

SUMMARY and FISCAL NOTE*

Department:	Dept. Contact/Phone:	Executive Contact/Phone:
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** Note that the Summary and Fiscal Note describes the version of the bill or resolution as introduced; final legislation including amendments may not be fully described.*

1. BILL SUMMARY

- a. Legislation Title:** AN ORDINANCE relating to the redevelopment of certain City-owned real property across from the Seattle Center campus; authorizing the execution of a Restrictive Covenant, Easement and Circulation Agreement with 225 Roy LLC for the coordinated development of the parties' adjacent properties; authorizing the execution of a quitclaim deed to a portion of the City property to 225 Roy LLC in exchange for an easement providing that the property be used and maintained as publicly accessible open space, in perpetuity; and authorizing the Director of the Seattle Center Department to execute documents and take other actions in connection with this matter.
- b. Summary and background of the Legislation:** This legislation involves the "K Block" bounded by Mercer and Roy Streets and 2nd and 3rd Avenues North, due west of the Seattle Center Mercer Street Parking Garage. The block is called the "K Block" because the majority of the block was owned at one time by the Kreielsheimer Foundation. Today, the City owns approximately one-quarter of the K Block in two parcels, the smaller of which was a gift from the Kreielsheimer Foundation and the other purchased by the City with funds provided by the Kreielsheimer Foundation. The City intends to develop an affordable housing project in the future on the larger City-owned parcel. A private developer, 225 Roy LLC, owns the rest of the K Block and intends to construct a residential project with ground floor retail uses on their property. To coordinate the development of the K Block for the mutual benefit of the parties and the public, the City and 225 Roy LLC executed a Term Sheet regarding pedestrian circulation in and through the site, building setbacks, and dedication of open space for public use. These terms and conditions are memorialized in two documents authorized by this legislation: Quit Claim Deed and Reservation of Access Easement Agreement and Restrictive Covenant, Easement and Circulation Area Agreement.

2. CAPITAL IMPROVEMENT PROGRAM

- a. Does this legislation create, fund, or amend a CIP Project?** ___ Yes ___ **X** No

3. SUMMARY OF FINANCIAL IMPLICATIONS

- a. Does this legislation amend the Adopted Budget?** ___ Yes ___ **X** No
- b. Does the legislation have other financial impacts to the City of Seattle that are not reflected in the above, including direct or indirect, short-term or long-term costs?**

As part of these agreements, 225 Roy LLC will construct and maintain open space improvements on City property for the benefit of the public. The agreements provide for building setbacks and pedestrian circulation that will maximize the building footprint for a future affordable housing development on City-owned land. The City is conveying a 10-foot strip of land to 225 Roy LLC, reserving for the City a perpetual easement that will keep this property in public use.

c. Is there financial cost or other impacts of *not* implementing the legislation?

This legislation is needed for development of the “K Block” across from Seattle Center for the mutual benefit of the City, 225 Roy LLC, the City’s future affordable housing project, and the public. The benefits include well-designed private mixed-use project, pedestrian access benefitting both properties, development and maintenance of welcoming public open space, and configuration of the private property to allow the City to maximize the future affordable housing capacity. Without this legislation, these projects will not go forward as proposed.

4. OTHER IMPLICATIONS

a. Does this legislation affect any departments besides the originating department?

The Office of Housing is planning a future affordable housing development on City-owned property on the K Block.

The Department of Construction and Inspections is reviewing the 225 Roy LLC development proposal for the K Block.

b. Is a public hearing required for this legislation?

No.

c. Does this legislation require landlords or sellers of real property to provide information regarding the property to a buyer or tenant?

No.

d. Is publication of notice with *The Daily Journal of Commerce* and/or *The Seattle Times* required for this legislation?

No.

e. Does this legislation affect a piece of property?

Yes, see Summary Attachment A.

f. Please describe any perceived implication for the principles of the Race and Social Justice Initiative. Does this legislation impact vulnerable or historically disadvantaged communities?

Yes. This legislation supports the future development of affordable housing on City-owned property on the K Block.

g. If this legislation includes a new initiative or a major programmatic expansion: What are the specific long-term and measurable goal(s) of the program? How will this legislation help achieve the program's desired goal(s).

h. Other Issues:

List attachments/exhibits below:

Summary Att 1 - Map of Premises