

CWF-0022 & 0050
Burrus (Parcel Number
2538830530)

We will challenge both elements of the City's proposed final assessments

- Market Value Without LID is excessive
- 2.7% increase due to “special benefit” is unsupported and speculative at best

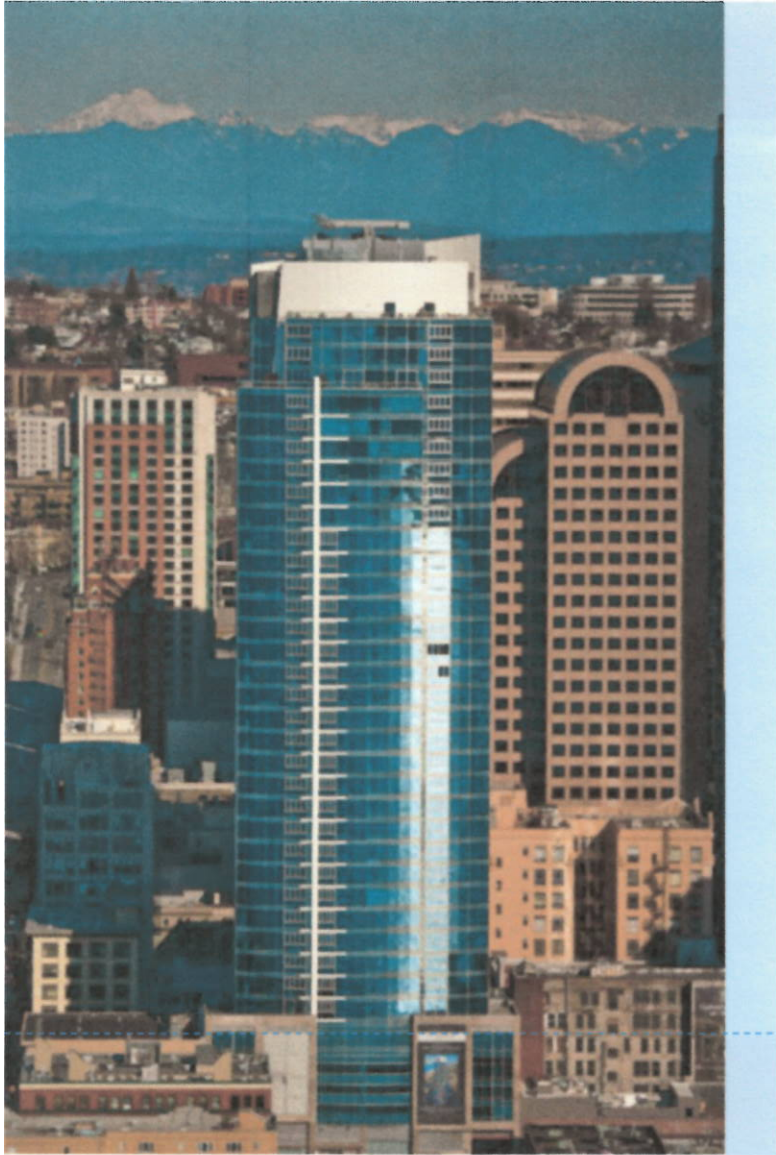
The asserted Market Value is excessive and unsupported by any evidence

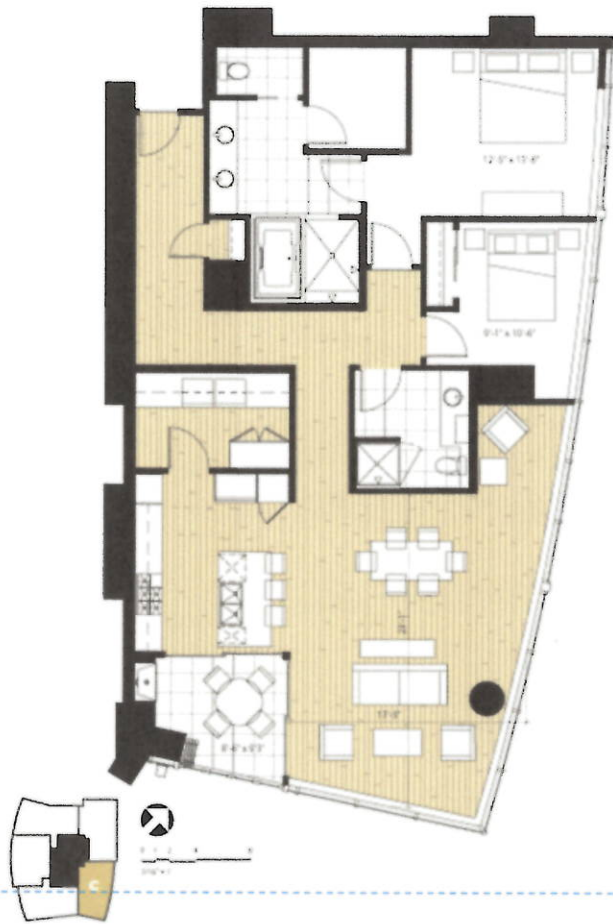
- The asserted “Market Value Without LID” assigned to our parcel is excessive and unsupported by any evidence
- Comparable sales prove that the city has over estimated the value of our property by more than 30%
- Even if the “special benefit % change” for the 1521 Second Avenue building remains 2.7% (something we dispute in other sections of our argument), the over estimation of our Market Value by more than 30% means we are being over assessed by more than 30%.

“Special Benefit” Calculation

- The City’s assessor has determined his assertion of “special benefit by assigning a “Special Benefit % Change” to our building. (He asserts that percent change for every unit in our building is a positive 2.7%, a change we dispute in other sections of our argument)
- He then assigns a “Market Value without LID” to our unit, and determines the alleged “Special Benefit” by multiplying that value by the 2.7% change.
- The “proposed final LID assessment” is then calculated by taking 39.18% of the calculated “Special Benefit”.

1521 2nd Avenue Building





“02” stack floorplan
east and south facing
views

Units from floors 7-29
have identical floorplans,
identical finish quality,
and views that vary only
by their height above the
street

Directly Comparable Sales for valuation of Unit 1702 (parcel number 2538830530)

- Unit 1002 - \$1,250,000
 - June 28, 2019
 - 6 floors below Unit 1702
- Unit 2702 - \$1,800,000
 - October 16, 2019
 - 10 floors above Unit 1702
- Unit 2902 - \$1,800,000
 - February 4, 2020
 - 12 floors above Unit 1702

(Downloaded from King County Website, Unit 2902 not yet posted on King County Assessor website)

E2996416
EXCISE TAX AFFIDAVIT
8/28/2019 10:46 AM KING COUNTY, WA
Selling Price: \$1,260,000.00
Tax Amount: \$22,386.00

Market Value for Unit 1702

- In our initial submission made on January 31, using the 1002 and 2702 comparable sales, the implied market value for Unit 1702 was between those two sales at \$1,456,250.
 - $\$1,250,000 + (\$1,800,000 - \$1,250,000)(6/16) = \$1,456,250$
- The recently closed sale of Unit 2902 at \$1,800,000 suggests an even lower value for Unit 1702 of \$1,433,333
- The City's asserted "Market Value Without LID" of \$1,901,900 is unsupported by any comparable sales, or any other reasonable valuation method. The city offers no evidence whatsoever to justify its valuation.
- The assessor's report claims that "The primary focus of the residential portion of the valuation analysis is on the Sales Comparison Approach" and that However, it is clear that no comparable sales were consulted when arriving at a "market value" for our unit. His conclusion is completely contradicted by the available information.

The City's Assessor's Market Values are arbitrary and unsupportable

- The following slides show the proposed final assessment rolls for our building.
- They show that the assessor assigned identical "Market Value Before LID" values to units in the "02 stack" from 1502 to 2602 of \$1,901,900.
- This is implausible. Higher floors command higher values. Assigning the same value to 11 floors ignores the realities of the marketplace that exist and have existed since the building was constructed. It proves that the city's assessor based his "Market Value Before LID" not on any evidence, but on an arbitrary value. Despite the Assessor's claim that "value adjustments were made based upon an individual unit's floor placement" it is clear that he did not do this for units in our building.
- These alleged values should be disregarded as they are contrary to all existing evidence, are unsupported by any evidence offered by the City, contradict the assessor's claimed methodology, and are implausible on their face.

Waterfront Seattle Final Special Benefit Study Residential Condominiums and Associated Commercial																	
U.S. Map Number	King Co. Property Tax ID	County	City	Property Name	Tax Payer Name	Property Address	Zoning	Land Area/SF	Gross Building Area/SF	Net Building Area/SF	Highest and Best Use Without LID	Market Value Without LID	Highest and Best Use With LID	Market Value With LID	Special Benefit	Special Benefit % Change	Total Assessment
E-024-065	609450-0700	King	Seattle	16 UNION CONDOMINIUM (Condo Air Rights)	ANANDAN RAMANANBHAM	16 UNION ST. SEATTLE 98101	PMM-85	17,751	77,824	938	Mixed Use/Residential	\$502,800	Mixed Use/Residential	\$517,884	\$15,084	3.00%	\$5,933
E-024-066	609450-0732	King	Seattle	16 UNION CONDOMINIUM (Condo Air Rights)	CANADY JAMI	16 UNION ST. SEATTLE 98101	PMM-85	17,751	77,824	772	Mixed Use/Residential	\$482,500	Mixed Use/Residential	\$496,975	\$14,475	3.00%	\$5,672
E-024-068	609450-0730	King	Seattle	16 UNION CONDOMINIUM (Condo Air Rights)	DEWITT H RANDI	16 UNION ST. SEATTLE 98101	PMM-85	17,751	77,824	969	Mixed Use/Residential	\$581,400	Mixed Use/Residential	\$598,842	\$17,442	3.00%	\$6,834
E-024-069	609450-0740	King	Seattle	16 UNION CONDOMINIUM (Condo Air Rights)	ROONEY DAWN FAIRLEY	16 UNION ST. SEATTLE 98101	PMM-85	17,751	77,824	1,263	Mixed Use/Residential	\$757,800	Mixed Use/Residential	\$780,534	\$22,734	3.00%	\$8,908
E-024-070	609450-0760	King	Seattle	16 UNION CONDOMINIUM (Condo Air Rights)	MAGNANO PAUL	16 UNION ST. SEATTLE 98101	PMM-85	17,751	77,824	838	Mixed Use/Residential	\$502,800	Mixed Use/Residential	\$517,884	\$15,084	3.00%	\$5,933
E-024-071	609450-0760	King	Seattle	16 UNION CONDOMINIUM (Condo Air Rights)	KELBAUGH DOUGLAS	16 UNION ST. SEATTLE 98101	PMM-85	17,751	77,824	2,073	Mixed Use/Residential	\$1,762,250	Mixed Use/Residential	\$1,814,911	\$52,661	3.00%	\$20,712
E-024-072	609450-0720	King	Seattle	16 UNION CONDOMINIUM (Condo Air Rights)	MILLER SHAWN	16 UNION ST. SEATTLE 98101	PMM-85	17,751	77,824	1,291	Mixed Use/Residential	\$777,000	Mixed Use/Residential	\$800,310	\$23,310	3.00%	\$8,133
E-024-073	609450-0780	King	Seattle	16 UNION CONDOMINIUM (Condo Air Rights)	EWISTAR DAVID	16 UNION ST. SEATTLE 98101	PMM-85	17,751	77,824	1,211	Mixed Use/Residential	\$726,600	Mixed Use/Residential	\$748,398	\$21,798	3.00%	\$8,543
E-024-074	609450-0790	King	Seattle	16 UNION CONDOMINIUM (Condo Air Rights)	MAJOLEN CLIFTON & LINDA E	16 UNION ST. SEATTLE 98101	PMM-85	17,751	77,824	1,007	Mixed Use/Residential	\$604,200	Mixed Use/Residential	\$622,326	\$18,126	3.00%	\$7,102
E-024-075	609450-0820	King	Seattle	16 UNION CONDOMINIUM (Condo Air Rights)	ROCHE STEPHAN-CATHERINE	16 UNION ST. SEATTLE 98101	PMM-85	17,751	77,824	1,171	Mixed Use/Residential	\$615,700	Mixed Use/Residential	\$644,291	\$28,591	3.00%	\$9,637
E-024-076	609450-0830	King	Seattle	16 UNION CONDOMINIUM (Condo Air Rights)	LAGERBERG STEVEN	16 UNION ST. SEATTLE 98101	PMM-85	17,751	77,824	990	Mixed Use/Residential	\$693,000	Mixed Use/Residential	\$713,790	\$20,790	3.00%	\$8,144
E-024-077	609450-0770	King	Seattle	16 UNION CONDOMINIUM (Condo Air Rights)	STAVIS GORDON HYDAN W	16 UNION ST. SEATTLE 98101	PMM-85	17,751	77,824	2,397	Mixed Use/Residential	\$2,087,450	Mixed Use/Residential	\$2,098,579	\$11,129	3.00%	\$43,950
E-028	197720-0015	King	Seattle	The Emerald	MIRADOR CW LLC	1121 2ND AVE SEATTLE 98101	DMC 240/290-440	16,190	271,986	271,986	Condominium/Mixed Use	\$181,340,000	Condominium/Mixed Use	\$181,340,914	\$914	1.00%	\$788,704
E-035	253883-0000	King	Seattle	FIFTEEN TWENTY ONE SECOND AVENUE		1121 2ND AVE SEATTLE 98101	DMC 240/290-440	16,190	271,986	271,986	Condominium/Mixed Use		Condominium/Mixed Use			2.70%	
E-035-004	253883-0000	King	Seattle	FIFTEEN TWENTY ONE SECOND AVENUE	WYBER BLANE JACQUE M BBN	1121 2ND AVE SEATTLE 98101	DMC 240/290-440	16,190	271,986	1,811	Mixed Use/Residential	\$2,594,900	Mixed Use/Residential	\$2,617,866	\$22,966	2.70%	\$34,901
E-035-005	253883-0070	King	Seattle	FIFTEEN TWENTY ONE SECOND AVENUE	KEYSER CHRISTOPHER	1121 2ND AVE SEATTLE 98101	DMC 240/290-440	16,190	271,986	1,919	Mixed Use/Residential	\$2,958,000	Mixed Use/Residential	\$2,981,893	\$23,893	2.70%	\$35,721
E-035-006	253883-0030	King	Seattle	FIFTEEN TWENTY ONE SECOND AVENUE	SALBERG MICHAEL J-HARRON	1121 2ND AVE SEATTLE 98101	DMC 240/290-440	16,190	271,986	1,729	Mixed Use/Residential	\$2,729,000	Mixed Use/Residential	\$2,756,483	\$27,483	2.70%	\$38,291
E-035-007	253883-0080	King	Seattle	FIFTEEN TWENTY ONE SECOND AVENUE	DEWALT ANTHONY-DOINA	1121 2ND AVE SEATTLE 98101	DMC 240/290-440	16,190	271,986	1,642	Mixed Use/Residential	\$2,134,000	Mixed Use/Residential	\$2,162,384	\$28,384	2.70%	\$32,581
E-035-008	253883-0100	King	Seattle	FIFTEEN TWENTY ONE SECOND AVENUE	JOHN LUTCHER	1121 2ND AVE SEATTLE 98101	DMC 240/290-440	16,190	271,986	1,710	Mixed Use/Residential	\$2,223,000	Mixed Use/Residential	\$2,251,021	\$28,021	2.70%	\$32,518
E-035-009	253883-0120	King	Seattle	FIFTEEN TWENTY ONE SECOND AVENUE	NOTTSKY JAMES E-HA M	1121 2ND AVE SEATTLE 98101	DMC 240/290-440	16,190	271,986	1,968	Mixed Use/Residential	\$1,968,000	Mixed Use/Residential	\$2,001,136	\$33,136	2.70%	\$32,020
E-035-010	253883-0140	King	Seattle	FIFTEEN TWENTY ONE SECOND AVENUE	ACKELLEY PATRICK	1121 2ND AVE SEATTLE 98101	DMC 240/290-440	16,190	271,986	1,729	Mixed Use/Residential	\$1,729,000	Mixed Use/Residential	\$1,775,683	\$46,683	2.70%	\$38,291
E-035-011	253883-0140	King	Seattle	FIFTEEN TWENTY ONE SECOND AVENUE	JOHN CINDY	1121 2ND AVE SEATTLE 98101	DMC 240/290-440	16,190	271,986	1,644	Mixed Use/Residential	\$2,137,200	Mixed Use/Residential	\$2,194,904	\$57,704	2.70%	\$32,610
E-035-012	253883-0160	King	Seattle	FIFTEEN TWENTY ONE SECOND AVENUE	SPUNK BLAIR-ERIC	1121 2ND AVE SEATTLE 98101	DMC 240/290-440	16,190	271,986	1,723	Mixed Use/Residential	\$2,239,900	Mixed Use/Residential	\$2,300,377	\$60,477	2.70%	\$32,696
E-035-013	253883-0160	King	Seattle	FIFTEEN TWENTY ONE SECOND AVENUE	W T B FINANCIAL CORPORATION	1121 2ND AVE SEATTLE 98101	DMC 240/290-440	16,190	271,986	1,824	Mixed Use/Residential	\$2,371,200	Mixed Use/Residential	\$2,435,222	\$64,022	2.70%	\$32,081
E-035-014	253883-0170	King	Seattle	FIFTEEN TWENTY ONE SECOND AVENUE	BENEFORD SHIRLEY A	1121 2ND AVE SEATTLE 98101	DMC 240/290-440	16,190	271,986	1,968	Mixed Use/Residential	\$1,968,000	Mixed Use/Residential	\$2,001,136	\$33,136	2.70%	\$32,020
E-035-015	253883-0180	King	Seattle	FIFTEEN TWENTY ONE SECOND AVENUE	NOTH GREGORY	1121 2ND AVE SEATTLE 98101	DMC 240/290-440	16,190	271,986	1,729	Mixed Use/Residential	\$1,729,000	Mixed Use/Residential	\$1,775,683	\$46,683	2.70%	\$38,291
E-035-016	253883-0190	King	Seattle	FIFTEEN TWENTY ONE SECOND AVENUE	LAARRO ROSS	1121 2ND AVE SEATTLE 98101	DMC 240/290-440	16,190	271,986	1,644	Mixed Use/Residential	\$2,137,200	Mixed Use/Residential	\$2,194,904	\$57,704	2.70%	\$32,610
E-035-017	253883-0200	King	Seattle	FIFTEEN TWENTY ONE SECOND AVENUE	MALURIE E-OSBETH	1121 2ND AVE SEATTLE 98101	DMC 240/290-440	16,190	271,986	1,723	Mixed Use/Residential	\$2,239,900	Mixed Use/Residential	\$2,300,377	\$60,477	2.70%	\$32,696
E-035-018	253883-0210	King	Seattle	FIFTEEN TWENTY ONE SECOND AVENUE	UNG DOROTHY H	1121 2ND AVE SEATTLE 98101	DMC 240/290-440	16,190	271,986	1,824	Mixed Use/Residential	\$2,435,222	Mixed Use/Residential	\$2,495,222	\$60,000	2.70%	\$32,081
E-035-019	253883-0220	King	Seattle	FIFTEEN TWENTY ONE SECOND AVENUE	NAEL BENEFIT P-HOMAS	1121 2ND AVE SEATTLE 98101	DMC 240/290-440	16,190	271,986	1,968	Mixed Use/Residential	\$2,064,400	Mixed Use/Residential	\$2,123,193	\$58,793	2.70%	\$32,861
E-035-020	253883-0230	King	Seattle	FIFTEEN TWENTY ONE SECOND AVENUE	HO PAUL CHUNG-DAUNG	1121 2ND AVE SEATTLE 98101	DMC 240/290-440	16,190	271,986	1,729	Mixed Use/Residential	\$1,815,450	Mixed Use/Residential	\$1,864,467	\$49,017	2.70%	\$32,204
E-035-021	253883-0240	King	Seattle	FIFTEEN TWENTY ONE SECOND AVENUE	WARD MICHAEL-STEPHANE M	1121 2ND AVE SEATTLE 98101	DMC 240/290-440	16,190	271,986	1,644	Mixed Use/Residential	\$2,137,200	Mixed Use/Residential	\$2,194,904	\$57,704	2.70%	\$32,610
E-035-022	253883-0250	King	Seattle	FIFTEEN TWENTY ONE SECOND AVENUE	TSUKAMOTO YUKO	1121 2ND AVE SEATTLE 98101	DMC 240/290-440	16,190	271,986	1,723	Mixed Use/Residential	\$2,239,900	Mixed Use/Residential	\$2,300,377	\$60,477	2.70%	\$32,696
E-035-023	253883-0260	King	Seattle	FIFTEEN TWENTY ONE SECOND AVENUE	MCALIGHT T DEANNA M-TTEE	1121 2ND AVE SEATTLE 98101	DMC 240/290-440	16,190	271,986	1,824	Mixed Use/Residential	\$2,371,200	Mixed Use/Residential	\$2,435,222	\$64,022	2.70%	\$32,081
E-035-024	253883-0270	King	Seattle	FIFTEEN TWENTY ONE SECOND AVENUE	ANTONEN VERONICA-CLAUDIA	1121 2ND AVE SEATTLE 98101	DMC 240/290-440	16,190	271,986	1,968	Mixed Use/Residential	\$2,064,400	Mixed Use/Residential	\$2,123,193	\$58,793	2.70%	\$32,861
E-035-025	253883-0280	King	Seattle	FIFTEEN TWENTY ONE SECOND AVENUE	COOKE ERIN A	1121 2ND AVE SEATTLE 98101	DMC 240/290-440	16,190	271,986	1,729	Mixed Use/Residential	\$1,815,450	Mixed Use/Residential	\$1,864,467	\$49,017	2.70%	\$32,204
E-035-026	253883-0290	King	Seattle	FIFTEEN TWENTY ONE SECOND AVENUE	WIKER GREGORY-JANIS L	1121 2ND AVE SEATTLE 98101	DMC 240/290-440	16,190	271,986	1,644	Mixed Use/Residential	\$2,137,200	Mixed Use/Residential	\$2,194,904	\$57,704	2.70%	\$32,610
E-035-027	253883-0300	King	Seattle	FIFTEEN TWENTY ONE SECOND AVENUE	AUSTIN MARYBETH	1121 2ND AVE SEATTLE 98101	DMC 240/290-440	16,190	271,986	1,723	Mixed Use/Residential	\$2,239,900	Mixed Use/Residential	\$2,300,377	\$60,477	2.70%	\$32,696
E-035-028	253883-0310	King	Seattle	FIFTEEN TWENTY ONE SECOND AVENUE	THORSEN MARK & ARLENE	1121 2ND AVE SEATTLE 98101	DMC 240/290-440	16,190	271,986	1,824	Mixed Use/Residential	\$2,371,200	Mixed Use/Residential	\$2,435,222	\$64,022	2.70%	\$32,081
E-035-029	253883-0320	King	Seattle	FIFTEEN TWENTY ONE SECOND AVENUE	HARTMAN JEFFREY & LUCINDA	1121 2ND AVE SEATTLE 98101	DMC 240/290-440	16,190	271,986	1,968	Mixed Use/Residential	\$2,064,400	Mixed Use/Residential	\$2,123,193	\$58,793	2.70%	\$32,861
E-035-030	253883-0330	King	Seattle	FIFTEEN TWENTY ONE SECOND AVENUE	CHEN AMOS-WANG LINDA	1121 2ND AVE SEATTLE 98101	DMC 240/290-440	16,190	271,986	1,729	Mixed Use/Residential	\$1,815,450	Mixed Use/Residential	\$1,864,467	\$49,017	2.70%	\$32,204
E-035-031	253883-0340	King	Seattle	FIFTEEN TWENTY ONE SECOND AVENUE	ROSS STACY E-GAIL A. TTEES	1121 2ND AVE SEATTLE 98101	DMC 240/290-440	16,190	271,986	1,644	Mixed Use/Residential	\$2,137,200	Mixed Use/Residential	\$2,194,904	\$57,704	2.70%	\$32,610
E-035-032	253883-0350	King	Seattle	FIFTEEN TWENTY ONE SECOND AVENUE	O'BRIEN GERMARDA C	1121 2ND AVE SEATTLE 98101	DMC 240/290-440	16,190	271,986	1,723	Mixed Use/Residential	\$2,239,900	Mixed Use/Residential	\$2,300,377	\$60,477	2.70%	\$32,696
E-035-033	253883-0360	King	Seattle	FIFTEEN TWENTY ONE SECOND AVENUE	MOLRE CHARLES	1121 2ND AVE SEATTLE 98101	DMC 240/290-440	16,190	271,986	1,824	Mixed Use/Residential	\$2,371,200	Mixed Use/Residential	\$2,435,222	\$64,022	2.70%	\$32,081
E-035-034	253883-0370	King	Seattle	FIFTEEN TWENTY ONE SECOND AVENUE	ASAKURA JAMES G-CONNIE J	1121 2ND AVE SEATTLE 98101	DMC 240/290-440	16,190	271,986	1,968	Mixed Use/Residential	\$2,064,400	Mixed Use/Residential	\$2,123,193	\$58,793	2.70%	\$32,861
E-035-035	253883-0380	King	Seattle	FIFTEEN TWENTY ONE SECOND AVENUE	CHENGLI WILLIAM N-HILZARNE	1121 2ND AVE SEATTLE 98101	DMC 240/290-440	16,190	271,986	1,729	Mixed Use/Residential	\$1,815,450	Mixed Use/Residential	\$1,864,467	\$49,017	2.70%	\$32,204
E-035-036	253883-0390	King	Seattle	FIFTEEN TWENTY ONE SECOND AVENUE	HENDI STACEY Y-WANG	1121 2ND AVE SEATTLE 98101	DMC 240/290-440	16,190	271,986	1,644	Mixed Use/Residential	\$2,137,200	Mixed Use/Residential	\$2,194,904	\$57,704	2.70%	\$32,610
E-035-037	253883-0400	King	Seattle	FIFTEEN TWENTY ONE SECOND AVENUE	OSWEP CHRISTIAN D-ULLEY P-E	1121 2ND AVE SEATTLE 98101	DMC 240/290-440	16,190	271,986	1,723	Mixed Use/Residential	\$2,239,900	Mixed Use/Residential	\$2,300,377	\$60,477	2.70%	\$32,696
E-035-038	253883-0410	King	Seattle	FIFTEEN TWENTY ONE SECOND AVENUE	DESHATNIKOVA STELLA	1121 2ND AVE SEATTLE 98101	DMC 240/290-440	16,190	271,986	1,824	Mixed Use/Residential	\$2,371,200	Mixed Use/Residential	\$2,435,222	\$64,022	2.70%	\$32,081
E-035-039	253883-0420	King	Seattle	FIFTEEN TWENTY ONE SECOND AVENUE	RATES JOHN A-CAROLYN CORBY	1121 2ND AVE SEATTLE 98101	DMC 240/290-440	16,190	271,986	1,968	Mixed Use/Residential	\$2,064,400	Mixed Use/Residential	\$2,123,193	\$58,793	2.70%	\$32,861
E-035-040	253883-0430	King	Seattle	FIFTEEN TWENTY ONE SECOND AVENUE	JOHN DAVID	1121 2ND AVE SEATTLE 98101	DMC 240/290-440	16,190	271,986	1,729	Mixed Use/Residential	\$1,815,450	Mixed Use/Residential	\$1,864,467	\$49,017	2.70%	\$32,204
E-035-041	253883-0440	King	Seattle	FIFTEEN TWENTY ONE SECOND AVENUE	LUNOFF ALL R	1121 2ND AVE SEATTLE 98101	DMC 240/290-440	16,190	271,986	1,644	Mixed Use/Residential	\$2,137,200	Mixed Use/Residential	\$2,194,904	\$57,704	2.70%	\$32,610
E-035-042	253883-0450	King	Seattle	FIFTEEN TWENTY ONE SECOND AVENUE	ALEXANDROFF MELISSA-LTTEE	1121 2ND AVE SEATTLE 98101	DMC 240/290-440	16,190	271,986	1,723	Mixed Use/Residential	\$2,239,900	Mixed Use/Residential	\$2,300,377	\$60,477	2.70%	\$32,696
E-035-043	253883-0460	King	Seattle	FIFTEEN TWENTY ONE SECOND AVENUE	WOLFF ROBERT W-MARGARET	1121 2ND AVE SEATTLE 98101	DMC 240/290-440	16,190	271,986	1,824	Mixed Use/Residential	\$2,371,200	Mixed Use/Residential	\$2,435,222	\$64,022	2.70%	\$32,081

