

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 property at Sand Point; authorizing the Housing Director to execute an amendment to and partial termination of the lease of City of Seattle land authorized by Ordinance 122459, as amended pursuant to Ordinance 123195, to remove two parcels from that lease; authorizing a new lease of the removed parcels to SPH Two LLLP; authorizing deeds to buildings on those parcels; and authorizing related documents and actions.

Summary and background of the Legislation: Ordinances passed in 1997 and 1998 authorized the acceptance of a deed from the United States to the City for lands and buildings at the Sand Point Naval Station and the lease of land to Sand Point Community Housing Association (SPCHA).

A Ground Lease from the City to SPCHA was executed on April 22, 1998. Meanwhile, also in 1998, SPCHA entered into subleases with Sand Point Housing Associates I Limited Partnership to operate buildings 26N and 26S (Sand Point Family Housing) and building 224 (Santos Place), both of which were subsequently amended in 1999.

The aforementioned Ground Lease was later assigned to and assumed by Sand Point Community Connections LLC (SPCC) on April 23, 2008. In connection with the Ground Lease assignment to and assumption by SPCC, the sublessor's interests in these subleases were also transferred to SPCC. In turn, on March 31, 2015, Sand Point Housing Associates I Limited Partnership assigned its sublease interests and quitclaimed its interests in Sand Point Family Housing and Santos Place to SPH One LLC.

In April 2017, the Office of Housing awarded capital financing for the rehabilitation and remodel of Sand Point Family Housing and Santos Place that will create 8 additional units for homeless persons. As a condition to funding, this ordinance authorizes the execution of an amendment to and partial termination of the lease of City of Seattle land authorized by Ordinance 122459, as amended pursuant to Ordinance 123195, to remove two parcels from that lease; creation of a new ground lease between the City and SPH Two LLLP for the land underlying Sand Point Family Housing and Santos Place; and authorizing related documents and actions.

2. CAPITAL IMPROVEMENT PROGRAM

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

3. SUMMARY OF FINANCIAL IMPLICATIONS

X This legislation does not have direct financial implications.

4. OTHER IMPLICATIONS

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

No.

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.

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, see map in Attachment 1.

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?

High housing costs and homelessness disproportionately affect people of color. The implementation of this legislation will support RSJI principles by facilitating rehabilitation of two multifamily properties that provide housing for people who would otherwise be homeless.

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).

Not applicable.

Other Issues:

None.

List attachments/exhibits below:

Summary Attachment 1 – Map of Sand Point Property