



City of Seattle
Mayor Jenny A. Durkan

Honorable Bruce A. Harrell, President
Seattle City Council
City Hall, 2nd Floor
Seattle, WA 98199

August 6, 2019

Dear Council President Harrell:

I am transmitting legislation for the disposition of City-owned properties at 800 Mercer Street and 615 Dexter Avenue N. With the sale of these underutilized properties, we have a generational opportunity to invest in good-paying jobs and create more affordable and mixed-income housing in locations throughout the city.

This legislation will set a new standard in how we can achieve a public benefit greater than an unrestricted sale, transforming public land to maximize public value in all communities in Seattle. Investments made with the proceeds of this sale must and will be rooted in advancing racial equity and addressing displacement in a way the City has not had the resources to do before.

In addition to a cash payment of over \$138 million, the developer will build 175 units of affordable housing at 615 Dexter Avenue N. at 60 percent or below of Area Median Income, with a covenant to maintain affordability for 50 years without any public subsidy. The developer will also provide up to 30,000 square feet rent free and \$3,000,000 for tenant improvements to Seattle Parks and Recreation for a new community center at the site. Other negotiated terms include developer responsibility for environmental remediation; a Labor Harmony Agreement; a Project Labor Agreement, at a minimum LEED Gold, and responsibility for implementing site-specific public benefits required and authorized by the Ordinance to vacate Broad Street, including pedestrian improvements to 8th Avenue and the extension of the Mercer Street Protected Bike Lane between 9th Avenue and Dexter Avenue.

I am excited to advance this ground-breaking opportunity. If you have any questions about the specifics of this legislation, please contact Steven Shain in the City Budget Office.

Sincerely,

A handwritten signature in black ink that reads "Jenny A. Durkan".

Jenny A. Durkan
Mayor of Seattle

cc: Honorable Members of the Seattle City Council