Waterfront Seattle Final Special Benefit Study Residential Condominiums and Associated Commercial																
UD Map Number	King Co. Property Tax ID	County Link	Property Name	Tax Payer Name	Property Address	Zoning	Land Area/SF	Gross Building Area/SF	Net Building Area/SF	Highest and Best Use Without UD	Market Value Without UD	Highest and Best Use With UD	Market Value With UD	Special Benefit	Special Benefit % Change	Total Assessment
E 035-051	253883 0580	Map350000	FIFTEEN TWENTY ONE SECOND AVENUE	CRUUS TRUST	1521 2ND AVE, SEATTLE 98101	DMC 240/290-440	16,192	271,986	1,729	Mixed Use/Residential	\$1,901,900	Mixed Use/Residential	\$1,951,251	\$51,351	2.70%	\$20,121
E 035-052	253883 0590	Map350000	FIFTEEN TWENTY ONE SECOND AVENUE	BENNETT CLINT+BARBARA	1521 2ND AVE, SEATTLE 98101	DMC 240/290-440	16,192	271,986	1,644	Mixed Use/Residential	\$2,137,200	Mixed Use/Residential	\$2,194,904	\$57,704	2.70%	\$22,610
E 035-053	253883 0620	Map350000	FIFTEEN TWENTY ONE SECOND AVENUE	201 FREDERICK	1521 2ND AVE, SEATTLE 98101	DMC 240/290-440	16,192	271,986	1,723	Mixed Use/Residential	\$2,239,900	Mixed Use/Residential	\$2,300,377	\$60,477	2.70%	\$23,696
E 035-058	253883 0630	Map350000	FIFTEEN TWENTY ONE SECOND AVENUE	NGRAM WILLIAM+JULIA V. T	1521 2ND AVE, SEATTLE 98101	DMC 240/290-440	16,192	271,986	1,824	Mixed Use/Residential	\$2,971,200	Mixed Use/Residential	\$3,031,222	\$60,022	2.00%	\$25,081
E 035-059	253883 0620	Map350000	FIFTEEN TWENTY ONE SECOND AVENUE	AUGER GLEN	1521 2ND AVE, SEATTLE 98101	DMC 240/290-440	16,192	271,986	1,968	Mixed Use/Residential	\$2,164,800	Mixed Use/Residential	\$2,223,250	\$58,450	2.70%	\$22,903
E 035-060	253883 0630	Map350000	FIFTEEN TWENTY ONE SECOND AVENUE	GLASSY DANETTE S	1521 2ND AVE, SEATTLE 98101	DMC 240/290-440	16,192	271,986	1,729	Mixed Use/Residential	\$1,901,900	Mixed Use/Residential	\$1,951,251	\$51,351	2.70%	\$20,121
E 035-061	253883 0640	Map350000	FIFTEEN TWENTY ONE SECOND AVENUE	MCLEARY JAMES P+KAREN E	1521 2ND AVE, SEATTLE 98101	DMC 240/290-440	16,192	271,986	1,644	Mixed Use/Residential	\$2,137,200	Mixed Use/Residential	\$2,194,904	\$57,704	2.70%	\$22,610
E 035-062	253883 0630	Map350000	FIFTEEN TWENTY ONE SECOND AVENUE	MICHAEL ERIKA B	1521 2ND AVE, SEATTLE 98101	DMC 240/290-440	16,192	271,986	1,723	Mixed Use/Residential	\$2,239,900	Mixed Use/Residential	\$2,300,377	\$60,477	2.70%	\$23,696
E 035-063	253883 0640	Map350000	FIFTEEN TWENTY ONE SECOND AVENUE	BRINDLE ALEXANDER W SR	1521 2ND AVE, SEATTLE 98101	DMC 240/290-440	16,192	271,986	1,824	Mixed Use/Residential	\$2,553,600	Mixed Use/Residential	\$2,622,547	\$68,947	2.70%	\$27,011
E 035-064	253883 0670	Map350000	FIFTEEN TWENTY ONE SECOND AVENUE	WALTON RAYMOND+BEAN	1521 2ND AVE, SEATTLE 98101	DMC 240/290-440	16,192	271,986	1,968	Mixed Use/Residential	\$2,164,800	Mixed Use/Residential	\$2,223,250	\$58,450	2.70%	\$22,903
E 035-065	253883 0680	Map350000	FIFTEEN TWENTY ONE SECOND AVENUE	LEE RAYMOND	1521 2ND AVE, SEATTLE 98101	DMC 240/290-440	16,192	271,986	1,729	Mixed Use/Residential	\$1,901,900	Mixed Use/Residential	\$1,951,251	\$51,351	2.70%	\$20,121
E 035-066	253883 0690	Map350000	FIFTEEN TWENTY ONE SECOND AVENUE	BORTH JOHN CLEVELAND H	1521 2ND AVE, SEATTLE 98101	DMC 240/290-440	16,192	271,986	1,644	Mixed Use/Residential	\$2,301,600	Mixed Use/Residential	\$2,363,743	\$62,143	2.70%	\$24,349
E 035-067	253883 0700	Map350000	FIFTEEN TWENTY ONE SECOND AVENUE	SCHULTZ BRUCE	1521 2ND AVE, SEATTLE 98101	DMC 240/290-440	16,192	271,986	1,723	Mixed Use/Residential	\$2,412,200	Mixed Use/Residential	\$2,477,329	\$65,129	2.70%	\$25,519
E 035-068	253883 0720	Map350000	FIFTEEN TWENTY ONE SECOND AVENUE	PATEL MITEESH+JAYMIN AMIN	1521 2ND AVE, SEATTLE 98101	DMC 240/290-440	16,192	271,986	1,824	Mixed Use/Residential	\$2,553,600	Mixed Use/Residential	\$2,622,547	\$68,947	2.70%	\$27,011
E 035-069	253883 0720	Map350000	FIFTEEN TWENTY ONE SECOND AVENUE	LINDSAY N.E.S.+HEIDI L DARY	1521 2ND AVE, SEATTLE 98101	DMC 240/290-440	16,192	271,986	1,968	Mixed Use/Residential	\$2,164,800	Mixed Use/Residential	\$2,223,250	\$58,450	2.70%	\$22,903
E 035-070	253883 0730	Map350000	FIFTEEN TWENTY ONE SECOND AVENUE	COHEN DEBORAH	1521 2ND AVE, SEATTLE 98101	DMC 240/290-440	16,192	271,986	1,729	Mixed Use/Residential	\$1,901,900	Mixed Use/Residential	\$1,951,251	\$51,351	2.70%	\$20,121
E 035-071	253883 0740	Map350000	FIFTEEN TWENTY ONE SECOND AVENUE	ALIGMAN KEITH+MADEIRA	1521 2ND AVE, SEATTLE 98101	DMC 240/290-440	16,192	271,986	1,644	Mixed Use/Residential	\$2,301,600	Mixed Use/Residential	\$2,363,743	\$62,143	2.70%	\$24,349
E 035-072	253883 0750	Map350000	FIFTEEN TWENTY ONE SECOND AVENUE	WISGART DAVID	1521 2ND AVE, SEATTLE 98101	DMC 240/290-440	16,192	271,986	1,723	Mixed Use/Residential	\$2,412,200	Mixed Use/Residential	\$2,477,329	\$65,129	2.70%	\$25,519
E 035-073	253883 0760	Map350000	FIFTEEN TWENTY ONE SECOND AVENUE	MCCLAM APARTMENTS LLC	1521 2ND AVE, SEATTLE 98101	DMC 240/290-440	16,192	271,986	1,824	Mixed Use/Residential	\$2,553,600	Mixed Use/Residential	\$2,622,547	\$68,947	2.70%	\$27,011
E 035-074	253883 0770	Map350000	FIFTEEN TWENTY ONE SECOND AVENUE	LN FUYU+JESSIE MESSI+SHEN	1521 2ND AVE, SEATTLE 98101	DMC 240/290-440	16,192	271,986	1,968	Mixed Use/Residential	\$2,164,800	Mixed Use/Residential	\$2,223,250	\$58,450	2.70%	\$22,903
E 035-075	253883 0780	Map350000	FIFTEEN TWENTY ONE SECOND AVENUE	BAVEY JOAN VIRGINIA	1521 2ND AVE, SEATTLE 98101	DMC 240/290-440	16,192	271,986	1,729	Mixed Use/Residential	\$1,901,900	Mixed Use/Residential	\$1,951,251	\$51,351	2.70%	\$20,121
E 035-076	253883 0790	Map350000	FIFTEEN TWENTY ONE SECOND AVENUE	SYNOSTAD GREG+AMM	1521 2ND AVE, SEATTLE 98101	DMC 240/290-440	16,192	271,986	1,644	Mixed Use/Residential	\$2,301,600	Mixed Use/Residential	\$2,363,743	\$62,143	2.70%	\$24,349
E 035-077	253883 0800	Map350000	FIFTEEN TWENTY ONE SECOND AVENUE	PHILIPS DENISE	1521 2ND AVE, SEATTLE 98101	DMC 240/290-440	16,192	271,986	1,723	Mixed Use/Residential	\$2,412,200	Mixed Use/Residential	\$2,477,329	\$65,129	2.70%	\$25,519
E 035-078	253883 0810	Map350000	FIFTEEN TWENTY ONE SECOND AVENUE	LEVENTHAL FAMILY TRUST	1521 2ND AVE, SEATTLE 98101	DMC 240/290-440	16,192	271,986	1,824	Mixed Use/Residential	\$2,553,600	Mixed Use/Residential	\$2,622,547	\$68,947	2.70%	\$27,011
E 035-079	253883 0820	Map350000	FIFTEEN TWENTY ONE SECOND AVENUE	DRINKARD JOHN+JANET	1521 2ND AVE, SEATTLE 98101	DMC 240/290-440	16,192	271,986	1,968	Mixed Use/Residential	\$2,164,800	Mixed Use/Residential	\$2,223,250	\$58,450	2.70%	\$22,903
E 035-080	253883 0830	Map350000	FIFTEEN TWENTY ONE SECOND AVENUE	CAROL VERGIA & NANCY DORN	1521 2ND AVE, SEATTLE 98101	DMC 240/290-440	16,192	271,986	1,729	Mixed Use/Residential	\$1,901,900	Mixed Use/Residential	\$1,951,251	\$51,351	2.70%	\$20,121
E 035-081	253883 0840	Map350000	FIFTEEN TWENTY ONE SECOND AVENUE	LAUGHON JOHN BISHOP	1521 2ND AVE, SEATTLE 98101	DMC 240/290-440	16,192	271,986	1,644	Mixed Use/Residential	\$2,301,600	Mixed Use/Residential	\$2,363,743	\$62,143	2.70%	\$24,349
E 035-082	253883 0850	Map350000	FIFTEEN TWENTY ONE SECOND AVENUE	MOSES VICTOR C & MARY E	1521 2ND AVE, SEATTLE 98101	DMC 240/290-440	16,192	271,986	1,723	Mixed Use/Residential	\$2,412,200	Mixed Use/Residential	\$2,477,329	\$65,129	2.70%	\$25,519
E 035-083	253883 0860	Map350000	FIFTEEN TWENTY ONE SECOND AVENUE	PHILIPMAN VASANTH+KAREN	1521 2ND AVE, SEATTLE 98101	DMC 240/290-440	16,192	271,986	1,824	Mixed Use/Residential	\$2,553,600	Mixed Use/Residential	\$2,622,547	\$68,947	2.70%	\$27,011
E 035-084	253883 0870	Map350000	FIFTEEN TWENTY ONE SECOND AVENUE	MCNEIL RICHARD E & CAROL	1521 2ND AVE, SEATTLE 98101	DMC 240/290-440	16,192	271,986	1,968	Mixed Use/Residential	\$2,164,800	Mixed Use/Residential	\$2,223,250	\$58,450	2.70%	\$22,903
E 035-085	253883 0880	Map350000	FIFTEEN TWENTY ONE SECOND AVENUE	ALBERT EUGENE+HAINES	1521 2ND AVE, SEATTLE 98101	DMC 240/290-440	16,192	271,986	1,729	Mixed Use/Residential	\$1,901,900	Mixed Use/Residential	\$1,951,251	\$51,351	2.70%	\$20,121
E 035-086	253883 0890	Map350000	FIFTEEN TWENTY ONE SECOND AVENUE	TANASE THEODORE T+FRISCHLA	1521 2ND AVE, SEATTLE 98101	DMC 240/290-440	16,192	271,986	1,644	Mixed Use/Residential	\$2,301,600	Mixed Use/Residential	\$2,363,743	\$62,143	2.70%	\$24,349
E 035-087	253883 0900	Map350000	FIFTEEN TWENTY ONE SECOND AVENUE	DRISCOLL FAMILY TRUST	1521 2ND AVE, SEATTLE 98101	DMC 240/290-440	16,192	271,986	1,723	Mixed Use/Residential	\$2,412,200	Mixed Use/Residential	\$2,477,329	\$65,129	2.70%	\$25,519
E 035-088	253883 0910	Map350000	FIFTEEN TWENTY ONE SECOND AVENUE	DANIEL REIGN LLC	1521 2ND AVE, SEATTLE 98101	DMC 240/290-440	16,192	271,986	1,824	Mixed Use/Residential	\$2,553,600	Mixed Use/Residential	\$2,622,547	\$68,947	2.70%	\$27,011
E 035-089	253883 0920	Map350000	FIFTEEN TWENTY ONE SECOND AVENUE	BAUTISTA ALBERTO+JULIAROSA	1521 2ND AVE, SEATTLE 98101	DMC 240/290-440	16,192	271,986	1,968	Mixed Use/Residential	\$2,164,800	Mixed Use/Residential	\$2,223,250	\$58,450	2.70%	\$22,903
E 035-090	253883 0930	Map350000	FIFTEEN TWENTY ONE SECOND AVENUE	SUNDBERG WAYNE+KATHLEEN	1521 2ND AVE, SEATTLE 98101	DMC 240/290-440	16,192	271,986	1,729	Mixed Use/Residential	\$1,901,900	Mixed Use/Residential	\$1,951,251	\$51,351	2.70%	\$20,121
E 035-091	253883 0940	Map350000	FIFTEEN TWENTY ONE SECOND AVENUE	SOLBERG JOHN+ISA	1521 2ND AVE, SEATTLE 98101	DMC 240/290-440	16,192	271,986	1,644	Mixed Use/Residential	\$2,301,600	Mixed Use/Residential	\$2,363,743	\$62,143	2.70%	\$24,349
E 035-092	253883 0950	Map350000	FIFTEEN TWENTY ONE SECOND AVENUE	MCNEHE DORNE+STUART C	1521 2ND AVE, SEATTLE 98101	DMC 240/290-440	16,192	271,986	1,723	Mixed Use/Residential	\$2,412,200	Mixed Use/Residential	\$2,477,329	\$65,129	2.70%	\$25,519
E 035-093	253883 0960	Map350000	FIFTEEN TWENTY ONE SECOND AVENUE	CHUNG CECILIA L+FUNG T S	1521 2ND AVE, SEATTLE 98101	DMC 240/290-440	16,192	271,986	1,824	Mixed Use/Residential	\$2,553,600	Mixed Use/Residential	\$2,622,547	\$68,947	2.70%	\$27,011
E 035-094	253883 0970	Map350000	FIFTEEN TWENTY ONE SECOND AVENUE	ABRAMI RONALD	1521 2ND AVE, SEATTLE 98101	DMC 240/290-440	16,192	271,986	1,968	Mixed Use/Residential	\$2,164,800	Mixed Use/Residential	\$2,223,250	\$58,450	2.70%	\$22,903
E 035-095	253883 0980	Map350000	FIFTEEN TWENTY ONE SECOND AVENUE	JOSEMLE KELECH E	1521 2ND AVE, SEATTLE 98101	DMC 240/290-440	16,192	271,986	1,729	Mixed Use/Residential	\$1,901,900	Mixed Use/Residential	\$1,951,251	\$51,351	2.70%	\$20,121
E 035-096	253883 0990	Map350000	FIFTEEN TWENTY ONE SECOND AVENUE	WASSENILLER KRISTIE R+TEE	1521 2ND AVE, SEATTLE 98101	DMC 240/290-440	16,192	271,986	1,644	Mixed Use/Residential	\$2,301,600	Mixed Use/Residential	\$2,363,743	\$62,143	2.70%	\$24,349
E 035-097	253883 1000	Map350000	FIFTEEN TWENTY ONE SECOND AVENUE	CHRIST ADOLPH E+GRACE H	1521 2ND AVE, SEATTLE 98101	DMC 240/290-440	16,192	271,986	1,723	Mixed Use/Residential	\$2,412,200	Mixed Use/Residential	\$2,477,329	\$65,129	2.70%	\$25,519
E 035-098	253883 1010	Map350000	FIFTEEN TWENTY ONE SECOND AVENUE	SHIN DANIEL J	1521 2ND AVE, SEATTLE 98101	DMC 240/290-440	16,192	271,986	1,824	Mixed Use/Residential	\$2,553,600	Mixed Use/Residential	\$2,622,547	\$68,947	2.70%	\$27,011
E 035-099	253883 1020	Map350000	FIFTEEN TWENTY ONE SECOND AVENUE	SCOTT KAREN A (TRUSTEE)	1521 2ND AVE, SEATTLE 98101	DMC 240/290-440	16,192	271,986	1,968	Mixed Use/Residential	\$2,164,800	Mixed Use/Residential	\$2,223,250	\$58,450	2.70%	\$22,903
E 035-100	253883 1030	Map350000	FIFTEEN TWENTY ONE SECOND AVENUE	HALLADAY TIMOTHY N	1521 2ND AVE, SEATTLE 98101	DMC 240/290-440	16,192	271,986	1,729	Mixed Use/Residential	\$2,074,800	Mixed Use/Residential	\$2,130,820	\$56,020	2.70%	\$21,950
E 035-101	253883 1040	Map350000	FIFTEEN TWENTY ONE SECOND AVENUE	CHANDONKAR VIBHAS	1521 2ND AVE, SEATTLE 98101	DMC 240/290-440	16,192	271,986	1,644	Mixed Use/Residential	\$2,466,000	Mixed Use/Residential	\$2,532,582	\$66,582	2.70%	\$26,088
E 035-102	253883 1050	Map350000	FIFTEEN TWENTY ONE SECOND AVENUE	MARGULEZ HECTOR F+VIVIANA	1521 2ND AVE, SEATTLE 98101	DMC 240/290-440	16,192	271,986	1,723	Mixed Use/Residential	\$2,584,100	Mixed Use/Residential	\$2,654,282	\$70,182	2.70%	\$27,341
E 035-103	253883 1060	Map350000	FIFTEEN TWENTY ONE SECOND AVENUE	PICKNOR CAROLYN M+DONALD	1521 2ND AVE, SEATTLE 98101	DMC 240/290-440	16,192	271,986	1,824	Mixed Use/Residential	\$2,736,000	Mixed Use/Residential	\$2,809,872	\$73,872	2.70%	\$28,943
E 035-104	253883 1070	Map350000	FIFTEEN TWENTY ONE SECOND AVENUE	CHURCH LESTER W C (TRUSTEE)	1521 2ND AVE, SEATTLE 98101	DMC 240/290-440	16,192	271,986	1,968	Mixed Use/Residential	\$2,164,800	Mixed Use/Residential	\$2,223,250	\$58,450	2.70%	\$22,903
E 035-105	253883 1080	Map350000	FIFTEEN TWENTY ONE SECOND AVENUE	BEYLER ROBERT W	1521 2ND AVE, SEATTLE 98101	DMC 240/290-440	16,192	271,986	1,729	Mixed Use/Residential	\$2,074,800	Mixed Use/Residential	\$2,130,820	\$56,020	2.70%	\$21,950
E 035-106	253883 1090	Map350000	FIFTEEN TWENTY ONE SECOND AVENUE	BROWN GEORGE+BARBARA J	1521 2ND AVE, SEATTLE 98101	DMC 240/290-440	16,192	271,986	1,644	Mixed Use/Residential	\$2,466,000	Mixed Use/Residential	\$2,532,582	\$66,582	2.70%	\$26,088
E 035-107	253883 1100	Map350000	FIFTEEN TWENTY ONE SECOND AVENUE	SCOTT+ER ROBERT M	1521 2ND AVE, SEATTLE 98101	DMC 240/290-440	16,192									

The assessment for Unit 1702 (parcel number 25388305360) should be reduced

- Even assuming that the alleged 2.7% special benefit increase is valid, the Proposed Final LID Assessment for our parcel should be reduced.
- The proper Market Value without LID based on the evidence of directly comparable sales above and below our unit in the last 8 months should be approximately \$1,450,000.
- This proper Market Value Without LID would imply that the alleged special benefit can be no more than \$39,150.
- And therefore the Final Assessment can be no more than \$15,388.97.

The Final Benefit Study is Speculative and Premature

- Plans and Specifications not on file as required by the Ordinance
- Design largely incomplete for 4 of the 6 Projects
- Combining assessments for the 6 separate projects violates the law
- Funding sources are not secured, completion is speculative
 - Future councils cannot be bound

The LID Formation Ordinance Requires Plans and Specifications be on file with City Clerk's Office

- “The LID Improvements shall be in accordance with plans and specifications prepared by the Director of the OWCP, on behalf of the Director of Transportation of the Seattle Department of Transportation, and on file in the City Clerk's office, and may be modified by the City Council as long as such modifications do not affect the purpose of the LID Improvements or constitute materially different improvements; provided, however, that changes in detail of such plans that do not significantly alter the scope or costs of the LID improvements will not require further approval.”

Formation Ordinance 125760 Section 3, p. 5

City's Response to Interrogatory No. 36,

dated January 17, 2020, King County Superior Court Case No. 19-2-05733-5 SEA

INTERROGATORY NO. 36: Identify each Person who participated in the preparation of the plans and specifications that are referenced in the following quote from Ordinance 125760, Section 3: "[t]he LID Improvements shall be in accordance with plans and specifications prepared by the Director of the OWCP, on behalf of the Director of Transportation of the Seattle Department of Transportation, and on file in the City Clerk's office."

