

Ordinance No. 123539

Council Bill No. 117097

AN ORDINANCE granting LHCS Hotel Holdings (2002), L.L.C. permission to maintain and operate a pedestrian tunnel under and across Seneca Street, between 4<sup>th</sup> and 5<sup>th</sup> Avenues, for a ten-year term, renewable for two successive ten-year terms; specifying the conditions under which this permit is granted; providing for the acceptance of the permit and conditions; and ratifying and confirming certain prior acts.

Related Legislation File:

Date Introduced and Referred: <b>1-24-11</b>	To: (committee): <b>Transportation</b>
Date Re-referred:	To: (committee):
Date Re-referred:	To: (committee):
Date of Final Action: <b>Feb. 14, 2011</b>	Date Presented to Mayor: <b>Feb. 15, 2011</b>
Date Signed by Mayor: <b>Feb. 17 2-18-11</b>	Date Returned to City Clerk: <b>2-18-11</b>
Published by Title Only <input checked="" type="checkbox"/>	Date Vetoed by Mayor:
Published in Full Text <input type="checkbox"/>	Date Passed Over Veto:
Date Veto Published:	Date Returned Without Signature:

### The City of Seattle - Legislative Department

Council Bill/Ordinance sponsored by: *Tom Rasmussen*

#### Committee Action:

Date	Recommendation	Vote
<b>2-8-11</b>	<b>PASS</b>	<b>TR 5G 2-0</b>

This file is complete and ready for presentation to Full Council.

#### Full Council Action:

Date	Decision	Vote
<b>Feb. 15, 2011</b>	<b>PASSED</b>	<b>8-0 (excused: Clark)</b>

*Law Department*

ORDINANCE 123539

AN ORDINANCE granting LHCS Hotel Holdings (2002), L.L.C. permission to maintain and operate a pedestrian tunnel under and across Seneca Street, between 4<sup>th</sup> and 5<sup>th</sup> Avenues, for a ten-year term, renewable for two successive ten-year terms; specifying the conditions under which this permit is granted; providing for the acceptance of the permit and conditions; and ratifying and confirming certain prior acts.

WHEREAS, by Ordinance 109601, the City of Seattle (City) granted permission to Urban/Four Seasons Hotel Venture to maintain and operate a pedestrian tunnel under and across Seneca Street, east of 4<sup>th</sup> Avenue; and

WHEREAS, Ordinance 109601 was amended by Ordinances 120507 and 121855 and Resolution 28332; and

WHEREAS, the permission authorized by Ordinance 109601 was renewed for two successive 10-year terms by Resolutions 28332 and 30380 and the permission ended on October 31, 2010; and

WHEREAS, LHCS Hotel Holdings (2002), L.L.C. has submitted an application to the Seattle Department of Transportation (SDOT) Director to continue maintaining and operating the pedestrian tunnel; and

WHEREAS, LHCS Hotel Holdings (2002), L.L.C. has satisfied all terms and conditions of the original authorizing ordinance, the SDOT Director (Director) recommends that the term permit be approved subject to the terms and conditions of this ordinance; NOW, THEREFORE,

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

Section 1. **Permission.** Subject to the terms and conditions of this ordinance, permission (also referred to in this ordinance as a permit) is granted to LHCS Hotel Holdings (2002), L.L.C. (Permittee) and its successors and assigns, to maintain and operate a pedestrian tunnel and existing private utilities (tunnel) under and across Seneca Street, between 4<sup>th</sup> and 5<sup>th</sup> Avenues,



1 between the properties known as King County parcel number 0002400003 and 0942000170, on  
2 which the Fairmont Olympic Hotel and a parking garage are currently located.

3       Section 2. **Term.** The permission granted to the Permittee shall be for a term of ten years  
4 starting on November 1, 2010, and ending at 11:59 p.m. on October 31, 2020. Upon written  
5 application of the Permittee at least 180 days before expiration of the term, the Seattle  
6 Department of Transportation (SDOT) Director may renew the permit for two successive ten-  
7 year terms subject to the right of the City of Seattle (City) to require the removal of the tunnel as  
8 provided for in Section 4 or 5, or revise by ordinance any of the terms or conditions of this  
9 ordinance. The total term of the permission as originally granted and renewed shall not exceed 30  
10 years. Failure to obtain additional permission through a new ordinance, or to remove the tunnel  
11 prior to expiration of the term, is a violation of Chapter 15.90 of the Seattle Municipal Code  
12 (SMC).

