

September 14, 2020

## MEMORANDUM

То:	Finance and Housing Committee
From:	Lish Whitson, Analyst
Subject:	Council Bill 119886: Transfer of property to Byrd Barr Place

On Tuesday, September 15, the Finance and Housing Committee will discuss and may vote on Council Bill (CB) <u>119886</u> which would transfer City-owned property located at 722 18th Avenue to its long-term occupant, Byrd Barr Place. The property is a landmark former Fire Station, which has housed Byrd Barr Place and its predecessor organizations since 1967. CB 119886 would transfer the property to Byrd Barr Place with a negative easement to ensure that the property is used for social services, affordable housing, or both.

This is the first of three agreements the Executive is working on to transfer City-owned properties to non-profits with which the City has had mutually-offsetting benefits lease agreements (MOB).<sup>1</sup> The other two are with the Central Area Senior Center (CASC) and the Phinney Neighborhood Association (PNA), which operates the Greenwood Senior Center under an MOB agreement.

This memorandum provides background information on Byrd Barr Place and describes the transfer agreement that would be approved by CB 119886. If this Committee acts on this legislation at the meeting on September 15, final Council action could occur as early as September 21.

## Byrd Barr Place

Byrd Barr Place was founded in 1964 as the Central Area Motivation Program (CAMP). CAMP arose out of the Civil Rights Movement and the Central District's African American community. In 1967, CAMP moved into the former Fire Station 23, located at 722 18<sup>th</sup> Avenue in the Central District. Today, Byrd Barr Place is a social service agency with a commitment to "helping people help themselves through direct services, community action and advocacy." It currently provides energy assistance, housing assistance, a food bank, and personal finance support.

Since 1988, there has been a MOB between Byrd Barr Place<sup>2</sup> and the City that has allowed Byrd Barr Place to operate at 722 18<sup>th</sup> Avenue with little or no rent in exchange for the provision of social service activities. Currently they operate under a month-to-month tenancy. 722 18<sup>th</sup>

<sup>&</sup>lt;sup>1</sup> Mutual and Offsetting Benefit (MOB) leases allow tenants to pay the City rent, in whole or in part, through the public services they provide.

<sup>&</sup>lt;sup>2</sup> Known at the time as the Central Area Citizen's Committee, Inc. (CACC). In 2012, CACC changed its name to Centerstone and in 2018 the organization was renamed Byrd Barr Place after Roberta Byrd Barr. Barr was a community leader, an educator and a journalist. She was the first woman and the first African American principal of a Seattle High School.

Avenue is a 15,360 square feet parcel, which is improved with a 17,210-square foot building constructed in or about 1908. In 1973, the building was <u>designated</u> as a City Landmark. The designation recognized the importance of the social service activities that were taking place within the building.

## Council Bill 119886

CB 119886 would transfer ownership of 722 18<sup>th</sup> Avenue to Byrd Barr Place at no cost to Byrd Barr Place for ongoing use for social service activities. The King County Assessor has valued the property at \$2.7 million. Among the important terms in the agreement are a <u>negative easement</u> to preserve future use for social service facilities or affordable housing and a <u>quit claim deed</u> indemnifying the City against environmental claims.

The City would receive a negative easement that would "forever preserve Development Value<sup>3</sup> of the Property for the purposes of social services facilities, or Affordable Housing, or both." If Byrd Barr Place wants to expand the property or otherwise use development rights from the property, it needs to notify the City. Byrd Barr Place will need written approval from the City to use the development value of the property.

Byrd Barr Place currently pays approximately \$4,700 a year in in rent. The City has spent over \$30,000 a year in 2019 and 2020 to maintain the property.

Byrd Barr Place is working on a major renovation project, and in order to receive a state grant, they must control the property either through ownership or a long-term lease. CB 119886 would transfer ownership of the property to Byrd Barr Place ensuring continuing community ownership of the facility and continued use of the facility for social service activities. The transfer would help to maintain an anchor of the African American community in the Central District. It would also have the benefit of relieving the City's maintenance obligations.

cc: Dan Eder, Interim Director Aly Pennucci, Supervising Analyst

<sup>&</sup>lt;sup>3</sup> According to the easement "Development Value" means any expansion of the Existing Building above or below grade, or any construction of a new facility, building, structure or other fixture or appurtenance upon the Property.' Affordable housing is defined as being available to and affordable by people earning below 80% of <u>Area</u> <u>Median Income</u> with a majority of units affordable at 60% of Area Median Income.