

SUMMARY and FISCAL NOTE*

Department:	Contact Person/Phone:	Executive Contact/Phone:
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** 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 disposition of two City Urban renewal properties in the Yesler-Atlantic Redevelopment Project Area; adopting competitive procedures for disposition of the properties; authorizing the Director of the Office of Housing to dispose of the properties designated Parcel 7B and Parcel 56 in the project area; designating the disposition of sales proceeds; superseding Ordinance 122017 and Resolutions 27260, 28866, and 29852 with respect to the sale of the properties; exempting the sale from the requirements of Resolution 29799 as amended by Resolution 30862; and ratifying and confirming certain prior acts.

Summary of the Legislation: This legislation authorizes sale of the last two parcels in the Yesler-Atlantic Neighborhood Project Area located at 1415 East Yesler Way and 1429 South Jackson Street and dedicates sale proceeds for affordable housing. In 2006, Council authorized sale of the sites; that authorization has lapsed. In addition to authorizing sale of the two subject properties the legislation also expresses an intent to use the proceeds from the sale to fund acquisition of an existing 30 unit building in the Central Area. This property has expiring affordability restrictions and will otherwise be available for sale on the private market.

Background: In 1967, the City Council approved the Urban Renewal Plan, to further the goals of the Urban Renewal Act, which sought the clearance and reconstruction or rehabilitation of slum and blighted areas in the City. This Plan included the Yesler-Atlantic Neighborhood Project.

2. CAPITAL IMPROVEMENT PROGRAM

 This legislation creates, funds, or amends a CIP Project.

3. SUMMARY OF FINANCIAL IMPLICATIONS

 X This legislation has direct financial implications

Budget program(s) affected:				
Estimated \$ Appropriation change:	General Fund \$		Other \$	
	2016	2017	2016	2017
Estimated \$ Revenue change:	Revenue to General Fund		Revenue to Other Funds	
	2016	2017	2016	2017
			\$ 2,000,000	

Positions affected:	No. of Positions		Total FTE Change	
	2016	2017	2016	2017
Other departments affected:				

3.a. Appropriations

This legislation adds, changes, or deletes appropriations.

3.b. Revenues/Reimbursements

This legislation adds, changes, or deletes revenues or reimbursements.

Anticipated Revenue/Reimbursement Resulting from this Legislation:

Fund Name and Number	Dept	Revenue Source	2016 Revenue	2017 Estimated Revenue
Urban Renewal Closeout Account of the Housing and Community Development Revenue Sharing Fund (17810)	OH	Sale Proceeds		\$2,000,000
TOTAL				\$2,000,000

Revenue/Reimbursement Notes:

The estimated \$2 million in one-time revenue will be used for acquisition and long-term investment in affordable housing. The Office of Housing has sufficient existing budget authority to support expenditure of these revenues.

3.c. Positions

This legislation adds, changes, or deletes positions.

4. OTHER IMPLICATIONS

- a) Does the legislation have indirect or long-term financial impacts to the City of Seattle that are not reflected in the above? No.
- b) Is there financial cost or other impacts of not implementing the legislation? No.
- c) Does this legislation affect any departments besides the originating department? No.
- d) Is a public hearing required for this legislation? No.

- e) **Does this legislation require landlords or sellers of real property to provide information regarding the property to a buyer or tenant?** No.
- f) **Is publication of notice with *The Daily Journal of Commerce* and/or *The Seattle Times* required for this legislation?**
No. We intend to hire a real estate broker to market the property on the NWMLS, CBA, as well as others targeted parties. In addition, property owners near the two sites will be informed of the listing.
- g) **Does this legislation affect a piece of property?**
Yes. See Exhibit 1 to this fiscal note.
- h) **Please describe any perceived implication for the principles of the Race and Social Justice Initiative. Does this legislation impact vulnerable or historically disadvantaged communities?**
There is no indication that the current use of the properties as vacant lots serves vulnerable or historically disadvantaged communities. The investment of the proceeds from the property sale into production of low-income housing could be beneficial to vulnerable or historically disadvantaged communities. This legislation authorizes sale of the last two parcels in the Yesler-Atlantic Neighborhood Project Area in the Central Area, which were originally acquired with federal funding as part of the Yesler-Atlantic Neighborhood Improvement Project. This legislation expresses an intent to dedicate proceeds to support acquisition of an existing building in the Central Area—a proactive strategy that will help to prevent displacement in this high risk of displacement area and historically Black community.
- i) **If this legislation includes a new initiative or a major programmatic expansion: What are the long-term and measurable goals of the program? Please describe how this legislation would help achieve the program’s desired goals.**

This legislation will directly augment funding for OH’s existing Rental Production and Preservation Program, which is funded largely from the Seattle Housing Levy and incentive zoning programs’ payment proceeds. Consistent with the goals of the Rental Production and Preservation Program, funds generated through this legislation will be used solely to produce income- and rent-restricted housing.
- j) **Other Issues:**
The proposed legislation connects closely with priorities established under the Housing Affordability and Livability Agenda, particularly in its responsiveness to recommendations to (i) seek and deliver on opportunities for City-owned property dispositions to support development of affordable housing, and (ii) preserve affordable housing opportunities especially in areas experiencing or at risk of high levels of displacement

List attachments/exhibits below:

Exhibit 1: Site Map