

**SUMMARY and FISCAL NOTE\***

<b>Department:</b>	<b>Dept. Contact:</b>	<b>CBO Contact:</b>
Office of Housing	Erika Malone	Nick Tucker

*\* 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**

**Legislation Title:** AN ORDINANCE relating to the transfer of City real property for housing development; declaring the property located at 6109 Phinney Avenue N (“Property”) surplus to the City’s needs; authorizing transfer of the Phinney Ridge Property to Homestead Community Land Trust 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.

**Summary and Background of the Legislation:** Supporting the development of affordable homeownership has long been a City strategy to promote social justice, economic stability and opportunity, to address displacement, and to help reverse racial and wealth inequities caused by decades of discriminatory real estate and lending practices. However, affordable homeownership has become increasingly difficult to implement as home prices and construction costs rise. To help address this difficulty, City of Seattle Resolution 31837 prioritizes the use of surplus City property for development of affordable housing.

This legislation authorizes the Office of Housing to make the Property available to Homestead Community Land Trust at no cost, in exchange for the development of 19 permanently affordable homes.

**2. CAPITAL IMPROVEMENT PROGRAM**

**Does this legislation create, fund, or amend a CIP Project?**       Yes  No

**3. SUMMARY OF FINANCIAL IMPLICATIONS**

**Does this legislation amend the Adopted Budget?**       Yes  No

**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?**  
The Office of Housing will loan approximately \$2,050,000 of MHA Funds as a development subsidy for the 19 affordable, resale-restricted homes. City of Seattle will be granted a 50-year affordability covenant by the developer and the Office of Housing will monitor compliance with the 50-year affordability term. These funds have already been awarded as part of the award of land that resulted from the RFP process.

**Are there financial costs or other impacts of *not* implementing the legislation?**

Not implementing the legislation will delay construction of 19 affordable homes and negatively impact Homestead Community Land Trust which has spent significant time and financial resources in permitting and due diligence for this project.

**4. OTHER IMPLICATIONS**

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

No

**b. Is a public hearing required for this legislation?**

No

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

No

**d. Does this legislation affect a piece of property?**

Yes. Maps of the property showing the property and surrounding area is provided as Attachment 1 to this Summary and Fiscal Note.

**e. Please describe any perceived implication for the principles of the Race and Social Justice Initiative. Does this legislation impact vulnerable or historically disadvantaged communities? What is the Language Access plan for any communications to the public?**

The Request for Proposals (RFP) articulated, in the evaluation criteria, that “the successful proposal will be submitted by an organization(s) that has demonstrated success in reaching traditionally underserved populations, including people of diverse ethnic and cultural background and people with disabilities.”

The chosen developer, Homestead Community Land Trust, has a history of demonstrated success in this regard. They have a very strong track-record of successfully conducting affirmative marketing, affirmatively furthering fair housing and serving households of color. They will conduct affirmative marketing for this project as well.

**f. Climate Change Implications**

**1. Emissions: Is this legislation likely to increase or decrease carbon emissions in a material way?**

Creating affordable housing in the City of Seattle, close to public transit, jobs, schools and services reduces the carbon footprint of the residents of that housing by reducing their need to live far away from those amenities in order to find affordable housing. Additionally, the energy usage of these new homes will be significantly less than that used by most of the existing housing stock.

**2. Resiliency: Will the action(s) proposed by this legislation increase or decrease Seattle’s resiliency (or ability to adapt) to climate change in a material way? If so, explain. If it is likely to decrease resiliency in a material way, describe what will or could be done to mitigate the effects.**

The proposed action is not anticipated to increase or decrease Seattle’s resiliency (or ability to adapt) to climate change in a material way on its own; however, locating affordable housing near transit and services should contribute to Seattle’s overall efforts to reduce transit-related emissions and create a more walkable community. The affordable housing that will result from this legislation will, however, significantly increase the resiliency of the low-income homebuyers who will benefit from homeownership here. These newly constructed homes will be built with highly efficient design and systems to create a comfortable and healthy indoor environment that will use much less energy than a typical home.

**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)?**

This legislation is a continuation of the Homebuyer Assistance Program as contemplated under the Development Subsidy section and will increase the number of permanently affordable homes in the City of Seattle

**Summary Attachments:**

Summary Attachment 1 - Maps of Property