13       Section 3. **Protection of utilities.** The permission granted is subject to the Permittee  
14 bearing the expense of any protection, support, or relocation of existing utilities deemed  
15 necessary by the owners of the utilities and the Permittee being responsible for any subsequent  
16 damage to the utilities due to the repair, reconstruction, maintenance, or operation of the tunnel.

17       Section 4. **Removal for public use or for cause.** The permission granted is subject to  
18 use of the right-of-way by the City and the public for travel, utility purposes, and other street  
19 uses. The City expressly reserves the right to require the Permittee to remove the tunnel, or any  
20 part thereof or installation thereon, at the Permittee's sole cost and expense in the event that:  
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1 (a) the City Council determines by ordinance that the space occupied by the tunnel is  
2 necessary for any public use or benefit or that the tunnel interferes with any public use or  
3 benefit; or

4 (b) the SDOT Director (Director) determines that any term or condition of this  
5 ordinance has been violated and the violation has not been corrected by the Permittee by  
6 the compliance date after written request by the City.  
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8 A City Council determination that the space is needed for or interferes with a public use or  
9 benefit shall be conclusive and final without any right of the Permittee to resort to the courts to  
10 adjudicate the matter.  
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12 Section 5. **Removal requirements.** If the permission granted is not renewed at the  
13 expiration of a term, or if the permission is extended to its termination date in 30 years and an  
14 application for a new permit is not granted, or if an acceptance of this ordinance is not timely  
15 received as required by this ordinance, or if the City orders removal of the tunnel pursuant to the  
16 terms and conditions of this ordinance, then within 90 days after the expiration or termination, or  
17 prior to the date stated in an order to remove, the Permittee shall, at its own expense, remove the  
18 tunnel and replace all portions of the right-of-way that may have been disturbed for any part of  
19 the tunnel in as good condition as they were prior to construction of the tunnel and in at least as  
20 good condition in all respects as the abutting portions of the right-of-way as required by the  
21 applicable SDOT standards for right-of-way restoration. If the Permittee removes the tunnel in  
22 accordance with the terms and conditions of this section, the Director shall then issue a certificate  
23 discharging the Permittee from responsibility under this ordinance for occurrences after the  
24 discharge date.  
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1           Section 6. **Repair, reconstruction, or relocation.** The Permittee shall not reconstruct,  
2 relocate, or repair the tunnel except under the supervision of the Director and in strict accordance  
3 with plans, specifications, and permit approved by the Director. The Director may, in the  
4 Director's judgment, order the tunnel reconstructed, relocated, readjusted, or repaired at the  
5 Permittee's own cost and expense because of: the deterioration or unsafe condition of the tunnel  
6 or the installation, construction, reconstruction, maintenance, operation or repair of any  
7 municipally-owned public utilities, or for any other cause.

8           Section 7. **Failure to correct unsafe condition.** After notice to the Permittee and failure  
9 of the Permittee to correct any unsafe conditions within the time stated in the notice, the Director  
10 may order the tunnel be closed or removed at the Permittee's expense if the Director deems that  
11 it has become unsafe or creates a risk of injury to the public. If there is an immediate threat to  
12 the health or safety of the public, a notice to correct is not required.

13           Section 8. **Continuing obligation to remove and restore.** Notwithstanding termination  
14 or expiration of the permission granted, or closure or removal of the tunnel, the Permittee shall  
15 remain bound by its obligation under this ordinance until:  
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- 17           (a) the tunnel and all its equipment and property are removed from the right-of-way;  
18           (b) the area is cleared and restored in a manner and to a condition satisfactory to the  
19           Director; and  
20           (c) the Director certifies that the Permittee has discharged its obligations under this  
21 ordinance.  
22

23           Upon prior notice to the Permittee and entry of written findings that it is in the public interest, the  
24 Director may, in the Director's sole discretion, conditionally or absolutely excuse the Permittee  
25

1 from compliance with all or any of the Permittee's obligations to remove the tunnel and its  
2 property and to restore any disturbed areas.

