

#21

CITY OF SEATTLE
ORDINANCE _____
COUNCIL BILL 117978

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AN ORDINANCE relating to the parking facility at the Woodland Park Zoo; amending the Woodland Park Zoo Operations and Management Agreement between The City of Seattle and the Woodland Park Zoological Society ("WPZS"); agreeing to the terms of repayment by WPZS of an outstanding obligation to the City for predevelopment costs incurred with respect to a proposed structured parking facility; agreeing to the City's payment of a portion of the costs for WPZS to provide a smaller surface parking lot to relieve parking congestion in the neighborhood surrounding the Zoo; amending Ordinance 124058, which adopted the 2013 Budget, including the 2013-2018 Capital Improvement Program (CIP); increasing appropriations in the Parks Infrastructure budget control level for the Zoo Parking Development Project; and revising project descriptions; all by a three-fourths vote of the City Council.

WHEREAS, the City by Seattle Ordinance 120697 approved an Operations and Management Agreement (the "Agreement") between the City and WPZS wherein WPZS assumed operation and managerial responsibility for the Woodland Park Zoo (the "Zoo") over a renewable twenty-year period effective March 1, 2002; and

WHEREAS, the City and WPZS entered into Amendment 1 to the Agreement, dated as of December 23, 2004, with respect to a proposed parking garage, which project has since been abandoned; and

WHEREAS, WPZS owes the City a portion of certain predevelopment costs paid by the City with respect to the proposed parking garage; and

WHEREAS, WPZS has developed a plan for a smaller surface parking facility to relieve parking congestion in the neighborhood surrounding the Zoo and the City desires to pay a portion of the costs of such facility; and

WHEREAS, the City and WPZS have agreed to amend the Agreement to specify the terms under which WPZS and the City will settle certain garage predevelopment costs and the City will pay a portion of the costs of the surface parking facility;

NOW THEREFORE, BE IT ORDAINED BY THE CITY OF SEATTLE AS FOLLOWS:

Section 1. The Superintendent of Parks and Recreation or his designee ("Superintendent") is hereby authorized to execute an amendment to the Woodland Park Zoo Operations and Management Agreement substantially in the form of Attachment 1 hereto (the "Amendment"). The Mayor or the Superintendent is further authorized and directed, for and on



1 behalf of the City, to make technical, conforming, or otherwise nonmaterial changes to the
2 Amendment as may be reasonably necessary or appropriate to carry out the intent of this
3 ordinance.

4 Section 2. In order to pay for necessary capital costs and expenses incurred or to be
5 incurred, but for which insufficient appropriations were made due to causes that could not
6 reasonably have been foreseen at the time of the making the 2013 budget, appropriations for the
7 following item in the Department of Parks and Recreation's 2013 budget is increased from the
8 funds shown and project allocations in the 2013-2018 Adopted Capital Improvement Program
9 are modified as follows:

Fund	Budget Control Level	Amount	Project	Project Allocation
Cumulative Reserve Subfund - Unrestricted (00164)	Parks Infrastructure KC72441	\$2,000,000	Zoo Parking Development Project (K731471)	((0)) <u>\$2,000,000</u>

15 Section 3. The 2013-2018 Adopted Capital Improvement Program is amended as shown
16 in Attachment 2. Dollar amounts displayed in Attachment 2 show adjustments, if any, made by
17 other sections of this ordinance.

18 Section 4. This ordinance shall take effect and be in force 30 days from and after its
19 approval by the Mayor, but if not approved and returned by the Mayor within ten days after
20 presentation, it shall take effect as provided by Seattle Municipal Code Section 1.04.020.
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1 Passed by the City Council the ____ day of _____, 2013, and signed
2 by me in open session in authentication of its passage ____ day of _____,
3 2012.

