



Legislation Text

File #: CB 120058, Version: 1

CITY OF SEATTLE

ORDINANCE _____

COUNCIL BILL _____

AN ORDINANCE relating to the Office of Housing (OH); authorizing the acceptance of a transfer of real property in Southeast Seattle for the purpose of development of affordable housing and other related uses, and for general municipal purposes; placing the property under the jurisdiction of OH; and ratifying and confirming certain prior acts.

WHEREAS, the Central Puget Sound Regional Transit Authority (“Sound Transit”), a Washington municipal corporation, is the owner of certain surplus real property located in Seattle, Washington, further described in the Real Property Transfer Agreement attached as Exhibit A to this ordinance and incorporated by this reference (the “Property”). The Property is comprised of 16 individual tax parcels grouped into ten development sites; and

WHEREAS, pursuant to RCW 81.112.350, Sound Transit has additional power to further equitable Transit-Oriented Development (TOD) goals by disposing of surplus property to certain qualified entities on the express condition that such surplus property is developed and operated as affordable housing consistent with the requirements of RCW 81.112.350; and

WHEREAS, Sound Transit acquired all of the subject parcels except for one (parcel ID #4281400385-00) in part with funding provided by the Federal Transit Administration (FTA). Sound Transit and OH approached FTA about transferring the properties to The City of Seattle for affordable housing, particularly to increase the supply of affordable homeownership opportunities in the Rainier Valley. On September 9, 2020, following publication in the Federal Register, the FTA Region X office approved the transfer of the properties pursuant to 49 USC 5334(h). The approval allows Sound Transit to transfer the

properties to The City of Seattle with discharge of the repayment obligation to FTA, provided the properties remain in their permitted use for at least five years. As part of the Real Property Transfer Agreement described below, Sound Transit and OH agree to comply with the FTA letter of approval and to cooperate with any requests for information by FTA in connection with FTA's approval of the transfer and monitoring for compliance; and

WHEREAS, the City has previously appropriated to OH \$10 million for affordable homeownership opportunities, and OH will invest those resources in development at the Property; and

WHEREAS, Sound Transit Board adopted Motion 2021-08 authorizing Sound Transit to enter into the Real Property Transfer Agreement described below; and

WHEREAS, Sound Transit and OH have executed the Real Property Transfer Agreement described below, subject to City Council approval; NOW, THEREFORE,

BE IT ORDAINED BY THE CITY OF SEATTLE AS FOLLOWS:

Section 1. The Director of the Office of Housing or the Director's designee ("OH Director") is authorized on behalf of The City of Seattle (i) to enter into the Real Property Transfer Agreement attached to this ordinance as Exhibit B to Exhibit A, and to enter into amendments or modifications thereto consistent with the intent of the Agreement, (ii) to execute such documents as deemed necessary to accept the Property from Sound Transit, together with all rights, privileges, and other property pertaining thereto, for the purpose of developing affordable housing for households at or below 80 percent of area median income and for other related purposes, and for general municipal purposes, and (iii) to execute such other documents and to undertake all necessary actions and obligations described or anticipated in the Real Property Transfer Agreement, including any covenants required by the Real Property Transfer Agreement.

Section 2. Upon acceptance the Property shall be under the jurisdiction of the Office of Housing.

Section 3. Any act consistent with the authority of this ordinance taken after its passage and prior to its effective date is ratified and confirmed.

Section 4. 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 _____, 2021, and signed by me in open session in authentication of its passage this _____ day of _____, 2021.

President _____ of the City Council

Approved / returned unsigned / vetoed this _____ day of _____, 2021.

Jenny A. Durkan, Mayor

Filed by me this _____ day of _____, 2021.

Monica Martinez Simmons, City Clerk

(Seal)

Attachments:

- Exhibit A - Real Property Transfer Agreement
 - Exhibit A, Exhibit A - The Property
 - Exhibit A, Exhibit B - Form of Deed
 - Exhibit A, Exhibit C - Form of Affordable Housing Covenant
 - Exhibit A, Exhibit D - Form of Restrictive Covenant