basic terms of the proposed transfer of property between Purchaser and City. The Agreement will include the following terms:

1. Transfer. Any transfer of the property shall be by Quit Claim Deed.
2. Consideration. In consideration for the City transferring the Property to Purchaser, Purchaser shall agree to construct or cause to be constructed within the Property improvements substantially as described in those plans and specifications prepared by Daniel Umbach under Master Use Permits Nos. 3033649-LU, 3033650-LU, and 3033651-LU, which improvements shall be 16 townhouses/rowhouses, 10 of which will be for sale to households with incomes at the time of sale of 80% or less of the area median income, as defined by the City of Seattle's Office of Housing.
3. Conditions precedent to the City's obligation to transfer the property:
 - a. Purchaser shall have obtained approval from the Director of the Office of Housing (Director) of the final plan set and development budget including projected sales prices.
 - b. Purchaser shall have obtained permits for the development of the Property consistent with the designs approved by the Office of Housing.
 - c. Purchaser shall have provided evidence satisfactory to the Office of Housing that Purchaser has secured all necessary construction financing to fund the construction of the Project.
4. Other conditions.
 - a. The Agreement will contain other conditions determined by the Director to be necessary to provide the desired outcomes.
 - b. The transfer to Purchaser shall be "AS IS," without any warranty as to any matters related to title or the condition of the Property, including without limitation the presence of any encroachments, hazardous materials or any other environmental matters.
 - c. Purchaser to convey to the City a 50-year covenant preserving 10 of the townhouses built on the Property as affordable housing.

SUMMARY and FISCAL NOTE*

Department:	Dept. Contact/Phone:	CBO Contact/Phone:
Office of Housing Department of Finance and Administrative Services	Erika Malone/684-0247 Hillary Hamilton /684-0421	George Dugdale / 733-9297

** Note that the Summary and Fiscal Note describes the version of the bill or resolution as introduced; final legislation including amendments may not be fully described.*

1. BILL SUMMARY

Legislation Title: AN ORDINANCE relating to the transfer of real property for housing development; declaring the property located at 1314, 1326, and 1336 Yakima Avenue South (“PMA 1594” or “Property”) surplus to the city’s needs; transferring the jurisdiction of this property from the Department of Finance and Administrative Services to the Office of Housing; authorizing its transfer to Homestead Community Land Trust or its designee; and authorizing the Director of the Office of Housing to execute and deliver the contract for transfer of land, deed, and related documents.

Summary and background of the Legislation: Supporting the development of affordable homeownership has long been a City strategy to promote social justice and help reverse racial and wealth inequities caused by decades of discriminatory real estate and lending practices. However, this strategy has become increasingly difficult to implement as home values rise. To help address this difficulty, City of Seattle Resolution 31837 prioritizes the use of surplus City property for development of affordable housing.

This legislation transfers the jurisdiction of the Property from the Department of Finance and Administrative Services to the Office of Housing, at no cost to the Office of Housing.

This legislation also authorizes the Director of the Office of Housing, or his or her designee (Director) to Property available to Homestead Community Land Trust at no cost, in exchange for the development of 10 permanently affordable homes and 6 market-rate homes, the proceeds of sales from which will help subsidize the affordable homes.

2. CAPITAL IMPROVEMENT PROGRAM

Does this legislation create, fund, or amend a CIP Project? ___ Yes ___X___ No

3. SUMMARY OF FINANCIAL IMPLICATIONS

Does this legislation amend the Adopted Budget? ___ Yes ___X___ No

Does the legislation have other financial impacts to the City of Seattle that are not reflected in the above, including direct or indirect, short-term or long-term costs?

The Office of Housing will loan approximately \$900,000 of Housing Levy Funds as a development subsidy for the 10 affordable, resale-restricted homes.

Is there financial cost or other impacts of *not* implementing the legislation?

No.

4. OTHER IMPLICATIONS

a. Does this legislation affect any departments besides the originating department?

The Office of Housing will loan approximately \$900,000 of Housing Levy Funds for the development of the 10 affordable homes. City of Seattle will be granted a 50-year affordability covenant by the developer and the Office of Housing will monitor compliance with the 50 year affordability term.

b. Is a public hearing required for this legislation?

No.

c. Does this legislation require landlords or sellers of real property to provide information regarding the property to a buyer or tenant?

No, this legislation does not require landlords or sellers to provide information regarding a sale.

d. Is publication of notice with *The Daily Journal of Commerce* and/or *The Seattle Times* required for this legislation?

No.

e. Does this legislation affect a piece of property?

Yes. A map of the property showing the property and surrounding area is provided as Attachment 1 to this Summary and Fiscal Note.

f. Please describe any perceived implication for the principles of the Race and Social Justice Initiative. Does this legislation impact vulnerable or historically disadvantaged communities? What is the Language Access plan for any communications to the public?

The Request for Proposals (RFP) articulated, in the evaluation criteria, that “the successful proposal will be submitted by an organization(s) that has demonstrated success in reaching traditionally underserved populations, including people of diverse ethnic and cultural background and people with disabilities. OH will prioritize proposals that identify strategies for engagement of/marketing to communities with historical ties to the neighborhood.”

The chosen developer, Homestead Community Land Trust, has a memorandum of understanding with Africatown CLT to assist with homebuyer outreach and sub-contractor recruitment and is actively participating in the work of OH to give guidance around the use of Community Preference in City funded housing.

- g. If this legislation includes a new initiative or a major programmatic expansion: What are the specific long-term and measurable goal(s) of the program? How will this legislation help achieve the program's desired goal(s).**

This legislation is a continuation of the Homebuyer Assistance Program as contemplated under the Development Subsidy section.