4
5 _____
6 President _____ of the City Council

7 Approved by me this ____ day of _____, 2013.

8
9
10 _____
11 Michael McGinn, Mayor

12 Filed by me this ____ day of _____, 2013.

13
14
15 _____
16 City Clerk

17 (Seal)

18 Attachments:

19
20 Attachment 1: Amendment 2 to the Woodland Park Zoo Operations and Management Agreement

21 Attachment 2: Amendment to CIP
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ATT 1 to DPR Woodland Park Zoo Agreement ORD

AMENDMENT 2 TO THE WOODLAND PARK ZOO

OPERATIONS AND MANAGEMENT AGREEMENT

This Amendment ("Amendment 2") amends the Woodland Park Zoo Operations and Management Agreement, as previously amended by Seattle Ordinance 121620, (the "Agreement"). This Amendment is made and entered into as of _____, 2013 by and between THE CITY OF SEATTLE, a municipal corporation (the "City"), acting through its DEPARTMENT OF PARKS AND RECREATION (the "Parks Department") and the WOODLAND PARK ZOOLOGICAL SOCIETY, a Washington nonprofit corporation (WPZS") (collectively, the "Parties.")

RECITALS

WHEREAS, the City of Seattle by Ordinance 120697 approved an Operations and Management Agreement between the City and WPZS wherein WPZS assumed operational and managerial responsibility for the Woodland Park Zoo (the "Zoo") over a renewable twenty-year period effective March 1, 2002; and

WHEREAS, the Parties entered into Amendment 1 to the Woodland Park Zoo Operations and Management Agreement, approved by Ordinance 121620, dated as of December 23, 2004 with respect to a proposed parking garage which project has since been superseded ("Amendment 1"); and

WHEREAS, WPZS intends to develop a smaller, surface parking lot with City support and the Parties desire to clarify outstanding financial obligations with regard to the prior garage project;

NOW, THEREFORE, in consideration of the mutual promises and undertakings hereinafter set forth and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereby agree as follows:

AGREEMENT

1. Definitions. Section 1 of the Agreement is hereby amended as follows (deletions are stricken, additions are underlined):

1.1 Subsection 1.22, "Net Parking Revenue," is replaced in its entirety as follows:

1.22, Reserved.



1.2 Subsection 1.27, as amended by Seattle Ordinance 121260, "Parking Garage," is amended as follows:

"Parking ~~((Garage))~~ Project" shall mean structures or surface improvements as described in ~~((Section 2 of))~~ this Amendment 2.

2. Parking Project. With respect to the Parking Lot, the Agreement is hereby amended as follows (deletions in amendments are stricken, additions are underlined):

2.1 Inclusion in Premises. Subsection 3.2.1, "Parking Garage," is amended as follows:

Parking ~~((Garage))~~ Project. If and at such time that the Parking ~~((Garage))~~ Project referred to in Section 8 below is constructed on Zoo property, the Parking ~~((Garage))~~ Project shall be included within the definition of "Premises" under this Agreement.

2.2 Financing.

2.2.1 City Financing. Section 7, "City Financing," is amended as follows:

City Financing. If requested by WPZS, the City will consider issuing debt for capital purposes at the Zoo. Funding for debt service on such debt, other than debt issued for the Parking ~~((Garage))~~ Project described in Section 8, shall be the responsibility of WPZS. In the event WPZS fails to provide funds to pay debt service in a timely fashion, the City will pay such debt service from its own funds and will reduce its payments under Section 5.2 by a corresponding amount.

2.2.2 Parking Project Construction and Finance. Subsection 8.2, as amended by Seattle Ordinance 121260, "Parking Structure Construction and Finance," is replaced in its entirety with the following:

The City and WPZS acknowledge that WPZS's share of development costs associated with the abandoned parking garage facility which was the subject of Amendment 1 equals FOUR HUNDRED AND SIXTY TWO THOUSAND DOLLARS (\$462,000) plus interest, and the Parties agree that in lieu of WPZS assuming debt service payments, the City shall reduce its annual Operations Support to WPZS by FIFTY SEVEN THOUSAND DOLLARS (\$57,000) per year commencing in 2013 for a period of ten (10) years.

The City and WPZS acknowledge that WPZS intends to propose implementation of a parking-trailer relocation and construction plan to provide a 165 space surface parking lot facility for Zoo patrons at an estimated out-of-pocket cost of TWO MILLION SEVEN HUNDRED



AND TWENTY FOUR THOUSAND DOLLARS (\$2,724,000). The City agrees to reimburse WPZS for seventy-five percent (75%) of the out-of-pocket costs WPZS incurs for such a plan; provided, that the total payment amount from the City shall not exceed TWO MILLION DOLLARS (\$2,000,000). The WPZS will invoice the City for the amounts owed at no greater than a monthly frequency with accompanying documentation demonstrating the City's pro-rata obligation to pay out-of-pocket costs as incurred by WPZS up to the maximum amount set forth herein, with payment due within 45 days after the date of the invoice.

