



Legislation Text

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File #: Res 31856, Version: 2

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**CITY OF SEATTLE**

**RESOLUTION \_\_\_\_\_**

A RESOLUTION committing to collaborate with the Executive on the transfer of properties that have a mutual and offsetting benefit lease to the organizations currently residing in those facilities no later than March 2019 in circumstances where those organizations have expressed interest in taking ownership of those properties and a commitment to continue to provide services to the community, and have demonstrated the financial capability of maintaining the facility.

WHEREAS, the non-profit organizations occupying city-owned facilities with mutual and offsetting benefit leases have provided vital services to Seattle for decades; and

WHEREAS, a response from the Department of Finance and Administrative Services to statement of legislative intent 58-1-A-2 in 2013 indicates that the City's current approach to properties that have a mutual and offsetting benefit (MOB) lease is not sustainable because the existing methodology for calculating cash rent does not cover facility maintenance costs and the non-profits residing in these properties have limited ability to absorb a larger share of rent without needing to reduce services; and

WHEREAS, on October 5, 2016, Seattle's Office of Housing (OH) determined that the benefits of redeveloping the property at 722 18th Avenue (formerly Fire Station 23) for affordable housing do not outweigh the benefits of having Byrd Barr Place (formerly Centerstone) continue to provide services to the community at that location; and

WHEREAS, for 50 years, Byrd Barr Place has provided essential human services to Seattle residents who are struggling to make ends meet, most of whom live at 150% or more below the federal poverty level; and

WHEREAS, on October 7, 2016, OH determined that mitigating the steep slope on the east side of the property at 500 30th Avenue South (Central Area Senior Center) would make redeveloping the site with

affordable housing financially unfeasible and the benefits of having Central Area Senior Center (CASC) continue to serve African-American seniors in the community far outweigh the benefits of redeveloping the site for affordable housing; and

WHEREAS, the Central Area Senior Center, founded in 1972, is a nonprofit volunteer-supported resource providing services to support the emotional, social, and physical well-being of older adults and their families; and

WHEREAS, on October 9, 2015, OH determined that co-development at the Greenwood Senior Center would not offer meaningful cost savings sufficient to present a more cost-effective option for the development of affordable housing than development on other market-rate sites; and

WHEREAS, The Phinney Neighborhood Association's Greenwood Senior Center is a non-profit organization that has been serving older adults and seniors since 1978 and centers an inclusive community that provides social, physical, and educational activities focused around the needs of older adults, as well as works to fight isolation, build camaraderie, and enrich each other's lives; and

WHEREAS, on July 15, 2015, Byrd Barr Place received a grant from the Washington Department of Commerce for \$1,455,000 to renovate the building it occupies under the condition that it owns or holds a long-term lease for a minimum of ten years for the property; and

WHEREAS, if Byrd Barr Place does not obtain ownership or a long-term lease by June 2019 they will lose the \$1,455,000 grant from the Washington Department of Commerce; and

WHEREAS, a report prepared by Soul Light and submitted to the Department of Finance and Administrative Services on September 13, 2017 determined that Byrd Barr Place and the Central Area Senior Center meet all documented criteria for receiving the property in which they currently reside and City departments believe these organizations have the capability of managing these properties after their transfer for continued community services; NOW, THEREFORE,

**BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SEATTLE, THAT:**

Section 1. The City Council will collaborate with the Executive with a goal of completing transfer of the City-owned properties at 722 18th Avenue, 500 30th Avenue South, and the Greenwood Senior Center with mutual and offsetting benefit (MOB) leases to the non-profit organizations currently residing in those facilities no later than March 31, 2019 as recommended in prior consultant reports to the City of Seattle in exchange for certain commitments to maintain the properties and to continue to provide services to the community, all subject to completion of environmental review.

Section 2. The City Council will establish, document, and communicate clear criteria and timelines for entering into long-term leases or transferring the remaining properties with MOB leases if the Executive has not taken action regarding these properties by March 31, 2019, all subject to completion of environmental review.

Adopted by the City Council the \_\_\_\_\_ day of \_\_\_\_\_, 2018, and signed by me in open session in authentication of its adoption this \_\_\_\_\_ day of \_\_\_\_\_, 2018.

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President \_\_\_\_\_ of the City Council

Filed by me this \_\_\_\_\_ day of \_\_\_\_\_, 2018.

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Monica Martinez Simmons, City Clerk

(Seal)