ANSWER: The City objects to this Interrogatory as vague and ambiguous because of the undefined term "plans and specifications." The City will interpret "plans and specifications" as referenced in Section 3 of Ordinance 125760 to mean the conformed set of plans and specifications of each Waterfront LID Improvement, as prepared by an outside engineering firm hired by the City, after the Waterfront LID Improvement has reached 100% design. The City also objects to this Interrogatory as duplicative to the extent it seeks information already requested by Plaintiffs' counsel via its multiple Public Records Act (PRA) requests, specifically PRA Request No. C043490-061419 submitted on June 14, 2019 and closed on November 18, 2019.

Subject to and without waiver of its stated objections, no "plans and specifications" as referenced in Section 3 of Ordinance 125760 are currently on file with the City Clerk's office. The Promenade is the only Waterfront LID Improvement that has reached 100% design that has complete plans and specifications. Those plans and specifications for the Promenade have not yet been filed with the City Clerk's office.

Recognizing that the City may supplement this Answer upon further investigation, the City identifies the following Persons who participated in the preparation of the plans and specifications for the Promenade, all of whom may be contacted through K&L Gates LLP:

- Mike Colyn, PE, Project Manager and Lead Civil Engineer, WSP for Jacobs Engineering Group, Inc.;
- Andrew Barash, PE, Program Manager and Lead Civil Engineer, Jacobs Engineering Group, Inc.; and
- Angela Brady, PE, Deputy Director and Program Manager, Office of the Waterfront and Civic Projects, City of Seattle.

City's Response to Interrogatory No. 50,

dated January 23, 2020, King County Superior Court Case No. 19-2-05733-5 SEA

INTERROGATORY NO. 50: For each Waterfront LID Improvement, identify when the lead agency will complete all (1) designs, (2) plans, (3) agency reviews, (4) specifications, and (5) construction documents.

ANSWER: The City incorporates by reference its objections and answer to Interrogatory No. 49. The City also objects to this Interrogatory as unduly burdensome, overly broad, and not reasonably calculated to lead to the discovery of admissible evidence, to the extent that it seeks dates when the City will complete all designs, plans, agency reviews, specifications, and construction documents. The design and construction of the Waterfront LID Improvements is a complex process that will take several years to complete, and the timelines for completion of all designs, plans, agency reviews, specifications, and construction documents are still in process and subject to change. For these reasons, the City will respond to this Interrogatory with general estimates of when the lead agency will complete the designs, plans, agency reviews, specifications, and construction documents for each Waterfront LID Improvement. Finally, the City objects to this Interrogatory as vague and ambiguous due to the undefined term "lead agency." For the purposes of answering this Interrogatory, the City assumes "lead agency" will have the same meaning as "lead agency" in WAC 197-11-758. Subject to and without waiver of its stated objections, the designs, plans, specifications, and construction documents are complete for the Promenade. The City is investigating when it estimates it will complete all designs, plans, agency reviews, specifications, and construction documents for the remaining Waterfront LID Improvements and will update this Answer accordingly. In addition, pursuant to CR 33(c), the City will search for and may produce nonprivileged Documents from which Plaintiffs may ascertain responsive information.

Final Report acknowledges the speculative nature of these projects

- “Currently, the design process for the Promenade portion of the improvements is 100% complete. Design for the Pier 58 (formerly Waterfront Park) improvements is 30% complete, the Lower Union improvements’ design is 90±% complete, and design is 30±% complete for the Overlook Walk portion of the project. The Pike/Pine corridor and Pioneer Square elements of the project have not yet reached the 30% design milestone.”
- ABS is attempting to find a precise measure of “special benefit” on what are speculative at best improvements. The attempt to finalize assessments is premature and speculative.

The City has unlawfully combined separate projects to estimate special benefits

- RCW 35.43.050
- “Where no finding is made by the legislative body as to the benefit of the improvements as a whole to all of the property within a local improvement district or utility local improvement district, the cost and expense of each continuous unit of the improvements shall be ascertained separately, as near as may be, and the assessment rates shall be computed on the basis of the cost and expense of each unit.”
- There has been no such finding. The “special benefits” of each of the six separate projects must be evaluated separately. The City’s study does not do this and thus should be rejected as a matter of law.

Funding remains speculative and doubtful

- The city must find \$186.57 million dollars in its next three budgets to complete the Waterfront LID projects (\$346.57 estimated budget, absent overruns minus the \$160 being assessed via the LID)
- The city is relying on speculation that it will receive significant private donations and illegally binding of future city councils to allocate the rest.
- Absent secure funding to complete the projects, the final assessments are speculative and unlawful

There is no special benefit (and there is a special detriment for residential property owners in the LID)

The LID Improvements are not a park, but just the tiny orange slivers of pavement.



SF Embarcadero after



SF Embarcadero before



Embarcadero Before and After



The City's assertion of special benefit is unsupported by their own report

From the Crompton Study relied up by ABS:

"The area of proximate impact of a park should be limited to 500 feet or three blocks. The empirical results suggest this is likely to capture almost all the premium from small neighborhood parks and 75% of the premium from relatively large parks. The remaining 25% is likely to be dissipated over properties between 500 and 2000 feet. Disregarding this will lead to an underestimate of the proximate impact of large parks which may be substantial because while the premiums at these distances are relatively low, the number of properties within these parameters is relatively high. However, adopting this 500-foot parameter substantially simplifies the estimation task."

Only the still speculative Pike/Pine "improvements" are within 500 feet of our building. Nothing justifies assessing a benefit at the top of his range for condominiums.

Before



After



| Union Street

Without LID



Photo Credit: Bettina Hansen/The Seattle Times, Take the stairs at Seattle waterfront for a view of Duwamish history, Seattle Times, March 26, 2018

With LID (\$13.94m)



ABS Final Special Benefit Study, Addenda B-20

| Overlook Walk 2.0

Without LID



ABS Final Benefit Study, Addenda A-63

With LID



ABS Final Benefit Study, Addenda C-4

Overlook Walk Is redundant

- Access at:
- University Street (Harbor Steps, with landscaping and fountains)
- Union (stairs at Four Seasons and Public Storage)
- Pike Street Hillclimb (and elevators, with landscaping and lighting)
- Lenora Street stairs and elevator
- Bell Street stairs bridge and elevator
- Overlook views are also redundant – Existing MarketFront has sweeping overlook views

Harbor Steps Access



Pike Hillclimb Access



Lenora Street Elevator and Stairs

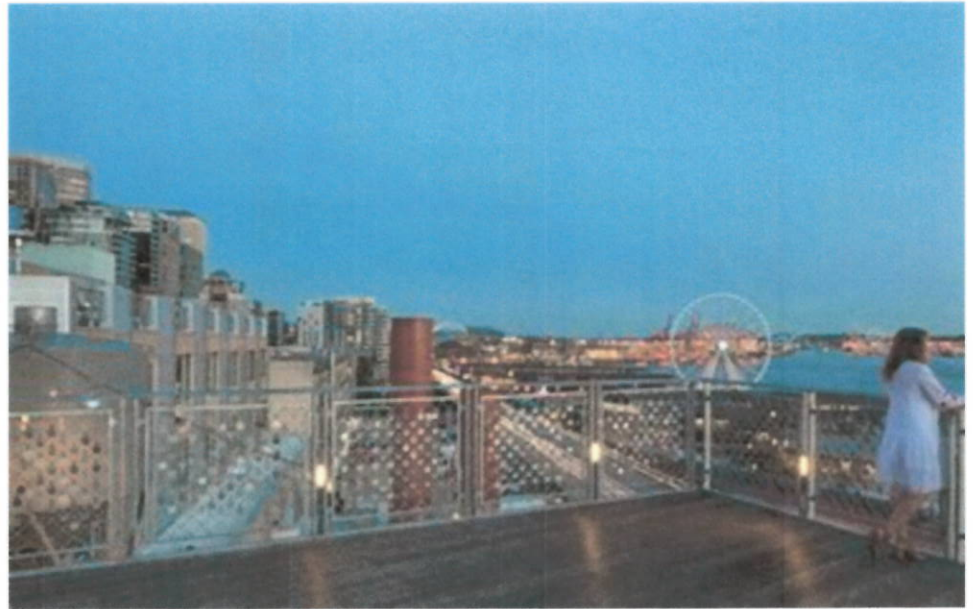


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Bell Street



Market Front Overlook



| Pier 58 Rebuild

Without LID



ABS Final Benefit Study, Addenda A-49

With LID (\$65.24m)



ABS Final Benefit Study, Addenda A-50
"After" falsely displays large number of new trees.

Pioneer Square Streets Yesler between First and Western

Without LID



ABS Final Benefit Study, Addenda D-7

With LID



ABS Final Benefit Study, Addenda D-8

Pike Street Between First & Second Avenues

Before



After



ABS, Addenda D-26 and D-27

Pine Street Between First & Second Avenues

Before

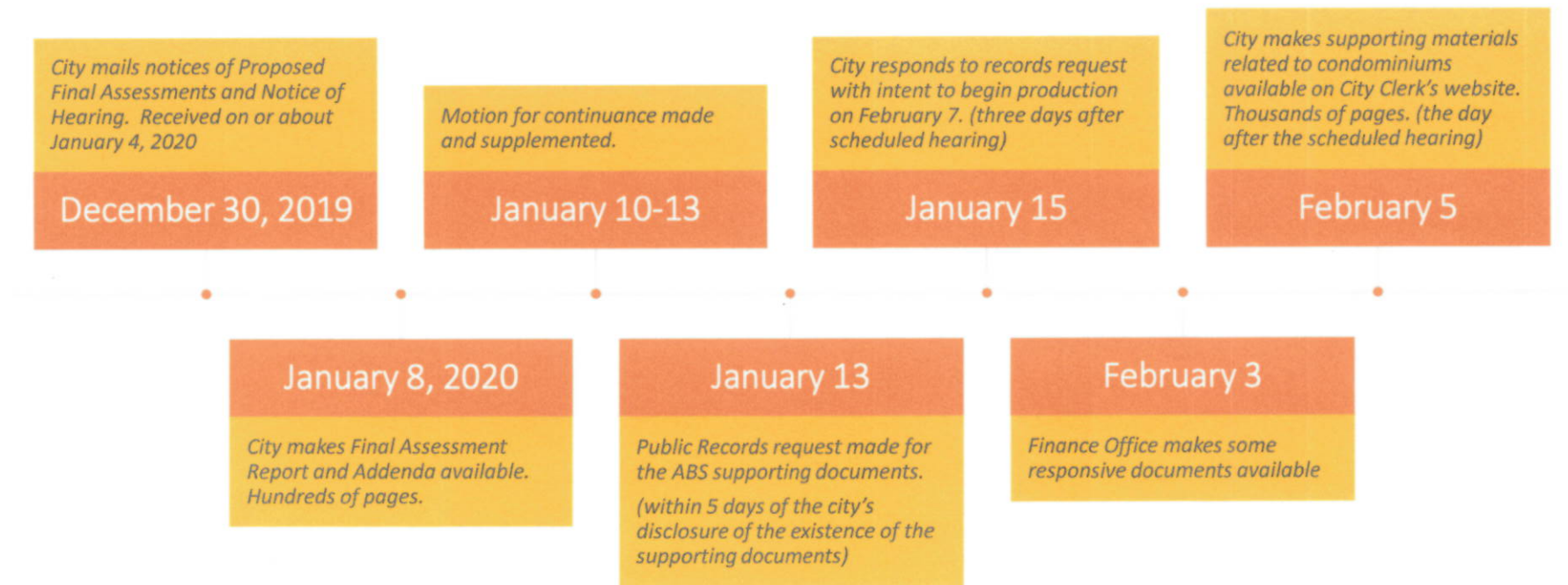


After



ABS, Addenda D-26 and D-27

Timeline of disclosures by City



Still to come

- Deposition of ABS – Robert Macaulay (Feb 27 or 28?)
- Depositions of other city witnesses? (motion to compel?)

THIS AFFIDAVIT WILL NOT BE ACCEPTED UNLESS ALL AREAS ON ALL PAGES ARE FULLY COMPLETED
Only for sales in a single location code on or after January 1, 2020.

☐ Check box if the sale occurred
in more than one location code.

PLEASE TYPE OR PRINT

☐ Check box if partial sale, indicate % _____ sold. List percentage of ownership acquired next to each name.

1 SELLER GRANTOR	Name <u>Whitney Williams, as her sole and separate property</u>	2 BUYER GRANTEE	Name <u>Kathy P. Mohr, individually</u>	
	Mailing Address <u>1209 Lolo Street</u>		Mailing Address <u>1521 2nd Avenue Unit 2902</u>	
	City/State/Zip <u>Missoula, MT 59802</u>		City/State/Zip <u>Seattle, WA 98101</u>	
	Phone No. (including area code) _____		Phone No. (including area code) _____	
3	Send all property tax correspondence to: <input checked="" type="checkbox"/> Same as Buyer/Grantee		List all real and personal property tax parcel account numbers - check box if personal property	List assessed value(s)
	Name _____		<u>253883113008</u> <input type="checkbox"/>	<u>2,134,000.00</u>
	Mailing Address _____		_____ <input type="checkbox"/>	_____
	City/State/Zip _____		_____ <input type="checkbox"/>	_____
	Phone No. (including area code) _____		<u>0011</u> <input type="checkbox"/>	_____

4 Street address of property: 1521 2nd Avenue Unit 2902, Seattle, WA 98101

This property is located in

☐ Check box if any of the listed parcels are being segregated from another parcel, are part of a boundary line adjustment or parcels being merged.

Legal description of property (if more space is needed, you may attach a separate sheet to each page of the affidavit)

See Legal Description attached hereto as Exhibit A and by this reference made a part hereof

5 Select Land Use Code(s):

14

enter any additional codes: _____

(See back of last page for instructions)

YES NO

Was the seller receiving a property tax exemption or deferral under chapters 84.36, 84.37, or 84.38 RCW (nonprofit organization, senior citizen, or disabled person, homeowner with limited income)? ☐ YES ☒ NO

Is this property predominantly used for timber (as classified under RCW 84.34 and 84.33) or agriculture (as classified under RCW 84.34.020)? See ETA 3215 ☐ YES ☒ NO

6

YES NO

Is this property designated as forest land per chapter 84.33 RCW? ☐ YES ☒ NO

Is this property classified as current use (open space, farm and agricultural, or timber) land per chapter 84.34 RCW? ☐ YES ☒ NO

Is this property receiving special valuation as historical property per chapter 84.26 RCW? ☐ YES ☒ NO

If any answers are yes, complete as instructed below.

(1) NOTICE OF CONTINUANCE (FOREST LAND OR CURRENT USE)

NEW OWNER(S): To continue the current designation as forest land or classification as current use (open space, farm and agriculture, or timber) land, you must sign on (3) below. The county assessor must then determine if the land transferred continues to qualify and will indicate by signing below. If the land no longer qualifies or you do not wish to continue the designation or classification, it will be removed and the compensating or additional taxes will be due and payable by the seller or transferor at the time of sale. (RCW 84.33.140 or RCW 84.34.108). Prior to signing (3) below, you may contact your local county assessor for more information.

This land ☐ does ☒ does not qualify for continuance.

DEPUTY ASSESSOR

DATE

(2) NOTICE OF COMPLIANCE (HISTORIC PROPERTY)

NEW OWNER(S): To continue special valuation as historic property, sign (3) below. If the new owner(s) does not wish to continue, all additional tax calculated pursuant to chapter 84.26 RCW, shall be due and payable by the seller or transferor at the time of sale.

(3) NEW OWNER(S) SIGNATURE

PRINT NAME

7 List all personal property (tangible and intangible) included in selling price.

If claiming an exemption, list WAC number and reason for exemption:

WAC No. (Section/Subsection) _____

Reason for exemption _____

Type of Document Statutory Warranty Deed

Date of Document January 22, 2020

Gross Selling Price \$1,800,000.00

*Personal Property (deduct) \$ _____

Exemption Claimed (deduct) \$ _____

Taxable Selling Price \$1,800,000.00

Excise Tax: State

Less than \$500,000.01 at 1.1% \$5,500.00

From \$500,000.01 to \$1,500,000 at 1.28% \$12,800.00

From \$1,500,000.01 to \$3,000,000 at 2.75% \$8,250.00

Above \$3,000,000 at 3.0% \$0.00

Agricultural and timberland at 1.28% \$0.00

Total Excise Tax: State \$26,550.00

Local \$9,000.00

*Delinquent Interest: State \$0.00

Local \$0.00

*Delinquent Penalty \$0.00

Subtotal \$35,550.00

*State Technology Fee \$5.00

*Affidavit Processing Fee \$0.00

Total Due \$35,555.00

A MINIMUM OF \$10.00 IS DUE IN FEE(S) AND/OR TAX

***SEE INSTRUCTIONS**

FILE# CWF-0012

ADMITTED
DENIED

City of Seattle Hearing Examiner
EXHIBIT

8 I CERTIFY UNDER PENALTY OF PERJURY THAT THE FOREGOING IS TRUE AND CORRECT

Signature of
Grantor or Grantor's Agent

Name (print) Whitney Williams

Date & City of signing 1/22/2020 Seattle

Signature of
Grantee or Grantee's Agent

Name (print) Kathy P. Mohr

Date & City of signing 1/22/2020 Seattle

City of Seattle Hearing Examiner
EXHIBIT
ADMITTED ☒
DENIED ☐
FILE# CWF-0 097

HEARING EXAMINER
COPY FOR JUSTEN
PRESENTATION

WILLIAM JUSTEN & SANDRA JUSTEN

1521 Second Ave #2901
Seattle, WA 98101

Seattle City Clerk
Seattle City Hall
600 4th Ave.
Floor Three
PO Box 94607.
Seattle, WA 98124-6907

February 3, 2020

Seattle Office of the Hearing Examiner
700 5th Ave., #4000
Seattle, WA 98104

The contents of this package contain our written Objections to Final Waterfront LID No.6751 and Appeal of our Final Assessment amount for Justen, King County Parcel No. 2538831120

On January 30, 2020. I sent an email to the Office of the Hearing Examiner. In that email, I requested that I be allowed one hour for my presentation at the hearing that is scheduled to begin on February 4, 2020.

I received an email reply from the Hearing Examiner, LIDhearingexaminer@seattle.gov at 6:55 PM on February 2, 2020 scheduling my presentation from 9AM-10AM on Wednesday, February 13 at 700 5th Ave Suite 4009. We have considerable real estate expertise and we spent over 60 hours reviewing public documents and preparing our Objections.

We have worked very hard to condense our presentation to one hour and appreciate the cooperation of our request.

Regards,

William J Justen

William Justen

William J Justen and Sandra L Justen
1521 2nd Ave. condominium 2901
Seattle, WA 98101-4522

January 31, 2020
and Hearing on February 13, 2020

King County parcel number: 2538831120

To the Office of the City Clerk.
Seattle City Hall
600 Fourth Ave., Floor 3
PO Box 94607
Seattle, WA 98124-6907

Emailed to: LIDHearingExaminer@seattle.gov

Re: Our Objections to Final Waterfront LID No. 6751 Assessment and Appeal of Final Assessment Amount of \$25,237.73 in its entirety for Justen, Parcel No. 2538831120

To the Seattle City Clerk:

We are the homeowners of the condominium unit stated above. We purchased this home when it was new in March 2009. We both have considerable real estate experience.

Sandra is a licensed Real Estate Broker and William is a licensed Managing and Designated Real Estate Broker.

Sandra has lived in the Pike Place market neighborhood for 20 years and has been the Listing Broker or Selling Broker for more than 150 condominiums in 11 different condominium buildings in the LID during the past 12 years.

William has lived in the Pike Place Market neighborhood since 1977. During those 43 years, William was the developer and resident of the Pike in Virginia condominiums at 87 Virginia St., the Market Place Tower office and condominiums at 2033 First Avenue at Lenora Street and the 1521 2nd Ave. condominium tower. As the developer of these projects and dozens elsewhere in Seattle, William has hired and instructed many appraisers to prepare value appraisals of the projects. William is also the former Director of the City of Seattle, Department of Construction and Land Use, currently named the Seattle Department of Construction and Inspections. In May of 2011 the Central Waterfront Committee appointed William as an Advisor to the Committee's Finance and Partnerships Subcommittee to advise on the Waterfront improvement strategic financing strategies.

We definitely support and improved attractive waterfront, however, we are convinced that Seattle will get that waterfront without the LID enhancements.

Firstly, we are very disappointed that our request to the Hearing Examiner made on January 22, 2020 for a 90 day continuance in the scheduled hearing date of February 4, 2020 was evidently denied although the reply from the Office of the Hearing Examiner shows our request was misread by the Office of the Hearing Examiner as it erroneously called our continuance request our filed objections to the LID. Our request for a continuance was not the filing of our objections. Our request for a continuance was stated with the following reasons:

a) City Delays: The City did not make available to the general public and LID property owners the 237 page Final Special Benefit/Proportionate Assessment Study dated November 18, and the 214 page Addenda Volume dated November 12, 2019 until January 8, 2020, which was two months after those report dates. This delay in making those critical documents available to us appears to be an attempt by the Office of the Waterfront to place property owners at a considerably unfair disadvantage as it does not give property owners in the LID or our consultants nearly enough time to study these comprehensive documents which are the basis of the Proposed Final Assessment which we received in the mail on January 2, 2020.

b) City Delays: Several property owners have requested the backup documents from the City's appraiser that was used to determine the proposed value lift in our properties necessary to justify any Special Benefit Assessments. We have been told by the City that the appraiser's backup documents were not made available until after February 7, 2020 and consisted of several thousand documents.

Now the city has offered us the right to file an appeal of our Final Assessments, but with only 26 days after **just some** of the critical studies were made available. That objection/appeal filing date, February 3, 2020, the date set by the City of Seattle is grossly unfair to property owners in the LID.

We have submitted this Objection/Appeal letter to the City Hearing Examiner as our response to the Proposed Final Assessment which is being authorized by the Waterfront LID Formation Ordinance No. 125760 passed in January 2019. This 18 page ordinance is attached for reference to this Objection Letter as **(Exhibit A)**. This Seattle City ordinance 125760, relating to the Central Waterfront Improvement Program and the LID Improvements signed by Mayor Jenny Durkin 1/28/2019 Includes Section 5 and Section 6 which relate directly to our Objections to the Special Assessment assigned to our property. These two sections from the ordinance read as follows.

"Section 5. Allocation of Costs. The total estimated cost and expense of design and construction of the Central Waterfront Improvement Program is estimated to be approximately \$712 million. Notwithstanding the provisions of any other ordinance of the city, the total cost of (a) the LID improvements, including the planning, design, and construction of the improvements, and (b) the estimated costs of creation and administration of the Waterfront LID (together, the "LID Expenses"), and the estimated financing costs (i.e., the cost of issuing the LID Bonds and estimated amounts necessary to

fund a deposit to the LID Guarantee Fund), is declared to be approximately \$346.57 million, all as described in Exhibit C to this ordinance.

The portion of the LID Expenses that shall be borne by and assessed against the property within the Waterfront LID specifically benefited by the LID Improvements shall not exceed \$160 million plus the amounts necessary to pay the costs of financing (including the costs of issuing the LID Bonds and making a deposit to the LID Guarantee Fund). **Assessments shall be made against the property within the Waterfront LID in accordance with the special benefits accruing to such property.** The balance of the cost and expense of the LID Improvements shall be paid from other amounts available to the City, including philanthropic donations from individuals and organizations, consistent with the City's overall funding plan for the Central Waterfront Improvement Program."

"Section 6. Method of Assessment. In accordance with the provisions of RCW 35.44.047, the City may use **any method or combination of methods to compute assessments that may be deemed to fairly reflect the special benefits to the properties being assessed.**"

"Ordinance 125760 Ex C- waterfront Seattle Program-Waterfront LID Improvements

Project Cost Estimate Summary" **See last page of Exhibit A for this document**

This table lists by name the six major projects proposed to be developed partially with LID funds, however, for the six projects it only gives an estimated **total** cost and has blanked out the amounts to be allocated for the **Waterfront LID Principal Assessment**. **In Section D below starting on page 8, we will refer to the stated City estimated total costs plus the 17% for LID Admin and contingencies stated in the table in our Objections to the six LID funded projects, but we can reasonably assume that approximately half of the total cost for each project would be paid for with LID funds.**

In this letter, we will explain our objections to the City's findings as they are clearly not consistent with the ordinance Sections 5 and 6 and we therefore object to any assessment for Seattle's Local Improvement District 6751, the "LID" on our property at 1521 2nd Ave for a lack of any evidence "deemed to fairly reflect the special benefits" to our property. Quoting Washington Practice Instructions WPI 150.07.01 *"Special benefits are those that add value to the remaining property as distinguished from those arising incidentally and enjoyed by the public generally.* WPI 150.07.01

We provide the following reasons and objections labeled Sections A.-L.:

- A. Our building is physically remote, both horizontally and vertically from the Central Waterfront as we are more than three city blocks, 1,240 feet, from our building lobby entry to the promenade on the west side of Alaskan Way. Our building entrance is also 116 vertical feet above Alaskan Way. The Waterfront is clearly not convenient for residents to take their dogs for a walk or go for a stroll. The value of our homes from a location perspective comes from proximity to convenient shopping, services, and employment offices in the downtown core. Additional value for the west facing condominiums in our building comes from the views of Elliott Bay, but clearly not from proximity to the Waterfront.

