

Summary and Fiscal Note

1. Legislation Summary

Department: Office of Housing

Title: An ordinance relating to the Seattle Office of Housing (OH); placing acquired real property in the Montlake neighborhood under the jurisdiction of OH; authorizing OH to issue a competitive request for proposals for selection of a preferred developer and to execute and deliver a contract for transfer of land, deed, and related documents to the selected developer; and ratifying and confirming certain prior acts.

Background: The Washington State legislature appropriated funds for OH to acquire a site from WSDOT for the purpose of developing at least 50 owner-occupied permanently affordable homes. The site, informally called Montlake Homes, is located at 2625 East Montlake Place East, in Seattle's District 3. This legislation authorizes OH to contract with Commerce for funding appropriated by the legislature in the amount of \$6,050,000; enter into a Purchase and Sale Agreement with WSDOT to buy the site; pay \$6,050,000 to WSDOT to acquire the site; have jurisdiction over the site once it is acquired by the City; conduct a competitive process to select a developer for the site; and eventually transfer the site to the selected developer to build at least 50 permanently affordable homes.

Summary Attachments: Summary Attachment A – Site Photo and 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

Revenue and appropriation related to this legislation is included in the Midyear Acceptance Ordinance.

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, except for those mentioned above. Funds allocated by the state legislature will be used to purchase the site. After the purchase is complete, OH will award Seattle Housing Levy or other existing capital funding to a qualified developer, selected through a competitive process, to build permanently affordable homes on the site.

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? OH will subsidize development of the Montlake Homes

site using existing resources designated for the development of permanently affordable homes.

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 development permanently affordable homes on this site.

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 involves acquiring surplus property from WSDOT for the development of permanently affordable ownership homes.

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 ownership homes in an amenity-rich area that does not currently have any homes of this type. The developer will also be encouraged to utilize Women, Minority and Emerging Small Business (WMBE) contractors for construction of the homes. Once construction is complete, homes will be affirmatively marketed to households least likely to apply, including communities of color that have historically faced discriminatory barriers to homeownership.

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

selected, racial equity analysis may be utilized to create their affirmative marketing plan.

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 for preferred languages other than English on request. Translations will be made through the City's Smartcat platform with community review. For any in-person engagement done for the legislation, in-language interpreters will be made available upon request to ensure accessibility needs are met. Additionally, any developers selected for the redevelopment of this project 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. The Montlake Homes project will make it easier for essential workers in Seattle to buy homes nearer to their places of employment, potentially reducing some worker commutes. This project will also increase density in a public transit-rich neighborhood.

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. These homes will be constructed near State Route 520 on a piece of surplus property originally used for staging for construction of a new SR 520 on-ramp. To offset pollution, OH will encourage planting a significant row of trees between the homes and SR 520 and installation of triple pane windows and the use of other green building techniques.

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? Outcomes for OH's homeownership program, including the number of permanently affordable homes created and sold, are reported to the Housing Levy Oversight Committee annually. In addition, homeownership program outcomes are reported in an OH Investments Annual Report transmitted to City Council each spring.

g. Does this legislation create a non-utility CIP that involves shared funding with a non-City partner or organization? No.