

ORDINANCE No. 122612

COUNCIL BILL No. 116108

AN ORDINANCE related to the sale and redevelopment of the former Public Safety Building block; authorizing the execution of a Purchase and Sale Agreement, Project Agreement and other related documents necessary to implement the sale and redevelopment of such property; and exempting the sale of such property from the requirements of Resolution 29799 as amended by Resolution 30862.

COMPTROLLER FILE No. \_\_\_\_\_

Introduced: <u>Dec. 10, 2007</u>	By: <u>Steinbrueck</u>
Referred:	To: <u>Urban Development And Planning</u>
Referred:	To:
Referred:	To:
Reported:	Second Reading:
Third Reading: <u>12-17-07</u>	Signed: <u>12-12-07</u>
Presented to Mayor: <u>12-18-07</u>	Approved: <u>12-21-07</u>
Returned to City Clerk: <u>12-21-07</u>	Published: <u>5, Title</u>
Vetoed by Mayor:	Veto Published:
Passed over Veto:	Veto Sustained:

US5047

*Peter Steinbrueck*

# The City of Seattle--Legislative Department

Date Reported  
and Adopted

## REPORT OF COMMITTEE

Honorable President:

Your Committee on \_\_\_\_\_

to which was referred the within Council Bill No. \_\_\_\_\_  
report that we have considered the same and respectfully recommend that the same:

*Passed 4-0-1*  
*PS, RC*  
*JD, SC*  
*JG*

*12-17-07 Passed 8-0*  
*(Disqualified from Voting)*

\_\_\_\_\_  
Committee Chair

*Law Department*



ORDINANCE 122612

AN ORDINANCE related to the sale and redevelopment of the former Public Safety Building block; authorizing the execution of a Purchase and Sale Agreement, Project Agreement and other related documents necessary to implement the sale and redevelopment of such property; and exempting the sale of such property from the requirements of Resolution 29799 as amended by Resolution 30862.

WHEREAS, Resolution 30769, adopted in May 2005, stated the City's preferred approach to the redevelopment of the Public Safety Building Site, including objectives consistent with the Civic Center Master Plan vision for civic public open space, private development, underground parking, and pedestrian access to the Metro/Sound Transit bus tunnel; and directed the Director of the Fleets and Facilities Department to proceed with a public solicitation for development proposals; and

WHEREAS, a Request for Concepts for redevelopment of the Site was published and distributed in April 2006 and three of the development teams responding to the Request for Concepts were invited to respond to a Request for Proposals issued in September 2006; and

WHEREAS, Triad Civic Center LLC ("Triad") was selected as the preferred developer for redevelopment of the Site; and

WHEREAS, Triad has proposed to develop a signature project for this critical block situated in south downtown that will be consistent with the Civic Center Master Plan, enhance the vibrancy of the area, and contribute to its economic vitality; and

WHEREAS, the City and Triad signed a Letter of Intent in February 2007, demonstrating the City's intent to proceed with the sale of the Site to Triad and Triad's commitment to develop a portion of the Site as a public plaza (the "Civic Square"); and

WHEREAS, in August 2007, Resolution 31007 requested that the Director of the Fleets and Facilities Department or his or her designee negotiate a Purchase and Sale Agreement with Triad for the Site; and

WHEREAS, the Fleets and Facilities Department has negotiated a Purchase and Sale Agreement and a Project Agreement with Triad ("Agreements"). The Agreements between the City and Triad contain the following business elements: The City agrees to sell the Site to Triad for consideration valued at \$25,000,000. In return, Triad will develop the Site and will finance all aspects of the development. As part of the development of the Site, Triad

1 agrees to construct the Civic Square on the south portion of the Site, consisting of a  
2 public plaza and associated retail space to help activate the Civic Square. After  
3 completion of the Civic Square, Triad will convey the Civic Square back to the City as  
4 part of the consideration for the Site. The difference between the cost to construct the  
5 Civic Square and \$25,000,000 will be paid to the City in cash; Now, therefore,

6 **BE IT ORDAINED BY THE CITY OF SEATTLE AS FOLLOWS:**

7 Section 1. The Director of the Fleets and Facilities Department or his or her designee is  
8 authorized to sell to Triad Civic Center LLC ("Triad") the property located at 600 Third Avenue  
9 in the City of Seattle, hereinafter referred to as the "Site" and legally described as follows:  
10

11 Lots 1, 2, 3, 4, 5, 6, 7 and 8, Block 32, Addition to the Town of Seattle as laid out on the  
12 claims of C. D. Boren and A. A. Denny and H. L. Yesler (commonly known as C. D.  
13 Boren's Addition to the City of Seattle), according to the plat recorded in Volume 1 of  
14 Plats, Page 25, in King County, Washington; Together with the vacated alley in said  
15 Block adjoining said Lots; EXCEPT the southwesterly 9 feet of Lots 1, 4, 5 and 8,  
16 condemned in King County Superior Court Cause Number 54135 for the widening of  
17 Third Avenue as provided by Ordinance number 14345 of the City of Seattle; AND  
18 EXCEPT the northeasterly 9 feet of Lots 2, 3, 6 and 7, condemned in King County  
19 Superior Court Cause number 50320 for the widening of Fourth Avenue, as provided by  
20 Ordinance Number 13074 of the City of Seattle.