Our specific condominium home on the 29th floor is on the east side of our building with a skyline view, see photo (**Exhibit B**) which will be lost to us when the proposed 46 story tower directly east of us across Second Avenue is built. The loss of our skyline view and the loss of most of our sunlight will certainly reduce the current Market Value of our home. Also note that that proposed tower will not have an LID assessment on the tower improvement as it will not start construction until fall of 2020 and take three years to build. The City's determination of the Final Special Benefit value lift from the LID Improvements to our home of \$64,411.20 with a Special Assessment of \$25,237.73 shows a complete lack of understanding of property values and General vs Special Benefits by the City's appraiser even after the City spent millions of dollars and several years having the studies prepared. We strongly object to the City's speculation that there will be any Special Benefits to our property.

Therefore, there are no Special Benefits enjoyed specifically by our property or the other properties physically remote by the 100'-150' foot steep bluff above the Waterfront. All of the planned improvements will be enjoyed by the general public that makes the waterfront a specific destination by the general public to enjoy the Waterfront General Benefits.

- B. On quick review of the Special Benefit Studies we could find no detailed plans, specifications, or cost estimates for the enhancements to be solely funded with LID funds. There were only general descriptions. Therefore, we do not see how the funds the City is demanding from us with this LID will be used, to create our theoretical and very subjective proposed Special Benefits or that the City will have sufficient funds to complete the entire project as required by State law if there are LID funds used.

As structured, the LID is terribly flawed as the LID enhancements are proposed to be paid for by the existing properties as currently improved in the LID. However, there are hundreds of properties that will be developed and/or redeveloped in the near and distant future that will not be required to pay assessments based on those future improvements, many of which will be significant towers. Therefore, the future public capacity and the theoretical Special Benefits being proposed with those Waterfront Boulevard LID Funded improvements will be substantially supported by the values of the current property improvements and not future property improvements, which would also benefit from the theoretical special benefits and value lift. This is clearly inequitable treatment between existing properties developed to their potential and properties not yet developed to the highest and best use. This LID structure should have a latecomer's payment provision.

We have attached as (**Exhibit C**) and quote from the 7 page letter dated 1.30.2020 by appraiser Anthony Gibbons where he reviews the City commissioned Valbridge Special Benefit study.

Quoting the appraisal expert, Anthony Gibbons:

"Benefits associated with proximity should be evaluated in the form of a lift in land value. The methodology used (a broad percentage assessment applied to total property value) results in inequitable assignments between properties. All properties that will be constructed and delivered to the market by

2024 have escaped a significant assessment, even though they may be identically positioned to otherwise currently built-product with regard to the Waterfront Project when it is complete.”

Quoting furthermore from the appraiser Anthony Gibbons review letter:

“The assessments are based on a percentage assignment to total property value, in place in 2020. However, the project presented relates, purportedly, to a proximity benefit. This is a location factor, which is a land characteristic. Benefits from proximity do not normally accrue to improvement value, as the “bricks and mortar” are unchanged. This creates an inequity in the side-by-side comparison of improved and vacant land parcels, and one that is particular well illustrated in case of development properties that will imminently be developed, with a completed project in place by the time the park is complete in 2024. This methodological error is essentially a function of relying upon an across-the-board percentage adjustment, as compared to truly measuring before and after differences.”

- C. Upon our read of the “Before/After” (“No-LID/LID”) in the Addenda Volume, pages. A-1 through A-8 it is very clear to us that there will be No Special Benefit or “Value Lift” to our property from any LID funding for the following reasons:

The LID “Before” Conditions describe “Major changes” along the Waterfront, funded by public tax dollars, will be great improvements over the previous Waterfront conditions prior to the viaduct removal and Elliott Bay Seawall Project. These Major changes which clearly provide “general benefits” as these changes will create an attractive Waterfront for the general public as a “general benefit” without the need for any LID funded enhancements.

Quoting the appraiser expert, Anthony Gibbons:

The Valbridge appraisal makes no attempt to assess General Benefit and does not offset the apparent measure of special benefits with general benefits. AG

Below in quotation marks are the “Major Before changes” without LID funding described in the City documents Include:

See Exhibit D-1

- “The Alaskan Way Viaduct Replacement Project (AWVRP) will be complete, with the viaduct eliminated and the SR 99 tunnel in operation.
- The Elliott Bay Seawall Project will be complete, including a new 15-foot wide sidewalk inset with light penetrating surface (LPS) adjacent to the seawall between approximately Yesler Way and Virginia Street.
- The Pike Place MarketFront (MarketFront) Project will be complete.
- The Pier 62 Rebuild Project will be complete.
- The Seattle Multimodal Terminal at Colman Dock Project will be complete.
- A restored Washington Street Boat Landing Pergola will be complete.
- A “Habitat Beach” between approximately Yesler Way and S. Washington St and immediately adjacent to Washington Street Boat Landing Pergola and Colman Dock will be complete.”

Rebuilt/New Surface Roadway (Before)

“ The LID “Before” condition assumes a new surface roadway that would fulfill some of the functions that will no longer be provided by SR 99 after the Alaskan Way Viaduct is removed by serving both local and regional transportation needs and providing access between SR 99, downtown Seattle, and northwest Seattle. The proposed improvements would consist of:

A new Alaskan Way roadway between S King Street and Pine Street, built in the approximate footprint of the former Alaskan Way Viaduct, would include:

- o A dedicated transit lane in each direction between S. King Street and Columbia Street and on Columbia Street between Alaskan Way and First Avenue
- o Northbound ferry queuing lanes between S. King Street and Yesler Way, which include double left-turn lanes between S. Main Street and Yesler Way onto Colman Dock
- o Curb zones near the Colman Dock Transit Hub designed to accommodate general purpose vehicles, transit, taxi, and ADA drop-offs and pick-ups.

More Roadway improvements “Before” without LID funding:

- Additional on-street parking and loading zones located along the curbside on the east and west sides of Alaskan Way where space is available.
- A new arterial street, called Elliott Way, which would follow the path of the former Alaskan Way Viaduct from Alaskan Way at Pine Street up the hill into Belltown, where it would connect with Elliott Avenue and Western Avenue
- A new intersection at Pine Street (referred to as the Pine Street extension) that would connect the new Alaskan Way and new Elliott Way with the existing portion of Alaskan Way north of Pier 62/63. This extension would reach a height of 18’ from the existing Alaskan Way.
- Streetscape enhancements to Bell St. between Elliott Avenue and First Avenue, which would include widened sidewalks and increased landscaping.
- 377 street trees planted in the median and in planting strips on the east and west sides of Alaskan Way and Elliott Way. The budget would allow for the selection of trees with a caliper of 1.5” to 2”. All trees would be of the same type to facilitate the standard level of care and maintenance provided other street trees in the downtown area.
- Code-compliant Green Stormwater Infrastructure (GSI) would be installed in areas of the planting strip along the west side of Alaskan Way between Yesler Way and Columbia St and in areas of the planting strip along the east side of Alaskan Way on every block between Columbia Street and Pike Street, as well as a GSI planter at the foot of the Pike Street

Hillclimb. The City would install groundcover to facilitate the standard level of care provided other GSI elements in the City.

- The City would install one type of hardy groundcover in all other landscaped areas along Alaskan Way and Elliott Way in order to facilitate the standard level of care provided other groundcover in the City.

- Sidewalks on both sides of the roadway along Alaskan Way and Elliott Way would be standard 2'x2' scored concrete.

- On the east side of Alaskan Way between S. King Street and Yesler Way, sidewalk areas between tree pits would be infilled with salvaged red bricks, as required by the Pioneer Square Historic Preservation Board Certificate of Approval.

- Sidewalk immediately adjacent to the west side of Alaskan Way between S. King Street and the Pike Street would range in width from 8' to 35'.

- Plantings immediately west of the two-way bike facility between S. King Street and S. Washington Street would be a mix of standard plantings.

- Sidewalk on the east side of the street between S. King Street and the Pike Street Hillclimb would range in width from 7' to 35'.

- Sidewalk on the east and west sides of Elliott Way roadway between the Pike Street Hillclimb and Bell Street would range in width from 7' to 9'.

- Crosswalks in all intersections would be standard, with 6" curbs.

- A two-way bicycle facility would run along the west side of the new Alaskan Way. The facility would begin at S. King Street and continue north on the west side of Alaskan Way to about Virginia Street, where it would cross the road to join the existing path on the east side of the roadway. At the new intersection with Elliott Way, the bicycle facility would transition to separate northbound and southbound paths that would connect with existing bicycle lanes on Elliott and Western Avenues in Belltown.

- The Marion Street pedestrian bridge over Alaskan Way, which connects to the Seattle Ferry Terminal, would be constructed.

- Reconstructed sidewalks and parking on Seneca Street between Alaskan Way and Western Avenue would be constructed.

- The reconnection of Lenora Street pedestrian bridge to the new Elliott Way would be constructed."

Drive/Parking Aisle (Before),

In the "Before" condition, the City would construct the following:

"S. Washington Street to Madison Street

- Between the east edge of the Seawall LPS and the west edge of the bike facility, from Madison Street to the Washington Street Boat Landing, a 2'x2' scored concrete pedestrian area would be installed with a width of between 25 and 35 feet. The area dedicated to pedestrian travel would be wider than the "After" condition
- Madison Street to Pike Street Between the east edge of the Seawall LPS and the west edge of the bike facility, from Madison and Pike, the City would install a "drive aisle" that would

accommodate 128 parking spaces. **(Note this parking is all lost if the wider pedestrian promenade is installed with LID funding.)**

- Between Madison and Union, the drive aisle would include a single aisle, 60-degree angled parking arrangement using asphalt. Between Union and Pike, the drive aisle would include a double aisle, 60-degree angled parking arrangement using asphalt. There would be an inbound driveway to the south of Pike Street, inbound/outbound driveways at University, Seneca, and Spring Streets, and an outbound driveway at Madison Street. All roadway and parking areas would range in width from 36' to 56'. The sidewalk between the west side of the drive aisle and the LPS panels would be paved using the standard 2'x2' scored concrete. The total width of the walking area, adjacent to the existing LPS panels, would range between 3' and 15'.
- Pike Street to Pine Street the City would reserve this space for a future Aquarium expansion. It would be paved with 2'x2' scored concrete."

"The Overlook Walk would not be built in the "Before" condition and the MarketFront would not become an additional pedestrian connection to the Waterfront and current connections – via the existing elevator and stairwell in Pike Street right away through the Pike Place Market and the Pike St. Hillclimb – would remain the primary connections to the Waterfront from Pike Place Market."

Note that this quoted statement from the City's report only mentions the existing Pike Hill Climb and misses the other three existing pedestrian connections (Lenora St. and Union St. and Harbor Steps at University St.) between the Waterfront and the Pike Place Market.

Pier 58 (formerly known as Waterfront Park)

"Before LID Pier 58 would remain as it currently is: a pier park that was built in 1974. This park has a "horseshoe" shape and contains a mixture of plantings, public gathering areas, a concrete amphitheater, fountain, and seating areas. The park is accessed through a combination of stairs and walkways and is primarily "sunken" below the level of the LPS adjacent to it. Due to access issues, and lack of sightlines, and wear and tear on the aging pier infrastructure, the park is not very conducive to active usage by the public. "

D. The Following Are Our Comments and Objections to the six projects proposed using LID funding to enhance the Major Improvements just described from the city documents:

Copied in quotation marks from The Waterfront Seattle LID Final Special Benefit/Proportionate Assessment Study, Executive Summary pages 6-8 with our comments/objections underlined:

"The LID project would construct the following six main elements:

- 1) "Promenade is a continuous public open space with amply green, landscaped spaces along the west side of the new Alaskan Way from S Washington Street to Pine Street designed for walking, sitting,

gathering, and viewing the waterfront. Highlights of the 26± block-long promenade include street art, extensive plantings (evergreen trees, shrubs and flower bulbs), pedestrian walkways with railings in various sections, and lighting designed in a layered pattern to provide visual interest and wayfinding clarity including LED light sources for low-level illumination of handrails.”

Comments/objections to the LID funding of the Promenade enhancements:

The physical improvements to the Promenade area to the pedestrian walkways along the Waterfront as quoted above in the City’s “Before” will be improved with all of the normal code required street improvements including:

- 377 Street trees,
- Stormwater Infrastructure (GSI) would be installed in areas of the planting strip along the west side of Alaskan Way between Yesler Way and Columbia St and in areas of the planting strip along the east side of Alaskan Way on every block between Columbia Street and Pike Street, as well as a GSI planter at the foot of the Pike Street Hillclimb.
- The City would install groundcover to facilitate the standard level of care provided other GSI elements in the City.
- Sidewalks on both sides of the 6 lane roadway along Alaskan Way and Elliott Way would be Seattle downtown standard 2’x2’ scored concrete.
- A two-way bicycle facility would run along the west side of the new Alaskan Way
- Plantings immediately west of the two-way bike facility between S. King Street and S. Washington Street would be a mix of standard plantings.

Conclusion: with these significant Major Improvements “Before” the LID, to the waterfront boulevard promenade, the enhancements with city estimated total cost of \$62.88 M + 17%= \$73.65M, with approximately half of that from LID funding, provides no real Special Benefits to the LID properties. See (Exhibit D) for images from the city documents comparing the waterfront boulevard “Before” the LID funding and “After”. Both illustrations show that this is a nicely landscaped 6-8 Lane waterfront boulevard and not really a park as the City wants us to believe. See Exhibit D-2 for Promenade “After” and D-3 and D-4 for public safety concerns. See D-5 for Embarcadero visibility and Exhibit F for its “no special benefits associated with the project beyond a one- to two block radius east”

- 2) “Overlook Walk, immediately west of the recently completed Pike Place MarketFront building, is a pedestrian bridge and landscaped public space that connects the Pike Place Market with the Promenade, spanning over the Elliott Way surface street. Beginning at the MarketFront, a switchback pathway referred to as the “Bluff Walk” connects to a 28-foot-high elevated lid over the new Alaskan Way surface street. Other features are 47,000 SF of public open space with excellent view amenities and an accessible pedestrian pathway, enhancing existing connections and adding

new connections between Pike Place Market and the waterfront, providing opportunities to enhance the pedestrian experience and revitalize the area.”

Comments/Objections to the LID funding of the Overlook Walk:

Overlook Walk - Is totally unnecessary, redundant and wasteful with the City's estimated total cost of \$100.18M + 17%= \$117.33M it offers no new special or general benefits because of the three very nearby existing pedestrian connections between the Waterfront and the Pike Place Market. See Exhibit D-6 (rendering with Pike west end), D-7 (existing three connections), D-8 (less direct access), D-9 (winding route ending same place), D-10 (outside of Crompton's special benefit radius) Exhibit F Crompton's Article "The Impact of Parks on Property Values. Exhibit F

These three existing pedestrian connections between the Pike Place Market (official south boundary Is Union St. and north boundary Is Lenora St.) and the Waterfront are so close to the proposed Overlook location:

- The Overlook Walk would be only one block north of the existing elevator and open stairway in the Pike Street right-of-way through the Pike Place Market and the Pike Street Hill Climb.
- The Overlook Walk would be only one and ½ blocks south of the existing Lenora Street pedestrian bridge and elevator connecting the Pike Place Market to the Waterfront
- The Overlook Walk would only be 2 ½ blocks north of the existing Union Street Stair Hill climb connecting the Pike Place Market to the Waterfront.

- 3) “Pioneer Square Street Improvements include enhanced streetscapes on S Main Street, S Washington Street, Yesler Way, and S King Street featuring new sidewalk paving, landscaping, and traffic redirection to create more pedestrian friendly links between the waterfront and Pioneer Square. Improvements could include curb extensions, new seating opportunities and coordinated development of sidewalk cafes with food and beverage uses fronting on these streets. Because this area lies within the Pioneer Square Preservation District, improvements are in accordance with the preservation district guidelines.”

Comments/objections to the LID funding of the Pioneer Square enhancements:

The Pioneer Sq., Street improvements are estimated by the city to cost \$20.0 M + 17%= \$23.4M and are located 10-14 blocks south of my building and are too remote to provide any Special Benefit to my property.

- 4) “Union Street Pedestrian Connection (also known as Lower Union), is in the right of way on the south side of Union Street between Alaskan Way and Western Avenue. It is a universally accessible pedestrian link between the new waterfront and Western Avenue. An elevated pedestrian walkway,

elevator and stairs are enhanced by public art and nighttime lighting to illuminate the pathway, elevator, and the area underneath the pedestrian bridge.”

Comments/objections to the LID funding of Union Street pedestrian connection:

The access to the proposed LID funded Lower Union pedestrian connection \$13.94M + 17%= \$16.32M is a three block walk down First Ave from my building and has no value to my building because we have the existing much more convenient Pike Street Stairs and Pike St., Hill climb one block from our building that provides the same waterfront access. In fact, we have never had the need to use the existing Upper Union stairway to Western Avenue next to the Four Seasons Hotel.

- 5) “Pike/Pine Streetscape Improvements provide enhanced pedestrian access to and from the Pike Place Market and waterfront. Both streets, between First and Second avenues, will be reconstructed as “shared space”, without curbs. Single travel lanes (westbound on Pine and eastbound on Pike) designed for slow vehicle movement and local access will share the space with pedestrians and bicycles. Bollards and detectable warning strips help define the area to be used by vehicles, along with light poles, trees and paving treatments, and there will be more room available for sidewalk cafes. Other improvements will be made in the various blocks of Pike and Pine streets between Second and Ninth avenues (planters protecting bike lanes, etc.) including construction of a new paved public plaza, a flexible space designed to accommodate diverse programming similar to Westlake Park, on the south side of Pine Street between Third and Fourth avenues.”

Comments/Objections to the LID funding of the Pike/Pine streetscape improvements:

These proposed changes to Pike Street and Pine Street between First Avenue and Second Avenue have a City estimated total cost of \$20M + 17%= \$23.4M. This change to the streets would absolutely reduce the value of our property, as it would significantly restrict the existing vehicular access to and from our 300 stall parking garage which is at the one way South alley off of Pine St between Pike and Pine Streets, and between First and Second Avenues. Also, this would make access for deliveries to our building much more restricted. Our building alone had 15,474 packages delivered during 2019 and over 500 service vehicle calls to our building. Restricting our building’s vehicular access will create significant grid lock in our already highly congested area by the Pike Place Market. Also, this one way South alley off of Pine St. serves a 30 stall garage in the historic Doyle Building and the 54 space surface lot serving the Market. See Exhibits D-11 (Pike St “Before”, D-12 (Pike St “After”) and D-13 (Pine St “Before” and D-14 (Pine St “After”)

These proposed changes would clearly damage values of our property.

- 6) Pier 58 (formerly known as Waterfront Park), located between Piers 57 and 59, provides a unique atmosphere for social gathering/ performance spaces with excellent view amenities. Containing approximately 49,000 square feet providing a seamless connection between the park and the

Promenade, highlights include a children's play area, 4,900 SF of open water coverage protected by railings, and 3,600± square feet of raised lawns.

Comments/Objections to the LID funding of the Pier 58 deferred maintenance:

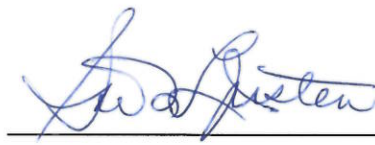
This existing Waterfront Park is part of the tourist destination of the Central waterfront with its tourist-oriented retail piers and offers a curious place for tourists to explore as it is. The City estimated total cost for LID improvements is \$65.24M + 17%= \$76.4M. However, this small park has received little maintenance from the City which is irresponsible. The described improvements reflect deferred maintenance of the City Park and a lack of appropriate improvements over its many years of use. This is clearly not a neighborhood park and the proposed improvements should not be funded by the downtown neighborhood LID as it has no Special Benefits.

- E. From our experience living in the Pike Place Market neighborhood for over four decades, including living adjacent to Westlake park for 8 years and William managing 15 historic buildings in Pioneer Square for 14 years, we have experienced the negative impacts to properties and pedestrians using or passing nearby public open spaces in the downtown core including: Victor Steinbrueck Park, Westlake Park, Freeway Park and Occidental Park. These public places frequently attract unlawful behavior and threatening events. Last week 7 pedestrians were shot one block from our home see image (Exhibit F). We are concerned that the Central Waterfront Boulevard with even much fewer eyes on the pedestrian areas than these other public areas will result in negative property values.
- F. For 10 years William was the Responsible Official for the City of Seattle Lead Agency on SEPA Decisions and Conditions for all privately sponsored developments. We find it very surprising that there has been no State Environmental Policy Act (SEPA) review of the Waterfront LID formation ordinance or in advance of this Final Assessment roll, a limited EIS addressing only certain of the LID improvements in isolation and was completed several years before the LID formation ordinance and there are incomplete SEPA reviews of the LID Improvements themselves. This is clearly an improper segmentation of environmental impacts and failure to address cumulative impacts of the complete project required in a SEPA public review process. Through this piecemeal and incomplete environmental review approach, the City has artificially limited the range of reasonable alternatives and the effectiveness of any future SEPA review of the waterfront LID and underlying project action. It is unlawful to move forward with final assessments until all SEPA reviews are complete for the Waterfront LID *and* the Waterfront LID Improvements collectively. *LID Manual*, pp. 3, 6, 17, 24, 26; WAC 197-11-055, 197-11-060, 197-11-070, 197-11-305, 197-11-704, RCW 43.21C.030 and 43.21C.031.
- G. The Ordinance 125760, (Exhibit A), states that the total project will be \$712 million of that \$346.57 million is the estimated cost to complete the LID scope of work. With the total LID assessment of \$160 million, how will the city raise the additional \$186.57 million to complete 100% of the LID scope of work, which is required by state law for LID funded projects? If the City Council does enforce this LID funding, the city budget will be significantly adversely

affected. In order to fund the shortfall to complete the LID scope of work. These funds would likely come from The City's general fund at the cost of other general fund supported city functions such as police protection and support of the homeless and social services. That would be a crime, and this risk is very real as the budget for the LID scope of work is only based on schematic drawings and as all of us in Seattle during these years of over heated construction activity and escalating costs know, there will be significant cost overruns. As the opinion 2012 No. 4 (Exhibit E) from the Washington State Atty. Gen. concludes it would be unlawful to bind future city councils and future budgets to spend likely hundreds of millions of dollars on projects still early in the design process.

- H. As a further lack of confidence in the work done by the City's appraiser, the appraiser determined the value of our home #2901 on the NE corner, Before the LID of \$2,385,600, which tells us that the appraiser is completely unaware of the decline in condominium market values this past year in the LID. For example, the unit adjacent to ours #2902 on the SE corner sold for \$1,800,000 last week on 2/4/2020 that's 15% less than the city appraiser's Before value of \$2,074,800. Redfin January 2020 report estimates our home at \$1,971,810 which is 82.6% of the city appraiser's Before value. If the city's appraiser is that far off, how can anyone believe his estimate of value lift of our home from the full LID improvements of 2.7%???
- I. We incorporate by reference all objections made as part of King County Superior Court Case No. 19-2-05733-5 SEA (Consolidated with No. 19-2-08787-1 SEA). Attached is a copy of the Third Amended Complaint (Exhibit G)
- J. We join in and incorporate by reference every objection made by every other property owner.
- K. We incorporate the review and critique by appraiser, Anthony Gibbons, dated January 27, 2020 (Exhibit C) of the Final Special Benefit/Proportionate Assessment Study dated November 18 prepared by Valbridge.
- L. In conclusion, as longtime residents and employees in our downtown core and as active domestic and international travelers where we have observed and studied public spaces, it is very clear to us that these "Major Changes" that are planned for the Central Waterfront, even without the LID enhancements, will create a wonderful "regional" attraction primarily as a tourist destination in the long summer days. This clearly will not be a neighborhood park, but rather a waterfront Boulevard, offering no special benefits and property value lift to property owners in the downtown core. Rather, our main concern is that this large Waterfront Boulevard will become unpleasant and unsafe as are other downtown pedestrian spaces during the dark days and evenings which adversely impact property values.

Thank you for giving this very serious matter the attention it deserves,


William J. Justen
Sandra L. Justen

EXHIBITS:

- A- Waterfront LID Formation Ordinance No. 125760
- B- Photo showing East skyline view from Justen condominium
- C- RE-SOLVE review letter by appraiser, Anthony Gibbons, 1.30.2020, of Valbridge Special Benefit Studies
- D- D-1 through D-14 "Before" and "After" LID city images from the Final Special Benefit Study
- E- Washington State Attorney General Opinion Letter AGO 2012 No.4
- F- War Zone
- G- Third Amended Complaint for Declaratory Relief and Damages, King County Superior Court

EXHIBIT A



SEATTLE CITY COUNCIL

Legislative Summary

CB 119447

Record No.: CB 119447

Type: Ordinance (Ord)

Status: Passed

Version: 1

Ord. no: Ord 125760

In Control: City Clerk

File Created: 12/18/2018

Final Action: 01/29/2019

Title: AN ORDINANCE relating to the Central Waterfront Improvement Program and the LID Improvements identified herein; establishing Local Improvement District No. 6751 ("Waterfront LID") and ordering the carrying out of the proposed LID Improvements, as a component of the Seattle Central Waterfront Improvement Program in accordance with Resolution 31812; providing that payment for the LID Improvements be made in part by special assessments upon the property in the Waterfront LID, payable by the mode of "payment by bonds"; creating a local improvement fund; authorizing the issuance of local improvement bonds; and providing for interfund loans and for the issuance and sale of short-term financing instruments, and ratifying and confirming certain prior acts, all by a two-thirds vote of the City Council at a regular meeting.

