

Summary and Fiscal Note

1. Legislation Summary

Department: Office of Housing

Title: An ordinance relating to the Office of Housing; granting a ground lease of real property located at 2929 27th Ave South; authorizing the Director of the Office of Housing to grant a lease of the real property to MBTOD Phase One LLLP, an affiliate of Mercy Housing Northwest and El Centro de la Raza; and authorizing related agreements and actions to support the development of affordable housing and commercial space intended to be used for early learning, childcare center, and associated uses.

Background: Under Ordinance 126101 the University of Washington transferred to The City of Seattle three real property parcels that were used for the University of Washington Consolidated Laundry Services, informally known as the “UW Laundry site” for the purpose of development affordable housing. The site is located at 2929 27th Ave South, in Seattle’s District 2. This legislation authorizes OH to execute the ground lease with the developing entity that will own and operate the development on City owned land.

The proposed project will serve low income families with incomes at or below 60% of Area Median Income. The following is the breakdown of units by bedroom size and income level served.

Unit Breakdown by AMI & Bedroom Type

	Summary			
	30%	50%	60%	Totals
Studio		27		27
1 BR		32	39	71
2 BR	37	11	23	71
3 BR	27	8	21	56
4 BR	8	3	3	14
Summary Totals	72	81	86	239
	30%	34%	36%	

Summary Attachments:

Summary Attachment 1 – Property Map

2. Capital Improvement Program (CIP)

Does this legislation create, fund, or amend a CIP Project?

- Yes
- No

3. Summary of Financial Implications

Does this legislation have financial impacts to the City?

- Yes
- No

There are no financial implications as the terms of the lease anticipate a rental payment of \$1 per year.

3d. Other Financial Impacts

a. Does this legislation create any other financial impacts for The City of Seattle, such as direct or indirect costs, one-time or ongoing, that aren't mentioned above? If yes, please explain these impacts.

This legislation does not create new financial impacts for the City of Seattle. After a competitive process, OH awarded \$32.7 million capital investment to the development entity for the first phase of the Mt Baker UW Laundry site to a mixed-use development.

b. If the legislation has costs that can be covered within the current budget, explain how. Does the department have extra resources in its budget to handle these costs? Or does the department need to shift resources away from other work to handle these costs?

No costs associated with this legislation.

c. What financial costs or other impacts might happen if this legislation is not implemented?

If the legislation is not implemented, the City of Seattle will lose the opportunity to develop permanently affordable homes on this site for many families facing pressures of displacement.

d. How might this legislation affect other City departments besides the one that proposed it?

No anticipated impacts to other City departments.

4. Other Impacts

a. Does this legislation require a public hearing?

Yes

No

b. Does this legislation require a notice to be published in The Daily Journal of Commerce and/or The Seattle Times?

Yes

No

c. Does this legislation affect a piece of property?

Yes, this legislation affects the development of the Mt Baker UW Laundry site. A map of the property is attached here as Summary Att 1 – Property Map.

d. Race and Social Justice Initiative impacts:

1. How does this legislation affect vulnerable or historically disadvantaged communities? How did you come to this conclusion? Please consider both impacts within City government (like employees and internal programs) and in the broader community.

This legislation will prevent displacement and enhance neighborhood diversity by facilitating development of permanently affordable rental homes in an area currently facing high rates of displacement. The development will serve the families living on the site and the community as a whole as it will be shape the area outside of the light rail station. The site will serve families and individuals earning up to 60% AMI and approximately 30% of those units will serve very-low-income families earning 0-30% AMI. This site will be using a Community Preference to serve families previously displaced.

2. Please attach any Racial Equity Toolkits or other racial equity analyses used to develop or assess this legislation.

A community engagement process was done after the transfer of the site that helped inform the RFP and the evaluation of the submission.

3. What is the Language Access Plan for communicating with the public about this legislation?

As we move through passage of the legislation, communication materials will be made available about the future development for preferred languages other than English on request. Translations will be made through the City's Smartcat platform with community review. The developer will adhere to Affirmative Marketing best practices, ensuring outreach efforts are inclusive, equitable, and representative of the diverse populations we aim to serve. By using affirmatively furthering fair housing principles, the development will be dedicated to promoting equal access to housing opportunities and removing barriers for communities that prefer languages other than English.

e. Climate change impacts:

1. Emissions: Will this legislation significantly increase or decrease carbon emissions? Attach any studies or materials that inform your answer.

This is a transit-oriented development increasing the accessibility for workers to reduce commute times and dependency on vehicles. The Mt Baker UW Laundry site development will be constructed at or above City of Seattle building green code. All the units within the project will have energy-efficient appliances.

2. Resiliency: Will this legislation make Seattle more or less able to adapt to climate change? If it reduces resiliency, explain what can be done to lessen the impact.

No.

f. If this legislation creates a new program or expands an existing one, what are the long-term, measurable goals? How will this legislation help achieve those goals? What methods will be used to track progress?

N/A

OH Ground Lease of Mt Baker UW Laundry Site SUM
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g. Does this legislation create a non-utility CIP that involves shared funding with a non-City partner or organization?

No.