

SUMMARY and FISCAL NOTE*

Department:	Dept. Contact/Phone:	CBO 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 Office of Housing; authorizing the acquisition of two parcels in South Park for the purpose of development of affordable housing and community ground floor space; placing the property under the jurisdiction of the Office of Housing; and ratifying and confirming certain prior acts.

Summary of the Legislation: This legislation would allow the Office of Housing to acquire two real property parcels (788360-8611 and 788360-8608) at the intersection of 14th Avenue S. and S. Henderson Street in South Park, for the purpose of developing affordable housing, for households at or below sixty percent of area median income with ground floor community uses. The combined purchase price of both parcels would total \$3.65M and would provide approximately 18,000 square feet of land for development. Closing is projected for August 15, 2021.

Following the acquisition of the properties OH will conduct a community engagement process to inform a Request for Proposal for an affordable housing development on the site.

Background: Since 2018, the Office of Housing has been working to achieve the goals it set out in the [Duwamish Valley Action Plan](#). These are:

1. Strong local community organization that has the expertise and capacity to pursue affordable housing and anti-displacement strategies in the Duwamish Valley.
2. Stabilize incumbent low-income renters and homeowners to prevent displacement in the Duwamish Valley.
3. Pursue additional opportunities for permanent affordable housing for low-income households in the Duwamish Valley.

This acquisition will support future development of affordable rental housing that will achieve the following community-driven goals: 1) mixed-use development 2) family-sized units and 3) community-oriented space located on the ground floor. This acquisition advances City efforts of environmental justice and equitable development in the Duwamish Valley, including priorities set in the Duwamish Valley Action Plan, a City-community shared vision for the South Park and Georgetown.

OH worked with a real estate broker to identify sites suitable for redevelopment. Current uses of the properties include two commercial tenants and one residential tenant. Any required relocation will occur after a Request for Qualifications and a timeline for development has been identified.

2. CAPITAL IMPROVEMENT PROGRAM

Does this legislation create, fund, or amend a CIP Project? ___ Yes No

3. SUMMARY OF FINANCIAL IMPLICATIONS

Does this legislation amend the Adopted Budget? ___ Yes No

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?

There are acquisition and pre-development costs to be paid for with existing Office of Housing revenues and using existing 2021 Adopted Budget appropriations.

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

No

4. OTHER IMPLICATIONS

- a. Does this legislation affect any departments besides the originating department?
Yes. Operational – The Finance and Administrative Services (FAS) Department may serve as the property management entity of the property. This will involve FAS having custodial management of the property, including leasing, collection of rents, payment of expenses, and other property management duties.
- b. Is a public hearing required for this legislation?
No
- c. Is publication of notice with *The Daily Journal of Commerce* and/or *The Seattle Times* required for this legislation?
No
- d. Does this legislation affect a piece of property?
Yes, see Attachment 1 for a map of the property.
- e. Please describe any perceived implication for the principles of the Race and Social Justice Initiative. Does this legislation impact vulnerable or historically disadvantaged communities? What is the Language Access plan for any communications to the public?
The [Duwamish Valley Action Plan](#) highlighted major disparities within the South Park community, which is primarily made up of BIPOC community members. The median household income in South Park in 2018 was \$34,605. 55% of South Park residents are renters and almost 55% of those are rent burdened.

The acquisition and development of a mixed-use building in a neighborhood with sizable inequities would create a positive impact to South Park. This building will provide safe, healthy and affordable housing to households who have been displaced or are at risk of

displacement, as well as provide community space on the ground floor in the heart of the community. The ground floor would also help activate the 14th Avenue corridor and be a central location for community services.

All community engagement materials and presentations will be translated in the main languages in the community.

f. Climate Change Implications

1. Emissions: Is this legislation likely to increase or decrease carbon emissions in a material way?

No

2. Resiliency: Will the action(s) proposed by this legislation increase or decrease Seattle's resiliency (or ability to adapt) to climate change in a material way? If so, explain. If it is likely to decrease resiliency in a material way, describe what will or could be done to mitigate the effects.

No

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).

No

List attachments/exhibits below:

Summary Attachment 1 – Property Map