Date

Notes:

Filed with City Clerk:

Mayor's Signature:

Sponsors: Juarez

Vetoed by Mayor:

Veto Overridden:

Veto Sustained:

Attachments: Ex A – Waterfront LID Improvements, Ex B – Waterfront LID Boundaries, Ex C – Waterfront LID Improvements Cost Estimate Summary, Appearance of Fairness Memo

Drafter: adam.schaefer@seattle.gov

Filing Requirements/Dept Action:

History of Legislative File

Legal Notice Published:

☐ Yes☐ No

Ver- sion:	Acting Body:	Date:	Action:	Sent To:	Due Date:	Return Date:	Result:
1	Mayor	01/03/2019	Mayor's leg transmitted to Council	City Clerk			
1	City Clerk	01/03/2019	sent for review	Council President's Office			
Action Text: The Council Bill (CB) was sent for review. to the Council President's Office Notes:							

1 Council President's Office 01/10/2019 sent for review

Civic
Development,
Public Assets,
and Native
Communities
Committee

Action Text: The Council Bill (CB) was sent for review. to the Civic Development, Public Assets, and Native Communities Committee

Notes:

1 City Council 01/22/2019 referred

Civic
Development,
Public Assets,
and Native
Communities
Committee

Action Text: The Council Bill (CB) was referred. to the Civic Development, Public Assets, and Native Communities Committee

Notes:

1 Civic Development, Public Assets, and Native Communities Committee 01/24/2019 pass

Pass

Action Text: The Committee recommends that City Council pass the Council Bill (CB).

In Favor: 3 Chair Juarez, Vice Chair Bagshaw, Member González

Opposed: 0

1 City Council 01/28/2019 passed

Pass

Action Text: The Council Bill (CB) was passed by the following vote, and the President signed the Bill:

Notes: ACTION 1:

Council President Harrell stated that before the Council considered the Central Waterfront Local Improvement District Package, to include Council Bills 119447, 119448, and 119449, Councilmembers Bagshaw, Johnson, Juarez, Mosqueda, O'Brien, and Sawant will respond to the challenge related to the Central Waterfront Local Improvement District Package which includes Council Bills 119447, 119448, and 119449.

Council President Harrell thereafter provided each Councilmember an opportunity to respond to the challenge.

ACTION 2:

Councilmember Bagshaw stated for the record that there had been no violation and that she intended to fully participate in the consideration of the matter.

ACTION 3:

Councilmember Johnson stated for the record that there had been no violation and that he intended to fully participate in the consideration of the matter.

ACTION 4:

Councilmember Juarez stated for the record that there had been no violation and that she intended to fully participate in the consideration of the matter.

ACTION 5:

Councilmember O'Brien stated for the record that there had been no violation and that he intended to fully participate in the consideration of the matter.

ACTION 6:

Councilmember Mosqueda stated for the record that there had been no violation and that she intended to fully participate in the consideration of the matter.

ACTION 7:

Councilmember Sawant stated for the record that there had been no violation and that she intended to fully participate in the consideration of the matter.

In Favor: 8 Councilmember Bagshaw, Council President Harrell, Councilmember Herbold, Councilmember Johnson, Councilmember Juarez, Councilmember Mosqueda, Councilmember O'Brien, Councilmember Sawant

Opposed: 0

1	City Clerk	01/28/2019	submitted for Mayor's signature	Mayor
	Action Text:	The Council Bill (CB) was submitted for Mayor's signature. to the Mayor		
	Notes:			
1	Mayor	01/28/2019	Signed	
1	Mayor	01/29/2019	returned	City Clerk
1	City Clerk	01/29/2019	attested by City Clerk	
	Action Text:	The Ordinance (Ord) was attested by City Clerk.		
	Notes:			

CITY OF SEATTLE

ORDINANCE

125760

COUNCIL BILL

119447

AN ORDINANCE relating to the Central Waterfront Improvement Program and the LID Improvements identified herein; establishing Local Improvement District No. 6751 ("Waterfront LID") and ordering the carrying out of the proposed LID Improvements, as a component of the Seattle Central Waterfront Improvement Program in accordance with Resolution 31812; providing that payment for the LID Improvements be made in part by special assessments upon the property in the Waterfront LID, payable by the mode of "payment by bonds"; creating a local improvement fund; authorizing the issuance of local improvement bonds; and providing for interfund loans and for the issuance and sale of short-term financing instruments, and ratifying and confirming certain prior acts, all by a two-thirds vote of the City Council at a regular meeting.

WHEREAS, in January 2011, the City Council ("Council") of The City of Seattle (the "City") adopted Resolution 31264, creating the Central Waterfront Committee (CWC) to oversee development of the waterfront conceptual design and framework plan ("Concept Design and Framework Plan"), to ensure robust and innovative public engagement, to identify public and private funding sources, and to establish the foundation for a lasting civic partnership for the implementation of improvements to the central waterfront area of Seattle upon the removal of the Alaskan Way Viaduct; and

WHEREAS, by Ordinance 123761, originally passed in November 2011 and as amended by Ordinance 125188, the Council authorized creation of the Central Waterfront Improvement Fund and authorized an interfund loan to that fund to allow the Seattle Department of Transportation (SDOT) to incur pre-construction costs of planning and design for improvements that could be financed in part by a future local improvement district to be formed and known as the "Waterfront LID"; and

WHEREAS, by Resolution 31399, adopted in August 2012, the Council expressed the City's support for the Concept Design and Framework Plan, which was developed based on

1 broad and inclusive public engagement over two years by the City and the CWC, and
2 endorsed a Central Waterfront Strategic Plan ("Strategic Plan"), which established a
3 funding plan and called for leveraging a mix of public, private, and philanthropic sources,
4 including formation of the Waterfront LID, to achieve the vision described in the Concept
5 Design and Framework Plan; and

6 WHEREAS, the Council subsequently established the "Central Waterfront Improvement
7 Program" to incorporate elements of the Concept Design and Framework Plan into the
8 City's annual Capital Improvement Plans, pursuant to which the City is planning to invest
9 approximately \$248 million from a range of local funding sources; and

10 WHEREAS, in addition to the local funding sources, the State of Washington has committed
11 approximately \$194 million toward the completion of various components of the Central
12 Waterfront Improvement Program; and

13 WHEREAS, a portion of the Central Waterfront Improvement Program includes those
14 improvements identified in Section 1 of this ordinance (the "LID Improvements"), which
15 are intended to be financed through the formation of the Waterfront LID; and

16 WHEREAS, by Resolution 31768, adopted in September 2017, the Council reaffirmed the
17 funding plan (including local improvement district formation) for the Central Waterfront
18 Improvement Program and outlined a process for formation of the Waterfront LID; and

19 WHEREAS, by Resolution 31812 ("Intent-to-Form Resolution") adopted in May 2018, the
20 Council declared its intent to order the construction of the LID Improvements and to
21 create the Waterfront LID to assess a part of the cost and expense of carrying out those
22 LID Improvements against the property specially benefited thereby; and

1 WHEREAS, it is the intention of this Council that, after confirmation of a final assessment roll
2 and the expiration of the 30-day period for prepayment of such assessments without
3 interest or penalty, the City will finance the unpaid portion of the assessment roll by the
4 issuance of local improvement district bonds ("LID Bonds") which will provide for a
5 deposit of bond proceeds into the City's Local Improvement Guaranty Fund in an amount
6 to be set pursuant to the ordinance authorizing issuance of the LID Bonds (but not to
7 exceed a maximum of 10 percent of the amount of the LID Bonds issued) and that those
8 proceeds, when released from that fund in accordance with state law, will be earmarked
9 to pay for major maintenance of the LID Improvements or other identified needs related
10 to the Improvements. This Council further intends that persons who pay their assessments
11 in full during the 30-day prepayment period will not be responsible for these financing
12 costs (i.e., the costs of issuing the LID Bonds and making a Guaranty Fund deposit); and

13 WHEREAS, all of the preliminary proceedings for the establishment of the Waterfront LID have
14 been taken as provided by law, all as further described in Section 2 of this ordinance;
15 and

16 WHEREAS, the Council has determined it to be in the best interests of the City that the LID
17 Improvements as hereinafter described be carried out and that the Waterfront LID be
18 created in connection herewith; NOW, THEREFORE,

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

20 Section 1. LID Improvements. The LID Improvements consist of those
21 improvements within the Central Waterfront Improvement Program that are identified with
22 particularity on Exhibit A to this ordinance, which is incorporated herein by reference.

1 Section 2. LID Formation Steps Taken. The City has taken the required preliminary
2 steps to the formation of an LID, including:

3 (a) Formation Hearings. By adopting the Intent-to-Form Resolution in May 2018, the
4 City Council declared its intention to order the LID Improvements and fixed the times and places
5 for hearing all matters relating to the proposed LID Improvements and all comments thereon and
6 objections thereto (the "Formation Hearings").

7 (b) LID Improvements Estimated Cost Certified. The Director of the Office of the
8 Waterfront and Civic Projects (OWCP), on behalf of the Director of Transportation, Seattle
9 Department of Transportation, caused an estimate to be made of the cost and expense of the
10 proposed LID Improvements and certified that estimate to the City Council on June 1, 2018,
11 together with all papers and information in the Director's possession touching the proposed LID
12 Improvements; a description of the boundaries of the proposed LID; and a statement of what
13 portion of the cost and expense of the LID Improvements should be borne by the property within
14 the proposed Waterfront LID. The Director's estimate is accompanied by a diagram of the
15 proposed Waterfront LID area showing the lots, tracts, parcels of land, and other property which
16 will be specially benefited by the proposed LID Improvements and the estimated cost and
17 expense thereof to be borne by each lot, tract and parcel of land or other property.

18 (c) Notice Provided and Public Hearings Conducted. The City caused due notice of
19 the Formation Hearings to be given in the manner provided by law and as described in the
20 recitals to this ordinance. The Formation Hearings were held on the dates and at the times
21 described in the Intent-to-Form Resolution, and all objections to the proposed LID
22 Improvements were duly considered by the Seattle Hearing Examiner or the Hearing Examiner's
23 designee, and all persons appearing at such hearing and wishing to be heard were heard.

1 (d) Hearing Examiner Report Received by Council. The Seattle Hearing Examiner
2 has submitted the Hearing Examiner's Report on the comments received during the Formation
3 Hearings on the City's intention to form the LID (the "Hearing Examiner's Report"), Clerk File
4 320972.

5 Section 3. LID Improvements Ordered. Having completed the foregoing preliminary
6 proceedings and in consideration of the Hearing Examiner's Report, the City Council determines
7 it to be in the best interests of the City that the LID Improvements as herein described be carried
8 out and that a local improvement district be created in connection herewith. Therefore, pursuant
9 to RCW 35.43.040, the City Council orders the construction of the LID Improvements. The LID
10 Improvements shall be in accordance with plans and specifications prepared by the Director of
11 the OWCP, on behalf of the Director of Transportation of the Seattle Department of
12 Transportation, and on file in the City Clerk's office, and may be modified by the City Council
13 as long as such modifications do not affect the purpose of the LID Improvements or constitute
14 materially different improvements; provided, however, that changes in detail of such plans that
15 do not significantly alter the scope or costs of the LID Improvements will not require further
16 approval.

17 Section 4. Local Improvement District Created. There is created and established a
18 local improvement district, to be known as Local Improvement District No. 6751 of the City
19 (interchangeably, "LID 6751" or the "Waterfront LID"). The boundaries of the Waterfront LID
20 are described in Exhibit B attached hereto and by this reference incorporated herein. It is hereby
21 found that the above-described boundaries embrace as nearly as practicable all the property
22 specially benefited by the LID Improvements.

1 Section 5. Allocation of Costs. The total estimated cost and expense of design and
2 construction of the Central Waterfront Improvement Program is estimated to be approximately
3 \$712 million. Notwithstanding the provisions of any other ordinance of the City, the total cost of
4 (a) the LID Improvements, including the planning, design, and construction of the
5 improvements, and (b) the estimated costs of creation and administration of the Waterfront LID
6 (together, the "LID Expenses"), and the estimated financing costs (i.e., the costs of issuing the
7 LID Bonds and estimated amounts necessary to fund a deposit to the LID Guaranty Fund), is
8 declared to be approximately \$346.57 million, all as described in Exhibit C to this ordinance.

9 The portion of the LID Expenses that shall be borne by and assessed against the property
10 within the Waterfront LID specially benefited by the LID Improvements shall not exceed
11 \$160 million plus the amounts necessary to pay the costs of financing (including the costs of
12 issuing the LID Bonds and making a deposit to the LID Guaranty Fund). Assessments shall be
13 made against the property within the Waterfront LID in accordance with the special benefits
14 accruing to such property. The balance of the cost and expense of the LID Improvements shall be
15 paid from other amounts available to the City, including philanthropic donations from
16 individuals and organizations, consistent with the City's overall funding plan for the Central
17 Waterfront Improvement Program.

18 Section 6. Method of Assessment. In accordance with the provisions of RCW
19 35.44.047, the City may use any method or combination of methods to compute assessments that
20 may be deemed to fairly reflect the special benefits to the properties being assessed.

21 Section 7. Final Assessment Roll. Upon approval of this ordinance, an assessment
22 roll shall be prepared and, after notice and hearing in the manner provided by law, the
23 assessment roll shall be confirmed. The final confirmed assessment roll will be limited to an

1 amount equal to \$160 million plus the amounts necessary to pay the costs of financing and to
2 make a deposit to the LID Guaranty Fund. All remaining costs and expenses of the LID
3 Improvements and the Central Waterfront Improvement Program are to be paid from the sources
4 identified in Section 5 of this ordinance or other amounts budgeted for this purpose in the future.
5 It is the City's intent not to pursue any future supplemental assessments to cover additional costs
6 accrued during construction.

7 Section 8. Mode of Payment. In accordance with the provisions of SMC 20.04.050,
8 the mode of payment for the Waterfront LID is "payment by bonds." Assessments not paid
9 within the 30-day prepayment period provided by law shall be payable in installments of
10 principal and interest with terms to be fixed by future ordinance.

11 Section 9. Deferral of Assessments for Economically Disadvantaged Property
12 Owners. The collection of an assessment upon property assessed by a local improvement district,
13 or any installment thereof, may be deferred as provided in RCW 35.43.250 and 35.54.100, as
14 now existing or hereafter amended, upon the application of a person responsible for the payment
15 of an assessment, who is economically disadvantaged. The City shall establish, in the ordinance
16 confirming the assessment roll, the terms and conditions for the deferral of collection of such
17 assessments, the persons eligible therefor, the rate of interest, the duties of the respective City
18 officials and the obligations of the City's previously created Local Improvement Guaranty Fund
19 with respect thereto, all in accordance with chapter 20.12 SMC and RCW 35.43.250 and
20 35.54.100.

21 Section 10. Local Improvement Fund Created. The Local Improvement District No.
22 6751 Fund ("Waterfront LID Fund") is created and established in the City Treasury for the
23 purpose of paying the cost of the LID Improvements provided for in this ordinance and into

1 which shall be paid all of the assessments collected in the Waterfront LID as and when directed
2 by the ordinance confirming the assessment roll. The proceeds of interfund loans or other short-
3 term obligations drawn against the fund which may be issued and sold by the City, and the
4 collections of assessments, interest and penalties thereon, shall be deposited in the Waterfront
5 LID Fund. Notwithstanding any other ordinance of the City (including provisions of the Seattle
6 Municipal Code), the Director of the Finance Division of the Department of Finance and
7 Administrative Services ("City Finance Director") is authorized and directed to create within the
8 Waterfront LID Fund such accounting designations as may be necessary to segregate the
9 amounts available to be used to pay the costs of the LID Improvements from the assessments
10 collected for repayment of the LID Bonds.

11 Section 11. Construction of Improvements; Payment for LID Improvements.

12 Notwithstanding the foregoing or the provisions of any other ordinance of the City, unless the
13 authority to proceed is restrained by protest under RCW 35.43.180, the LID Improvements may
14 be carried out in whole or in part under the provisions of RCW 35.51.020, Chapter 39.10 RCW,
15 Article VII of the City Charter, Chapter 20.04 SMC or as otherwise authorized by law.

16 Section 12. Authorization of LID Bonds and Interim Financing.

17 (a) Bonds. The City is authorized to issue LID Bonds, in one or more series, for the
18 Waterfront LID, which shall bear interest at a rate and be payable on or before a date or dates to
19 be hereafter fixed by ordinance. The LID Bonds may be issued (i) to pay costs of the LID
20 Improvements (including repayment of interfund loans or refunding of any and all short-term
21 obligations issued to pay such costs), (ii) to pay the costs of creation and administration of the
22 Waterfront LID, (iii) to pay the costs of financing, and (iv) to make a deposit to the LID
23 Guaranty Fund. The LID Bonds shall be paid and redeemed by the collection of assessments to

1 be levied and assessed against the property within the Waterfront LID, payable in annual
2 installments, with interest at a rate to be hereafter fixed by ordinance under the mode of
3 "payment by bonds," as defined by law and the ordinances of the City. The form, amounts, dates,
4 interest rates and denominations of such bonds hereafter shall be fixed pursuant to ordinance of
5 the City Council.

6 (b) Interim Financing. In anticipation of the issuance of the LID Bonds, the City
7 Finance Director or the Finance Director's designee has previously been authorized in Ordinance
8 125188 to loan funds from the City's Transportation Master Fund or its participating funds to the
9 Central Waterfront Improvement Fund, for a period beginning December 30, 2011. Pending
10 issuance of the LID Bonds, the City may provide for the extension of this or additional interfund
11 loans to pay for costs of the LID Improvements or for the issuance of short-term obligations
12 pursuant to chapter 39.50 RCW or local improvement district notes in accordance with
13 applicable law and ordinances of the City.

14 (c) Expenditures and Reimbursement. The City on December 23, 2013, declared its
15 official intent to reimburse itself for expenditures to be made for the LID Improvements (other
16 than for any cost or expense expected to be borne by the City) prior to the date that any short-
17 term obligations or local improvement district bonds are issued to finance the LID
18 Improvements, from proceeds of interfund loans or other funds that are not, and are not
19 reasonably expected to be, reserved, allocated on a long-term basis, or otherwise set aside to pay
20 the cost of the LID Improvements.

21 Section 13. Restraint by Protest. The jurisdiction of the Council to proceed with the
22 LID Improvements shall be divested by a protest filed with the Council within 30 days from the
23 date of passage of this ordinance, all in accordance with RCW 35.43.180.

1 Section 14. Filing of Preliminary Assessment Roll. The Director of OWCP, on behalf
2 of the Director of Transportation, filed the preliminary assessment roll and other information
3 required by SMC 20.04.060 with the City Clerk on June 1, 2018. Notwithstanding the provisions
4 of any other ordinance of the City, not later than 15 days after the passage of this ordinance, the
5 Director of Finance and Administrative Services (FAS) shall post the preliminary assessment roll
6 for Local Improvement District No. 6751 upon the Director's index of local improvement
7 assessments against the properties affected by the local improvement.

8 Section 15. Section Headings. The section headings in this ordinance are used for
9 convenience only and shall not constitute a substantive portion of this ordinance.

10 Section 16. Ratification. Any act consistent with the authority of this ordinance taken
11 prior to its effective date is ratified and confirmed.

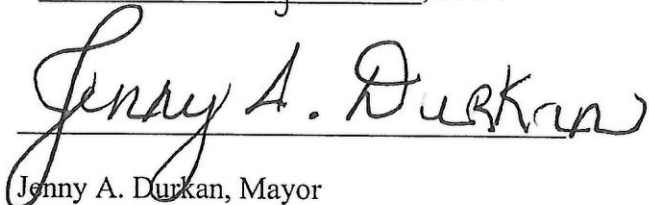
Section 17. Effective Date. This ordinance shall take effect and be in force 30 days after its approval by the Mayor, but if not approved and returned by the Mayor within ten days after presentation, it shall take effect as provided by Seattle Municipal Code Section 1.04.020.

Passed by a majority consisting of more than two-thirds of all of the members of the City Council the 28th day of January, 2019, and signed by me in open session in authentication of its passage this 28th day of January, 2019.



President _____ of the City Council

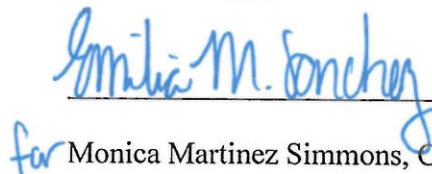
Approved by me this 28th day of January, 2019.



Jenny A. Durkan, Mayor

Filed by me this 28th day of January, 2019.

29th 33.



for Monica Martinez Simmons, City Clerk

(Seal)

Attachments:

Exhibit A – Waterfront LID Improvements

Exhibit B – Waterfront LID Boundaries

Exhibit C – Waterfront LID Improvements Cost Estimate Summary

Element	Description
Promenade	A continuous public open space extending along the west side of Alaskan Way from King Street to Pine Street.
Overlook Walk	An elevated pedestrian bridge situated at the terminus of the Pike/Pine corridor, would include several buildings, an elevated lid over the surface street, open space with excellent view amenities, and an accessible pedestrian pathway with many connections between the Pike Place Market and the waterfront.
Pioneer Square Street Improvements	Streetscape and new roadway/ sidewalk improvements to portions of S Main Street, S Washington Street, Yesler Way and S King Street from Alaskan Way/First Avenue east to 2nd Avenue S. The improvements would create pedestrian-friendly links from Pioneer Square to the waterfront.
Union Street Pedestrian Connection	A universally accessible pedestrian link between the new waterfront and Western Avenue. An elevated pedestrian walkway and elevator extends from the southwest corner of Union Street and Western Avenue to the eastern side of Alaskan Way.
Pike/Pine Streetscape Improvements	Pedestrian improvements along Pike and Pine streets from First Avenue to Ninth Avenue, providing enhanced pedestrian access to and from the Pike Place Market and waterfront.
Waterfront Park	A rebuilt pier park located at the base of Union Street, would provide a unique atmosphere for social gathering/performance spaces with excellent view amenities.

LID Boundary Description

The area circumscribed by the boundary beginning at the northwest corner of the intersection of Alaskan Way and Wall Street, continuing northeast along Wall Street to the intersection of Wall Street and Denny Way. Continuing east along Denny Way to Interstate-5. Continuing south along Interstate-5 to its intersection with Seneca Street, continuing southwest along Seneca Street to the intersection of Seneca Street and Sixth Avenue, then continuing southeast along Sixth Avenue to the intersection of Sixth Avenue and Yesler Way. Then traveling west along Yesler Way to the intersection of Yesler Way and Fourth Avenue South, then south along Fourth Avenue South to a point approximately 700 feet south of the intersection of Seattle Boulevard South (Airport Way South) and Fourth Avenue South. From this point west along the southern boundary of King County Assessor Parcel 7666204856 to the west edge of the Burlington Northern Santa Fe railroad tracks. Following the west edge of the Burlington Northern Santa Fe railroad tracks south to their intersection with South Massachusetts Street. From this point west across the railroad tracks and along South Massachusetts Street to its intersection with Occidental Avenue South, continuing north to the intersection of Occidental Avenue South and Edgar Martinez Drive South. From the intersection of Occidental Avenue South and Edgar Martinez Drive South/South Atlantic Street, continue west along Edgar Martinez Drive South/South Atlantic Street to the intersection of Edgar Martinez Drive South/South Atlantic Street and East Frontage Road South. Then continuing north along East Frontage Road South to the intersection of East Frontage Road South and South Royal Brougham Way, then continue north along State Route 99/Alaskan Way Viaduct to South Jackson Street. Continue west along South Jackson Street to the east boundary of the Jackson Street Landing (King County Assessor Parcel 7666202631). Continue west on the southern boundary of the Jackson Street Landing to the west boundary of the Seattle Tidelands (King County Assessor Parcel 7666202632), then continuing northwest along the westernmost boundaries of the Seattle Tidelands to the northwest corner King County Assessor Parcel 7666202312 (Pier 68) and every property in-between, then continuing east along the north boundary of Parcel 7666202312 to Alaskan Way, then continuing southeast along Alaskan Way to the intersection of Alaskan Way and Wall Street.

Recommended Waterfront Seattle Project LID Boundary



Waterfront Seattle Program - Waterfront LID Improvements

Project Cost Estimate Summary

Projects/Cost Element	Estimated Total Cost	Waterfront LID Principal Assessment
<i>*Dollars displayed in millions</i>		
Promenade	\$62.88	
Overlook Walk	\$100.18	
Pioneer Square	\$20.00	
Pike/Pine	\$20.00	
Union Street	\$13.94	
Waterfront Park	\$65.24	
1% for Art	\$4.91	
AWPOW Environmental Impact Statement	\$3.74	
Main Corridor Program Contingency	\$16.41	
Overlook Walk & E/W Connections Program Contingency	\$15.00	
LID Admin	\$8.27	
Total Project/Cost Elements funded by Waterfront LID	\$330.57	\$160.00
Estimated Financing Costs & Guaranty Fund Deposit *	\$16.00	\$16.00
Total Capitalized Cost Waterfront LID Improvements/Total Assessment	\$346.57	\$176.00

* For assessments paid over time in installments. Interest on outstanding principal to be fixed by future ordinance.

$$LID = \$160.0M \div \$330.57M \text{ TOTAL COST} = \text{Approx } 50\%$$

JUSTEN - LID 6751 OBJECTIONS
EXHIBIT B



JUSTEN - LID 6751 OBJECTIONS EXHIBIT C RE•SOLVE

GIBBONS & RIELY, PLLC
Real Estate Appraisal, Counseling & Mediation
261 Madison Ave S, Suite 102
Bainbridge, WA 98110-2579

Anthony Gibbons, MAI
Direct Dial 206 909-1046
Email: agibbons@realestatesolve.com

January 30, 2020

Molly A. Terwilliger
Attorney at Law
Yarmuth LLP
1420 Fifth Avenue, Suite 1400
Seattle, Washington 98101

RE: **Waterfront Seattle LID Special Benefits Report – File Ref: 19-0101 – November 18, 2019**
Authored by Valbridge.

