

**SUMMARY and FISCAL NOTE\***

<b>Department:</b>	<b>Dept. Contact/Phone:-</b>	<b>CBO Contact/Phone:</b>
Office of Housing	Tom Mack 684-0339	Waslala Miranda 233-5044

*\* 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 real property located at Mercer Street and Second Avenue North; authorizing the Director of Housing to grant a lease of the real property to Plymouth Housing or its affiliate or designee; and authorizing related agreements and actions to support the development of affordable housing and ground floor cultural uses at the Mercer Street and Second Avenue North property.

**Summary and background of the Legislation:**

Ordinance 125528, adopted in 2018, transferred jurisdiction of City property (parcel 545780-0296) from Seattle Center to the Office of Housing in order for the Office of Housing to facilitate development of an affordable housing project on the site. The property is located on the SW portion of the “K-Site” bounded by Mercer and Roy Streets and 2nd and 3rd Avenues North, due west of the Seattle Center Mercer Street Parking Garage (see attached map). The block is called the “K-Site” 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-Site in two parcels, the smaller of which was a gift from the Kreielsheimer Foundation and the other purchased by the City with funds provided in part by the Kreielsheimer Foundation.

Ordinance 125528 was a companion to Ordinance 125406, approved by City Council in September 2017, which authorized agreements for cooperative development of the “K-Site” between the City and the private developer of a mixed-use housing project on the privately-owned portion of the block. Seattle Center and the Office of Housing are continuing to collaborate on execution of these agreements, which encompass topics including pedestrian circulation throughout the block, building setbacks, and dedication of open space for public use. In 2018, following a community engagement process, the Office of Housing issued an RFP for development of affordable housing and ground floor arts and cultural uses at the K-Site.

Plymouth Housing was the successful respondent of the RFP. The property shall be devoted to the development and operation of a residential living complex for homeless persons or formerly homeless persons, including landscaping, a second-floor deck, community room with kitchen, computer room, laundry, and other open and communal space for residents, including one manager’s unit. In addition, a minimum of 2,500 square feet on the ground floor will be dedicated space for arts and cultural uses. This legislation authorizes the Director of Housing to execute a lease agreement between the City and Plymouth Housing, or its assignee, consistent with the terms included as Attachment 1 to the Council Bill. The lease provides for Plymouth’s long-term use and occupancy of the K-Site for the purposes of providing affordable housing for homeless and formerly homeless individuals and as well as the ground floor arts and cultural space strongly advocated for by the community.

## 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 legislation allows the use of City-owned property for purposes of providing affordable housing for homeless and formerly homeless persons as well as arts and cultural space.

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

If the legislation is not adopted, development of the K-Site project could either be delayed, which would likely increase the cost of the project.

## 4. OTHER IMPLICATIONS

- a. Does this legislation affect any departments besides the originating department?  
The Office of Arts and Culture awarded \$50,000 for tenant improvements for ground floor arts and cultural uses at the K-site development.
- 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 map in Attachment 1.
- 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? What is the Language Access plan for any communications to the public?

High housing costs and homelessness disproportionately affects people of color. The implementation of this legislation supports RSJI principles by facilitating the construction of housing for homeless and formerly homeless people.

- 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).**

Not applicable.

**List attachments/exhibits below:**

Summary Attachment 1 – Map of Parcel 545780-0296