3       Section 9. **Release, hold harmless, indemnification, and duty to defend.** The tunnel  
4 shall remain the exclusive responsibility of the Permittee, and the Permittee agrees to maintain  
5 the tunnel in good and safe condition for use by the public. The Permittee, by acceptance of the  
6 terms of this ordinance and the permission granted, releases the City from any and all claims  
7 resulting from damage or loss to the Permittee's property and covenants and agrees for itself with  
8 the City, to at all times protect and save harmless the City from all claims, actions, suits, liability,  
9 loss, costs, expense or damages of every kind and description, excepting only damages that may  
10 result from the sole negligence of the City, that may accrue to, or be suffered by, any person or  
11 persons and/or property or properties, including without limitation, damage or injury to the  
12 Permittee, its officers, agents, employees, contractors, invitees, tenants and tenants' invitees, or  
13 licensees, by reason of the construction, maintenance, operation or use of the tunnel, or any  
14 portion thereof, or by reason of anything that has been done or may at any time be done by the  
15 Permittee by reason of this ordinance or by reason of the Permittee failing or refusing to strictly  
16 comply with each and every provision of this ordinance.  
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20       If any suit, action or claim of the nature described above is filed, instituted or begun  
21 against the City, the Permittee shall, upon notice thereof from the City, defend the same at its or  
22 their sole cost and expense, and in case judgment shall be rendered against the City in any suit or  
23 action, the Permittee shall fully satisfy said judgment within 90 days after such action or suit  
24 shall have been finally determined, if determined adversely to the City. If it is determined by a  
25 court of competent jurisdiction that Revised Code of Washington (RCW) 4.24.115 applies to this  
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1 ordinance, then in the event claims or damages are caused by or result from the concurrent  
2 negligence of:

- 3 (a) the City, its agents, contractors or employees; and,
- 4 (b) the Permittee, its agents, contractors, or employees;

5 this indemnity provision shall be valid and enforceable only to the extent of the negligence of the  
6 Permittee or the Permittee's agents, contractors, or employees.  
7

8 Section 10. **Insurance.** For as long as the Permittee shall exercise any permission  
9 granted by this ordinance and until the tunnel is entirely removed from its location as described  
10 in Section 1, or until discharged by order of the Director as provided in Section 5, the Permittee  
11 shall obtain and maintain in full force and effect, at its own expense, insurance that protects the  
12 City from claims and risks of loss from perils that can be insured against under commercial  
13 general liability (CGL) insurance policies in conjunction with:  
14

- 15 (a) construction, reconstruction, operation, maintenance, use or existence of the tunnel  
16 permitted by this ordinance and of any and all portions of the tunnel;
- 17 (b) the Permittee's activity upon, or the use or occupation of the area described in  
18 Section 1 of this ordinance; and
- 19 (c) claims and risks in connection with any activity performed by the Permittee by virtue  
20 of the permission granted by this ordinance.  
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22 Minimum insurance requirements are CGL insurance based on the Insurance Services Office  
23 (ISO) form CG 00 01 or equivalent. The City requires insurance coverage to be placed with an  
24 insurer admitted and licensed to conduct business in Washington State or with a surplus lines  
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1 carrier pursuant to RCW Chapter 48.15, except that if it is infeasible to obtain coverage with the  
2 required insurer, the City may approve an alternative insurer.

3 Minimum limits of liability shall be \$2,000,000 each occurrence combined single limit  
4 bodily injury and property damage, with \$4,000,000 annual aggregate. Coverage shall name the  
5 "City of Seattle, its elected and appointed officers, officials, employees and agents" as additional  
6 insureds for primary and non-contributory limits of liability subject to a Separation of Insureds  
7 clause.  
8

9 Permittee shall provide to the City, or cause to be provided, certification of insurance  
10 coverage consisting of the CGL declarations page, schedule of forms and endorsements, and  
11 blanket or additional insured policy provision per the ISO CG 20 12 or equivalent. The insurance  
12 coverage certification shall be delivered or sent to the Director or to the department and address  
13 as the Director may specify, from time to time, in writing.  
14

15 Should the Permittee be self-insured, a letter of certification from the Corporate Risk  
16 Manager or appropriate Finance Officer may be submitted in lieu of the insurance coverage  
17 certification required by this ordinance, if approved in writing by the City Risk Manager. The  
18 letter of certification must provide all information required by the City Risk Manager and  
19 document, to the satisfaction of the City Risk Manager, that self-insurance equivalent to the  
20 insurance requirements of this ordinance is in force. After a self-insurance certification is  
21 approved, the City may subsequently from time to time require updated or additional  
22 information. The approved self-insured Permittee must provide 30 days notice of any  
23 cancellation or material adverse financial condition of its self-insurance program. The City may  
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1 at any time revoke approval of self-insurance and require the Permittee to obtain and maintain  
2 insurance as specified in this ordinance.

