

**CITY OF SEATTLE**  
**ORDINANCE** 126185  
**COUNCIL BILL** 119890

AN ORDINANCE relating to the transfer of City real property for housing development; transferring the jurisdiction of a 1-foot strip of the property from the Office of Housing to the Department of Transportation for right-of-way purposes; declaring the remaining property located at 7750 28th Avenue NW (“Loyal Heights Property”) surplus to the City’s needs; authorizing transfer of the Loyal Heights Property to Habitat for Humanity or its designee; authorizing the Director of the Office of Housing or the Director’s designee to execute and deliver a contract for transfer of land, deed, and related documents; and ratifying and confirming certain prior acts.

WHEREAS, in Ordinance 125960, The City of Seattle (“City”) declared the Loyal Heights Property (described below) surplus to the City’s electric utility needs and no longer required for providing continued public utility service, and transferred jurisdiction of the Loyal Heights Property to the Office of Housing for the purpose of developing permanently affordable home ownership for low-income households at or below 80 percent of the median income; and

WHEREAS, the Office of Housing conducted a competitive process and selected Habitat for Humanity Seattle – King County as the developer for permanently affordable homeownership on the Loyal Heights Property; and

WHEREAS, Habitat for Humanity Seattle – King County proposes to develop seven townhomes, to be affordable to households earning less than 80 percent of the area median income; and

WHEREAS, the eastern 1 foot of the Loyal Heights Property is needed for widening of the adjacent alley; and

WHEREAS, upon transfer of title to the Loyal Heights Property, the Office of Housing shall require the transferee to accept the Property “as-is, where-is, with all faults” and to

1 release, indemnify, and hold the City harmless from any future claims regarding the  
2 condition of the Property, including but not limited to any and all claims related to  
3 environmental conditions; NOW, THEREFORE,

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

5 Section 1. The Loyal Heights Property (“Property”) is located at 7750 28th Avenue NW,  
6 Seattle, Washington 98117, King County Tax Parcel No. 4443800245, and is legally described  
7 below:

8 LOTS 13 AND 14, BLOCK 2, LOYAL HEIGHTS DIVISION NO. 6, AN ADDITION  
9 TO THE CITY OF SEATTLE, ACCORDING TO THE PLAT THEREOF RECORDED  
10 IN VOLUME 19 OF PLATS, PAGE 82, RECORDS OF KING COUNTY,  
11 WASHINGTON.

12 Section 2. Jurisdiction of the eastern 1 foot of the Property is hereby transferred to the  
13 Seattle Department of Transportation for street and alley purposes and is hereby laid off, opened,  
14 widened, extended, and established upon the land described in this section, and the remainder of  
15 the Property is hereby declared surplus to the City’s needs.

16 Section 3. The Director of the Office of Housing (“Director”) or the Director’s designee  
17 is authorized to negotiate a property transfer agreement (“Agreement”) and any ancillary  
18 documents to accomplish the transfer of ownership of the remainder of the Property (excluding  
19 the eastern 1 foot) to Habitat for Humanity Seattle – King County (“Habitat”), a Washington  
20 nonprofit corporation, or with a designee or assignee of Habitat approved by the Director, on the  
21 terms and subject to the conditions authorized in this ordinance.

22 Section 4. The Agreement shall reflect the provisions included in the Term Sheet attached  
23 to this ordinance as Attachment A, with such revisions and additions as the Director may  
24 determine are reasonably necessary to carry out the intent of this ordinance.

1           Section 5. The improvements to be developed on the Property are to include at least  
2 seven townhomes, to be sold to households with incomes at or below 80 percent of median  
3 income at prices deemed to be affordable by the Director. The townhomes, together with any  
4 additional improvements to be developed on the Property with the approval of the Director and  
5 all necessary regulatory approvals, are referred to in this ordinance as the “Project.”

