



## Legislation Text

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File #: CB 119341, Version: 1

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### CITY OF SEATTLE

### ORDINANCE \_\_\_\_\_

### COUNCIL BILL \_\_\_\_\_

AN ORDINANCE relating to Hing Hay Park and property agreements with the Seattle Chinatown International District Preservation and Development Authority (SCIDpda) and the City of Seattle; authorizing the Superintendent of Parks and Recreation to execute a Settlement Agreement and associated documents extinguishing an easement on City-owned real property and modifying a covenant encumbering SCIDpda-owned real property; amending Ordinance 118552, which adopted the 2016 Budget; lifting a proviso; and authorizing use of certain City funds to design and construct a public restroom within the Bush Hotel building to serve users of Hing Hay Park and other members of the public.

WHEREAS, in 1975 the City of Seattle (City) chartered the Seattle Chinatown International District

Preservation and Development Authority (SCIDpda) to steer and facilitate economic development of the historic International District; and

WHEREAS, providing a community center, housing, and services for the elderly and lower-income populations were among SCIDpda's development priorities; and

WHEREAS, SCIDpda purchased the building known as the Bush Hotel on 621 South Jackson Street, adjacent to Hing Hay Park, with financial assistance from the City, authorized by Ordinance 106367 in 1977, for the development of housing and 20,000 square feet of community center space within the Bush Hotel building, as documented in a Restrictive Covenant contemplated by that ordinance; and

WHEREAS, extensive renovation of the Bush Hotel was necessary to bring the building up to code and make it habitable for SCIDpda's intended purposes; and

WHEREAS, in 1981 the City and SCIDpda granted each other certain mutually beneficial easements, authorized by Ordinance 110048, that allowed the Bush Hotel to be remodeled and extended to occupy a portion of Hing Hay Park in exchange for SCIDpda providing restrooms inside the Bush Hotel for

public use, along with a public ingress/egress easement through the vacated alley on the west boundary of the Bush Hotel property to allow public passage from South Jackson Street to Hing Hay Park; and WHEREAS, during the years following completion of the renovations to the Bush Hotel building, the City and SCIDpda disagreed about the interpretation and implementation of the recorded agreements, and this disagreement ultimately prompted the City and SCIDpda to negotiate a solution to replace the agreements with new agreements that would accomplish the parties' goals while complying with current standards regarding use of Parks and Recreation real property, including the standards set forth in Ordinance 118477; and

WHEREAS, in order to resolve the disagreement between them without the necessity of further dispute resolution mechanisms, the City and SCIDpda entered into a preliminary settlement agreement on April 27, 2017, stating that the 1982 Supplemental Easement Agreement will be extinguished and the 1982 Restrictive Covenant modified, and that the existing Bush Hotel structures and improvements on Hing Hay Park property will be allowed to remain under a Long Term Revocable Use Permit issued by the Department of Parks and Recreation (DPR), and further providing that a new public restroom and adjacent concierge office will be constructed within the ground floor of the Bush Hotel, along with a separate storage space within the building, which will be later conveyed to the City in the form of condominium units; and

WHEREAS, the City created a funding mechanism to design and construct the anticipated new public restroom under a proviso in Green Sheet 64-1-A-2-2015, which set aside funds in the amount of \$300,000 to be released for development of the public restroom in the Bush Hotel upon resolution of the unworkable easement described above; and

WHEREAS, as outlined in a more detailed Settlement Agreement hereby being presented to the City Council, the public restroom(s) will be constructed in the southwest corner of the first floor of the Bush Hotel building, accessible from the outside of the hotel, through a coordinated design and construction

management process, under the oversight of DPR and SCIDpda; and

WHEREAS, the Settlement Agreement provides that prior to completion of the public restroom construction, and subject to approval by the City Council, SCIDpda will convey a condominium interest to the City in the form of a warranty deed, for the public restroom and storage units within the Bush Hotel and the Restrictive Covenant, King County Recording No. 8201270574, will be modified; NOW, THEREFORE,

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

Section 1. The Superintendent of Seattle's Department of Parks and Recreation (Superintendent) or the Superintendent's designee is authorized on behalf of The City of Seattle (City) to execute a Settlement Agreement substantially in the form of Attachment 1 to this ordinance.

Section 2. The Superintendent or the Superintendent's designee is authorized on behalf of the City to execute a Release of Easement to terminate the Supplemental Easement Agreement, King County Recording No. 8202010397, substantially in the form of Attachment 2 to this ordinance. The Superintendent or the Superintendent's designee shall have discretion to determine when to execute the Release of Easement consistent with the terms of the Settlement Agreement.

Section 3. The Superintendent or the Superintendent's designee is authorized on behalf of the City to execute a long-term Revocable Use Permit in the form of Attachment 3 to this ordinance, permitting existing improvements related to the Bush Hotel to conditionally remain on Parks and Recreation real property, which Permit includes the Indemnity Agreement the Seattle Chinatown International District Preservation and Development Authority (SCIDpda) is required to execute and record. The Superintendent or the Superintendent's designee shall have discretion to determine when to execute the Revocable Use Permit consistent with the terms of the Settlement Agreement.

Section 4. The restrictions imposed by the following budget proviso, which limits spending on the following item, are removed because the conditions set forth in the proviso have been satisfied and they are no

longer restrictions for any purpose, including those set forth in subsection 1(b) of Ordinance 118552:

Item	Department	Green Sheet	Proviso
1.1	Department of Parks and Recreation	64-1-A-2-2015	“Of the appropriation in the 2016 budget for the Department of Parks and Recreation’s Building Component Renovations BCL, \$300,000 is appropriated solely for the construction of a restroom at the Bush Hotel and may be spent for no other purpose. Furthermore, none of the money so appropriated may be spent until authorized by a future ordinance which releases existing easements and restrictive covenants granted by the Seattle Chinatown-International District Preservation and Development Authority (“Authority”) to the City of Seattle in exchange for new easements, covenants and/or condominium rights, title, and interests in a Bush Hotel restroom granted from the Authority to the City.”

Section 5. The Superintendent or the Superintendent’s designee is further authorized and directed, for and on behalf of the City, to make technical, conforming, or otherwise nonmaterial changes to the Revocable Use Permit, and to execute, deliver, administer, and perform such ancillary agreements or documents or to take such other actions as in the Superintendent’s or designee’s judgment may be necessary, appropriate, or desirable in order to carry out the terms and provisions of, and complete the transactions contemplated by, this ordinance.

Section 6. 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 10 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 \_\_\_\_\_, 2018, and signed by me in open session in authentication of its passage this \_\_\_\_\_ day of \_\_\_\_\_, 2018.

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

Approved by me this \_\_\_\_\_ day of \_\_\_\_\_, 2018.

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Jenny A. Durkan, Mayor

Filed by me this \_\_\_\_\_ day of \_\_\_\_\_, 2018.

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Monica Martinez Simmons, City Clerk

(Seal)

**Attachments:**

- Attachment 1 - Settlement Agreement
- Attachment 2 - Release of Easement
- Attachment 3 - Revocable Use Permit