



SIF Proviso Lift

Director's Report
August 2021

OPCD is proposing legislation to lift the proviso adopted by Council in Ordinance **126237** in the 2021 Adopted Budget directing the Executive to submit a proposed spending plan for a \$30 million Strategic Investment Fund (SIF) in Council Budget Action FG-002-B-002. The legislation submits the spending plan and moves the \$30 million appropriation from Finance General to the departments who will be responsible for contracting directly with awardees.

Background

The SIF is funded by revenues received from the sale of the Mercer Megablock property in 2019, and was designed to create unique opportunities for transformational equitable development in areas at high risk of displacement or in areas of low access to opportunity. The goal of the fund is to create opportunities for multiple community benefits, including affordable housing, affordable commercial spaces, cultural spaces, and childcare facilities.

In early 2020, the Office of Planning and Community Development (OPCD) and several other City departments, including the Department of Neighborhoods (DON), Office of Housing (OH), Office of Arts and Culture (ARTS), City Budget Office (CBO) and Office of Economic Development (OED), convened a Community Advisory Group (CAG) to establish priorities and principles to create a spending plan for the SIF. The CAG prioritized land and real estate acquisitions by communities most impacted by displacement that would create opportunities for community wealth building and grow capacity of community entities to buy and hold land.

The Seattle City Council requested a detailed spending plan in advance of lifting the budget proviso and allocating budget to the implementing departments. This was achieved by proceeding with an [RFP and review process](#), in close coordination with staff from the Mayor's Office, City Council, City Budget Office, directors from participating City departments, and the CAG, which reconvened to develop and publish an RFP on August 4th, 2021.

The purpose of this RFP is to secure land and real estate by communities at high risk of displacement, living in neighborhoods with low access to opportunity where current or future infrastructure projects threaten to undermine community stability.

City staff and CAG members hosted three information sessions with over 80 attendees and had over 20 individual conversations with prospective applicants. After six weeks, we received 100 applications totaling over \$300 million in proposals. The CAG reviewed and scored applications, meeting twice in August to select awardees.



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Proposed Legislation

The proposed legislation, to be discussed in more detail at the September 10th Finance and Housing Committee meeting, submits the spending plan and moves the \$30 million appropriation from Finance General to the departments who will be responsible for contracting directly with awardees.

Conclusion

This process has underscored that communities impacted by displacement are significantly more prepared to take on capital projects than we have funds to resource. The selection by the CAG reflects incredibly hard decision making and consensus building; there were many more strong proposals that we could and would have funded with more resources.

We look forward to sharing more about these projects as they advance from acquisition to completion.

Recommendation

OPCD recommends adoption of the proposed legislation to lift the SIF Proviso and move the \$30 million appropriation from Finance General to the departments who will be responsible for contracting directly with awardees.