



SEATTLE CITY COUNCIL

Legislative Summary

CB 119643

Record No.: CB 119643

Type: Ordinance (Ord)

Status: Passed

Version: 1

Ord. no: Ord 125922

In Control: City Clerk

File Created: 08/16/2019

Final Action: 09/20/2019

Title: AN ORDINANCE relating to real property located at Mercer Street and Second Avenue North; authorizing the Director of Housing to grant a lease of the real property to Plymouth Housing Group or its affiliate or designee; and authorizing related agreements and actions to support the development of affordable housing and ground floor cultural uses at the Mercer Street and Second Avenue North property.

Notes:

Filed with City Clerk: Date 9/20/2019

Mayor's Signature: 9/19/2019

Sponsors: Bagshaw

Vetoed by Mayor:

Veto Overridden:

Veto Sustained:

Attachments: Att 1 - Term Sheet, Att 2 - Legal Description of Property

Drafter: adam.schaefer@seattle.gov

Filing Requirements/Dept Action:

History of Legislative File

Legal Notice Published:

Yes

No

Version:	Acting Body:	Date:	Action:	Sent To:	Due Date:	Return Date:	Result:
1	Mayor	08/20/2019	Mayor's leg transmitted to Council	City Clerk			
1	City Clerk	08/20/2019	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	08/29/2019	sent for review	Housing, Health, Energy, and Workers' Rights Committee			
Action Text: The Council Bill (CB) was sent for review. to the Housing, Health, Energy, and Workers' Rights Committee							

Legislative Summary Continued (CB 119643)

1	City Council	09/09/2019	referred	Finance and Neighborhoods Committee	
1	Finance and Neighborhoods Committee	09/11/2019	pass		Pass
	Action Text:	The Committee recommends that City Council pass the Council Bill (CB). In Favor: 2 Chair Bagshaw, Vice Chair González Opposed: 0			
1	City Council	09/16/2019	passed		Pass
	Action Text:	The Council Bill (CB) was passed by the following vote, and the President signed the Bill:			
	Notes:	<i>Councilmember Herbold entered the Council Chamber at 4:48 p.m.</i>			
		<i>Councilmember Pacheco left the Council Chamber at 4:48 p.m.</i>			
		<i>Councilmember Pacheco entered the Council Chamber at 4:50 p.m.</i>			
		In Favor: 7 Councilmember Bagshaw, Councilmember González , Council President Harrell, Councilmember Herbold, Councilmember Mosqueda, Councilmember O'Brien, Councilmember Pacheco			
		Opposed: 0			
		Absent(NV): 2 Councilmember Juarez, Councilmember Sawant			
1	City Clerk	09/18/2019	submitted for Mayor's signature	Mayor	
1	Mayor	09/20/2019	Signed		
	Action Text:	The Council Bill (CB) was Signed.			
1	Mayor	09/20/2019	returned	City Clerk	
	Action Text:	The Council Bill (CB) was returned. to the City Clerk			
1	City Clerk	09/20/2019	attested by City Clerk		
	Action Text:	The Ordinance (Ord) was attested by City Clerk.			

CITY OF SEATTLE

ORDINANCE 125922

COUNCIL BILL 119643

AN ORDINANCE relating to real property located at Mercer Street and Second Avenue North; authorizing the Director of Housing to grant a lease of the real property to Plymouth Housing Group or its affiliate or designee; and authorizing related agreements and actions to support the development of affordable housing and ground floor cultural uses at the Mercer Street and Second Avenue North property.

WHEREAS, the Seattle Center Department transferred jurisdiction over surplus real property located at Mercer Street and Second Avenue North to the Office of Housing with adoption of Ordinance 125528; and

WHEREAS, pursuant to Ordinance 125308, the Office of Housing adopted Housing Funding Policies that include a commitment to utilizing well-located publicly owned properties for affordable housing and achieving cost savings for affordable housing development through favorable purchase terms; and

WHEREAS, pursuant to Resolution 31609, the City Council resolved to pursue use of publicly owned properties for development of affordable housing, including authorizing the transfer of specific City-owned properties for the development of housing; and

WHEREAS, Plymouth Housing Group was the successful respondent to a request for proposals (RFP) for affordable housing and ground floor arts and cultural uses at the Mercer Street and Second Avenue North surplus property; and

WHEREAS, Plymouth Housing Group's mission is to eliminate homelessness and to address its causes by preserving, developing, and operating safe, quality, supportive housing and by providing adults experiencing homelessness with opportunities to stabilize and improve their lives; and

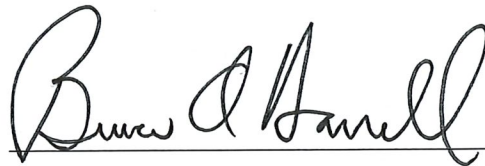
1 WHEREAS, the Office of Housing and Plymouth Housing Group have negotiated in good faith
2 the terms for a long-term lease of the surplus property at Mercer Street and Second
3 Avenue North for construction and operation by Plymouth Housing Group of income-
4 restricted affordable housing, including permanent supportive housing for formerly
5 homeless people; NOW, THEREFORE,

6 **BE IT ORDAINED BY THE CITY OF SEATTLE AS FOLLOWS:**

7 Section 1. The Director of Housing is authorized for and on behalf of The City of Seattle
8 (City) to execute a lease agreement, according to terms substantially consistent with the Term
9 Sheet attached to this ordinance as Attachment 1, between the City, as lessor, and Plymouth
10 Housing Group or its affiliate or designee, as lessee, to provide for the long-term use and
11 occupancy of the property legally described in Attachment 2 to this ordinance (“Property”) for
12 the purposes of providing affordable housing for households with limited or no income.