Dear Ms. Terwilliger:

At your request, I have conducted this high-level review of the Valbridge mass appraisal study prepared for the purposes of documenting Special Benefit resulting from the city Waterfront Seattle project. The letter is intended as a consultation, and not as an appraisal review. At some point it may be appropriate to address individual valuations on a parcel by parcel basis, but that is not the concern of this letter. This consultation looks at the methodology employed and the general conclusions made in the presentation of the study. Please note, as a disclosure, I am part owner of a condominium located within the boundaries of the LID. I do not consider this to be a conflict in providing an objective review of the study methodology.

Valbridge Appraisal

Valbridge presents several conclusions, which briefly may be re-stated as:

1. **LID Boundaries.** Valbridge identifies a total of 6,238 properties with potential special benefits within an LID boundary that generally comprises the entire downtown area lying between Puget Sound, I-5, Denny Way, and S. Massachusetts Street.
2. **Property Valuation.** The value of property within this area is concluded to be approximately \$56.3-billion.
3. **Special Benefit Lift.** The appraisal concludes with incremental increases in individual property values (which are presented numerically in the report) summarized as follows:¹

Estimated Special Benefit Ranges By Property Class		
Property Class	Percentage of Property Value Increase	
	High	Low
Land value	<4.00%	<0.50%
Office/Retail	<3.50%	<0.50%
Hotel	<3.50%	<1.00%
Apartment/Subsidized housing	3.00%	0.00%
Residential condominium	3.00%	<0.50%
Waterfront	<4.00%	<0.50%
Special purpose	0.10%	1.00%

¹ This exhibit is lifted from the appraisal. Note that the "Special Purpose" category has the high and low figures reversed.

4. Special Benefit Amount v. Cost. The total of the individual assignments approximates a \$448-million special benefit over these properties. This is compared and contrasted to the LID cost of \$346-million. Legally the cost of the LID cannot exceed the benefit provided. In addition, the city has limited the assessment to \$175,500,000.
5. After Valuation. The incremental increases in value calculated are added to the Before value to create an After value, which in aggregate comes to \$56.8-billion.

Conceptual and Methodological Issues

1. The basic construct of the LID and its application to Waterfront Seattle

LIDs are typically reserved for the funding of utility improvements and infrastructure within a specific neighborhood or market, and represent a means by which a group of property owners can receive and pay for improvements that might otherwise be avoided by a municipality; perhaps the project in question is/has been deemed too specific, or not a priority, to cover with general funding. The mechanism essentially allows property owners to pay for the LID with the obvious value lift associated with, say, the provision of sewer or a road. Under RCW 34.44.010, "*The cost and expense [of improvements made through an LID] shall be assessed upon all the property [within the boundaries of the LID] in accordance with the special benefits conferred thereon.*" (bracketed language added). The value lift associated with provision of the infrastructure (say water, power or sewer) is typically easily measured, and *special benefits*² are not hard to prove and calculate.

The current proposal, to fund a regional park through this mechanism, represents a special challenge for an appraiser, as the special benefit associated with an amenity such as a publicly-owned park is not obviously beneficial in the same fashion as a utility extension, representing more of an aesthetic, and widely dependent upon factors unrelated to the mere presence of the project (such as operations, public use, etc.). The project becomes even more challenging, when the park is to be located in a regional economic center, and funding requirements require benefit assessment across several downtown blocks that lie uphill from the amenity.

2. Special Benefit

Background

A successful LID is based on the correct identification of the *Special Benefit* created. The term Special Benefit is both a legal term and a term of art in the appraisal industry. The most succinct definition of Special Benefit is provided as a WPI instruction:

"Special benefits are those that add value to the remaining property as distinguished from those arising incidentally and enjoyed by the public generally.

WPI 150.07.01

The distinction between Special and General benefits is then a key consideration for an appraiser in the application of benefit deemed special. Eaton stresses the importance of the proper identification of special benefit, and the necessity for also identifying general benefit for the simple purposes of appropriate benefit allocation; if a project creates both special and general benefits, only the special increment that accrues to certain properties can be part of the assessment:

It should be noted that project enhancement...may be composed of general benefits, special benefits, or a combination of the two. Thus it may be necessary...to allocate the beneficial effects

² See subsequent discussion on the definition of a special as opposed to general benefit.

of project enhancement between special and general benefits and to consider only the special benefits in estimating the value of the property in the after situation.”

Real Estate Valuation in Litigation, Page 326, by Jim Eaton MAI.

The standard dictionary definition of special, an adjective, is *better, greater, or otherwise different from what is usual*. Synonyms include *exceptional, unusual, singular, uncommon, notable, noteworthy, remarkable, outstanding, unique, more*. In practical application though, the precise meaning of Special Benefit has been debated in the courts, particularly in eminent domain cases, with the same principles applying to LIDs. One of the clearest and oft-cited distinctions of special and general benefit is found in the following court decision:

“The most satisfactory distinction between general and special benefit is that general benefits are those which arise from the fulfillment of the public object..., and special benefits are those which arise from the peculiar relation of the land in question to the public improvement”

United States v. 2,477.79 Acres of Land, as quoted in Nicols

There are various common sense applications of special benefits. They cannot be “*remote, speculative or imaginary*” (WPI). In addition the appraiser should consider when the benefits will actually be received.

The fair market value of the remainder, as of the date of valuation, shall reflect the time when the damage or benefit caused by the proposed improvement or project will be actually realized. Uniform Eminent Domain Code 1974, §1006, p.10.11. as quoted in Real Estate Valuation in Litigation by Jim Eaton, MAI

3. The Valbridge Study

The Valbridge study presented on behalf the city fails to meet key tests of credibility in the application of Special Benefit. At issue are the following general categories of analysis:

a. Special Benefit Definition and Distinction from General Benefits

The appraisal:

- Makes no attempt to assess General Benefit, and does not offset the apparent measure of special benefits with general benefits. The appraisal ignores the basic equation:
 - Total Benefit minus General Benefit = Special Benefit.If the evidence of benefit presented by the appraiser is to be believed, it is apparent that General Benefits have been included in the Special Benefit Study.

Beyond the lack of recognition of General Benefits, it is noted that the very nature of the public improvement – a regional park - and the wide LID boundaries described in the report, suggests that entire project could be described as offering almost entirely general benefit. Almost by definition, if \$48.1B of real estate is impacted by the project, the benefits provided would seem very general and widespread in nature. The appraisal even uses the term “generally” to discuss assigned Benefits in many areas of the Special Benefit Study³.

b. Method of Assessment

The method of assessment used – an application of a percentage to a concluded before value – does not represent a true measure of benefit. This is considered a short-cut, akin to a “strip-take” analysis, typically

³ Example, page 81, second to third line, third paragraph: “Market value estimates generally are 2% to slightly above 3% higher than estimated value without the project.” Another example, related to a comparison project, page 51, third paragraph, line 8: “Properties closer to the park also generally command a higher sale price.”

reserved for projects with minor damages - small easements or takes of strips of land. Its application to a special benefit study represents an improper method of analysis as the value lift should be calculated, not applied. The appraiser should evaluate the value of the properties without the project, and then with it, and measure the difference. Here the appraiser has not met the burden of proof of a value lift, as the latter is concluded and added, not measured as a difference.

c. Before & After Descriptions

There is very little clarity in the appraisal as to the precise value difference arising as a consequence of a comparison of the Before and After. The appraisal acknowledges that the viaduct is down in the before, but it is not clear how the value lift associated with the viaduct removal is built into the Before value estimates. Further it is also not clear how the level of improvement that would be undertaken by the city, but for the LID, is considered. Current values do not represent this condition, and presumably the appraiser is of the opinion that completed streets, street trees and landscaping, sidewalks and parking (many features of which are present in the After Condition) would have no impact on current values. It is unclear how the perceived additional aesthetic actually associated with the "After Improvements" is then translated into a 0.5 or 4% value increment, particularly when compared to the completion of the Before Condition with zero impact.

Three specific "before and after" issues are worthy of additional discussion.

i. Parking

With the addition of park improvements, there will be a loss in parking. This is not documented in detail in the report, and city-sources provide little clarification with regard to this valuable resource. In the August 9, 2017 Feasibility Study, the analysis of parking losses is limited to this statement, with a promise of follow up in the final study:

"Additionally, some parking loss will occur as a result of the project. This loss will be documented as part of the more detailed special benefit/proportionate assessment study." P. 3, 8/9/17 Feasibility study

The follow-up and documentation would be important, as clearly a loss of parking would be regarded as detrimental to many businesses, particularly retailers. However there is no follow-up in the final report, and the treatment of parking remains glossed over and not documented, contrasting with the purported precision of measurement of value for a landscaping aesthetic, an attribute of far-less deterministic value. A report detailing apparently minute impacts for more plants and park improvements, should also consider, in the same incremental manner, those associated with lost parking. The report, however, falls well short of this mark, merely paying lip-service to the issue, without incrementally measuring the impact. The only valuation commentary on parking presented in the study, none of which comes with any precise value-measurement, analysis or location specific value offset, is limited to the following two statements:

- Page 7: *"...some parking losses along Alaskan Way in the waterfront area will occur due to the project and this is considered in the analysis."*
- Page 83/4: *In this analysis, the maximum change in value for the waterfront economic entities is 3%. These conclusions recognize that, while the properties benefit from enhanced relative location arising from the project, there is also a reduced amount of available parking in the vicinity, an important factor considered in the analysis."*

Other sources offer some clues as to how much parking may be eliminated, and if correct, it is substantial. The 2016 FEIS notes that:

"The Preferred Alternative would permanently remove approximately 57 on-street parking spaces along Alaskan Way, 377 parking spaces that existed in the Alaskan Way Viaduct footprint, 15 on-street spaces on Bell Street, 3 spaces on Union Street, and 1 space on S. Main Street. This loss of 453 on-street parking spaces represents approximately 25 percent of the on-street parking supply in the study area". Page 44 (pdf) Executive Summary 10/16 Final EIS Waterfront Seattle.

In order to properly measure the full impact of the Waterfront project, parking losses need to be analyzed and the loss in value measured on a location by location basis.

ii. Cost

The issue also extends to cost. The LID is noted as a \$346,000,000 project. Yet the increment associated with the LID cost verses the investment that would occur anyway is not presented. Moreover this is no spatial presentation concerning where dollars are invested, as clearly they are not equal to all areas of the "park". It stands to reason that if the improvements add value, more improvements in localized situations should add more value, and less in other cases. This in particular would underscore the issue of "Special", as property in areas with no direct investment in the surrounding blocks challenge the notion of a received Special as opposed to General Benefit.

i. Timing

There is also no value discussion pertaining to timing; do assessments consider when the actual park will be complete, and therefore when the benefits, if present, will accrue? The interim condition and associated construction are likely to be disruptive: some properties will be "specially" as opposed to "generally" impacted by construction activity in terms of noise, dust, etc. Proximity, which is stressed as a special benefit, would represent a special negative as concerns related and proximate construction activity.

d. Assessments are not supported by empirical data

The evidence presented for special benefit is almost entirely anecdotal. The appraisal does not provide discrete and empirical before and after analyses of purportedly similar public projects across a wide-range of property takes. Anecdotal opinions of before and after, without apparent adjustment for general benefits, correction of blight issues and the passage of time, do not provide a convincing case for the assignment of a 0.5 to 4% value increase to a full spectrum of property types across a wide downtown area, many blocks away from the improvement.

Moreover, the level of assignment applied is largely immeasurable from an appraisal perspective. Application of a 0.5-4% value change on a general mass appraisal basis falls well below the standard of error already present in such an analysis – in effect the analysis reveals the benefit is immeasurable at this level. Even if individual "MAI appraisals" were completed on each property, it would be difficult if not impossible to measure the benefit of a park improvement a few blocks away to (for example) a downtown office tower.

Take for example the 1201 Third Avenue office tower, valued at \$732,527,000 - it would be hard to rationalize discrete adjustments of the magnitude presented here amid the myriad impacts on value such as market conditions, tenant sizes and rollovers, and different views and floor levels. The majority of the tower has no special view of the park and no special access to it; a lease decision here would not logically include serious "special" consideration of a park three blocks away, and at a different elevation. Suggesting the property increased to \$737,043,000 (a \$4,516,000 benefit or 0.62% difference) on account of park proximity would seem to define a "remote, speculative or imaginary" adjustment. If these values were rounded to the nearest \$5M, not an unreasonable level of rounding for a property worth over \$700M, both Before and After estimates would round to the same number, essentially eliminating the "measurement".

e. Assessments include percentage assignments to improvement value

The assessments are based on a percentage assignment to total property value, in place in 2020. However, the project presented relates, purportedly, to a proximity benefit. This is a location factor, which is a land characteristic. Benefits from proximity do not normally accrue to improvement value, as the “bricks and mortar” are unchanged. This creates an inequity in the side-by-side comparison of improved and vacant land parcels, and one that is particular well illustrated in case of development properties that will imminently be developed, with a completed project in place by the time the park is complete in 2024. This methodological error is essentially a function of relying upon an across-the-board percentage adjustment, as compared to truly measuring before and after differences.

An example is provided in a comparison of the preliminary and final LID studies as pertain to one building that was under construction during the interval between receipt of the reports. In the Preliminary version, when the 2 + U tower was under construction, the main site for this building⁴, at 1201 Second Avenue, # 197470-0175 was assessed as vacant. As of the date of the Final Study, the building had been largely constructed, although it remains unoccupied. Now with the value of the improvements added, the assessment increased 561% between the Preliminary and Final. See below.

LID Study Issue: Comparison of Preliminary and Special Benefit					
Property	Land Size*	Future sf	Assessment	\$/sf land	\$/sf building
<i>Preliminary Study Low, as site treated vacant</i>					
2 + U Site*	25,760sf	701,000sf	\$622,000	\$24/sf	\$0.89/sf
<i>Final Study Now, with building nearly complete</i>					
2 + U Site*	25,760sf	701,000sf	\$4,113,000	\$160/sf	\$5.87/sf

* LID study has an error; there is an additional half block still treated as vacant.

Had the construction been delayed a year, the property would have escaped this increase. And other vacant property, particularly parcels intended for imminent development, and there are many of them, will still be able to take advantage of this methodological error. An example of this is provided by the following comparison:

Example: Cyrene Apartments at Alaskan and University v. Woldson parking lot at 1100 Alaskan (with proposed development).

Property	Land Size	Units	Assessment	\$/sf land	\$/unit
50 University	15,413sf	169-units	\$3,033,000	\$197/sf	\$17,947/unit
1100 Alaskan	28,306sf	257-units*	\$1,312,000	\$46/sf	\$5,105/unit

* proposed; will probably be complete by 2024

Both properties have the same orientation to the park and lie at the same elevation. The higher assessment to the Cyrene Apartments at 50 University is thus inequitable as compared to 1100 Alaskan, which is planned to have a larger apartment complex constructed upon it by the time the park is complete in 2024.

⁴ There is an error in the study. The appraiser is treating the half-block used for development of this tower, as though it were still vacant – Assessed parcels 197470-0190 and 197470-0210.

Conclusion

In conclusion, the Special Benefits study presents several major issues. These include:

- The Before condition is not adequately captured in the appraisal. The Before valuation pertains to “current” 2020 values, without the benefit of completed street improvements, as represented in renderings in the appraisal of the Before Condition. The inevitable conclusion is that the lift, if any, that property values would experience with completed streets and landscaping in the Before, has inadvertently been included as a “Special Benefit”, or has no value.
- Special benefits are merely assigned, not measured. The study does not provide a measurement of After value, with the project in place, that is independent of the Before value, and takes into consideration delay of benefits until year of receipt.
- The benefits supposedly measured are not allocated into “general” and “special” benefits. Labelling all benefits as “special” does not appear credible for a regional park, or for an LID boundary that encompasses all of downtown.
- Benefits associated with proximity should be evaluated in the form of a lift in land value. The methodology used (a broad percentage assessment applied to total property value) results in inequitable assignments between properties. All properties that will be constructed and delivered to the market by 2024 have escaped a significant assessment, even though they may be identically positioned to otherwise currently built-product with regard to the Waterfront Project when it is complete.

The more general issue is the difficulty of trying to forecast a benefit that is special to a park that has regional appeal. The more common application of an LID is for extension of infrastructure; and here special benefits can be practically and incrementally assessed to unserved property brought to a development condition through the provision of infrastructure. However, the application of the special benefit methodology to a downtown area for a park amenity, represents a challenging and potential impossible assignment, if it is to be free of speculation and imagination.

Respectfully submitted,



Anthony Gibbons, MAI

Ref: 20032-Waterfront LID

LID No. 6751

Objections & Appeal Hearing

Case Number CWF -0097

William & Sandra Justen

1521 Second Ave. # 2901

Seattle, WA 98101

King County Parcel No. 2538831120

2/13/2020





"Before" LID this is a landscaped roadway

EXHIBIT D-1



502326911 v1
19-0101 Waterfront Seattle LID Final
Special Benefit/Proportionate Assessment Study

City of Seattle Provided
LID No LID

ABS Valuation Page A-27

EXHIBIT D-2

Promenade (Social Intersection) and Alaskan Way at University Street "After" LID



Source: <http://www.fishbase.org>

City of Seattle, Washington
2010-2011 Budget

© 2012 Pearson Education, Inc. Page 45 of 45

Poor visibility into Promenade from eyes in the buildings
East of Alaskan Way.
Major Security concern for hidden risks to public and crime

EXHIBIT D-3

Promenade (Transit Hub) at Columbia Street "After" LID



15.0001 Master Plan Building 01 Final
Spatial Design/Process/Structure Assessment Study

City of Seattle Project
LID Rendering

MSD - Location Page 01.1

Poor visibility into Promenade from eyes in the buildings
East of Alaskan Way
Major Security concern for hidden crime and risks to
public.

EXHIBIT D-4



Embarcadero San Francisco, Seattle Waterfront best comparable with removed Viaduct along central waterfront with 6-8 lane roadway and street trees, pedestrian sidewalks, retail piers and waterfront views

