



Legislation Text

File #: CB 119045, Version: 2

CITY OF SEATTLE

ORDINANCE _____

COUNCIL BILL _____

AN ORDINANCE relating to the sale and redevelopment of the former Public Safety Building block; authorizing the execution of an Amended and Restated Purchase and Sale and Development Agreement with Bosa Development US LLC, for the construction of a residential project with public parking, public open space and associated retail space; authorizing the acceptance of an easement from Bosa on that property; and authorizing the Director of Finance and Administrative Services to execute documents and take other actions in connection with this project.

WHEREAS, following a public process, Triad Civic Center LLC (Triad) was selected to develop the Public Safety Building Site (Property) consistent with the City's Civic Center Master Plan for civic public open space, private development, underground parking, and pedestrian access to the Metro/Sound Transit bus tunnel and in 2008, the City and Triad executed a Purchase and Sale Agreement and a Project Agreement (City Agreements) for that development; and

WHEREAS, the transactions described in the City Agreements have not closed and Triad has requested the City's consent to a proposed assignment of its rights under the City Agreements to Bosa Development US LLC (Bosa); and

WHEREAS, under the terms of the proposed assignment and related transactions, Bosa would agree to enter into an Amended and Restated Purchase and Sale and Development Agreement (Amended Agreement) with the City by which Bosa would purchase the Property from the City on the terms and conditions stated therein, develop the project described in the following recital (Bosa's Project) and grant to the City a perpetual easement for public use of a public plaza to be constructed upon the Property in connection with Bosa's Project. In addition, Triad would provide the City with a release of all potential

claims arising from the City Agreements and Bosa would pay the City cash consideration in the amount of \$16,000,000 and make an affordable housing contribution to the City of not less than \$5,700,000; and

WHEREAS, Bosa's Project will include the following elements: (i) a below grade level parking garage; (ii) an open space public plaza of a minimum 25,000 square feet (Plaza); (iii) retail space, a portion of which will interface with the Plaza (Retail Space); and (iv) a single residential tower; and

WHEREAS, Bosa has a history of successfully developing major residential projects, including the recently completed Insignia Condominiums in Seattle and has made other significant investments in the region, including downtown Seattle and Bellevue; and

WHEREAS, the Director of Finance and Administrative Services has determined that Bosa has the resources to complete Bosa's Project and has determined that Bosa is a qualified assignee of Triad's interest in the City Agreements and the Property; NOW, THEREFORE,

BE IT ORDAINED BY THE CITY OF SEATTLE AS FOLLOWS:

Section 1. The Director of the Department of Finance and Administrative Services (Director) or the Director's designee is authorized to execute and perform, for and on behalf of The City of Seattle, an agreement (Amended Agreement) with Bosa Development US LLC (Bosa) for the transfer and development, on the terms and subject to the conditions authorized in this ordinance, of the following described property (Property):

Lots 1, 2, 3, 4, 5, 6, 7 and 8, Block 32, Addition to the Town of Seattle as laid out on the claims of C. D. Boren and A. A. Denny and H. L. Yesler (commonly known as C. D. Boren's Addition to the City of Seattle), according to the plat recorded in Volume 1 of Plats, Page 25, in King County, Washington; Together with the vacated alley in said Block adjoining said Lots; EXCEPT the southwesterly 9 feet of Lots 1, 4, 5 and 8,

condemned in King County Superior Court Cause Number 54135 for the widening of Third Avenue as provided by Ordinance number 14345 of the City of Seattle; AND EXCEPT the northeasterly 9 feet of Lots 2, 3, 6 and 7, condemned in King County Superior Court Cause number 50320 for the widening of Fourth Avenue, as provided by Ordinance Number 13074 of the City of Seattle.

The Amended Agreement shall be in the form attached to this ordinance as Attachment A, with such

revisions and additions, not inconsistent with the express terms of this ordinance or with applicable law, as the Director may determine are reasonably necessary to carry out the intent of this ordinance. In order to carry out the Amended Agreement for and on behalf of the City, the Director is authorized to execute a deed for the Property in substantially the form attached as Exhibit C to the Amended Agreement, and upon satisfaction or waiver of the conditions precedent under the Amended Agreement, the Director is authorized to cause the deed to be executed and delivered to Bosa and recorded in the real property records of King County. Subject to Section 3 of this ordinance, the Director is further authorized to execute, deliver, accept, record, modify, administer, and perform such other documents as he/she shall deem necessary or advisable to implement the purpose of this ordinance, which may include subordination agreements, priority agreements and amendments to the Amended Agreement, and to grant, deny, or condition any consents or approvals required or allowed under the terms of the Amended Agreement or related documents.

Section 2. As a condition to the transfer of the Property, Bosa shall deliver to the City a perpetual easement for public use (Easement), substantially in the form of Attachment B to this ordinance, granting to the City rights of public access in, on, across and through the public plaza to be constructed on the Property, all as described in the form of the required Easement. At the time the Easement is recorded in the real property records of King County, the Property shall not be encumbered in any way except by instruments acceptable to the City and permitted under the Amended Agreement. The Director is authorized to accept and record the Easement, and to enforce and administer the rights of the City thereunder.

Section 3. As a condition to the transfer of the Property, Bosa shall enter into a Project Labor Agreement (PLA) on terms reasonably satisfactory to the City, as determined by the Director. The Director shall request that Bosa use the City's Community Workforce Agreement as the starting point for negotiating the PLA, and shall review favorably a PLA that takes into consideration the City's Priority Hire goals and contains a process to report progress toward those goals to the City.

Section 4. The Cash consideration, when received, shall be deposited in Finance General.

Section 5. This ordinance shall take effect and be in force 30 days after its approval by the Mayor, but if not approved and returned by the Mayor within ten days after presentation, it shall take effect as provided by Seattle Municipal Code Section 1.04.020.

Passed by the City Council the _____ day of _____, 2017, and signed by me in open session in authentication of its passage this ____ day of _____, 2017.

President _____ of the City Council

Approved by me this _____ day of _____, 2017.

Edward B. Murray, Mayor

Filed by me this _____ day of _____, 2017.

Monica Martinez Simmons, City Clerk

(Seal)

Attachments:

Attachment A - Amended and Restated Purchase and Sale and Development Agreement

Attachment B - Perpetual Easement for Public Access