3       Section 11. **Contractor insurance.** The Permittee shall contractually require that any  
4 and all of its contractors performing work on any premises contemplated by this permit name the  
5 “City of Seattle, its elected and appointed officers, officials, employees and agents” as additional  
6 insureds for primary and non-contributory limits of liability on all CGL, Automobile and  
7 Pollution liability insurance and/or self-insurance. The Permittee shall also include in all contract  
8 documents with its contractors a third party beneficiary provision extending construction  
9 indemnities and warranties granted to Permittee to the City as well.  
10

11       Section 12. **Performance bond.** Within 60 days after the effective date of this ordinance  
12 the Permittee shall deliver to the Director for filing with the City Clerk a sufficient bond in the  
13 sum of \$60,000 executed by a surety company authorized and qualified to do business in the  
14 State of Washington, conditioned that the Permittee will comply with each and every provision  
15 of this ordinance and with each and every order of the Director issued under this ordinance. The  
16 Permittee shall ensure that the bond shall remain in effect until the tunnel is entirely removed  
17 from its location as described in Section 1, or until the Permittee is discharged by order of the  
18 Director as provided in Section 5. An irrevocable letter of credit approved by the City Risk  
19 Manager may be substituted for the bond.  
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22       Section 13. **Adjustment of insurance and bond requirements.** The Director, in  
23 consultation with the City Risk Manager, may adjust minimum levels of liability insurance and  
24 surety bond requirements during the term of this permission. If the Director and City Risk  
25 Manager determine that an adjustment is necessary to fully protect the interests of the City, the  
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1 Director shall notify the Permittee of the new requirements in writing. Upon receipt, the  
2 Permittee shall, within 60 days, provide proof of the adjusted insurance and surety bond levels to  
3 the Director.

4           Section 14. **Consent for and conditions of assignment or transfer.** The rights,  
5 privileges and authority granted shall not be assignable or transferable by operation of law; nor  
6 shall the Permittee assign, mortgage, pledge or encumber the same without the Director's  
7 consent, which the Director shall not unreasonably refuse. The Director may approve assignment  
8 and/or transfer of the permit to a successor entity in the case of a change of name and/or  
9 ownership if the successor or assignee has demonstrated its acceptance of all of the terms of the  
10 permission provided by this ordinance.  
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12           Section 15. **Inspection fees.** The Permittee shall, as provided by SMC Chapter 15.76,  
13 pay to the City the amounts charged by the City as costs to inspect the tunnel during  
14 reconstruction, repair, annual structural inspections, and at other times deemed necessary to  
15 ensure the safety of the tunnel.  
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17           Section 16. **Inspection reports.** The Permittee shall submit to the Director, or to the  
18 Department of Transportation at an address as the Director may specify in writing from time to  
19 time, an inspection report that:  
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- 21           (a) describes the physical dimensions and condition of all load bearing elements,  
22           (b) describes any damages or possible repairs to any element of the tunnel,  
23           (c) prioritizes all repairs and establishes a timeframe for making repairs, and  
24           (d) is stamped by a professional structural engineer licensed in the State of  
25

26           Washington.  
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1 The report shall be submitted within 60 days after the effective date of this ordinance; subsequent  
2 reports shall be submitted biennially, within 30 days prior to the anniversary date of the effective  
3 date of this ordinance; or in the event of a natural disaster or other event that may have damaged  
4 the tunnel, the report shall be submitted by the date established by the Director.

5  
6 Section 17. **Annual fee.** Permittee shall promptly pay to the City, upon statements or  
7 invoices issued by the Director, an annual fee for the privileges granted by this ordinance in the  
8 amount of \$6,336, beginning on November 1, 2010, and adjusted annually thereafter.