List attachments/exhibits below:

Attachment 1 - Map of Property

STATE OF WASHINGTON -- KING COUNTY

--SS.

377833

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.

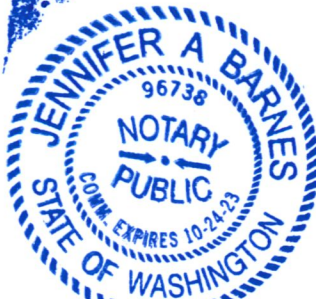
The notice in the exact form annexed, was published in regular issues of The Daily Journal of Commerce, which was regularly distributed to its subscribers during the below stated period. The annexed notice, a

CT:125898-125912 TITLE

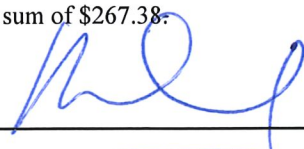
was published on

09/19/19

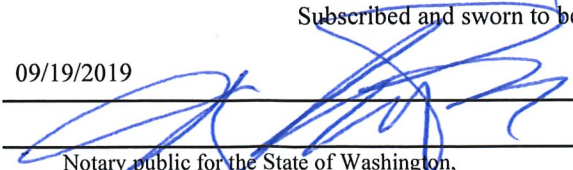
The amount of the fee charged for the foregoing publication is the sum of \$267.38.



Affidavit of Publication


Subscribed and sworn to before me on

09/19/2019


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, passed by the City Council on September 03, 2019, 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 125898

Council Bill 119611

AN ORDINANCE appropriating money to pay certain audited claims for the week of August 5, 2019 through August 9, 2019 and ordering the payment thereof.

Ordinance 125899

Council Bill 119612

AN ORDINANCE appropriating money to pay certain audited claims for the week of August 12, 2019 through August 16, 2019 and ordering the payment thereof.

Ordinance 125900

Council Bill 119613

AN ORDINANCE appropriating money to pay certain audited claims for the week of August 19, 2019 through August 23, 2019 and ordering the payment thereof.

Ordinance 125901

Council Bill 119584

AN ORDINANCE relating to residential rental properties; conforming the Seattle Municipal Code with changes in state law; amending Sections 7.24.020, 7.24.030, 22.202.080, 22.206.160, 22.206.180, 22.210.030, and 22.902.120 of the Seattle Municipal Code.

Ordinance 125902

Council Bill 119601

AN ORDINANCE relating to the construction of protected bicycle lanes; requiring major paving projects to include protected bicycle lanes as identified in The City of Seattle Bicycle Master Plan; and adding a new Chapter 15.80 to the Seattle Municipal Code.

Ordinance 125903

Council Bill 119516

AN ORDINANCE relating to the City Light Department; authorizing a large solar program for customers with solar photovoltaic systems sized larger than 100 kilowatts and not greater than two megawatts; and adding a new Section 21.49.083 to the Seattle Municipal Code.

Ordinance 125904

Council Bill 119571

AN ORDINANCE relating to the City Light Department; authorizing the Department to enter and participate in the Western Energy Imbalance Market, including the ability to execute additional agreements necessary or convenient to participating in the Western Energy Imbalance Market.

Ordinance 125905

Council Bill 119577

AN ORDINANCE relating to City employment; adopting a 2019 Citywide Position List.

Ordinance 125906

Council Bill 119578

AN ORDINANCE relating to City employment; adjusting the pay zones for titles in the City's Power Marketing Compensation Program; establishing changes to provisions in the Power Marketing Compensation Program; and ratifying and confirming certain prior acts.

Ordinance 125907

Council Bill 119591

AN ORDINANCE relating to the City Light Department; declaring certain real property rights surplus to the needs of the City Light Department and authorizing the sale of a portion of the property to Snohomish County for road purposes; reserving an easement for electric transmission line purposes; and accepting the payment of fair market value for the property rights sold.

Ordinance 125908

Council Bill 119603

AN ORDINANCE relating to the transfer of City real property for housing development; declaring the property located at 1314, 1326, and 1336 Yakima Avenue South ("PMA 1594") surplus to the City's needs; transferring the jurisdiction of this property from the Department of Finance and Administrative Services to the Office of Housing; authorizing its transfer to Homestead Community Land Trust or its designee; and authorizing the Director of the Office of Housing to execute and deliver the contract for transfer of land, deed, and related documents.

Ordinance 125909

Council Bill 119498

AN ORDINANCE relating to the City Light Department; accepting statutory warranty deeds to the Massnick and Levins properties in Pend Oreille County, Washington, both to be managed as Project Habitat Lands as required by the Federal Energy Regulatory Commission (FERC) License Order for the Boundary Hydroelectric Project; and placing said lands under the jurisdiction of the City Light Department.

Ordinance 125910

Council Bill 119533

AN ORDINANCE relating to the City Light Department; accepting various easements for overhead and underground electrical rights in King County, Washington; placing said easements under the jurisdiction of the City Light Department; and ratifying and confirming certain prior acts.

Ordinance 125911

Council Bill 119534

AN ORDINANCE relating to the City Light Department; accepting various easements for overhead and underground electrical rights in King County, Washington; placing said easements under the jurisdiction of the City Light Department; and ratifying and confirming certain prior acts.

Ordinance 125912

Council Bill 119592

AN ORDINANCE relating to the City Light Department; authorizing the General Manager and Chief Executive Officer to negotiate for and purchase or lease up to two parcels of land and acquire other real property rights as necessary or desirable for the purpose of providing temporary housing for City Light personnel and contractors at the Boundary Hydroelectric Project in Pend Oreille County, Washington, and for other municipal utility purposes.

Date of publication in the Seattle Daily Journal of Commerce, September 19, 2019.

9/19(377833)