21 for TWENTY-FIVE MILLION DOLLARS (\$25,000,000). The \$25,000,000 will be paid to the  
22 City in the form of a conveyance of a completed Civic Square and cash equal to the difference  
23 between the cost of the Civic Square and \$25,000,000.  
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1           Section 2. In order to carry out the sale authorized in Section 1, the Director of the Fleets  
2 and Facilities Department or his or her designee is authorized to execute the Purchase and Sale  
3 Agreement for the Site, in substantially the form attached hereto as "Attachment 1," and the  
4 Seattle Civic Square Project Agreement, in substantially the form attached hereto as  
5 "Attachment 2."  
6

7           Section 3. The Director of the Fleets and Facilities Department is further authorized,  
8 after consultation with the City Council or its designee(s), to amend said Purchase and Sale  
9 Agreement or said Seattle Civic Square Project Agreement, before or after execution, and to  
10 make decisions and give approvals during the design and construction of the development  
11 project, as contemplated in the Seattle Civic Square Project Agreement. Decisions that are  
12 related to the City's financial rights or obligations, but that do not affect the City's overall  
13 remuneration, are further subject to the approval of the Director of Finance, provided that  
14 decisions or amendments affecting the City's overall remuneration shall be subject to approval  
15 by separate ordinance.  
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17

18           Section 4. The Director of the Fleets and Facilities Department is also authorized to  
19 execute, when completed, a reciprocal easement agreement and a master lease agreement. The  
20 reciprocal easement agreement shall be consistent with Exhibit B of the Project Agreement. The  
21 master lease agreement shall be consistent with Exhibit E of the Project Agreement. Approval of  
22 the Operations and Management Agreement of the Civic Square referenced in the Project  
23 Agreement shall be by separate ordinance.  
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1           Section 5. Proceeds from the transaction authorized herein shall be used first to  
2 reimburse costs incurred and paid by the Fleets and Facilities Department in connection with the  
3 sale. The remaining proceeds shall be deposited in the Unrestricted Subaccount of the  
4 Cumulative Reserve Subfund (00164) in accordance with SMC 5.80.030.  
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6           Section 6. The sale of the property authorized in Section 1 of this Ordinance is  
7 exempted from compliance with the property disposition policies and procedures set forth in  
8 Resolution 29799 as amended by Resolution 30862.  
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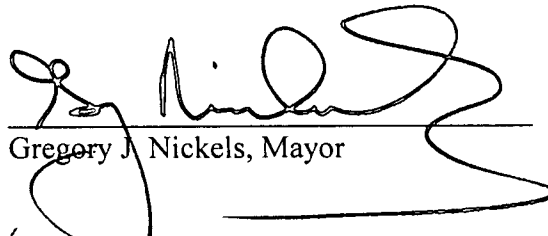
10          Section 7. Any acts pursuant to the authority and prior to the effective date of this  
11 ordinance are hereby ratified and confirmed.

12          Section 8. This ordinance shall take effect and be in force thirty (30) days from and after  
13 its approval by the Mayor, but if not approved and returned by the Mayor within ten (10) days  
14 after presentation, it shall take effect as provided by Municipal Code Section 1.04.020.  
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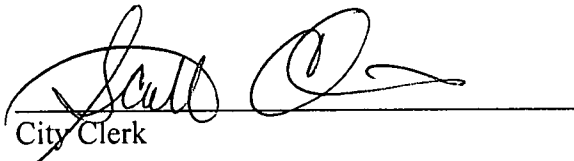
1 Passed by the City Council the 17<sup>th</sup> day of December, 2007, and signed by me in open  
2 session in authentication of its passage this 17<sup>th</sup> day of December, 2007.

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5   
President \_\_\_\_\_ of the City Council

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7 Approved by me this 21<sup>st</sup> day of December, 2007.

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10   
Gregory J. Nickels, Mayor

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12 Filed by me this 21<sup>st</sup> day of December, 2007.