2.3 Debt Service. Subsection 8.3, "Debt Service," is replaced in its entirety as follows:

8.3 Reserved.

2.4 Design and Construction. Subsection 8.4, "Design and Construction," is amended as follows:

WPZS shall be responsible for design and construction of the Parking ~~((Garage))~~ Project consistent with Section 13 below.

2.5 Parking Operation. Subsection 8.5, as amended by Seattle Ordinance 121620, "Parking Operation," is amended as follows:

WPZS shall be solely responsible for operating the Parking ~~((Garage))~~ Project. Operations responsibility shall include maintaining the Parking ~~((Garage))~~ Project consistent with Section 17 below. WPZS will implement policies and incentives to encourage Zoo visitors to use ~~((such a garage))~~ the Parking Project. WPZS shall have exclusive control over applicable rates for using the Parking ~~((Garage))~~ Project. ~~((WPZS agrees to set parking rates to encourage short-term parking and carpooling and to ensure that parking revenues provide the maximum feasible share of debt service on the Parking Garage.))~~ The City reserves the right to change any terms of this section 8.5 if and only to the extent that such changes are required, in the opinion of legal counsel to the City, to provide or maintain the tax-exempt status of bonds issued for the Parking ~~((Garage))~~ Project. ~~((WPZS agrees to analyze and provide a recommendation with regard to a two-tiered parking rate structure that recognizes Seattle taxpayers' contribution to the construction of the Parking Garage. This analysis and recommendation will be provided to the City by May 1, 2005.))~~

2.6 Apprenticeship Program. Subsection 8.8, "Apprenticeship Program," is amended as follows:



WPZS and its prime contractor(s) will establish a target that fifteen percent (15%) of estimated hours of construction work on the Parking ((Garage))Project will be assigned to apprentices. WPZS has stated its intention that at least ten percent (10%) of the value of the construction work on the Parking ((Garage))Project be subcontracted to women or minority-owned business enterprises.

2.7 Zoo On Site Parking. Subsection 8.9, as added by Seattle Ordinance 121620, "Zoo On Site Parking," is deleted in its entirety.

2.8 New Facilities Operating and Maintenance Costs. Section 11, "New Facilities Operating and Maintenance Costs," is amended as follows:

As WPZS funds and builds new exhibits, support and visitor facilities, the corresponding increases in operating, program and maintenance costs will be the responsibility of WPZS, with the City being the owner of such new exhibits, support or visitor facilities (including the Parking ((Garage))Project).

2.9 Title to Improvements. Subsection 13.4, as amended by Seattle Ordinance 121620, "Title to Improvements," is amended as follows:

Except as otherwise provided in this Agreement, all appurtenances, fixtures, improvements (including, specifically, the Parking ((Garage))Project referenced in Section 8 of this Agreement), equipment, additions and other property attached to or installed in the Premises during the Term shall be and remain the property of City and shall not be removed by WPZS without approval of the Superintendent.

3. Miscellaneous.

3.1 Counterparts. This Amendment 2 may be executed in two or more counterparts, each of which shall be deemed an original, but all of which taken together shall constitute one and the same instrument.



3.2 Effect on Agreement. Except as otherwise modified or amended by this Amendment 2, all of the terms and conditions of the Agreement remain unchanged.

DATED this _____ day of _____, 2013.

THE CITY OF SEATTLE,
a Washington municipal corporation

WOODLAND PARK ZOOLOGICAL
SOCIETY, a Washington nonprofit
corporation

By _____
Christopher M. Williams
Acting Superintendent
Department of Parks and Recreation

By _____
Deborah B. Jensen, Ph.D.
President/CEO

By authority of Ordinance No. _____.