9 Adjustments to the annual fee shall be made in accordance with a term permit fee schedule  
10 adopted by the City Council and may be made every year. In the absence of a schedule, the  
11 Director may only increase or decrease the previous year's fee to reflect any inflationary changes  
12 so as to charge the fee in constant dollar terms. This adjustment will be calculated by adjusting  
13 the previous year's fee by the percentage change between the two most recent year-end values  
14 available from the Consumer Price Index for the Seattle-Tacoma-Bremerton Area, All Urban  
15 Consumers, All Products, Not Seasonally Adjusted. All payments shall be made to the City  
16 Finance Director for credit to the Transportation Operating Fund.  
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19 Section 18. **Non-discrimination.** The Permittee shall comply with the City's laws  
20 prohibiting discrimination in employment and contracting, including Seattle's Fair Employment  
21 Practices Ordinance, Chapter 14.04 and Fair Contracting Practices code, Chapter 14.10.  
22

23 Section 19. **Acceptance of terms and conditions.** The Permittee shall deliver to the  
24 Director its written signed acceptance of the terms of this ordinance within 60 days after the  
25 effective date of this ordinance. The Director shall file the written acceptance with the City  
26 Clerk. If no such acceptance is received within that 60-day period, the privileges conferred by  
27



1 this ordinance shall be deemed declined or abandoned and the permission granted deemed lapsed  
2 and forfeited.

3           **Section 20. Successors and assigns.** The rights conferred to the Permittee and the  
4 obligations and conditions imposed on the Permittee through this ordinance are also conferred  
5 and imposed on the Permittee’s successors and assigns. All references in this ordinance to the  
6 “Permittee” shall be deemed to refer also to the successors and assigns of the Permittee.  
7 References in this ordinance to “Permittee and its successors and assigns” or “Permittee or its  
8 successors and assigns” are included as reminders and do not limit the scope of “Permittee” used  
9 alone.  
10

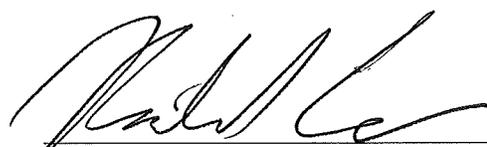
11           **Section 21. Ratify and confirm.** Any act taken by the City or the Permittee pursuant to  
12 the authority and in compliance with the conditions of this ordinance, but prior to the effective  
13 date, is hereby ratified and confirmed.  
14

15           **Section 22.** This ordinance shall take effect and be in force 30 days from and after its  
16 approval by the Mayor, but if not approved and returned by the Mayor within ten days after  
17 presentation, it shall take effect as provided by Seattle Municipal Code Section 1.04.020.  
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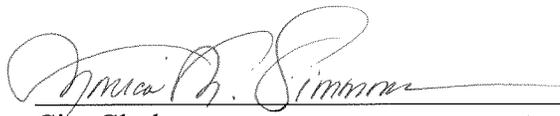
Passed by the City Council the 14<sup>th</sup> day of February, 2011, and signed by  
me in open session in authentication of its passage this  
14<sup>th</sup> day of February, 2011.

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

Approved by me this 18<sup>th</sup> day of February, 2011.

  
\_\_\_\_\_  
Michael McGinn, Mayor

Filed by me this 18<sup>th</sup> day of February, 2011.

  
\_\_\_\_\_  
City Clerk

(Seal)



**FISCAL NOTE FOR NON-CAPITAL PROJECTS**

<b>Department:</b>	<b>Contact Person/Phone:</b>	<b>CBO Analyst/Phone:</b>
Seattle Department of Transportation	Angela Steel/684-5967	Stephen Barham/733-9084

**Legislation Title:**

AN ORDINANCE granting LHCS Hotel Holdings (2002), L.L.C. permission to maintain and operate a pedestrian tunnel under and across Seneca Street, between 4<sup>th</sup> and 5<sup>th</sup> Avenues, for a ten-year term, renewable for two successive ten-year terms; specifying the conditions under which this permit is granted; providing for the acceptance of the permit and conditions; and ratifying and confirming certain prior acts.

**Summary of the Legislation:**

This legislation will allow LHCS Hotel Holdings (2002), L.L.C. to continue maintaining and operating the existing pedestrian tunnel located under and across Seneca Street, between 4<sup>th</sup> and 5<sup>th</sup> Avenues. An area map is attached for reference.

This pedestrian tunnel permit is for a term of ten years commencing from the expiration of the last term permit on October 31, 2010. The legislation specifies the conditions under which authorization is granted and provides for acceptance of the permit and conditions.

