	LEG MOB Properties RES 31856 D42
	Attachment A
1	CITY OF SEATTLE
2	RESOLUTION
3	title
4	A RESOLUTION committing to collaborate with the Executive to ensure on the transfer of
5	properties that have a mutual and offsetting benefit lease to the organizations currently
6	residing in those facilities no later than March 2019 in circumstances where those
7 8	organizations have expressed interest in taking ownership of those properties and a <u>commitment to continue to provide services to the community</u> , and <u>have</u> demonstrated
9	the financial capability of maintaining the facility.
10	
11	body
12	WHEREAS, the non-profit organizations occupying city-owned facilities with mutual and
13	offsetting benefit leases have provided vital services to Seattle for decades; and
14	WHEREAS, a response from the Department of Finance and Administrative Services to
15	statement of legislative intent 58-1-A-2 in 2013 indicates that the City's current approach
16	to properties that have a mutual and offsetting benefit (MOB) lease is not sustainable
17	because the existing methodology for calculating cash rent does not cover facility
18	maintenance costs and the non-profits residing in these properties have limited ability to
19	absorb a larger share of rent without needing to reduce services; and
20	WHEREAS, on October 5, 2016, Seattle's Office of Housing (OH) determined that the benefits
21	of redeveloping the property at 722 18th Avenue (formerly Fire Station 23) for affordable
22	housing do not outweigh the benefits of having Byrd Barr Place (formerly Centerstone)
23	continue to provide services to the community at that location; and
24	WHEREAS, for 50 years, Byrd Barr Place has provided essential human services to Seattle
25	residents who are struggling to make ends meet, most of whom live at 150% or more
26	below the federal poverty level; and

Attachment A

1	WHEREAS, on October 7, 2016, OH determined that mitigating the steep slope on the east side
2	of the property at 500 30th Avenue South (Central Area Senior Center) would make
3	redeveloping the site with affordable housing financially unfeasible and the benefits of
4	having Central Area Senior Center (CASC) continue to serve African-American seniors
5	in the community far outweigh the benefits of redeveloping the site for affordable
6	housing; and
7	WHEREAS, the Central Area Senior Center, founded in 1972, is a nonprofit volunteer-supported
8	resource providing services to support the emotional, social, and physical well-being of
9	older adults and their families; and
10	WHEREAS, on October 9, 2015, OH determined that co-development at the Greenwood Senior
11	Center would not offer meaningful cost savings sufficient to present a more cost-effective
12	option for the development of affordable housing than development on other market-rate
13	sites; and
14	WHERAS, The Phinney Neighborhood Association's Greenwood Senior Center is a non-profit
15	organization that has been serving older adults and seniors since 1978 and centers an
16	inclusive community that provides social, physical, and educational activities focused
17	around the needs of older adults, as well as works to fight isolation, build camaraderie,
18	and enrich each other's lives; and
19	WHEREAS, on July 15, 2015, Byrd Barr Place received a grant from the Washington
20	Department of Commerce for \$1,455,000 to renovate the building it occupies under the
21	condition that it owns or holds a long-term lease for a minimum of ten years for the
22	property; and

Attachment A

1	WHEREAS, if Byrd Barr Place does not obtain ownership or a long-term lease by June 2019
2	they will lose the \$1,455,000 grant from the Washington Department of Commerce; and
3	WHEREAS, a report prepared by Soul Light and submitted to the Department of Finance and
4	Administrative Services on September 13, 2017 determined that Byrd Barr Place and the
5	Central Area Senior Center meet all documented criteria for receiving the property in
6	which they currently reside and City departments believe these organizations have the
7	capability of managing these properties after their transfer for continued community
8	services; NOW, THEREFORE,
9	BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SEATTLE, THE
10	MAYOR CONCURRING, THAT:
11	Section 1. The City Council will collaborate with the Executive with a goal of to
12	completinge transfer of the City-owned properties at 722 18th Avenue, 500 30th Avenue South,
13	and the Greenwood Senior Center with mutual and offsetting benefit (MOB) leases to the non-
14	profit organizations currently residing in those facilities no later than March 31, 2019 as
15	recommended in prior consultant reports to the City of Seattle in exchange for certain
16	commitments to maintain the properties and to continue to provide services to the community, all
17	subject to completion of environmental review.
18	Section 2. The City Council will establish, document, and communicate clear criteria and
19	timelines for entering into long-term leases or transferring the remaining properties with MOB
20	leases if the Executive has not taken action regarding these properties by March 31, 2019, all
21	subject to completion of environmental review.

Template last revised November 21, 2017

D4 <u>2</u>		Attachment A	
	Adopted by the City Council the	day of	,
and signed by me in open session in authentication of its adoption this day of			
, 2018.			
		President	of the City Council
	The Mayor concurred the	<u> day of</u>	<u>, 2018.</u>
		Jenny A. Durkan, Ma	yor
	Filed have this dow of		2019
	Filed by me this day of		, 2018.
		Monica Martinez Sim	mons, City Clerk
(Seal)			