ATT 2 to DPR Woodland Park Zoo Agreement ORD

Department of Parks and Recreation

Zoo Parking ((Garage)) Development

BCL/Program Name:	Parks Infrastructure	BCL/Program Code:	K72441
Project Type:	Improved Facility	Start Date:	((Q4))Q4/2013
Project ID:	K732471	End Date:	Q4/((2013))2014
Location:	5500 Phinney AVE N		
Neighborhood Plan:	Crown Hill/Ballard	Neighborhood Plan Matrix:	III T 13
Neighborhood District:	Ballard	Urban Village:	Ballard

This project provides for the development of a surface parking lot on the West side of the Zoo. This project provides on-site spaces to help reduce parking and congestion on neighborhood streets. ~~((Although no appropriations have been made for this project, \$2 million has been set aside in 2013 in a Zoo Capital Needs Reserve in the Cumulative Reserve Subfund - Unrestricted Subaccount for possible future appropriations.))~~

	LTD Actuals	2012 Rev	2013	2014	2015	2016	2017	2018	Total
Revenue Sources									
Unrestricted Street Vacations	0	0	((0)) <u>2,000</u>	0	0	0	0	0	((0)) <u>2,000</u>
Total:	0	0	((0)) <u>2,000</u>	0	0	0	0	0	((0)) <u>2,000</u>
Fund Appropriations/Allocations									
Cumulative Reserve Subfund - Unrestricted Subaccount	0	0	((0)) <u>2,000</u>	0	0	0	0	0	((0)) <u>2,000</u>
Total*:	0	0	((0)) <u>2,000</u>	0	0	0	0	0	((0)) <u>2,000</u>

**This detail is for information only. Funds are appropriated in the budget at the Budget Control Level. Amounts are in thousands of dollars.*

2013 - 2018 Adopted Capital Improvement Program



FISCAL NOTE FOR CAPITAL PROJECTS ONLY

Department:	Contact Person/Phone:	CBO Analyst/Phone:
Parks and Recreation	Catherine Cornwall/ 684-8725	Jeff Muhm/ 684-8049

Legislation Title:

AN ORDINANCE relating to the parking facility at the Woodland Park Zoo; amending the Woodland Park Zoo Operations and Management Agreement between The City of Seattle and the Woodland Park Zoological Society (“WPZS”); agreeing to the terms of repayment by WPZS of an outstanding obligation to the City for predevelopment costs incurred with respect to a proposed structured parking facility; agreeing to the City’s payment of a portion of the costs for WPZS to provide a smaller surface parking lot to relieve parking congestion in the neighborhood surrounding the Zoo; amending Ordinance 124058, which adopted the 2013 Budget, including the 2013-2018 Capital Improvement Program (CIP); increasing appropriations in the Parks Infrastructure budget control level for the Zoo Parking Development Project; and revising project descriptions, all by a 3/4 vote of the City Council.

Summary and background of the Legislation:

This legislation authorizes the Parks Superintendent to execute an amendment to the Woodland Park Zoo Operations and Management Agreement between The City of Seattle and the Woodland Park Zoological Society (“WPZS”). This will be the second amendment to the Operations and Management Agreement. The first amendment was authorized by Ordinance 121620 in 2004.

In this second amendment, the City and the WPZS acknowledge that the WPZS agrees to remit to the City \$462,000 as its share of development costs associated with the abandoned parking garage facility (which was the subject of Amendment 1 to the Operations and Management Agreement), and that the WPZS will repay this amount with interest for a total of \$570,000. The WPZS will pay this amount in ten equal annual installments of \$57,000 per year, which the City shall credit against its annual operations support payment to WPZS commencing in 2013.

In this amendment, the City and the WPZS also acknowledge that WPZS intends to implement a parking-trailer relocation plan to provide a 165 space surface parking lot facility for Zoo patrons at an estimated out-of-pocket cost of \$2,724,000. The City agrees to reimburse WPZS for seventy-five percent (75%) of the out-of-pocket costs WPZS incurs for such a plan; provided, that the total payment amount from the City shall not exceed \$2,000,000. The WPZS will invoice the City for the amounts owed at no greater than a monthly frequency with accompanying documentation demonstrating the City’s pro-rata obligation to pay out-of-pocket costs as incurred by WPZS up to the maximum amount set forth herein, with payment due within 45 days after the date of the invoice.

Finally, the amendment updates the Operations and Management Agreement to amend or delete



sections that are no longer pertinent due to the abandonment of the parking garage project.

Project Name:	Project I.D.:	Project Location:	Start Date:	End Date:
Zoo Parking Development	K732471	5500 Phinney Ave N	Q4 2013	Q4 2014

This legislation creates, funds, or anticipates a new CIP Project.
 This project is included in the 2013-2014 Adopted Budget; however, this ordinance provides funding for the project and renames the project.