LHCS Hotel Holdings (2002), L.L.C. is to pay the City of Seattle an annual fee of \$6,336 commencing from the last paid annual fee invoice, November 1, 2010, and annually thereafter. Adjustments to the annual fee may be made every year and if so made shall be calculated in accordance with a term permit fee schedule adopted by the City Council by Ordinance 123485. An Annual Fee Appraisal Summary is attached for reference.

**Background:**

By Ordinance 109601, the City granted permission to Urban/Four Seasons Hotel Venture to construct, maintain, and operate a pedestrian tunnel under Seneca Street, between 4<sup>th</sup> and 5<sup>th</sup> Avenues, for a 30-year term.

The conditions of Ordinance 109601 were amended by Ordinances 120507 and 121855 and Resolution 28332. The permission authorized by Ordinance 109601 was renewed by Resolutions 28332 and 30380 and expired on October 31, 2010.

Please check one of the following:



**This legislation does not have any financial implications.**  
(Stop here and delete the remainder of this document prior to saving and printing.)

**This legislation has financial implications.** (Please complete all relevant sections that follow.)

**Appropriations:** N/A

**Anticipated Revenue/Reimbursement: Resulting from this Legislation:**

This table should reflect revenues/reimbursements that are a direct result of this legislation. In the event that the issues/projects associated with this ordinance/resolution have revenues or reimbursements that were, or will be, received because of previous or future legislation or budget actions, please provide details in the Notes section below the table.

<b>Fund Name and Number</b>	<b>Department</b>	<b>Revenue Source</b>	<b>2011 Revenue</b>	<b>2012 Revenue</b>
Transportation Operating Fund 10310	Seattle Department of Transportation	Annual Fee --	\$6,336 (2010 fee) + \$6,336 (2011 fee)	TBD
<b>TOTAL</b>			<b>\$12,672</b>	<b>TBD</b>

Revenue/Reimbursement Notes: N/A

**Total Regular Positions Created, Modified, or Abrogated through this Legislation, Including FTE Impact:** N/A

**Do positions sunset in the future?** No.  
(If yes, identify sunset date)

**Spending/Cash Flow:** N/A

**What is the financial cost of not implementing the legislation?**

If the legislation is not enacted by the City Council, the City of Seattle will not receive the annual fee of \$6,336 for at least ten years. The City of Seattle has the option to adjust the fee amount on an annual basis. The pedestrian tunnel, as originally permitted under Ordinance 109601, will no longer be permitted.

**Does this legislation affect any departments besides the originating department?**

None.

**What are the possible alternatives to the legislation that could achieve the same or similar objectives?**

None.



Angela Steel  
SDOT, Fairmont Olympic Tunnel FISC  
January 12, 2010  
Version #2a

**Is the legislation subject to public hearing requirements?**

No.

