

Amendment 1 to Council Bill 119609: Childcare within the Recreation Center

Sponsors: Councilmembers Mosqueda and O'Brien

**Background**

The proposed Memorandum of Understanding between the City of Seattle and Alexandria Real Estate (ARE) provides for a 30,000 square foot "Recreation Center" to be leased rent free to the City for a 25 year term, renewable for 15 additional years. Some of the terms of the lease are spelled out in the Memorandum of Understanding, including the following statement:

The permitted uses of the Premises under the Lease shall be for use as a recreation center, providing athletic facilities, classrooms, events, and education for children and adults. No other use shall be permitted without Purchaser's approval, which may be granted or withheld in Purchaser's sole discretion. (Section 3.h.ix.)

Councilmembers have identified a need for childcare facilities in the South Lake Union area. This amendment directs the Seattle Department of Parks and Recreation to incorporate a childcare space within the Recreation Center.

A licensed child care facility, according to WAC 110-300, requires 35 square feet per child plus storage space, hallways, bathrooms, a food preparation area and outdoor space equal to 75 square feet per child. A 490 square foot room could accommodate 14 children between twelve and twenty nine months old and two staff members. Fourteen children would require 1,050 square feet of outdoor space, which could be shared with other classrooms. Under the terms of the proposed Memorandum of Understanding, there is no plan for the City to lease outdoor space.

Amend Sections 3 and 6 of Council Bill 119609 and add a new section 7 to the bill, as follows:

Note: Additions to the bill are shown in double underline. Deletions are shown in ~~double strikeout~~.

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Section 3. The sale of the Properties to Alexandria Real Estate Equities, Inc. (Alexandria), or to one or more affiliates controlled by Alexandria, on the terms described in the attached Memorandum of Understanding (MOU), attached to this ordinance as Attachment 2, is authorized. Among the material terms governing the sale and redevelopment of the Properties authorized hereby are the following: (i) a cash selling price of \$138,500,000.00, (ii) the execution and recording in the real property records of a 50-year affordable housing covenant burdening a portion of the Properties, substantially in the form attached as Exhibit C to the MOU, (iii) the delivery to the City, upon the closing of the transactions described in the

Transaction Documents (defined below), the cash sum of \$5,000,000.00 to be used by the City to support strategies to address homelessness in Seattle (Homelessness Contribution), (iv) the purchaser's covenant and agreement to comply with and perform the obligations described in Sections 3(i)-(o) of the MOU, relating to sustainable construction practices, certain environmental matters, labor harmony and the construction of various improvements to and in the vicinity of 8<sup>th</sup> Avenue North, and (v) the purchaser's covenant and agreement to negotiate with the Seattle Parks and Recreation Department (SPR) for the potential lease of a recreational facility to be located on a portion of the Properties and open to the public, on the terms described in the term sheet attached as Exhibit E to the MOU.

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Section 6. The Superintendent of ~~the Seattle Parks and Recreation Department~~ SPR or designee, for and on behalf of the City, is authorized to negotiate and, upon the closing of the transactions described in the Transaction Documents, execute and deliver a lease for the recreation facility described in the MOU, on terms consistent with the term sheet attached as Exhibit E to the MOU. In drafting the lease, SPR shall work with Alexandria to include child care as a permitted use within the recreation center.

Section 7. SPR shall include space in the recreation center for a licensed child care facility providing all-day care, with a goal of providing space for at least three classes of children through twenty-nine months of age. Consideration should be given to designing any such space to accommodate non-child care activities in the evening or weekends.

Section ~~7~~8. Any act consistent with the authority of this ordinance taken prior to its effective date is ratified and confirmed.

Section ~~89~~9. 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.