EXHIBIT D-5



EXHIBIT D-6

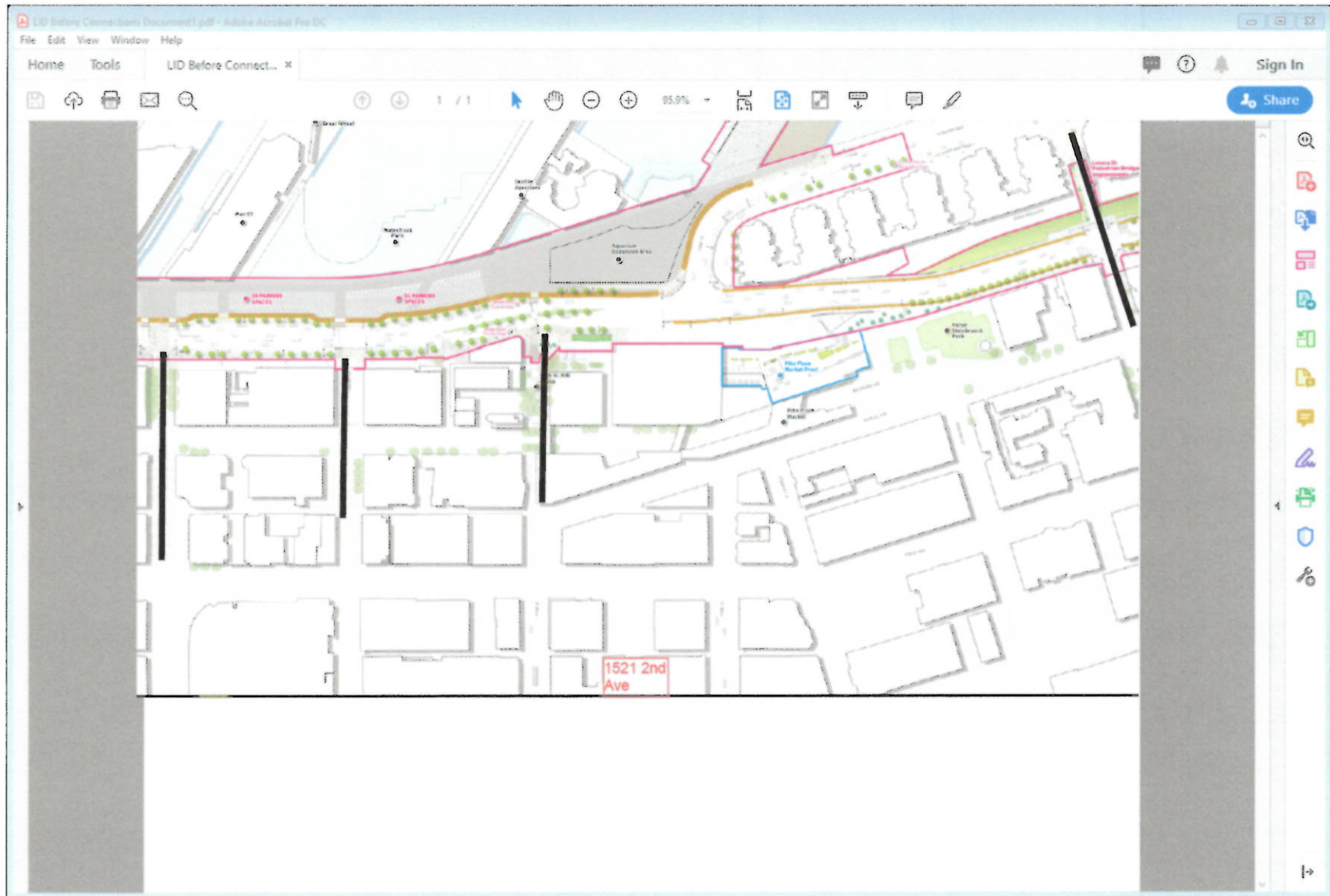


EXHIBIT D-7

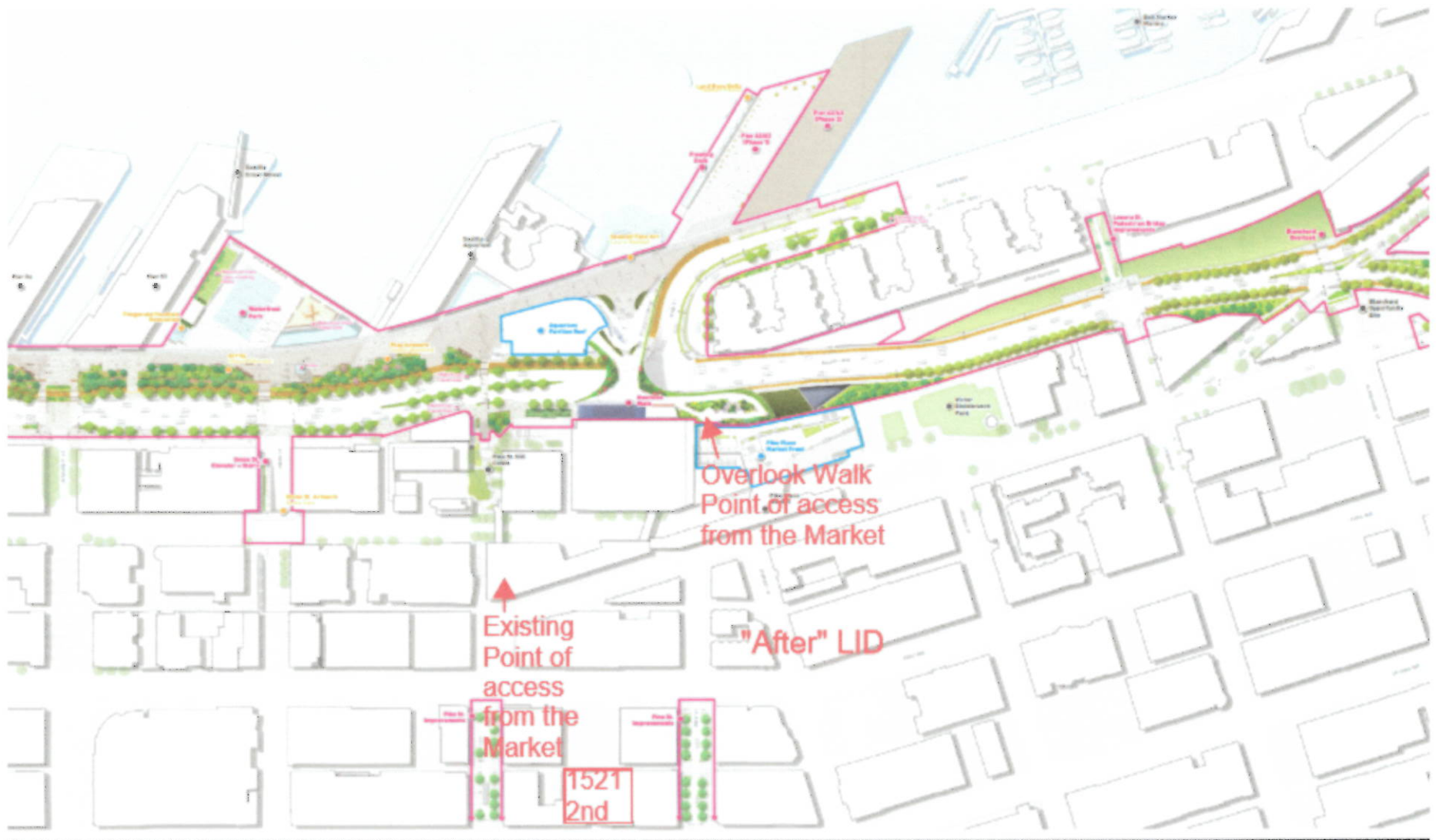


EXHIBIT D-8

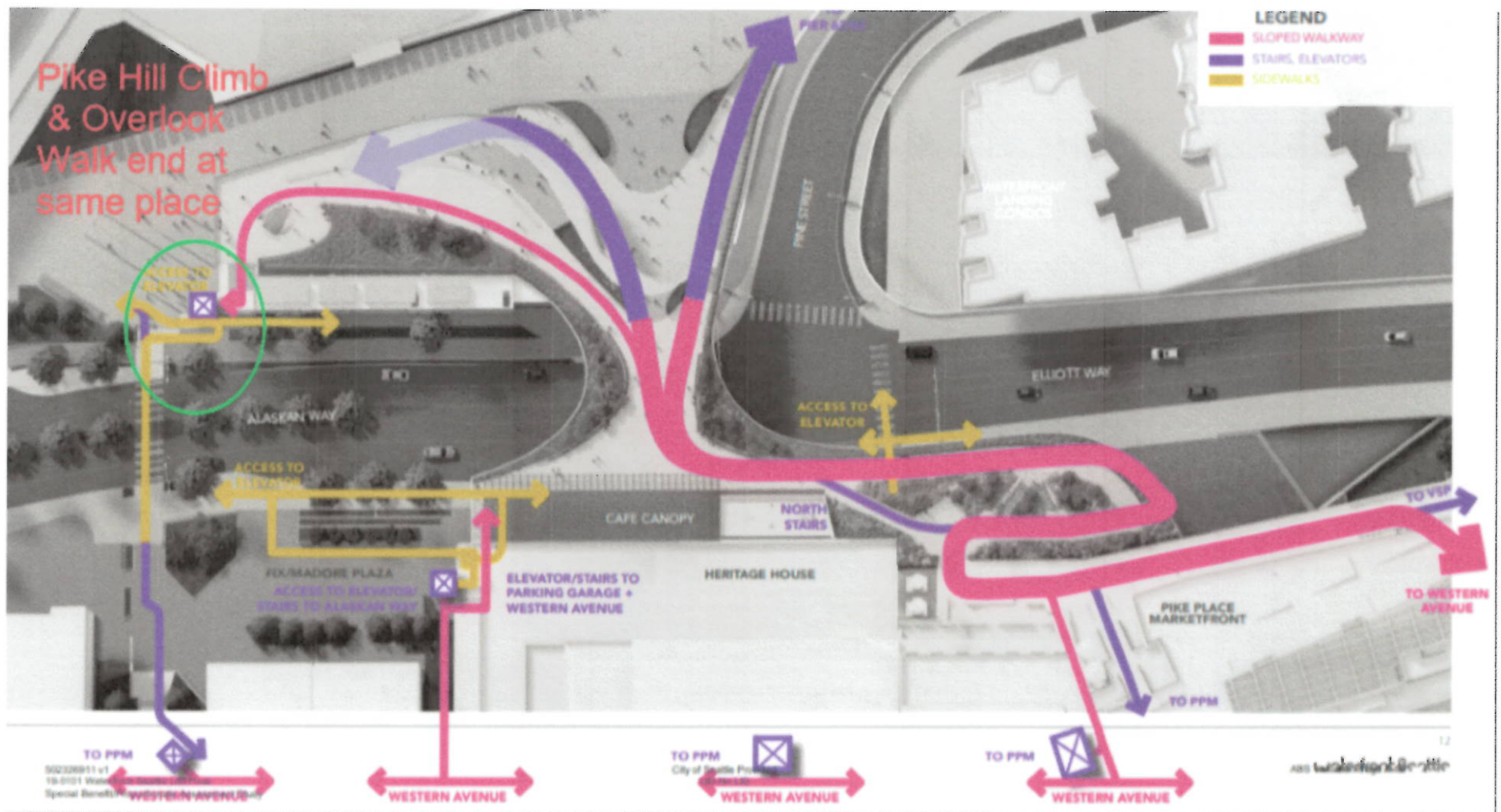
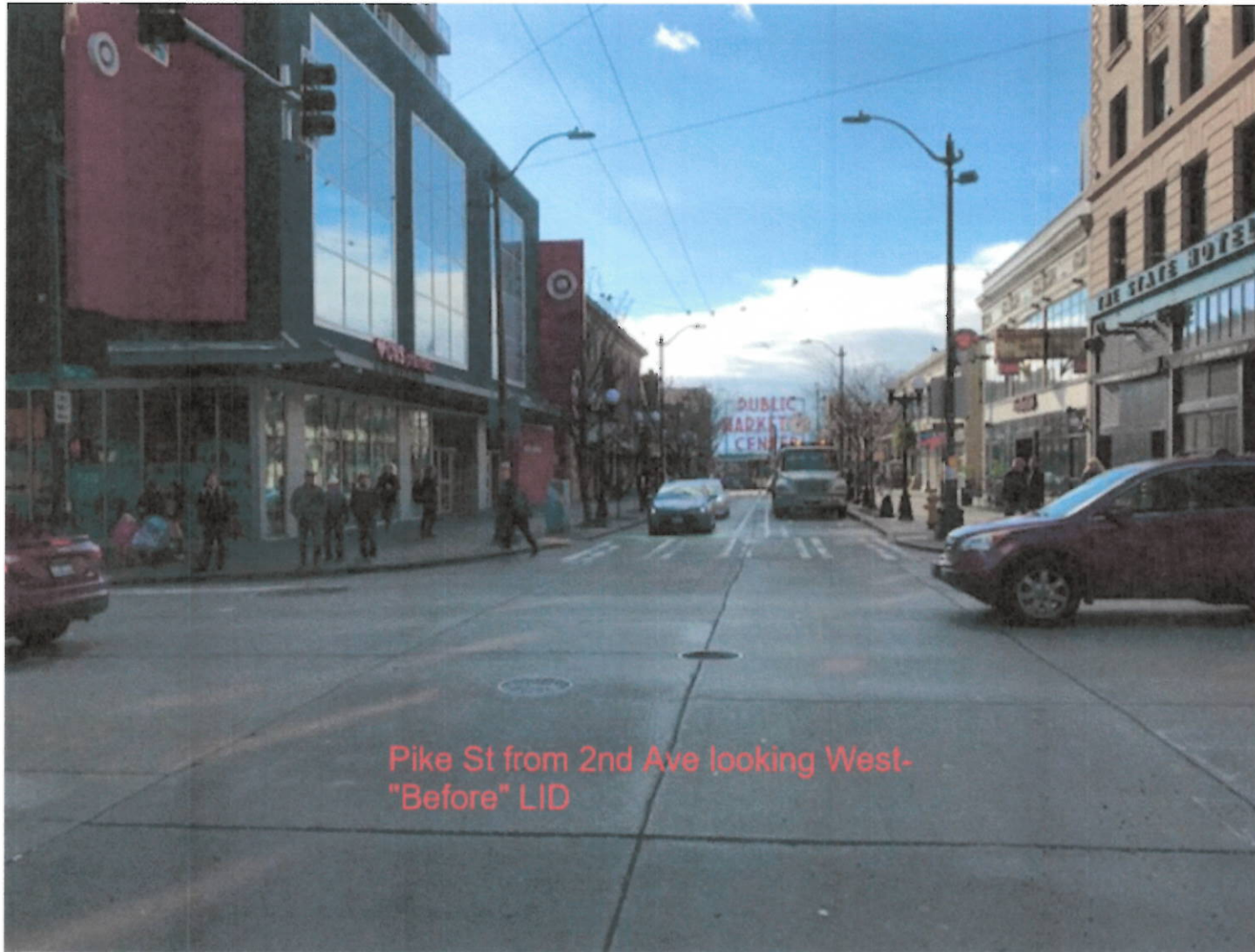


EXHIBIT D9



Clearly the market value to our building at 1521 2nd Ave. is not increased by the Overlook Walk as it is beyond the 500 foot horizontal radius for potential special benefit according to John L. Crompton's study as described in the ABS valuation report page 46.

EXHIBIT D-10



Pike St from 2nd Ave looking West-
"Before" LID

EXHIBIT D-11



Pike St. 2nd Ave looking West- "After" LID

EXHIBIT D-12



Pine St from 2nd Ave looking West- "Before" LID



Pine St from 2nd Ave looking West "After" LID

EXHIBIT E



Published on *Washington State* (<https://www.atg.wa.gov>)

[Home](#) > Power Of County Legislative Authority To Enter Into Contract That Binds The County Legislative Authority In The Future

Attorney General Rob McKenna

COUNTIES—COUNTY COMMISSIONER—CONTRACT—LEGISLATIVE AUTHORITY—Power Of County Legislative Authority To Enter Into Contract That Binds The County Legislative Authority In The Future

A county legislative authority is generally prohibited from entering into contracts that bind the future legislative actions of the county. The application of this principle depends upon a distinction between actions that are legislative in nature and those that are merely administrative or proprietary.

May 15, 2012

The Honorable Steven J. Tucker
Spokane County Prosecuting
1115 W Broadway Avenue
Spokane, WA 99260-0270

Attorney Cite As:
AGO 2012 No. 4

Dear Prosecutor Tucker:

By letter previously acknowledged, you have requested an opinion from this office on the following questions, paraphrased for clarity:

1. Are there legal constraints on the power of a county legislative authority to circumscribe the legislative authority of future members of the body by entering into contractual commitments which would remain binding on the county for some period after the end of the terms of the current members of the body?
2. Would a series of agreements enclosed in your request, previously executed by the Spokane County board of commissioners, impermissibly bind future members of the board who might wish to change the policy choices represented by the agreements?
3. Could a county commissioner be held liable for tortious interference with a contract if the commissioner exercises his/her legislative functions in a manner inconsistent with contractual agreements previously entered by the board of commissioners?

BRIEF ANSWER

The case law establishes that boards of county commissioners may not take actions that impair the core legislative powers of their successors in office. The law draws a distinction

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between “core legislative powers” of a legislative body, and those powers that are more properly described as “administrative” or “proprietary.” Legislative bodies may not contractually bind their successors with regard to the former, although they may do so as to the latter. The case law, however, does not establish the precise limits of these constraints. We accordingly respond to your first question by examining the state of the law regarding these constraints.

We respectfully decline to answer your second question. The opinions process is designed to provide legal guidance with respect to issues of law, rather than to resolve disputes regarding specific factual circumstances. In this regard, unlike the judicial process, the opinions process is not suited to gathering and examining all of the facts that may be relevant to a particular situation. We answer your third question by providing guidance relating to the elements of tortious interference.

ANALYSIS

1. Are there legal constraints on the power of a county legislative authority to circumscribe the legislative authority of future members of the body by entering into contractual commitments which would remain binding on the county for some period after the end of the terms of the current members of the body?

The Washington Supreme Court has long noted “the principle that one board of county commissioners cannot enter into contracts binding upon future boards of commissioners.” *State ex rel. Schlarb v. Smith*, 19 Wn.2d 109, 112, 141 P.2d 651 (1943). Although the existence of such a limitation on contractually binding the decisions of future county legislative authorities is clear, we noted in an earlier opinion that the parameters of this limitation are not well defined. AGO 1974 No. 21, at 7. The statement is equally true 38 years later.

Applying the principle that contracts cannot bind future boards of commissioners is complicated, because county commissioners constitute the legislative body of the county, but also perform functions that are more properly described as executive or administrative. See, e.g., *Durocher v. King Cnty.*, 80 Wn.2d 139, 152, 492 P.2d 547 (1972) (distinguishing between the legislative and administrative functions of a county legislative authority). For example, the basic powers of a county legislative authority are listed in RCW 36.32.120, and that statute comprises both legislative acts (licensing, levying taxes, enacting police and sanitary regulations) and administrative functions (erecting and repairing county buildings, building and maintaining roads, managing county property).

The clearest principle we can discern from a study of the case law is that county commissioners may not bind the “core” legislative functions of future boards, but do have the authority to enter into contracts or make administrative arrangements that carry out the executive functions of the board, even though some of these arrangements will inevitably limit the freedom of future boards to make different administrative choices. The analytical difficulty is in identifying which county functions are “legislative” in nature.

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An authoritative treatise articulates this principle by explaining:

Respecting the binding effect of contracts extending beyond the terms of officers acting for the municipality, there exists a clear distinction in the judicial decisions between governmental and business or proprietary powers. With respect to the former, their exercise is so limited that no action taken by the governmental body is binding upon its successors, whereas the latter is not subject to such limitation, and may be exercised in a way that will be binding upon the municipality after the board exercising the power shall have ceased to exist.

10A Eugene McQuillin, *The Law of Municipal Corporations* § 29.102 (3d ed. 2009).

Washington cases offer little guidance as to which contractual provisions might be regarded as legislative, and which therefore cannot bind future legislative bodies, and which are administrative or proprietary, and therefore are not so limited. This is because the resolution of specific cases often turns on specific statutory grants of authority, rather than on the application of the general principle that a contract may not bind the future exercise of legislative authority. For example, *Schlarb* concerned an agreement between King and Pierce counties to confine and improve the White River. *Schlarb*, 19 Wn.2d at 111. When King County declined to levy a tax pursuant to the agreement, Pierce County sued to compel action under the contract. King County argued that the contract was against public policy based upon “the principle that one board of county commissioners cannot enter into contracts binding upon future boards of commissioners.” *Id.* at 112. The Washington Supreme Court held, however, that the general principle against binding future boards was overcome by a specific statute authorizing counties to contract with one another for the improvement, confinement, and protection of rivers and banks. *Id.* at 113. Although the court recited the rule regarding binding future boards of commissioners, the case was resolved based upon a statutory enactment and therefore provides no guidance regarding your question. See also *Richards v. Clark Cnty.*, 197 Wash. 249, 252-53, 84 P.2d 1009 (1938) (rejecting challenge to issuance of bonds to be repaid by future tax revenue on the basis that the legislature had statutorily authorized counties to commit future revenue to the purpose).

In two cases, our supreme court has entertained challenges to contracts based upon the argument that they were entered into by “lame duck” boards, improperly attempting to bind future commissioners to the arrangement. *Roehl v. Pub. Util. Dist. 1*, 43 Wn.2d 214, 233-34, 261 P.2d 92 (1953); *King Cnty. v. U.S. Merchants’ & Shippers’ Ins. Co.*, 150 Wash. 626, 274 P. 704 (1929). By concentrating on the “lame duck” issue, neither the *Roehl* nor the *King County* cases offer any significant analysis as to when a contract might impermissibly bind future boards, absent the circumstance of the commitments being made near the end of the current board’s term of office. *Roehl*, 43 Wn.2d at 233-34; *King Cnty.*, 150 Wash. at 635; but see *Taylor v. Sch. Dist. 7 of Clallam Cnty.*, 16 Wash. 365, 366-67, 47 P. 758 (1897) (finding rule against contractually binding successors inapplicable because members of a school board served staggered terms, making it a continuous body).

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We have also looked to the case law of other states in our effort to define how far a board may go in constraining the policy choices of future boards. In *Kirby Lake Development, Ltd. v. Clear Lake City Water Authority*, 320 S.W.3d 829 (Tex. 2010), developers sued a water control and improvement district over possession of certain water and sewer facilities. One of several theories argued was that the defendant water authority had made contractual commitments which would bind future boards. The Texas Supreme Court rejected this argument as not supported by the facts, but did provide some quotes from earlier cases which shed some light on the principle under examination. The court noted that certain government powers are conferred “for public purposes, and can neither be delegated nor bartered away.” *Kirby Lake*, 320 S.W.2d at 843 (quoting *State ex rel. City of Jasper v. Gulf States Utils. Co.*, 144 Tex. 184, 194, 189 S.W.2d 693 (1945)). The court quoted an even earlier Texas case as follows:

[Municipal] corporations may make authorized contracts, but they have no power, as a party, to make contracts or pass bylaws which shall cede away, control or embarrass their legislative or governmental powers, or which shall disable them from performing their public duties.

Kirby Lake, 320 S.W.2d at 843 (alteration in original) (quoting *Brenham v. Brenham Water Co.*, 67 Tex. 542, 554, 4 S.W. 143 (1887)).

These cases support the notion, implicit but not discussed in the Washington case law, that there is a “core” of public governmental power that cannot be bargained away or compromised by current officeholders to the detriment of their successors in office. *Kirby Lake*, 320 S.W.2d at 843;

see also *Inverness Mobile Home Cmty., Ltd. v. Bedford Twp.*, 263 Mich. App. 241, 687 N.W.2d 869 (2004) (Michigan Court of Appeals held that a township could not enter into a consent judgment committing a future township board to amend the township's master plan to permit a manufactured housing development); *Cnty. Mobilehome Positive Action Comm., Inc. v. Cnty. of San Diego*, 62 Cal. App. 4th 727, 73 Cal. Rptr. 2d 409 (1998) (California Court of Appeal found that a county lacked authority to offer a lease committing future county boards not to enact rent control legislation for a period of 15 years).

Finally, we note *Plant Food Co. v. City of Charlotte*, 214 N.C. 518, 199 S.E. 712 (1938), in which the North Carolina Supreme Court found that a city had authority to enter into a ten-year contract to deliver city sewerage sludge to a company that had agreed to dispose of it, notwithstanding that such a commitment to a limited extent compromised the power of future city officers to dispose of sludge in a different manner. The *Plant Food Co.* decision distinguishes, again, between "governmental discretionary powers" which cannot be compromised or suspended (such as "the power to make ordinances and decide upon public questions of a purely governmental character") and the right of a municipality to make contracts in the course of administering its proprietary functions. See discussion *Plant Food Co.*, 199 S.E.

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at 713-14 [1]. The clear implication of the decision was that a contract to dispose of sludge was an administrative act, not a legislative one.

It therefore is reasonable to conclude that a distinction may be drawn between the "core legislative" powers of a legislative body and those powers which are more properly described as "administrative" or "proprietary." The hallmark of the first category is the authority of a legislative body to exercise continuing discretion in the setting of legal standards to govern behavior within the jurisdiction. If a contract impairs this "core" legislative discretion, eliminating or substantially reducing the discretion future bodies might exercise, the courts are likely to find that the contract has improperly impaired the legislative authority of future commissioners. By contrast, counties have, and greatly need, authority to enter into contracts and make administrative decisions concerning the management of public property and the day-to-day conduct of government business. A contract that facilitates public administration, and which places no significant constraint on future policy-making is likely to be upheld.

2. Would a series of agreements enclosed in your request, previously executed by the Spokane County board of commissioners, impermissibly bind future members of the board who might wish to change the policy choices represented by the agreements?

Your second question asks us to apply the principle discussed above to specific agreements enclosed with your request. The opinions process is designed to provide legal guidance with respect to issues of law, but an answer to your second question would include an evaluation of factual circumstances in addition to the legal principles discussed in response to your first question. We do not know to what extent the parties have performed the obligations set forth in the agreements, whether there are any current disputes about performance, or whether other relevant facts or developments might affect the agreements and our legal analysis. For this reason, we respectfully decline to address your second question.

3. Could a county commissioner be held liable for tortious interference with a contract if the commissioner exercises his/her legislative functions in a manner inconsistent with contractual agreements previously entered by the board of commissioners?

Your final question asks about the possibility of liability for tortious interference with a contract. The elements of this tort are set forth in a recent case as follows:

A defendant is liable for tortious interference with a contractual or business expectancy when (1) there exists a valid contractual relationship or business expectancy, (2) the defendant had knowledge of the same, (3) the defendant's intentional interference induced or caused a breach or termination of

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the relationship or expectancy, (4) the defendant's interference was for an improper purpose or by improper means, and (5) the plaintiff suffered damage as a result.

Evergreen Moneysource Mortg. Co. v. Shannon, 274 P.3d 375, 383 (Wash. Ct. App. 2012) (citing *Pleas v. City of Seattle*, 112 Wn.2d 794, 800-05, 774 P.2d 1158 (1989)). Your third question arises from a concern that a county officer might wish to take some future action which could be construed as inconsistent with the commitments the county made in the agreements attached to your request, leading to a concern that such action might result in liability on the part of the officer.

The answer to your question would depend on the facts as they might actually play out, as well as on an evaluation of the meaning and enforceability of the various agreements and an analysis of the background law. To lead to liability, an officer would have to act with knowledge of a valid contractual relationship, must intentionally induce a breach or termination of that relationship, must act for an improper purpose or by improper means, and must cause damages to the person or persons claiming tortious interference. We cannot determine what kind of fact pattern would meet all of those requirements, nor can we completely discount the possibility that under some set of circumstances, the conditions for liability might be met. Under these conditions, it would not be appropriate to attempt an opinion on the matter, and we leave it to county officers and their legal counsel to chart a course of conduct with awareness of the various legal issues presented, including the question of tortious interference.

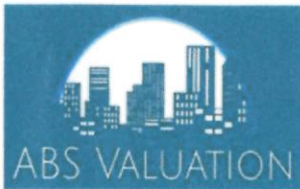
We trust that the foregoing will be useful to you.

ROBERT M. MCKENNA
Attorney General

JAMES K. PHARRIS
Deputy Solicitor General
360-664-3027

WROS

[1] The court also noted that "[t]he line between powers classified as governmental and those classified as proprietary is none too sharply drawn, and is subject to a change of front as society advances and conceptions of the functions of government are modified under its insistent demands." *Plant Food Co.*, 199 S.E. at 714.



Retail/Commercial Core

Small portions at the southern end of the Retail/Commercial Core neighborhood are zoned Pioneer Square Mixed and Downtown Mixed Commercial while the larger part of the neighborhood is designated Downtown Office Core 1.

West Edge/Pike Place Market

Three zoning designations (again, with varying density and height restrictions) cover this neighborhood; Pike Market Mixed to the northwest, Downtown Office Core to the southeast, and Downtown Mixed Commercial for the remainder.

Pioneer Square/Stadium District

Most of the northern portion of the neighborhood, in the Pioneer Square vicinity, is zoned Pioneer Square Mixed, and the southern area (including both stadiums) is zoned Industrial Commercial.

Comparable Projects and Research

Projects involving similar improvements across the country were researched for indications of impacts on property values and the geographic radius of special probable benefit created by such projects. Research includes published studies and reports on waterfront, park and street beautification projects, as well as interviews with real estate brokers and appraisers in many of the affected neighborhoods. These studies, together with extensive information on the local Seattle market, were utilized to make estimates of probable increases in market value (special benefit) resulting from the Waterfront Seattle Project. These other projects are compared to the elements of the Waterfront Seattle LID to help understand how project improvements affect real estate marketing times, demand and overall property values. Following the discussion of other major municipal projects, a summary valuation analysis is presented.

It is important to remember that 1) while aspects of the projects discussed and used for comparison purposes are similar, none of the projects discussed are highly similar to the Waterfront Seattle Project LID (i.e., differences in view amenity, specific improvements, neighborhood and parcel characteristics, etc.); and 2) ongoing and proposed construction will have profound impacts on market value of individual subject properties; the magnitude of such impacts, considering the current strength of local market demand, is the major influence on property values with waterfront projects (the subject and others, including removal of the viaduct) contributing in varying degrees.

Economic Studies

HR&A Advisors, Inc. (HR&A) is a nationally recognized consulting firm providing services in real estate, economic development and program design and implementation. HR&A completed an economic study in 2013 (*"Beyond Real Estate Increment: The Value of the Central Seattle Waterfront"*) to determine the benefits of investment in public space and related infrastructure specific to the Seattle waterfront. This study was updated in February 2019. Overall, HR&A estimated that the waterfront area has the potential to generate \$288 million per year in new economic value with redevelopment as envisioned by the City of Seattle. This benefit is in fact created by a combination of several factors: 1) current and forecasted strong demand and extensive new and proposed construction; 2) the increase in net new visitation by both local,



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ITEMS FORMING THE BASIS OF RECOMMENDED FINAL ASSESSMENTS
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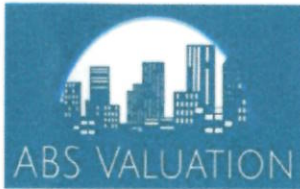
day use, and overnight visitors; and 3) recreational and commercial improvements and enhancements provided by the subject LID project.

Per the report, over 44,000 people live within a half mile of the waterfront, with an additional 300,000 daytime employment workers. From a continued demand and new construction retention perspective, continued enhancement to public amenities is a factor of consideration for large corporation relocations/new regional headquarters. Several national studies have shown that open space/park amenities rank 5th in overall selection criteria for commercial tenants and investors. Across several studied urban open space projects utilized in the HR&A report, the investment in the open space had a positive effect on the retention and increase in overall employment numbers within the immediate area.