**Other Issues:** (Include long-term implications of the legislation.)

N/A

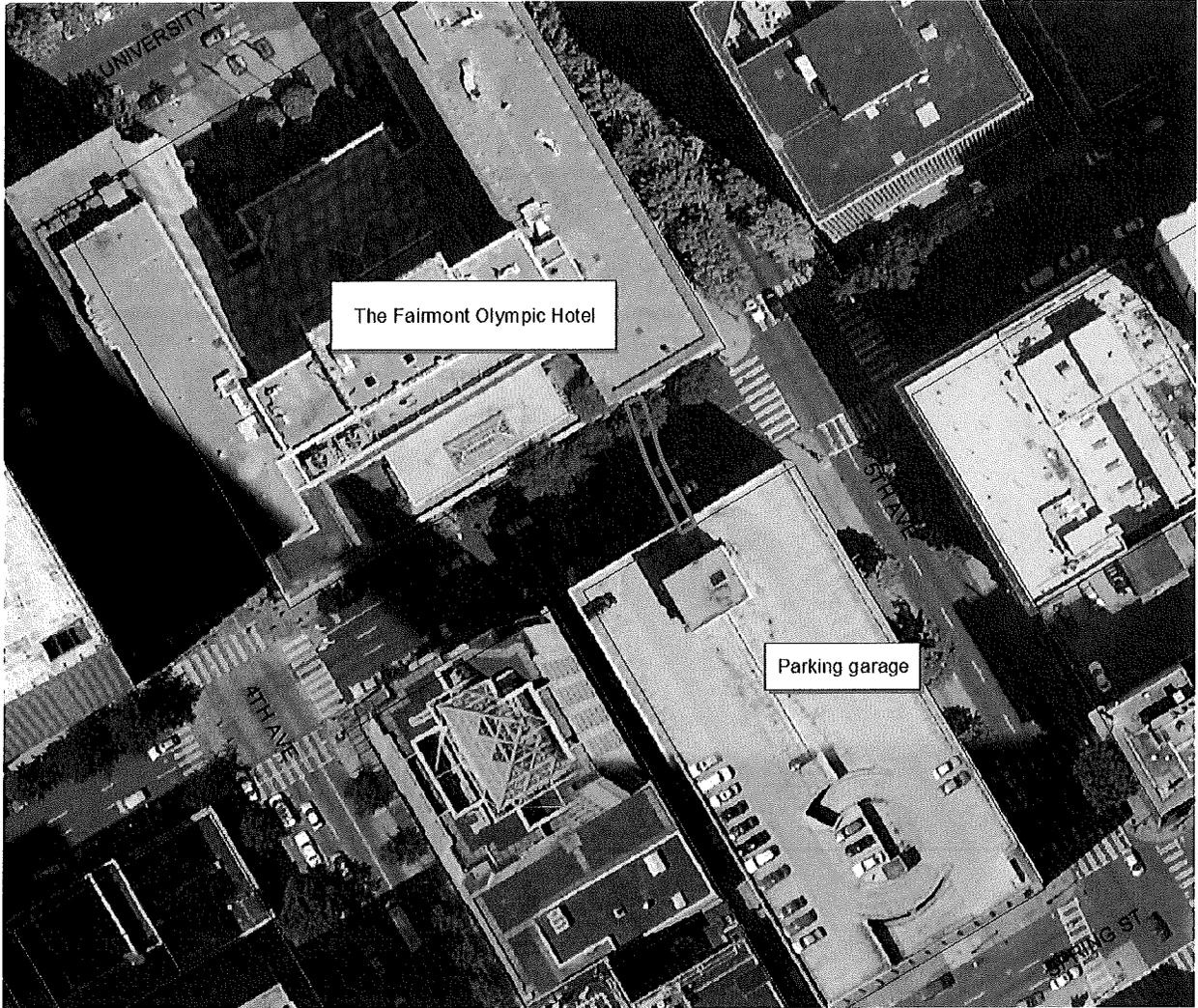
**List attachments to the fiscal note below:**

Attachment A – Fairmont Olympic Hotel Tunnel Area Map

Attachment B - Annual Fee Assessment Summary



Attachment A – Fairmont Olympic Hotel Tunnel Area Map



Map is for informational purposes only and is not intended to modify or supplement the description of the concourse location in the Ordinance.



Attachment B - Annual Fee Assessment Summary

STREET USE ANNUAL FEE ASSESSMENT

Date: 12/17/10

<p>Summary: <b>Land Value:</b> \$600/SF <b>First Year Permit Fee:</b> \$6,336</p>
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**I. Property Description:**

Existing subsurface pedestrian tunnel between the Fairmont Olympic Hotel and parking garage. Located under and across Seneca Street, between 4<sup>th</sup> and 5<sup>th</sup> Avenues. Connecting Tax parcels are 0002400003 (Fairmont Olympic Hotel) and 0942000170 (parking garage). Permit is for a **528 square foot area.**

**Applicant:**

LHCS Hotel Holdings (2002), L.L.C.

**Abutting Parcels, Property Size, Assessed Value:**

1. Parcel 0002400003; 147,500 square feet

Tax year 2010 Appraised Land Value \$88,500,000  
Assessed at \$600/SF

2. Parcel 0942000170; 28,800 square feet

Tax year 2010 Appraised Land Value \$17,280,000  
Assessed at \$600/SF

Average 2010 tax assessed land value: \$600/SF

**II. Conclusion:**

The value of the subsurface pedestrian tunnel is estimated at \$600 per square foot. The first year permit fee should be calculated as follows:  $(\$600/\text{SF}) \times (528 \text{ SF}) \times (25\%) \times (8\%) = \underline{\$6,336}$ , where 25% is the degree of alienation multiplier and 8% is the rate of return.

Fee methodology authorized under Ordinance 123485.