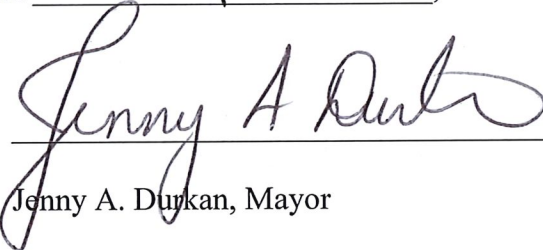
1 Section 2. This ordinance shall take effect and be in force 30 days after its approval by
2 the Mayor, but if not approved and returned by the Mayor within ten days after presentation, it
3 shall take effect as provided by Seattle Municipal Code Section 1.04.020.

4 Passed by the City Council the 16th day of September, 2019,
5 and signed by me in open session in authentication of its passage this 16th day of
6 September, 2019.

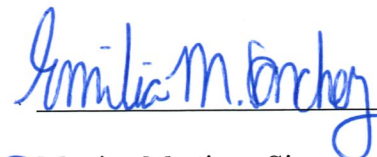
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8 President _____ of the City Council

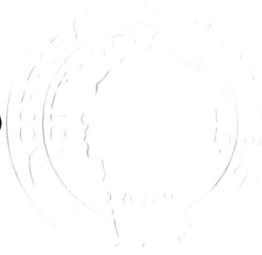
9 Approved by me this 20th day of September, 2019.

10 
11 Jenny A. Durkan, Mayor

12 Filed by me this 20th day of September, 2019.

13 
14 for Monica Martinez Simmons, City Clerk

15 (Seal)



20 Attachments:
21 Attachment 1 – Term Sheet
22 Attachment 2 – Legal Description of Property

Attachment 1: Term Sheet

LEASE OF PROPERTY FROM THE CITY OF SEATTLE TO
PLYMOUTH HOUSING OR ITS AFFILIATE OR DESIGNEE

This term sheet describes the basic terms of the proposed lease (the “Lease”) of property located at Mercer Street and Second Avenue North (the “Property”) between The City of Seattle (the “City”) and Plymouth Housing Group, a Washington nonprofit corporation or its assignee or designee (the “Lessee”). The Lease will be entered into subject to the conditions set forth below and on the following terms:

1. Lease. The Lease shall be for 99 years.
2. Consideration. In consideration for the City leasing the Property to Lessee for rent of \$1/year, Lessee shall agree to construct or cause to be constructed within the Property improvements substantially as described in those plans and specifications prepared by SMR Architects more specifically described in SDCI Permit Nos. 3033545-LU and 6712052-CN (collectively, the “Project”), which improvements shall be 91 studio units of Low-Income Housing, Extremely Low-Income Housing, Very Low-Income Housing, and 60%-of-Median-Income Housing including 19 units for formerly homeless, low-income single adults as defined by the City of Seattle’s Office of Housing, and two unrestricted manager’s units, for a total of 93 units, along with common spaces and approximately 3,700 square feet of nonresidential space.
3. Conditions of the City’s lease of the Property:
 - a. Lessee shall have obtained approval from the Director of the Office of Housing (Director) of the final plan set for the Project and development budget for development of the Project.
 - b. Lessee shall have obtained permits for the development of the Project consistent with the designs approved by the Office of Housing.
 - c. Lessee shall have provided evidence satisfactory to the Office of Housing that Lessee has secured all necessary construction financing to fund the construction of the Project.
4. Other conditions.
 - a. The Lease will contain other conditions determined by the Director to be necessary to provide the desired outcomes.
 - b. The Lease of the Property 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 of the Property.
 - c. The permitted use under the Lease will require, for at least 50 years, development and operation of 91 studio units of housing for Low-Income Housing, Extremely Low-Income Housing, Very Low-Income Housing, and 60%-of-Median-Income Housing including 19 units for formerly homeless, low-income single adults built on the Property, and dedicated space for arts and cultural uses on the ground floor.

Attachment 2: Legal Description of Property

LOTS 7 AND 8 IN BLOCK 24, MERCER'S SECOND ADDITION TO NORTH SEATTLE, ACCORDING TO THE PLAT THEREOF RECORDED IN VOLUME 2 OF PLATS PAGE 7, IN KING COUNTY, WASHINGTON; EXCEPT THE EAST 28 FEET THEREOF; AND EXCEPT THE NORTH 10 FEET OF LOT 7.