



Legislation Text

---

File #: CB 118787, Version: 1

---

**CITY OF SEATTLE**

**ORDINANCE \_\_\_\_\_**

**COUNCIL BILL \_\_\_\_\_**

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 three parcels from that lease; authorizing new leases of the removed parcels to YouthCare and Friends of Youth and deeds from the City to convey the buildings on those parcels to the lessees for the duration of the new leases; and authorizing related documents and actions.

WHEREAS, Ordinance 118770, passed November 3, 1997, and Ordinance 118963, passed April 13, 1998, authorized the acceptance of a deed from the United States to the City for land and buildings constituting a portion of the former Naval Station Puget Sound at Sand Point (“Sand Point”) and acceptance of related personal property, and authorized the leasing of such land, and transfer of title to buildings, to Sand Point Community Housing Association (SPCHA); and

WHEREAS, the lease of such land from the City to SPCHA (“Ground Lease”) and quit claim deed with reversion for the buildings thereon from the City to SPCHA were executed on April 22, 1998, the Ground Lease was subsequently assigned to and assumed by Sand Point Community Connections LLC (SPCC), and it was superseded by an Amended and Restated Lease (“Master Lease”) as of April 23, 2008, all pursuant to Ordinance 122459, and was further amended and partially terminated pursuant to Ordinance 123195; and

WHEREAS, on July 1, 2002, SPCHA entered into subleases with Friends of Youth and YouthCare to operate Sand Point buildings 330, 331, and 332 (“Group Homes”) as required by Section 7.1 of the Ground Lease; and

WHEREAS, SPCC presently holds title to the Group Homes, subject to reversion to the City on termination of the Master Lease as to the land where they are located; and

WHEREAS, in 2015 the City Office of Housing made conditional funding commitments to YouthCare of \$562,382 and Friends of Youth of \$294,605 for the rehabilitation of the Group Homes, and construction is scheduled to begin in September 2016; and

WHEREAS, in order to facilitate the rehabilitation of the Group Homes, the City has found it necessary to contract directly with Friends of Youth and YouthCare; NOW, THEREFORE;

**BE IT ORDAINED BY THE CITY OF SEATTLE AS FOLLOWS:**

Section 1. The Director of The City of Seattle Office of Housing (“Director”) is authorized to execute, acknowledge, deliver, and administer on behalf of the City a Third Amendment to Amended and Restated Lease and Partial Termination of Lease, substantially in the form attached to this ordinance as Attachment 1, amending the Amended and Restated Lease dated as of April 23, 2008, between City as lessor and Sand Point Community Connections LLC (SPCC) as lessee, as previously amended and partially terminated (“Master Lease”), and partially terminating the Master Lease as to the land described on Attachments 3 and 4 to this ordinance, where the group homes known as Buildings 330, 331, and 332 (“Group Homes”) are located. The Mayor, Director, and their respective designees shall have the same authority with respect to the Master Lease, as so amended, as was granted to the Mayor, Director, and their respective designees with respect to the Master Lease by Ordinance 122459, in addition to any other authority granted by this ordinance or otherwise by ordinance.

Section 2. The Director is further authorized to execute, acknowledge, deliver, and administer on behalf of the City a new ground lease (“Lease”) substantially in the form attached to this ordinance as Attachment 2, with each of YouthCare and Friends of Youth. The Lease with YouthCare shall be for the land described on Attachment 3 to this ordinance and the Lease with Friends of Youth shall be for the land described on Attachment 4 to this ordinance. As conditions to delivery and recording of the Leases, each lessee shall assume

obligations to serve the homeless under a new or amended regulatory agreement satisfactory to the Director and shall assume, subject to non-recourse provisions, an allocable portion, as determined by the Director, of the rehabilitation loan previously made by the City for all three Group Homes and assumed by SPCC under an Assumption Agreement dated as of April 23, 2008. Each lessee shall grant its interests in the leased land and Group Homes to the City as security. The Director may grant and request such releases and reconveyances as are reasonably required to allocate and divide the security and obligations for the existing loan between the lessees under the Leases, and to release SPCC. The Mayor, Director, and their respective designees shall have the same authority with respect to each Lease as was granted to the Mayor, Director, and their respective designees with respect to the Master Lease by Ordinance 122459, in addition to any other authority granted by this ordinance or otherwise by ordinance.

Section 3. In connection with the transactions authorized in Sections 1 and 2 of this ordinance, the Director may consent to the conveyance to YouthCare by SPCC of its title to and interest in the buildings on the land described in Attachment 3, known as Buildings 331 and 332, and to the conveyance to Friends of Youth by SPCC of its title to and interest in the building on the land described in Attachment 4 to this ordinance, known as Building 330, or the Director may accept deeds to the City of those buildings. The Director is further authorized to execute, acknowledge, and deliver on behalf of the City a Quit Claim Deed with Reversion, substantially in the form attached to this ordinance as Attachment 5, to each lessee for the Group Home(s) and other improvements on the land subject to its Lease.

Section 4. The Mayor or Director is authorized to make such revisions to the forms of documents attached to this ordinance as do not materially impair the rights or interests of the City, consistent with applicable law and with legal requirements affecting the property involved, and is authorized to execute, deliver, acknowledge, accept, record, perform, enforce, and administer on behalf of the City such other documents as the Mayor or Director may deem necessary or appropriate to carry out the purpose of this ordinance and the documents authorized herein, and to grant such consents and approval, and perform such

other acts on behalf of the City, as the Mayor or Director shall deem necessary or appropriate for such purposes.

Section 5. This ordinance shall take effect and be in force 30 days after its approval by the Mayor, but if not approved and returned by the Mayor within ten days after presentation, it shall take effect as provided by Seattle Municipal Code Section 1.04.020.

Passed by the City Council the \_\_\_\_\_ day of \_\_\_\_\_, 2016, and signed by me in open session in authentication of its passage this \_\_\_\_\_ day of \_\_\_\_\_, 2016.

\_\_\_\_\_  
President \_\_\_\_\_ of the City Council

Approved by me this \_\_\_\_\_ day of \_\_\_\_\_, 2016.

\_\_\_\_\_  
Edward B. Murray, Mayor

Filed by me this \_\_\_\_\_ day of \_\_\_\_\_, 2016.

\_\_\_\_\_  
Monica Martinez Simmons, City Clerk

(Seal)

Attachments:

Attachment 1 - Form of Third Amendment to Amended and Restated Lease and Partial Termination of Lease

Attachment 2 - Form of New Leases

Attachment 3 - Legal Description of Land to Be Leased to YouthCare

Attachment 4 - Legal Description of Land to Be Leased to Friends of Youth  
Attachment 5 - Form of Quit Claim Deed with Reversion