6           Section 6. The Director is authorized to execute and deliver such additional documents,  
7 which may include amendments to the Agreement and related covenants, and to take such other  
8 actions, as may be necessary or appropriate to implement the intent of this ordinance and  
9 development of the Project, and to administer and enforce the Agreement, covenants, and any  
10 other such documents that the Director deems appropriate to implement the intent of this  
11 ordinance and development of the Project. The authority given to the Director in this ordinance  
12 may be delegated to and exercised by the Director’s designee.

13           Section 7. Upon transfer of title to the Property, the Director shall require the transferee  
14 to accept the Property “as-is, where-is, with all faults” and to release, indemnify, and hold the  
15 City harmless from any future claims regarding the condition of the Property, including but not  
16 limited to any and all claims related to environmental conditions.

17           Section 8. Any act consistent with the authority of this ordinance taken after its passage  
18 and prior to its effective date is ratified and confirmed.

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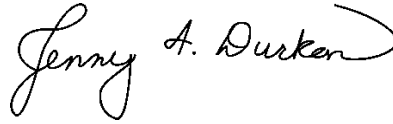
1 Section 9. This ordinance shall take effect and be in force 30 days after its approval by  
2 the Mayor, but if not approved and returned by the Mayor within ten days after presentation, it  
3 shall take effect as provided by Seattle Municipal Code Section 1.04.020.

4 Passed by the City Council the 29th day of September, 2020,  
5 and signed by me in open session in authentication of its passage this 29th day of  
6 September, 2020.



7 \_\_\_\_\_  
8 President \_\_\_\_\_ of the City Council

9 Approve by me this 2nd day of October, 2020.



10 \_\_\_\_\_  
11 Jenny A. Durkan, Mayor

12 Filed by me this 2nd day of October, 2020.



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

15 (Seal)

16 Attachments:  
17 Attachment A – Term Sheet: Transfer of Property from The City of Seattle (“City”) to Habitat  
18 for Humanity Seattle–King County or Its Designee or Assignee (“Transferee”)

## Attachment 1: Term Sheet

### TRANSFER OF PROPERTY FROM THE CITY OF SEATTLE (“City”) TO HABITAT FOR HUMANITY SEATTLE–KING COUNTY OR ITS DESIGNEE OR ASSIGNEE (“Transferee”)

This term sheet describes the basic terms of the proposed transfer of property between Transferee and City. The Agreement will include the following terms:

1. Transfer. Any transfer of the property shall be by Quit Claim Deed.
2. Consideration. In consideration for the City transferring the Property to Transferee, Transferee shall agree to construct or cause to be constructed within the Property improvements substantially as described in those plans and specifications submitted by Habitat for Humanity Seattle-King County which improvements shall be seven townhouses/rowhouses, to be for sale to households with incomes at the time of sale of 80% or less of the area median income (AMI), as defined by the City of Seattle’s Office of Housing.
3. Conditions precedent to the City’s obligation to transfer the property:
  - a. Transferee shall have obtained approval from the Director of the Office of Housing (Director) of the final plan set and development budget including projected sales prices.
  - b. Transferee shall have obtained permits for the development of the Property consistent with the designs approved by the Office of Housing.
  - c. Transferee shall have provided evidence satisfactory to the Office of Housing that Transferee has secured all necessary construction financing to fund the construction of the Project.
4. Other conditions.
  - a. The Agreement may contain other conditions determined by the Director to be necessary to provide the desired outcomes.
  - b. Upon transfer of title to the property, the Office of Housing shall require the transferee to accept the property “as-is, where-is, with all faults” and to release, indemnify, and hold the City harmless from any future claims regarding the condition of the property, including but not limited to any and all claims related to environmental conditions.
  - c. Transferee to convey to the City a 50-year covenant preserving the townhouses built on the Property as resale-restricted affordable homes. As such, all home sales shall only be to households with incomes at or below 80% of AMI at affordable prices for a period of no less than 50 years.