This legislation does not have any financial implications.

This legislation has financial implications.

Appropriations:

Fund Name and Number	Department	Budget Control Level*	2013 Appropriation
Cumulative Reserve Subfund – Unrestricted 00164	Parks	Parks Infrastructure KC72441	\$2,000,000
TOTAL			\$2,000,000

Appropriations Notes:

Spending Plan and Future Appropriations for Capital Projects:

Spending Plan and Budget (thousands)	2012	2013	2014	2015	2016	2017	Total
Spending Plan		0	2,000				2,000
Current Year Appropriation							
Future Appropriations							0

Funding Source:

Funding Source (Fund Name and Number, if applicable)	2012	2013	2014	2015	2016	2017	Total
Cumulative Reserve Subfund – Unrestricted 00164		2,000,000					
TOTAL		2,000,000					



Other Implications:

a) Does the legislation have indirect financial implications, or long-term implications?

The legislation authorizes an amendment that acknowledges that the WPZS will remit to the City \$462,000 as its share of development costs associated with the abandoned parking garage facility (which was the subject of Amendment 1 to the Operations and Management Agreement), and that the WPZS will repay this amount with interest for a total of \$570,000.

The amendment also acknowledges that the WPZS intends to implement a parking-trailer relocation plan to provide a 165 space surface parking lot facility for Zoo patrons at an estimated out-of-pocket cost of \$2,724,000. The City agrees to reimburse WPZS for seventy-five percent (75%) of the out-of-pocket costs WPZS incurs for such a plan; provided, that the total payment amount from the City shall not exceed \$2,000,000.

b) What is the financial cost of not implementing the legislation?

The original Operations and Management Agreement required that the City provide financing for a parking garage by September 1, 2004 or the WPZS could terminate the Agreement and return operation of the Zoo back to the City.

Section 8.2 of the amended Operations and Management Agreement, required that the City reimburse the WPZS for up to \$16.2 million of costs associated with the planned parking garage. The parking garage project ended after the decision by the City's Hearing Examiner to revoke the Master Use Permit. The WPZS has proposed this new parking project in place of the parking garage. Should the City not help fund the parking lot, the WPZS could argue that the City was in violation of the Agreement and terminate it (thereby returning management of the Zoo to the City).

c) Does this legislation affect any departments besides the originating department?

No.

d) What are the possible alternatives to the legislation that could achieve the same or similar objectives? The WPZS could undertake a new Master Plan and undergo a new EIS process to identify alternatives to the proposed parking lot.

e) Is a public hearing required for this legislation?

No.

f) Is publication of notice with *The Daily Journal of Commerce* and/or *The Seattle Times* required for this legislation?

No.

g) Does this legislation affect a piece of property?

Yes.

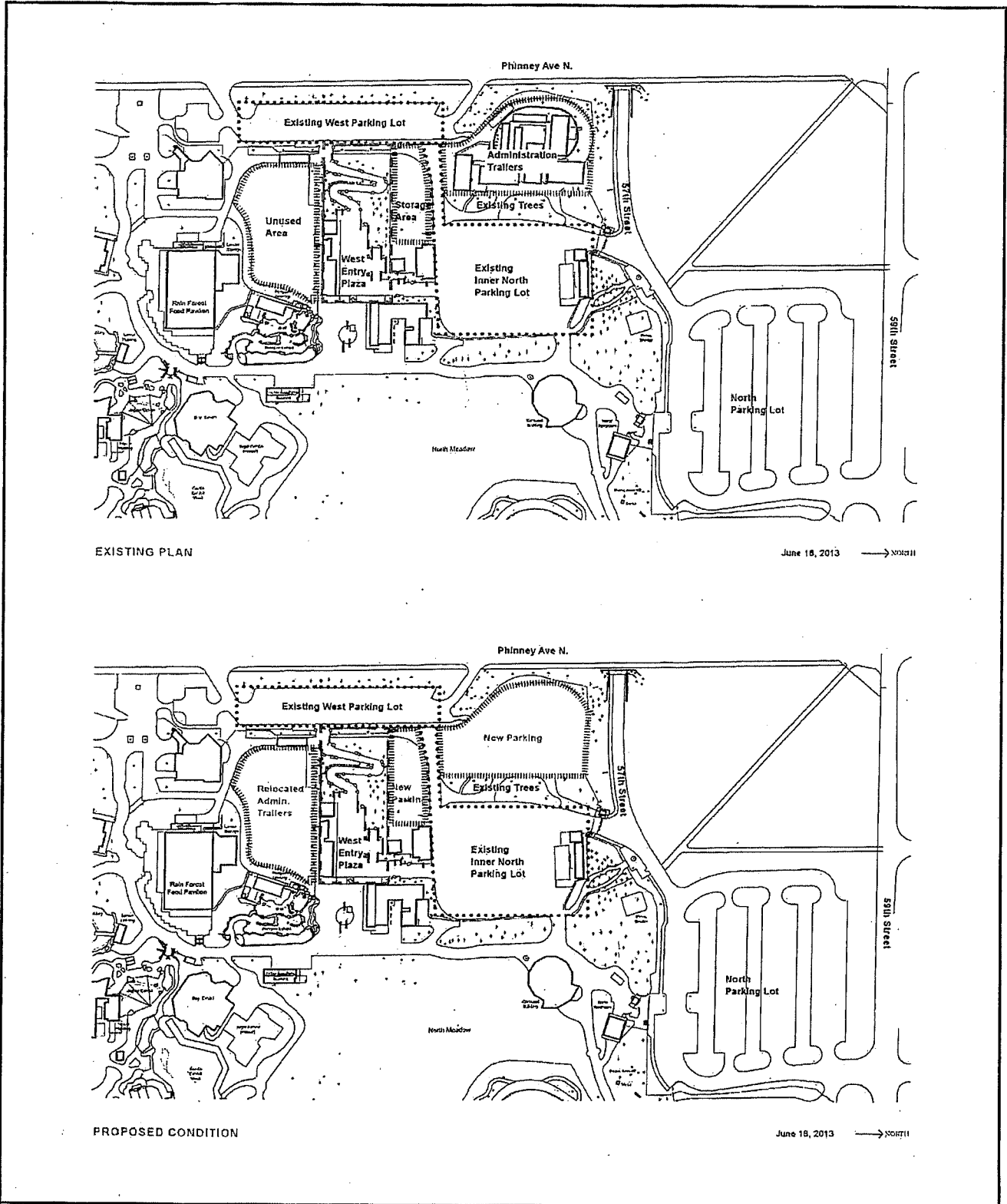
h) Other Issues:

None.

List attachments to the fiscal note below:

Attachment 1 – Woodland Park Zoo Map

Woodland Park Zoo Inner North Parking Lot Reconfiguration and Expansion Project



Source: Weinstein A|U, 2013

Vicinity of the Project Site





City of Seattle
Office of the Mayor

November 12, 2013

Honorable Sally Clark
President
Seattle City Council
City Hall, 2nd Floor
Seattle, WA 98104

Dear Council President Clark:

I am pleased to transmit the attached proposed Council Bill which amends the current Operations and Management Agreement between the City and the Woodland Park Zoological Society (Zoo). Specifically, the Ordinance and the proposed amendment to the operations and management agreement:

- Authorizes method of repayment from the Zoo to the City of an outstanding obligation for predevelopment costs incurred with respect to a previously proposed structured parking facility;
- Authorizes the City's payment of a portion of the costs for the Zoo to provide a smaller surface parking lot to relieve parking congestion in the neighborhood surrounding the Zoo; and
- Amends the 2013-2018 Capital Improvement Program (CIP) to fund the City's portion of the Zoo Parking lot project.

The surface parking plan is one of several changes the Zoo has implemented based on recommendations received from the Zoo Access Working Group, a broad-based community group that studied transportation options including transit, shuttle service and mobility improvements in and around the Zoo. This surface lot plan addresses neighborhood requests to reduce street parking impact in the immediate area, and it creates efficiencies in Zoo business operations by consolidating the administrative area. The Zoo has completed the SEPA process, and the Department of Planning and Development has issued a Determination of Nonsignificance and has approved the Zoo's Master Use Permit application.

Thank you for your consideration of this legislation. Should you have questions, please contact Jeff Muhm 684-8049.

Sincerely,

Michael McGinn
Mayor of Seattle

cc: Honorable Members of the Seattle City Council

Michael McGinn, Mayor
Office of the Mayor
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