**City of Seattle**  
Office of the Mayor

January 18, 2011

Honorable Richard Conlin  
President  
Seattle City Council  
City Hall, 2<sup>nd</sup> Floor

Dear Council President Conlin:

I am pleased to transmit the attached proposed Council Bill that will grant to LHCS Hotel Holdings (2002), L.L.C. a new ten-year permit for a pedestrian tunnel under and across Seneca Street, between 4<sup>th</sup> and 5<sup>th</sup> Avenues, renewable for two additional ten-year terms.

Use of the existing pedestrian tunnel under Seneca, which was initially authorized by Ordinance 109601, provides an underground connection between the Fairmont Olympic Hotel and a parking garage. In addition to granting a new permit, the proposed Council Bill updates the insurance and bond requirements, updates the annual fee, and specifies the conditions under which authorization is granted.

Thank you for your consideration of this legislation. Should you have questions, please contact Angela Steel at (206) 684-5967.

Sincerely,

Michael McGinn  
Mayor of Seattle

cc: Honorable Members of the Seattle City Council



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STATE OF WASHINGTON – KING COUNTY

--SS.

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267714  
CITY OF SEATTLE, CLERKS OFFICE

No. TITLE ONLY

**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:123536,538-123541

was published on

02/28/11

The amount of the fee charged for the foregoing publication is the sum of \$ 81.90, which amount has been paid in full.



Affidavit of Publication

Subscribed and sworn to before me on

02/28/11

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 February 14, 2011, and published here by title only, will be mailed upon request, or can be accessed at <http://clerk.seattle.gov>. For further information, contact the Seattle City Clerk at 684-8344.

#### ORDINANCE NO. 123536

AN ORDINANCE relating to land use and zoning; amending Chapter 23.32 of the Seattle Municipal Code at page 188 of the Official Land Use Map to rezone property located at 9125 Yukon Avenue South from Single Family 5000 (SF 5000) to Lowrise 1 (L1). (Petition by Tony Case, C.F. 310852, DPD Project 3006392)

#### ORDINANCE NO. 123538

AN ORDINANCE relating to the Holly Park redevelopment project; authorizing the Director of Seattle Public Utilities to execute a Public Infrastructure Agreement with the Seattle Housing Authority for the recovery of the remaining unreimbursed cost of Seattle Public Utility contributions of Public Infrastructure to the New Holly Redevelopment Project; and accordingly amending Seattle Municipal Code Sections 21.04.060, 21.04.280, 21.04.430, and 21.28.040.

#### ORDINANCE NO. 123539

AN ORDINANCE granting LHCS Hotel Holdings (2002), L.L.C. permission to maintain and operate a pedestrian tunnel under and across Seneca Street, between 4th and 5th Avenues, for a ten-year term, renewable for two successive ten-year terms; specifying the conditions under which this permit is granted; providing for the acceptance of the permit and conditions; and ratifying and confirming certain prior acts.

#### ORDINANCE NO. 123540

AN ORDINANCE granting The Boeing Company permission to maintain and operate two pedestrian tunnels under and across 16th Avenue South, 565 feet south of East Marginal Way South, and under and across East Marginal Way South, 510 feet east of 16th Avenue South, for a ten-year term, renewable for two successive ten-year terms; specifying the conditions under which this permit is granted; providing for the acceptance of the permit and conditions; and ratifying and confirming certain prior acts.

#### ORDINANCE NO. 123541

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

Publication ordered by the City Clerk  
Date of publication in the Seattle Daily  
Journal of Commerce, February 28, 2011.  
2/28(267714)

City of Seattle  
Department of Transportation – Street Use Division  
**Mrs. Angela Steel**  
700 5<sup>th</sup> Avenue, Suite 2300  
P.O.Box 34966  
Seattle, WA, 98124-4996

FILED  
CITY OF SEATTLE  
11 MAY 18 AM 10:03  
CITY CLERK

Seattle, 05-16-2011

**RE: Ordinance #123539**

Mrs. Steel,

This letter serves as official note of acceptance for the outlined terms and conditions of above ordinance for applicant and permittee, LHCS Hotel Holdings (2002), L.L.C. and its operator, The Fairmont Olympic Hotel.

Respectfully,

  
Dennis M. Clark  
General Manager

CC: City Clerk, City of Seattle

Dennis Clark  
*General Manager*

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