13  
14   
City Clerk

15  
16  
17 (Seal)

18  
19 Attachment 1 – Purchase and Sale Agreement Between The City of Seattle and Triad Civic  
20 Center LLC

21 Exhibits to Attachment 1

- 22 Exhibit A - Depiction of Civic Square Parcel  
23 Exhibit B - Seattle Civic Square Project Agreement  
24 Exhibit C – Form of Promissory Note  
25 Exhibit D – Form of Bargain and Sale Deed

26 Attachment 2 – Seattle Civic Square Project Agreement

27 Exhibits to Attachment 2

- 28 Exhibit A – Legal Description of Property

Exhibit B – Development Schedule  
Exhibit C – Conceptual Design Documents  
Exhibit D – Tri-Party Agreement  
Exhibit E – Memorandum of Rights  
Exhibit F – Reciprocal Easement Agreement  
Exhibit G – Permitted Exceptions (Civic Square Parcel)  
Exhibit H – Master Lease (City to Triad)

[Clerk's Note: Because of their large size, the attachments to Ordinance 122612 have been saved as a separate file for electronic display and downloading, as have the copies of the executed agreements. All linked files are PDF documents requiring Adobe Acrobat or equivalent program to view.]

**Attachments 1 and 2 to Ordinance 122612 (Agreements)**

[Attachments](#) (16 MB)

**Executed Agreements**

[Agreements](#) (11.4 MB)





# City of Seattle

Gregory J. Nickels, Mayor

## Office of the Mayor

December 4, 2007

Honorable Nick Licata  
President  
Seattle City Council  
City Hall, 2<sup>nd</sup> Floor

Dear Council President Licata:

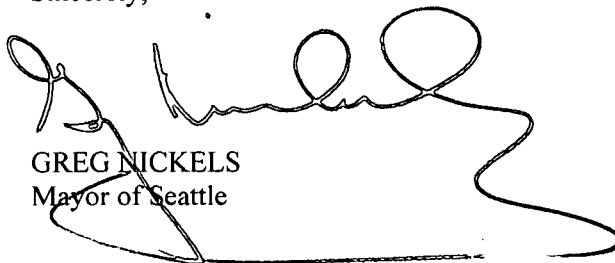
I am pleased to transmit a proposed Council Bill authorizing the sale and redevelopment of the former Public Safety Building block, as contemplated in Resolution 31007, adopted on August 13, 2007.

This transaction will provide for the redevelopment of the site with an office and residential tower on the northern portion of the site and a "Civic Square," a City-owned civic plaza with associated retail space to help activate the Civic Square, on the southern portion of the site. The selected developer, Triad Civic Center LLC ("Triad"), will purchase the site and finance all aspects of the development. After completion of the integrated project, Triad will convey the Civic Square back to the City as part of the \$25 million in consideration for purchase of the site. The City may also receive up to an additional \$1.27 million in consideration if Triad is successful in securing New Market Tax Credits for the development project.

If this legislation is approved, the project would commence construction in early 2009 and be completed in 2011. Completion of the project would finish the Civic Center Master Plan, a series of projects to upgrade the City's downtown office spaces that began with the acquisition of the Seattle Municipal Tower in 1996.

Thank you for your consideration of this legislation. Should you have questions, please contact Mary Pearson at 684-0407.

Sincerely,



GREG NICKELS  
Mayor of Seattle

cc: Honorable Members of the Seattle City Council



600 Fourth Avenue, 7<sup>th</sup> Floor, P.O. Box 94749, Seattle, WA 98124-4749

Tel: (206) 684-4000, TDD: (206) 615-0476 Fax: (206) 684-5360, Email: [mayors.office@seattle.gov](mailto:mayors.office@seattle.gov)

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STATE OF WASHINGTON – KING COUNTY

--SS.

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218880  
CITY OF SEATTLE, CLERKS OFFICE

No. 09,10,12,13&16 TITLE

**Affidavit of Publication**

The undersigned, on oath states that he is an authorized representative of The Daily Journal of Commerce, a daily newspaper, which newspaper is a legal newspaper of general circulation and it is now and has been for more than six months prior to the date of publication hereinafter referred to, published in the English language continuously as a daily newspaper in Seattle, King County, Washington, and it is now and during all of said time was printed in an office maintained at the aforesaid place of publication of this newspaper. The Daily Journal of Commerce was on the 12<sup>th</sup> day of June, 1941, approved as a legal newspaper by the Superior Court of King County.

