

SUMMARY and FISCAL NOTE*

Department:	Dept. Contact/Phone:	CBO Contact/Phone:
OPCD	Quanlin Hu/386-1598	Caleb Wagenaar/ 733-9228

** 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

- 1. Legislation Title:** A RESOLUTION designating the Grand Street Commons Redevelopment Opportunity Zone pursuant to RCW 70.105D.150(1) and making findings in support of such designation.
- 2. Summary and background of the Legislation:** The purpose of this legislation is to designate 16 parcels totaling approximately 3.2 acres located between Rainer Avenue South and 23rd Avenue South, and South State Street and South Holgate Street in the Mt. Baker/North Rainer neighborhood—close to the future Judkins Park light rail station—as a Redevelopment Opportunity Zone pursuant to the state Model Toxics Control Act, RCW 70.105D.150(1). These parcels are owned by Grand Street Commons LLC, consisting of Mount Baker Housing Association (MBHA), a 501(c)(3) non-profit, Lake Union Partners and HAL Real Estate. This designation allows MBHA to be eligible for state Department of Ecology grant funds for the cleanup and redevelopment of the subject properties.

MBHA plans to use the grant funds for investigation and cleanup of contaminated soil and groundwater on the subject properties. Once remediation is completed, MBHA plans to build approximately 150 units of housing affordable to households earning below 60% Area Median Income (AMI). On the remainder of the property, Lake Union Partners will build approximately 550 housing units and intends that up to 25% of these units also be affordable housing, with the remainder to consist of market rate housing, providing for a mixed development of market and affordable housing in the same development and forming a diverse group of residents and housing options. Redevelopment of this area supports the City’s planning goals and the community’s vision in the Judkins Park station area consistent with transit-oriented development principles, more housing choices, and equitable development.

A resolution designating these brownfield properties as a Redevelopment Opportunity Zone is necessary under state law for MBHA to be eligible to receive the grant monies from the Department of Ecology. This is the second ROZ that MBHA is working with the City to seek grants. The previous Mount Baker McClellan Street ROZ was designated in February 2017 (Res 31731) which enabled MHBA obtain 6.6 million grant funding from the Department of Ecology for environmental cleanup.

2. CAPITAL IMPROVEMENT PROGRAM

- a. Does this legislation create, fund, or amend a CIP Project?** Yes No

3. SUMMARY OF FINANCIAL IMPLICATIONS

- a. Does this legislation amend the Adopted Budget? ___ Yes x No
- b. Does the legislation have other financial impacts to the City of Seattle that are not reflected in the above, including direct or indirect, short-term or long-term costs?

MBHA might seek Office of Housing funding to redevelop the site. However, the estimated timeline and cost are unknown and will be dependent on the environmental cleanup of the site and subject to separate review and decision making.
Approval of this resolution does not obligate the City to any financial commitment.

- c. Is there financial cost or other impacts of *not* implementing the legislation?

For MBHA to be eligible to receive funds from Ecology, the City of Seattle must first designate these properties as a “Redevelopment Opportunity Zone” pursuant to RCW 70.105D.150(1). The environmental cleanup is necessary before MBHA can develop affordable housing on the site.

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, a map is attached to the resolution.
- 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?

The North Rainier community is one of Seattle’s most economically and racially diverse neighborhoods, but there has been a lack of development, in particular new housing units, near the light rail station due to contamination of soil and groundwater affecting multiple parcels. The project site is located within two blocks of the Judkins Park light rail station.

Following cleanup of these properties, MBHA will create approximately 150 new units of affordable housing, Lake Union Partners will build approximately 550 housing units and intends that up to 25% of these units also be affordable housing, which will provide more housing choices for lower income individuals and families who qualify for the income and rent-restricted units.

- 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).**

N/A

List attachments/exhibits below: