# **SEATTLE CITY COUNCIL**

# **Legislative Summary**

# Res 31836

	Record No.:	Res 31836	Type: F	Resolution (Res)	Status:	Adopted	
	Version:	1	Ord. no:		In Control:	City Clerk	
					File Created:	08/20/2018	
					Final Action:	10/05/2018	
	Title:	-	-	d Street Commons Rede and making findings in	-		
in the second	one one control of the second		na ann an an Aireann a			<u>Date</u>	
	Notes:			Filed with	City Clerk:	10/5/2018	
				Mayor's S	Signature:	10/5/2018	
	Sponsors:	Bagshaw		Vetoed by	/ Mayor:		
		Ü		Veto Ove	rridden:		
				Veto Sust	tained:		
At		Att A - Proposed Grand S Letter, Att C - Grand Stre valauri.stotler@seattle.go	et Commons Lette	Redevelopment Opportunit er	ty Zone Map, At	t B - Conser	nt
				Filing Requirements	/Dant Astions		
				r ming Kequirements	Dept Action:		
isto	ry of Legisl	ative File	L	egal Notice Published:	∏ Yes	□ No	
	ry of Legisl	ative File Date:	L Action:			☐ No Return Date:	Result:
er- on:			<del>,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,</del>	egal Notice Published:	☐ Yes	Return	Result:
er- on:	Acting Body:	Date:	Action:  Mayor's leg transmitted to Council	egal Notice Published: Sent To: City Clerk Council	☐ Yes	Return	Result:
er- on:	Acting Body:	Date: 08/28/2018 08/28/2018 :: The Resolution (Res) wa	Action:  Mayor's leg transmitted to Council sent for review	egal Notice Published: Sent To: City Clerk	☐ Yes	Return	Result:
er- on: 1	Acting Body:  Mayor  City Clerk  Action Text	08/28/2018 08/28/2018 :: The Resolution (Res) wa	Action:  Mayor's leg transmitted to Council sent for review	egal Notice Published: Sent To: City Clerk Council President's Office	☐ Yes	Return	Result:
er- on: 1	Acting Body:  Mayor  City Clerk  Action Text Notes  Council Presid	Date:  08/28/2018  08/28/2018  The Resolution (Res) was:  dent's 08/28/2018  The Resolution (Res) was:	Action:  Mayor's leg transmitted to Council sent for review as sent for review. to	egal Notice Published:  Sent To:  City Clerk  Council President's Office of the Council President's Offi	☐ Yes  Due Date:	Return	Result:

# Legislative Summary Continued (Res 31836)

Notes:

1	Finance and Neighborhoods Committee	09/19/2018	adopt	Pass
	Action Text:	The Committee recomm	nds that City Council adopt the Resolution (Res).	
		In Favoi	3 Chair Bagshaw, Vice Chair González , Alter	nate O'Brien
		Opposed	0	
1	City Council	09/24/2018	adopted	Pass
	Action Text:	The Resolution (Res) wa	adopted by the following vote, and the President	signed the Resolution:
		In Favoi	8 Councilmember Bagshaw, Councilmember President Harrell, Councilmember Herbold, Councilmember Juarez, Councilmember O'S Sawant	Councilmember Johnson,
		Opposed	0	
1	City Clerk	09/26/2018	submitted for Mayor Mayor's signature	
1	Mayor	10/05/2018	Signed	
1	Mayor	10/05/2018	returned City Clerk	
1	City Clerk	10/05/2018	attested by City Clerk	
	Action Text:	The Resolution (Res) wa	attested by City Clerk.	

1

2

# CITY OF SEATTLE

RESOLUTION	31836

A RESOLUTION designating the Grand Street Commons Redevelopment Opportunity Zone

pursuant to RCW 70.105D.150(1) and making findings in support of such designation.

3
1

4 5

> 6 7

8

9

10

11 12

13

14

15 16

17

18

19

20 21

22

23

24

25

WHEREAS. The City of Seattle's Housing Affordability and Livability Agenda report found that Seattle is experiencing "a housing affordability crisis unlike any Seattle has

experienced since the Second World War" and affordable housing is one of the most

significant challenges facing Seattle; and

WHEREAS, in her first State of the City address, Mayor Durkan announced her first priority is

"to build a more affordable Seattle"; and

WHEREAS, Mount Baker Housing Association (MBHA) is a 501(c)(3) non-profit housing

provider and developer with plans to build affordable and market rate housing consistent

with the City's goals for more housing choices and transit-oriented development in the

North Rainier residential urban village; and

WHEREAS, the Washington State Legislature has provided tools to encourage and fund the

development of brownfield properties under the state's cleanup law, the Model Toxics

Control Act, chapter 70.105D RCW; and

WHEREAS, one of the tools provided by the Legislature under RCW 70.105D.150(1) authorizes

local governments to designate geographic areas within their jurisdiction as

Redevelopment Opportunity Zones (ROZ) if the zone meets the criteria in RCW

70.105D.150(1); and

WHEREAS, a designated ROZ authorizes property owners within the ROZ to apply for and

receive grant monies from the Washington State Department of Ecology's ("Ecology")

State Toxics Fund for investigation and cleanup of brownfield properties (contaminated, underutilized properties); and

WHEREAS, MBHA is partnering with Lake Union Partners and HAL Real Estate as Grand

Street Commons LLC to facilitate and support the acquisition, redevelopment,

and cleanup of the brownfield properties within the ROZ to create a mix of affordable
and market housing; and

WHEREAS, Ecology is prioritizing funding to provide to MBHA to implement environmental cleanup and redevelopment of brownfield properties within the ROZ; and

WHEREAS, MBHA requests that The City of Seattle designate a Grand Street Commons ROZ consisting of 16 parcels that comprise 3.2 acres (collectively "the Parcels"), located between Rainer Avenue South and 23<sup>rd</sup> Avenue South, and South State Street and South Holgate Street in the Mt. Baker/North Rainier neighborhood, fully described in the map of the area attached as Attachment A to this resolution; and

WHEREAS, more than 50 percent of the properties to be included in the ROZ are previously developed and now vacant or underutilized properties where reuse objectives are hindered by the release or threatened release of hazardous substances apparently originating from nearby dry cleaner operations and historic commercial equipment manufacturing that will require remedial action under the Model Toxics Control Act, chapter 70.105D RCW; and

WHEREAS, the soil and groundwater contamination occurred on the Parcels many years ago, and without MBHA and its partners stepping forward to cleanup and redevelop the Parcels, the contamination will likely remain for years to come; and

	Dla
1	WHEREAS, Grand Street Commons LLC and its members MBHA, Lake Union Partners and
2	HAL Real Estate, the owners of the Parcels, have consented in writing to have the Parcels
3	included in the ROZ; and
4	WHEREAS, MBHA is proposing to build approximately 150 units of affordable housing at 60%
5	Area Median Income (AMI) once the hazardous substances located within the proposed
6	ROZ are remediated per the Model Toxics Control Act, chapter 70.105D RCW; and
7	WHEREAS, Lake Union Partners will build approximately 550 housing units once the
8	hazardous substances located within the proposed ROZ are remediated per the Model
9	Toxics Control Act, chapter 70.105D RCW and intends that up to 25 percent of these
10	units also be affordable housing at 20 percent MFTE and 6 percent Mandatory Housing
11	Affordability (MHA); the remainder to consist of market rate housing, providing for a
12	mixed development of market and affordable housing in the same development and
13	forming a diverse group of residents and housing options; and
14	WHEREAS, Lake Union Partners plans to explore the potential for including affordable
15	commercial space in the development; and
16	WHEREAS, the Parcels are designated for commercial/mixed use on the Future Land Use Map
17	and such use is supported by the City's planning documents, including but not limited to,
18	the North Rainier Neighborhood Plan, the Seattle 2035 Comprehensive Plan, which
19	contain numerous provisions supporting the type of redevelopment proposed by MBHA;
20	and
21	WHEREAS, the Grand Street Commons ROZ will be located within two blocks of the Judkins
22	Park East Link light rail station that will come into service in 2023 and provide transit-
23	oriented development; and

	Quanlin Hu OPCD Grand Street Commons ROZ RES D1a
1	WHEREAS, establishment of the Grand Street Commons ROZ will encourage, foster, and allow
2	the cleanup and redevelopment of brownfield properties for affordable housing in the
3	heart of Mt. Baker/North Rainier neighborhood, one of Seattle's most racially and
4	economically diverse neighborhoods, furthering the City's goals for equitable
5	development; and
6	WHEREAS, the proposed Grand Street Commons ROZ meets the criteria in RCW
7	70.105D.150(1); NOW, THEREFORE,
8	BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SEATTLE, THE
9	MAYOR CONCURRING, THAT:
10	Section 1. The Council finds that:
11	A. At least 50 percent of the upland properties in the Redevelopment Opportunity Zone
12	designated in Section 2 of this resolution are brownfield properties;
13	B. The upland portions of the Redevelopment Opportunity Zone designated in Section 2
14	are comprised entirely of parcels of property whose owners have provided consent in writing to
15	have their property included within the zone;
16	C. The cleanup of the brownfield properties in the Redevelopment Opportunity Zone
17	designated in Section 2 of this resolution will be integrated with planning for future uses of the
18	properties and is consistent with the City's "Seattle 2035 Comprehensive Plan"; and
19	D. The properties within the Redevelopment Opportunity Zone designated in Section 2 of
20	this resolution lie within the incorporated area of The City of Seattle.
21	Section 2. The area depicted in Attachment A to this resolution is designated as the Grand
22	Street Commons Redevelopment Opportunity Zone pursuant to RCW 70.105D.150(1).

	OPCD Grand Street Commons ROZ RES D1a
1	Adopted by the City Council the 24th day of September, 2018,
2	and signed by me in open session in authentication of its adoption this 24th day of
3	September, 2018.
4	Bruce O Havrell
5	Provident of the City Council
5	President of the City Council
6	The Mayor concurred the 5th day of October, 2018.
7	Jenny A. Klul
O	
8	Jenny A. Durkan, Mayor
9	Filed by me this $5^{th}$ day of $00708ER$ , 2018.
.0	Janua G. Simmons
. 1	Monica Martinez Simmons, City Clerk
2	(Seal)
.3 .4 .5 .6	
5	
7 8	
9	
21	Ÿ
20 21 22 23	Attachments:
23	Attachment A – Proposed Grand Street Commons Redevelopment Opportunity Zone Map
24 25	Attachment B – Consent Letter Attachment C – Grand Street Commons Letter
	Transmitter of Grand Street Committees Detter



Proposed Redevelopment Opportunity Zone (ROZ) Boundary

King County Tax Parcel

The map is intended for illustrative or informational purposes only and is not intended to modify anything in the legislation.

# CONSENT

The undersigned is the owner of certain real property located in Seattle, Washington and legally described in **Exhibit A**, attached hereto and incorporated herein by reference (the "Property").

Pursuant to the Model Toxics Control Act (the "MTCA"), RCW 70.105D.150, the undersigned hereby consents to have the Property included within a redevelopment opportunity zone designated by the City of Seattle (the "ROZ").

The undersigned's consent to be included within the ROZ shall not operate as an admission of liability on the part of the undersigned, nor as a waiver, or bar with respect to any claims, rights or defenses the undersigned or its successors may have against third parties.

IN WITNESS WHEREOF, the undersigned has executed this Consent as of this \_\_\_\_\_\_ day of \_\_\_\_\_\_. 2018.

#### OWNER:

GRAND STREET COMMONS LLC, a Washington limited liability company

By: Belshaw Partners LLC, Member

By: Lake Union Partners Seattle LLC, its Manager

By: Joe Ferguson, its Manager

# MOUNT BAKER HOUSING ASSOCIATION

By: Mt. Baker Housing Association, Member By: Michael Rooney, Executive Director

HAL BELSHAW, LLC

By: HAL Belshaw LLC, Co-Manager and Member

By: HAL Real Estate, Inc., Manager By: Jonathan Mannheim, President

Mah

LAKE UNION PARTNERS SEATTLE, LLC

By: Joe Ferguson, Manager

# Exhibit A

# 2802 and 2806 S. McClellan Street

# **LEGAL DESCRIPTION**

# PARCEL A:

THAT PORTION OF THE EDWARD HANFORD DONATION LAND CLAIM NO. 44 IN SECTION 9, TOWNSHIP 24 NORTH, RANGE 4 EAST, W.M., IN KING COUNTY, WASHINGTON DESCRIBED AS FOLLOWS:

BEGINNING AT THE NORTHWEST CORNER OF THE INTERSECTION OF MCCLELLAN STREET AND 29TH AVENUE SOUTH, AS ESTABLISHED IN THE PLAT OF STADIUM ADDITION, VOLUME 58, PAGE 61, RECORDS OF KING COUNTY, WASHINGTON:

THENCE WESTERLY ALONG THE NORTHERLY LINE OF MCCLELLAN STREET, 150 FEET TO THE TRUE POINT OF BEGINNING;

THENCE CONTINUING WESTERLY ALONG SAID NORTHERLY LINE 33.1 FEET; THENCE NORTHERLY ALONG A LINE PARALLEL WITH THE WESTERLY LINE OF 29TH AVENUE SOUTH 100 FEET;

THENCE EASTERLY PARALLEL WITH THE NORTHERLY LINE OF MCCLELLAN STREET 33.1 FEET:

THENCE SOUTHERLY PARALLEL WITH THE WESTERLY LINE OF 29TH AVENUE SOUTH 100 FEET TO THE TRUE POINT OF BEGINNING.

#### PARCEL B:

THAT PORTION OF THE EDWARD HANFORD DONATION LAND CLAIM NO. 44 IN SECTION 9, TOWNSHIP 24 NORTH, RANGE 4 EAST, W.M., IN KING COUNTY, WASHINGTON DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT ON THE NORTH LINE OF MCCLELLAN STREET, 100 FEET WEST FROM ITS INTERSECTION WITH THE WEST LINE OF 29TH AVENUE SOUTH, AS ESTABLISHED IN THE PLAT OF STADIUM ADDITION, VOLUME 58, PAGE 61, RECORDS OF KING COUNTY, WASHINGTON;

THENCE NORTH, PARALLEL WITH THE WEST LINE OF 29TH AVENUE SOUTH, 100 FEET;

THENCE WEST PARALLEL WITH THE NORTH LINE OF MCCLELLAN STREET, 50 FEET  $\cdot$ 

THENCE SOUTH PARALLEL WITH THE WEST LINE OF SAID 29TH AVENUE SOUTH, 100 FEET TO THE NORTH LINE OF MCCLELLAN STREET;

THENCE EAST ALONG SAID NORTH LINE TO THE POINT OF BEGINNING. SITUATE IN THE CITY OF SEATTLE, COUNTY OF KING, STATE OF WASHINGTON.

#### 2810 S. McClellan Street

# **LEGAL DESCRIPTION**

THAT PORTION OF THE EAST "HANFORD'S DONATION CLAIM" DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT ON THE NORTH LINE OF MCCLELLAN STREET 53 FEET WEST FROM ITS INTERSECTION WITH THE WEST LINE OF 29TH AVENUE SOUTH PRODUCED NORTH;

THENCE NORTH PARALLEL WITH THE WEST LINE OF 29TH AVENUE SOUTH PRODUCED NORTH A DISTANCE OF 100 FEET;

THENCE WEST PARALLEL WITH SAID NORTH LINE OF MCCLELLAN STREET 47 FEET;

THENCE SOUTH PARALLEL WITH THE WEST LINE OF SAID 29TH AVENUE SOUTH 100 FEET TO THE NORTH LINE OF SAID MCCLELLAN STREET;

THENCE EAST ALONG SAID LINE 47 FEET TO THE POINT OF BEGINNING;

SITUATE IN THE CITY OF SEATTLE, COUNTY OF KING, STATE OF WASHINGTON.

#### 2864 S. McClellan Street

# **LEGAL DESCRIPTION**

THAT PORTION OF THE E. HANFORD'S DONATION CLAIM, RECORDS OF KING COUNTY, WASHINGTON, DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT ON THE NORTH LINE OF MCCLELLAN STREET 3 FEET WEST FROM ITS INTERSECTION WITH THE WEST LINE OF 29TH AVENUE SOUTH PRODUCED NORTH;

THENCE NORTH PARALLEL WITH THE WEST LINE OF 29TH AVENUE SOUTH PRODUCED NORTH 100 FEET,

THENCE WEST PARALLEL WITH THE SAID NORTH LINE OF MCCLELLAN STREET 50 FEET;

THENCE SOUTH PARALLEL WITH THE WEST LINE OF 29TH AVENUE SOUTH PRODUCED NORTH 100 FEET TO THE NORTH LINE OF MCCLELLAN STREET; THENCE EAST ALONG SAID LINE TO THE POINT OF BEGINNING.

SITUATE IN THE CITY OF SEATTLE, COUNTY OF KING, STATE OF WASHINGTON.

# 2800 Martin Luther King Way S.

# **LEGAL DESCRIPTION**

THAT PORTION OF EDWARD HANFORD'S DONATION CLAIM NO. 44 AND OF LOTS 1 AND 2, BLOCK 2, PETERS GARDENS, ACCORDING TO THE PLAT THEREOF, RECORDED IN VOLUME 25 OF PLATS, PAGE 44, RECORDS OF KING COUNTY, WASHINGTON, AND OF VACATED ALLEY, DESCRIBED AS FOLLOWS:

BEGINNING AT THE INTERSECTION OF THE SOUTHERLY LINE OF MCCLELLAN STREET. AS CONDEMNED IN KING COUNTY SUPERIOR COURT CAUSE NO. 59194, AS PROVIDED BY ORDINANCE NO. 17060 OF THE CITY OF SEATTLE WITH THE EASTERLY LINE OF EMPIRE WAY (NOW KNOWN AS ML KING JR. WAY S.), AS DEEDED TO THE CITY OF SEATTLE BY DEED RECORDED UNDER RECORDING NUMBER 3211266, RECORDS OF KING COUNTY, WASHINGTON; THENCE EASTERLY ALONG SAID SOUTHERLY LINE TO A POINT 10.76 FEET EASTERLY OF THE NORTHWEST CORNER OF SAID BLOCK 2; THENCE SOUTHERLY PARALLEL WITH THE WESTERLY LINE OF SAID BLOCK, A DISTANCE OF 100.00 FEET TO THE SOUTHERLY LINE OF LOT 2 IN SAID BLOCK; THENCE WESTERLY ALONG SAID SOUTHERLY LINE AND THE PRODUCTION THEREOF 20.76 FEET TO THE WESTERLY LINE OF VACATED ALLEY; THENCE SOUTHERLY ALONG SAID WESTERLY LINE 25.00 FEET; THENCE WESTERLY PARALLEL WITH THE SOUTHERLY LINE OF SAID MCCLELLAN STREET TO THE EASTERLY LINE OF SAID EMPIRE WAY (NOW KNOWN AS ML KING JR. WAY S.); THENCE NORTHERLY ALONG SAID EASTERLY LINE TO THE POINT OF BEGINNING:

IN KING COUNTY, WASHINGTON.

# 2531 29th Avenue South

# LEGAL DESCRIPTION

# PARCEL A:

LOTS 1 THROUGH 10, INCLUSIVE, BLOCK 1, AND LOTS 1 THROUGH 14, INCLUSIVE, BLOCK 2, STADIUM VISTA ADDITION, ACCORDING TO THE PLAT THEREOF, RECORDED IN VOLUME 58 OF PLATS, PAGE 61, IN KING COUNTY, WASHINGTON; TOGETHER WITH THAT PORTION OF VACATED 29TH AVENUE SOUTH LYING WEST OF THE NORTHERLY PRODUCTION OF THE EAST LINE OF SAID LOT 2, BLOCK 1, OF SAID ADDITION, VACATED BY ORDINANCE NUMBER 87408 OF THE CITY OF SEATTLE, AND ALSO THAT PORTION OF THE EDWARD HANFORD'S DONATION CLAIM NUMBER 44, DESCRIBED AS FOLLOWS:

THE NORTH 50 FEET OF EAST 80 FEET OF THAT PORTION OF THE SOUTHEAST QUARTER OF SECTION 9, TOWNSHIP 24 NORTH, RANGE 4 EAST, WILLAMETTE MERIDIAN, IN KING COUNTY, WASHINGTON, LYING NORTH OF MCCLELLAN STREET AS CONDEMNED BY THE CITY OF SEATTLE IN KING COUNTY SUPERIOR COURT CAUSE NUMBER 59194, AS PROVIDED FOR IN ORDINANCE NUMBER 17060 OF SAID CITY, EAST OF SAID LOT 11, BLOCK 2 OF STADIUM VISTA ADDITION, ACCORDING TO THE PLAT THEREOF, RECORDED IN VOLUME 58 OF PLATS, PAGE 61, IN KING COUNTY, WASHINGTON, SOUTH OF SAID LOT 12, BLOCK 2, OF SAID ADDITION, AND WEST OF 30TH AVENUE SOUTH, AS CONDEMNED BY THE CITY OF SEATTLE, IN KING COUNTY SUPERIOR COURT CAUSE NUMBER 102164, AS PROVIDED FOR IN ORDINANCE NUMBER 32153 OF SAID CITY.

# PARCEL B:

THAT PORTION OF EDWARD HANFORD'S DONATION CLAIM NUMBER 44 IN SECTION 9, TOWNSHIP 24 NORTH, RANGE 4 EAST; WILLAMETTE MERIDIAN, IN KING COUNTY, WASHINGTON, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT ON A LINE 30 FEET WEST OF AND PARALLEL WITH THE EAST BOUNDARY LINE OF SAID CLAIM, SAID POINT BEING 144.54 FEET SOUTH OF THE NORTH BOUNDARY OF SAID CLAIM;

THENCE WEST, PARALLEL WITH THE NORTH BOUNDARY LINE OF SAID CLAIM, 200 FEET TO THE TRUE POINT OF BEGINNING;

THENCE WEST, PARALLEL WITH THE NORTH BOUNDARY LINE OF SAID CLAIM, TO A POINT WHERE SUCH LINE INTERSECTS THE EASTERLY LINE OF A STRIP OF LAND DEEDED TO THE CITY OF SEATTLE (FOR EMPIRE WAY) BY DEED RECORDED UNDER RECORDING NUMBER 3201770;

THENCE SOUTHERLY, ALONG THE EASTERLY LINE OF SAID EMPIRE WAY, TO A POINT ON SAID EASTERLY LINE OF EMPIRE WAY 289.08 FEET SOUTH OF THE NORTH BOUNDARY LINE OF SAID CLAIM MEASURED ALONG A LINE PARALLEL WITH THE EAST BOUNDARY LINE OF SAID CLAIM;

THENCE EAST PARALLEL WITH THE NORTH BOUNDARY LINE OF SAID CLAIM TO A POINT LYING 230 FEET WEST OF THE EAST BOUNDARY LINE OF SAID CLAIM; THENCE NORTH PARALLEL WITH THE EAST BOUNDARY LINE OF SAID CLAIM 144.54 FEET TO THE TRUE POINT OF BEGINNING; EXCEPT THE SOUTH 20 FEET OF THE EAST 46.72 FEET THEREOF, AS CONVEYED TO THE CITY OF SEATTLE FOR ROAD PURPOSES BY DEED RECORDED UNDER RECORDING NUMBER 4939348.



July 16, 2018

Steven L. Shain Fiscal and Policy Manager City of Seattle, City Budget Office 600 4<sup>th</sup> Ave, 6<sup>th</sup> Floor, Seattle City Hall Seattle, WA 98124-7088

Quanlin Hu Strategic Advisor-Placemaking City of Seattle, Office of Planning and Community Development 600 4th Avenue, Floor 5, Seattle City Hall Seattle, WA 98124-7088

Samuel Assefa
Director, Office of Planning and Community Development
City of Seattle, Office of Planning and Community Development
600 4th Avenue, Floor 5, Seattle City Hall
Seattle, WA 98124-7088

Tad Shimazu
Assistant City Attorney
Environmental Protection Section
Seattle City Attorney's Office
701 Fifth Avenue, Suite 2050
Seattle, WA, 98104-7097

# **RE: Redevelopment Opportunity Zone for Grand Street Commons Project**

Dear Steven, Quanlin, Samuel and Tad:

We write on behalf of Grand Street Commons LLC, ("GSC LLC") a joint venture of non-profit affordable housing and market developers and investors, to provide information to support the City of Seattle's ("City") consideration of a Resolution to establish a Redevelopment Opportunity Zone ("ROZ") for the Grand Street Commons Project ("Project"). Establishing the ROZ will allow us to obtain cleanup grant funds from the State of Washington. We greatly appreciate the City's consideration of this information.

#### Project Location, Zoning and Parcel Information

The Project is located in the Rainier Valley between Rainier Avenue South and 23rd Avenue South, and between South State Street and South Holgate Street. The Project includes 16 parcels and comprises approximately 3.2 acres. The Project area is zoned C1-65 by the City to provide for mixed residential



July 16, 2018 Page 2

and commercial uses. The Project is just two blocks south of the future Judkins East Light Rail Station. The Project consists of the following parcels<sup>1</sup>:

- #7548301150
- #7548301100
- #7548301095
- #1822300005
- #7548301115
- #7548301120
- #1822300020
- #7548301125
- #1822300025
- #1822300175
- #1822300180
- #0924049007
- #3881900515
- #3881900540
- #3881900550
- #3881900560

# History and Environmental Condition of the Properties

The parcels that comprise the Project (the "Project parcels") have been used for industrial and commercial purposes for nearly 100 years. Between approximately 1924 and 2004, the majority of the Project parcels were used for an industrial manufacturing operation that included a foundry, paint and machine shop, welding shop, and associated facilities. Manufacturing operations ceased in 2004, and the parcels have been unused except for occasional parking since then. Remaining structures are unused and in poor condition. In 2017, a fire partially destroyed one of the buildings.

<sup>&</sup>lt;sup>1</sup> See also Exhibit A, the proposed map of the ROZ, that provides parcel and address information.



MtBakerHousina cra

July 16, 2018 Page 3

These past operations resulted in the release of several contaminants to soil and groundwater, including petroleum products, solvents and metals. In addition, property immediately adjacent to the north of the Project parcels was used as a commercial dry-cleaning operation, and releases of dry cleaning solvent to soil and groundwater have migrated from this adjacent parcel and affects the Project parcels. The Department of Ecology ("Ecology") has determined that contamination has been released and that the Project parcels constitute a contaminated site under the state cleanup law, the Model Toxics Control Act.<sup>2</sup> Exhibit B provides figures showing soil, groundwater and soil gas contamination on the Project parcels.

GSC LLC and its members have entered into agreements with Ecology to fully investigate and clean up the Project parcels and any other area contaminated by past operations at the Project parcels. The contamination will be cleaned up before or as part of our redevelopment. GSC LLC anticipates that cleanup costs will be several million dollars.

#### **Project Vision**

The Project will create a mixed-use, transit-oriented development that mixes market-rate and affordable housing. GSC LLC anticipates that at least 150 new affordable units will be provided, and intends that the market portion of the Project will include up to 25% affordable housing. GSC LLC believes the Project will be transformational for the neighborhood.

We greatly appreciate the City's support. Approval of the ROZ Resolution will allow GSC LLC to access grant funds from Ecology to assist in the cleanup of these contaminated properties and facilitate our redevelopment. We look forward to working with the City in this process.

Sincere

Conor Hansen,

Director of Real Estate, Mt. Baker Housing Association

Joe Ferguson,

Principal, Lake Union Partners

cc:

Jonathan Mannheim, HAL Real Estate Michael Dunning, Perkins Coie

<sup>&</sup>lt;sup>2</sup> Ecology's determination and other information about the environmental condition of the Project parcels can be found on Ecology's website at <a href="https://fortress.wa.gov/ccy/gsp/Sitepage.aspx?csid=3018">https://fortress.wa.gov/ccy/gsp/Sitepage.aspx?csid=3018</a> (last visited July 12, 2018).