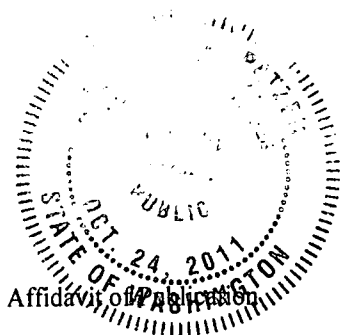
The notice in the exact form annexed, was published in regular issues of The Daily Journal of Commerce, which was regularly distributed to its subscribers during the below stated period. The annexed notice, a

CT:122599.00,02-04,06,08

was published on

12/31/07

The amount of the fee charged for the foregoing publication is the sum of \$ 167.40, which amount has been paid in full.



12/31/07

Subscribed and sworn to before me on

Notary public for the State of Washington,  
residing in Seattle

# State of Washington, King County

## City of Seattle

### TITLE-ONLY PUBLICATION

The full text of the following ordinances passed by the City Council on December 17, 2007, and published here by title only, will be mailed upon request, or can be accessed electronically at <http://clerk.ci.seattle.wa.us>. For further information, contact the Seattle City Clerk at 684-8344.

#### ORDINANCE NO. 122618

AN ORDINANCE relating to the Seattle Municipal Court; authorizing execution pursuant to the Interlocal Cooperation Act of an agreement with the Washington State Department of Social and Health Services regarding the funding of a part-time State of Washington Funding Services Specialist in the Seattle Municipal Court Resource Center to provide screening services to Court defendants and the community and declaring an emergency requiring a 3/4 vote of the Seattle

City Council so that the Ordinance may take effect immediately.

#### ORDINANCE NO. 122613

AN ORDINANCE authorizing the Mayor to sign an agreement between the City of Seattle and the King County Rural Library District for the transfer of the White Center and Boulevard Park libraries to the City of Seattle in the event of certain annexations in the unincorporated North Highline area.

#### ORDINANCE NO. 122612

AN ORDINANCE related to the sale and redevelopment of the former Public Safety Building Block, authorizing the execution of a Purchase and Sale Agreement, Project Agreement and other related documents, necessary to implement the sale and redevelopment of such property and exempting the sale of such property from the requirements of Resolution 29799 as amended by Resolution 30862.

#### ORDINANCE NO. 122610

AN ORDINANCE amending the Seattle Comprehensive Plan to incorporate changes proposed as part of the 2007 Comprehensive Plan annual amendment process.

#### ORDINANCE NO. 122609

AN ORDINANCE appropriating money to pay certain audited claims and ordering the payment thereof.

#### ORDINANCE NO. 122608

AN ORDINANCE authorizing the Mayor to sign and/or execute a collective bargaining agreement by and between the City of Seattle and the Public Service & Industrial Employees, Local 1239 Recreation Unit to be effective through December 31, 2010.

#### ORDINANCE NO. 122606

AN ORDINANCE relating to the Seattle Center Department authorizing the execution of a revocable, non-exclusive license agreement with Teatro ZinZanni to construct certain improvements on City property for the purpose of public ingress and egress to the circus dinner theater on an adjacent property.

#### ORDINANCE NO. 122604

AN ORDINANCE relating to the Filipino Community Center, removing a budget provision restricting expenditure of an appropriation in the 2007 Budget, and authorizing the expenditure of the funds for purchase and acceptance of an easement with restrictive covenants from Filipino Community of Seattle to provide for City and public access uses and the provision of social services on the property at 6740 M.L. King Jr. Way South, Seattle, Washington.

#### ORDINANCE NO. 122603

AN ORDINANCE relating to the financing of the South Lake Union Streetcar Project; authorizing the loan of funds from the City's Consolidated (Residual) Cash Pool, or its participating funds, to the Transportation Master Fund; and providing for the repayment thereof.

#### ORDINANCE NO. 122602

AN ORDINANCE concerning indigent public defense services; establishing a process for selecting providers of those services; creating a proposal review panel; setting out standards for those services; establishing contractual requirements for agreements between the City and public defense service providers; requesting the Seattle City Auditor to audit compliance; repealing Ordinance 122493 and Ordinance 121501; and ratifying and confirming certain prior acts.

#### ORDINANCE NO. 122600

AN ORDINANCE amending the Seattle Comprehensive Plan to incorporate changes proposed as part of the 2007 Comprehensive Plan annual amendment process for a new policy governing expansion of major employers located in manufacturing/industrial centers.

#### ORDINANCE NO. 122599

AN ORDINANCE authorizing the Director of Seattle Public Utilities to execute a contract with the City of North Bend to provide North Bend with a supply of municipal water.

Publication ordered by JUDITH PIPPIN, City Clerk.  
Date of publication in the Seattle Daily Journal of Commerce: December 31, 2007.  
12/31(218599)