HR&A estimates that currently there are close to 8 million annual visitors to the existing waterfront area. This figure is split between day trip tourists, overnight tourists, City of Seattle residents, and regional metro visitors. The study indicates that the enhanced waterfront project has the potential to add 1.5 million net new visitors to the immediate area, generating an estimated \$191 million in new annual visitor spending. Recreational programming and special events that have been started along the waterfront in anticipation of new infrastructure improvements have already accounted for a 40% increase in summer visitation numbers (2018 over 2017 figures), with an estimated 54,000+ visitors attending pilot summer programming events between 2015 and 2018.

An article entitled "*The Impact of Parks on Property Values: A Review of the Empirical Evidence*", published by the National Recreation and Park Association in 2001 (updated in 2014) summarized the findings of a study completed by the Department of Recreation, Park and Tourism Sciences at Texas A & M University. This article refers to approximately 30 studies that investigate the "proximate principle" that suggests a positive impact of 20%, on average, on property values "abutting or fronting a passive park area." It goes on to conclude that if it is a heavily used park catering to large numbers of active recreation users, then the proximate value may only reach 10% and affect properties two or three blocks away. Key points in the article include:

- "The premise that parks and open space have a positive impact on property values derives from the observation that people frequently are willing to pay a larger amount of money for a home located close to these types of areas, than they are for a comparable home further away."
- Some types of parks are more desirable than others; large, flat open spaces are less preferred than natural areas.
- Large public parks tend to encourage new residential development within a city which can expand and strengthen the tax base.
- Linear parks tend to create a higher benefit since there is more frontage compared to large circular or rectangular parks.
- Properties that have frontage along the park or a superior view of the park tend to see the greatest increase in value.
- Design features of the park can affect the impact on surrounding property values; "parks that serve primarily active recreation users were likely to show much smaller proximate value increase than those accommodating only passive use." Neighborhood parks that are primarily used by the surrounding residents result in a higher increase



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in property value than larger parks that attract active users from outside the neighborhood due to the adverse effects of noise, nuisance and congestion.

- Some circumstances can negatively affect surrounding property values including poor park maintenance or the fact that the “park is not easily visible from nearby streets and, thus, provides opportunities for anti-social behavior,” or the privacy of nearby properties is compromised.

The author of the afore-mentioned article, John L. Crompton, most recently updated his study in 2014 and the findings have been used by municipalities across the country. Crompton based his findings on empirical evidence going back to early 1900s England and early developments in the United States, all the way through major municipal development in the 1990s and beyond. He looked at greenway trails, water-based features, golf courses, parks and open space. The “proximate principal” represents a “capitalization” of park land into increased property values and a widening of the tax base. Two major findings based on his results include the location and proximity of property to the park improvements and a grading system, as described below.

In relation to residential and multi-unit buildings – both in urban and suburban environments:

- 75% of the benefit from a park is captured within 500 feet, or three blocks.
- The remaining 25% of the benefit is likely dissipated over a 500- to 2,000-foot range, or 4 to 12 city blocks.

The following exhibit summarizes Crompton’s grading scale for park amenities.

Exhibit A Park Quality Scale for Determining Proximate Premiums

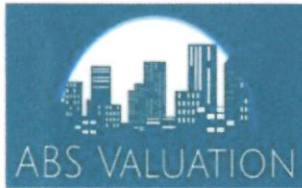
Unusual Excellence: A signature park; exceptionally attractive; natural resource based; distinctive landscaping and/or topography; often mentioned in sales advertisements for nearby properties; well maintained; genuine ambiance; engenders a high level of community pride and “passionate attachment.”

Above Average: Natural resource based; has charm and dignity; regarded with affection by the local community; pleasant, well maintained.

Average: Rather nondescript; not really “noticed” by the local community; adequately maintained; no distinguishing features.

Below Average: Sterile; absence of landscaping or trees; athletic fields with noise, lights, congestion; intensive use.

Dispirited, Blighted: Dilapidated, decrepit facilities; broken equipment; unkempt, dirty; unofficial depository for trash; noisy; undesirable groups congregate there; rejected and avoided by the community.



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- Condominiums within a three-block radius typically experience increases in property value of:

Quality of Park	Distance	Green Premium
Excellent – Average	1 block	16-20%
Excellent	1-3 blocks (500ft)	15%
Above Average	1-3 blocks (500ft)	10%
Average	1-3 blocks (500ft)	5%
Poor	1-3 blocks (500ft)	-5%

In the case of the Waterfront Seattle project, it is important to consider that there is an existing waterfront amenity; the current waterfront area can be rated as average to above average since it provides a unique public amenity. However, when considering the waterfront area as extending east across Alaskan Way up to Western Avenue and the Pike Place Market vicinity, the rating declines to merely average due largely to the poor connectivity with city streets. The existing alleys, stairwells and dimly lighted areas contribute to an undesirable atmosphere, especially at night, despite the active foot traffic and tourist-oriented venues along the waterfront. The reader is referred to the City-provided documents in the addenda volume for further discussion and descriptions of existing or “without LID” conditions.

With the project elements completed, the area will be upgraded to excellent, which indicates an average 5% increase in condominium values situated within three blocks of the improvements/new amenities. Note that this is an average based on empirical data and is utilized for background information when analyzing the subject project elements.

The above article sets up a good basis for the argument that a large, linear, well-maintained public park that attracts active users--such as the Seattle waterfront park--will likely have a positive impact on residential property values and that the most benefit is evident within a two- to three-block radius.

The Waterfront Seattle LID also includes elements of street beautification along the waterfront as well as along the Pike Street and Pine Street corridors. A report entitled, “*The Economic Benefits of Sustainable Streets*” published in 2014 by the New York City Department of Transportation looked at the effects of “street projects that improve safety and design and that welcome pedestrians, cyclists and transit riders...” Similar to the previous article cited, this publication is the summary of a multitude of studies but is focused on street design projects, relying on retail sales as a measure of the impact on surrounding property values. The basic premise of the New York study is that “changes in travel patterns, spending patterns and neighborhood desirability caused by changes in the street environment can impact businesses’ and property owners’ bottom lines, most directly by affecting retail sales but also retail rents, office rents, and commercial property values.” Some additional key observations of the study include:

- Changes to the street have a direct correlation to the “potential customers making trips to that street or change the frequency or spending patterns of their trips.”
- Improving access through parking, bike lanes, bike parking and transit services can increase the customer base.
- “Creating a more comfortable and enjoyable public realm” will encourage potential customers, once already on site, to stay for longer durations and “potentially result in



their patronizing local businesses more than they otherwise would.” Features with this goal in mind usually include “functional improvements such as benches, tables and chairs, wayfinding signage and urban design enhancements such as distinctive paving, landscaping, street lighting and public art.”

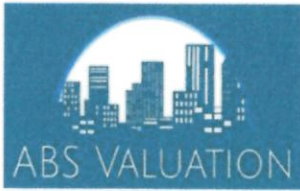
The study noted that, while there exists a long history of studies documenting the increases to safety and mobility that updated streetscapes provide, it has only been in the last four to five years that municipalities have focused on the economic impacts that a cohesive “urban village” streetscape can produce. The New York report evaluated several measures of local economic activity, including sales at street level retail and restaurant/food service businesses, to provide indicators of the overall market health of a neighborhood. A paired data approach was taken where specific areas of study were charted based on recent street improvement projects and then compared to areas without similar streetscape upgrades. Before and after data was collected on the subject sites and compared to changes seen within comparable neighborhoods over the same time frame.

The NYCDOT study focused on eight case study areas; all had project components similar to the subject LID. Project features included the addition of a significant amount of converted pedestrian space with the introduction of coordinated landscaping, public seating areas, and improved loading areas for people leaving their parked cars. Angled parking was introduced along the roadways and improvements were made to all marked crosswalks. One case study found that within the first year of the project’s completion, sale prices in the study area went up 18% and, within the second year, prices were up 48%. The three comparison or control neighborhoods saw only a 4% to 13% rise in the same 1-year time period and only 7% to 22% rise in the second year (one test neighborhood had a 9% drop in sales). These figures indicate an increase in value due to the project of 5% to 14%. The same type of increased sale prices was observed throughout the various case study areas.

While the New York real estate market is relatively unique, this study provides a good indication of the positive effect that streetscape projects have on a neighborhood while excluding the water view amenity. Assuming the Alaskan Way viaduct replacement is complete in the “before” scenario, it is reasonable that enhancing the streetscapes in the subject area will increase property values in the range of 4% up to 10% of the “before” market value, reflected in lower vacancy and higher rental rates for well-located properties abutting the streetscape area and less for those further away from the improvements.

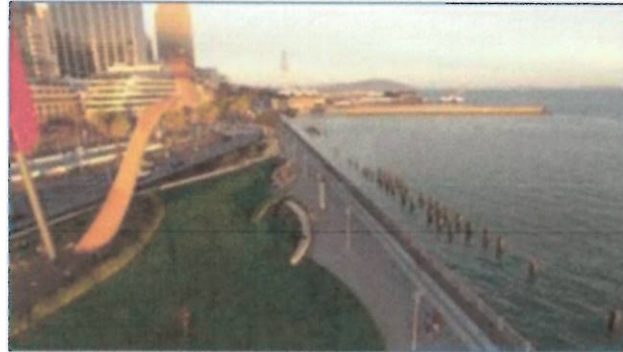
Specific Improvement Projects

Research was also completed on six municipal improvement projects across the country and in Canada to compare various project components and the general effect on real estate markets. Many of the projects researched included an enhanced view amenity that is not being considered for the subject area; since the Alaskan Way viaduct replacement project is assumed complete, the view amenity will not change due to the LID project. Observation of projects in other markets is not necessarily indicative of the Seattle market and the following sections are presented to provide market-based historical evidence in a similar vein, to be used as background data only.



The Embarcadero, San Francisco CA

The Embarcadero parkway is a series of interconnected parks, pedestrian/cycle rights-of-way, public plazas and public/private docks that run alongside the eastern waterfront and the 8-lane Embarcadero in San Francisco. The three-mile long parkway runs along an engineered sea wall and covers reclaimed land formally occupied by the elevated Embarcadero Freeway. The freeway was demolished in 1991, after being damaged in a 1989 earthquake. The Embarcadero right-of-way begins at the intersection of Second Street and King Street, near AT&T Park, and travels north, passing under the San Francisco-Oakland Bay Bridge. From there, the Embarcadero continues north past the Ferry Building at Market Street, Fisherman's Wharf, and Pier 39, before ending at Pier 45. The vision behind the extensive public space improvements and park land was to reestablish a connection between the expanding San Francisco CBD to what at the time was an underutilized Bayfront area. The main components of the project, all of which were completed by the early 2000s, were:



- A new alignment for the Embarcadero boulevard that incorporates bicycle lanes and an exclusive right-of-way for an extension of the F streetcar line from the Ferry Building to Fisherman's Wharf (service started in 2000); a water-side pedestrian promenade that runs from Fisherman's Wharf to China Basin Channel (Herb Caen Way); an extension of MUNI's light-rail system south of Townsend Street along an exclusive right-of-way in the center of the Embarcadero, completed in 1997;
- An underground MUNI switching yard that was originally to be placed under the elevated freeway;
- Open-space pavilions and greenscape public park improvements.

The Embarcadero is a well-studied public benefit project and the area has several other ongoing improvement/enhancement projects. Overall, a Port of San Francisco public statement that the waterfront partnership "singularly changed the character of the northern waterfront from an industrial service corridor to an outdoor living room for San Francisco" best sums up project impacts.

More recent market-related reports indicate that the greatest value enhancement due to the Embarcadero project was observed within the bayfront/port side public/private properties (most located on piers). Residential and retail properties located alongside the eastern half of the Embarcadero expressway have shown marked improvements associated with proximity to the public park/pavilion areas along the three-mile stretch. While the project is considered to have completely revitalized the waterfront area, there are no special benefits associated with the project beyond a one- to two-block radius east of the expressway.

Due to the unique geographical and neighborhood characteristics of San Francisco, as well as design of the interconnected parks, it is difficult to measure the direct impact on property values due to the project. The CBD has many points of interest and features that attract pedestrians, tourists and property owners. Also, the park project was completed during the



ON THE WEB

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JUSTEN - LID 6751 OBJECTIONS
EXHIBIT F

JUSTEN - LID 6751 OBJECTIONS EXHIBIT G

The Honorable John R. Ruhl

IN THE SUPERIOR COURT FOR THE STATE OF WASHINGTON
IN AND FOR THE COUNTY OF KING

255 SOUTH KING STREET
LIMITED PARTNERSHIP, a
Washington limited partnership; 618
SECOND AVENUE LIMITED
PARTNERSHIP, a Washington limited
partnership; 1000 1ST AVENUE
LIMITED PARTNERSHIP, a
Washington limited partnership; and
1016 1ST AVENUE LIMITED
PARTNERSHIP, a Washington limited
partnership,

Plaintiffs,

vs.

CITY OF SEATTLE, a Washington
municipal corporation,

Defendant.

EUGENE A. BURRUS and LEAH S.
BURRUS, husband and wife and the
marital community comprised thereof;
WILLIAM J. JUSTEN and SANDRA
L. JUSTEN, husband and wife and the
marital community comprised thereof;
THEODORE T. TANASE and
PRISCILLA B. TANASE, husband and
wife and the marital community
comprised thereof; DAVID STARR, an
individual; VASANTH PHILOMIN
and KARIN PHILOMIN, husband and
wife and the marital community

No. 19-2-05733-5 SEA

(Consolidated with No.
19-2-08787-1 SEA)

**THIRD AMENDED
COMPLAINT FOR
DECLARATORY RELIEF
AND DAMAGES**

No. 19-2-08787-1 SEA
(Judge Ken Schubert)

THIRD AMENDED COMPLAINT FOR
DECLARATORY RELIEF AND DAMAGES - 1

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1 comprised thereof; DANIEL TUPPER
2 and PATRICIA TUPPER, husband and
3 wife and the marital community
4 comprised thereof; JOHN DRINKARD
5 and JANET DRINKARD, husband and
6 wife and the marital community
7 comprised thereof; FRANK KATZ and
8 ELISE KATZ, husband and wife and
9 the marital community comprised
10 thereof; DEBORAH BOGIN COHEN
11 and RICHARD B. OSTERBERG,
12 Trustees of the ZVI Cohen Family
13 Trust; JOHN A. BATES and
14 CAROLYN CORVI, husband and wife
15 and the marital community comprised
16 thereof; HARVEY ALLISON and MEI
17 WENG ALLISON, husband and wife
18 and the marital community comprised
19 thereof; VICTOR C. MOSES and
20 MARY K. MOSES, Trustees under the
21 2007 Moses Trust; NANCY E. DORN
22 and CAROL A. VERGA, a married
couple; ALEXANDER W. BRINDLE,
SR., an individual; TOM H. PEYREE
and SALLY L. PEYREE, Trustees of
The Thomas H. Peyree and Sally L.
Peyree Revocable Trust; ANTON P.
GIELEN and KAREN N. GIELEN,
husband and wife and the marital
community comprised thereof; KEITH
PAUL KLUGMAN and MAGDERIE
KLUGMAN, husband and wife and the
marital community comprised thereof;
ANDREW P. MARIN and CYNTHIA
J. MARIN, Trustees of The Andrew P.
Marin and Cynthia J. Marin Family
Revocable Trust; DANIEL S.
FRIEDMAN and MYRA A.
FRIEDMAN, husband and wife and the
marital community comprised thereof;
HOLLY MORRIS, an individual; and
RONALD EVAN WALLACE, an
individual,

Plaintiffs,

vs.

CITY OF SEATTLE, a Washington
municipal corporation,

Defendant.

1 COME NOW the Plaintiffs by and through their attorneys of record, Garth A.
2 Schlemlein, and Jesse O. Franklin IV, of Schlemlein, Fick, & Scruggs, PLLC, and allege as
3 follows:

4 I. INTRODUCTION

5 This third amended complaint arises from the flawed process by which the Defendant
6 City of Seattle (the "City") created a Waterfront Local Improvement District ("Waterfront
7 LID") under color of Chapter 35.43 RCW, et seq., City Council Bills 119447, 119448, and
8 119449, and the passage of City Ordinances 125760, 125761, and 125762. The City has issued
9 an assessment roll and the City intends to issue a final assessment roll to assess properties
10 within the Waterfront LID which "specially benefit" from the Waterfront LID improvements,
11 including assessments to the Plaintiffs' properties and other properties from T-Mobile Park to
12 Denny Way and from Elliott Bay to I-5, to pay the City collectively more than \$160 million.
13 The preliminary assessments for the Waterfront LID were not fairly and properly estimated by
14 external experts.

15 In addition to the above, the actions of the City and the City Council violated Article 1,
16 Section 1 of the Washington State Constitution; Article 1, Section 3 of the Washington State
17 Constitution; Article 1, Section 4 of the Washington State Constitution; State Environmental
18 Policy Act, Chapter 43.21C RCW; Chapter 25.05 of the Seattle Municipal Code; and
19 Washington Administrative Code 197-11.

20 II. JURISDICTION AND VENUE

21 2.1 The Court has jurisdiction over the case pursuant to RCW §2.08.010, Chapter
22 7.16 RCW, Chapter 7.24 RCW, Chapter 7.40 RCW, and Chapter 43.21C RCW.

23 2.2 Venue is proper in King County, Washington, pursuant to RCW §4.12.010 and
24 §4.12.020.

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III. PARTIES

3.1 Plaintiff 255 SOUTH KING STREET LIMITED PARTNERSHIP (255 LP) is a Washington limited partnership and the owner of 255 South King Street, Seattle, Washington.

3.2 Plaintiff 618 SECOND AVENUE SOUTH LIMITED PARTNERSHIP (618 LP) is a Washington limited partnership and the owner of 618 Second Avenue, Seattle, Washington.

3.3 Plaintiff 1000 1ST AVENUE SOUTH LIMITED PARTNERSHIP (1000 LP) is a Washington limited partnership and the owner of 1000 and 1006 1st Avenue South, Seattle, Washington.

3.4 Plaintiff 1016 1ST AVENUE SOUTH LIMITED PARTNERSHIP (1016 LP) is a Washington limited partnership and the owner of 1016 1st Avenue South, Seattle, Washington.

3.5 Plaintiffs Eugene A. Burrus and Leah S. Burrus, husband and wife, own and reside in the condominium located at 1521 Second Avenue, Unit 1702, Seattle, Washington 98101. They have owned and resided in that property since 2012. They are property owners and residents within the Waterfront LID.

3.6 Plaintiffs William J. Justen and Sandra L. Justen, husband and wife, own and reside in the condominium located at 1521 Second Avenue, Unit 2901, Seattle, Washington 98101. They have owned and resided in that property since 2009. They are property owners and residents within the Waterfront LID.

3.7 Plaintiffs Theodore T. Tanase and Priscilla B. Tanase, husband and wife, own and reside in the condominium located at 1521 Second Avenue, Unit 2403, Seattle, Washington 98101. They have owned and resided in that property since 2013. They are property owners and residents within the Waterfront LID.

1 3.8 Plaintiff David Starr owns and resides in the condominium located at 2125 First
2 Avenue, Unit 3004, Seattle, Washington 98121. He has owned and resided in that property
3 since 2016. He is a property owner and resident within the Waterfront LID.

4 3.9 Plaintiffs Vasanth Philomin and Karin Philomin, husband and wife, own and
5 reside in the condominium located at 1521 Second Avenue, Unit 2400, Seattle, Washington
6 98101. They have owned and resided in that property since 2017. They are property owners
7 and residents within the Waterfront LID.

8 3.10 Plaintiffs Daniel Tupper and Patricia Tupper, husband and wife, own and reside
9 in the condominium located at 1521 Second Avenue, Unit 3001, Seattle, Washington 98101.
10 They have owned and resided in that property since 2012. They are property owners and
11 residents within the Waterfront LID.

12 3.11 Plaintiffs John Drinkard and Janet Drinkard, husband and wife, own and reside
13 in the condominium located at 1521 Second Avenue, Unit 2301, Seattle, Washington 98101.
14 They have owned and resided in that property since 2008. They are property owners and
15 residents within the Waterfront LID.

16 3.12 Plaintiffs Frank Katz and Elise Katz, husband and wife, own and reside in the
17 condominium located at 1521 Second Avenue, Unit 3003, Seattle, Washington 98101. They
18 have owned and resided in that property since 2017. They are property owners and residents
19 within the Waterfront LID.

20 3.13 Plaintiffs Deborah Bogin Cohen and Richard B. Osterberg, Trustees of the ZVI
21 Cohen Family Trust, own the condominium located at 1521 Second Avenue, Unit 2102,
22 Seattle, Washington 98101. Ms. Cohen has owned and resided in that property since 2009. She
23 is a property owner and resident within the Waterfront LID.

24 3.14 Plaintiffs John A. Bates and Carolyn Corvi, husband and wife, and own and
25 reside in the condominium located at 1521 Second Avenue, Unit 1501, Seattle, Washington
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1 98101. They have owned and resided in that property since 2012. They are property owners
2 and residents within the Waterfront LID.

3 3.15 Plaintiffs Harvey Allison and Mei Weng Allison, husband and wife, own and
4 reside in the condominium located at 1521 Second Avenue, Unit 3100, Seattle, Washington
5 98101. They have owned and resided in that property since 2009. They are property owners
6 and residents within the Waterfront LID.

7 3.16 Plaintiffs Victor C. Moses and Mary K. Moses, Trustees under the 2007 Moses
8 Trust, own and reside in the condominium located at 1521 Second Avenue, Unit 2304, Seattle,
9 Washington 98101. They have owned and resided in that property since 2012. They are
10 property owners and residents within the Waterfront LID.

11 3.17 Plaintiffs Nancy E. Dorn and Carol A. Verga, a married couple, own and reside
12 in the condominium located at 1521 Second Avenue, Unit 2302, Seattle, Washington 98101.
13 They have owned and resided in that property since 2011. They are property owners and
14 residents within the Waterfront LID.

15 3.18 Plaintiff Alexander W. Brindle, Sr. owns and resides in the condominium
16 located at 1521 Second Avenue, Unit 2000, Seattle, Washington 98101. He has owned and
17 resided in that property since 2013. He is property owner and resident within the Waterfront
18 LID.

19 3.19 Plaintiffs Tom H. Peyree and Sally L. Peyree, Trustees of The Thomas H.
20 Peyree and Sally L. Peyree Revocable Trust, own and reside in the condominium located at
21 1521 Second Avenue, Unit 3700, Seattle, Washington 98101. They have owned and resided in
22 that property since 2009. They are property owners and residents within the Waterfront LID.

23 3.20 Plaintiffs Anton P. Gielen and Karen N. Gielen, husband and wife, own and
24 reside in the condominium located at 1009 Western Avenue, Unit 1209, Seattle, Washington
25 98104. They have owned and resided in that property since 2013. They are property owners
26 and residents within the Waterfront LID.

1 3.21 Plaintiffs Keith Paul Klugman and Magderie Klugman, husband and wife, own
2 and reside in the condominium located at 1521 Second Avenue, Unit 2103, Seattle,
3 Washington 98101. They have owned and resided in that property since 2013. They are
4 property owners and residents within the Waterfront LID.

5 3.22 Plaintiffs Andrew P. Marin and Cynthia J. Marin, Trustees of The Andrew P.
6 Marin and Cynthia J. Marin Family Revocable Trust, own and reside in the condominium
7 located at 1521 Second Avenue, Unit 3002, Seattle, Washington 98101. They have owned and
8 resided in that property since 2009. They are property owners and residents within the
9 Waterfront LID.

10 3.23 Plaintiffs Daniel S. Friedman and Myra A. Friedman, husband and wife, own
11 and reside in the condominium located at 1521 Second Avenue, Unit 3400, Seattle,
12 Washington 98101. They have owned and resided in that property since 2009. They are
13 property owners and residents within the Waterfront LID.

14 3.24 Plaintiff Holly Morris, an individual, owns and resides in the condominium
15 located at 1507 Western Avenue, Unit 101, Seattle, Washington 98101. She has owned and
16 resided in that property since 1999. She is property owner and resident within the Waterfront
17 LID.

18 3.25 Plaintiff Ronald Evan Wallace, an individual, owns and resides in the
19 condominium located at 1507 Western Avenue, Unit 606, Seattle, Washington 98101. He has
20 owned and resided in that property since 1998. He is property owner and resident within the
21 Waterfront LID.

22 3.26 All Plaintiffs have been informed by the City that they will be subject to an
23 assessment under the Waterfront LID.

24 3.27 Defendant City is a municipal corporation lying in King County, Washington,
25 with its principal place of business at Seattle City Hall, at 600 4th Avenue, Seattle,
26 Washington.

3.28 Defendant City is the employer of the offending Mayor, Jenny Durkan, and the offending City Council members at issue, Sally Bagshaw, Lorena Gonzalez, Rob Johnson, Deborah Juarez, Teresa Mosqueda, Kshama Sawant and Mike O'Brien.

IV. FACTS

Flawed Creation of Waterfront Local Improvement District

4.1 Nearly seven years ago, the Seattle City Council (“City Council”) approved a Waterfront Strategic Plan for the area of downtown Seattle stretching for 26 blocks along the City’s waterfront. The Waterfront Strategic Plan was approved in 2012 and included a funding plan, which included the framework for a Local Improvement District (“LID”) to fund \$200 million of the anticipated \$1.3 billion Central Waterfront Improvement Program.

4.2 An LID is an assessment program through which the City, through Chapter 35.43 RCW, et seq., may impose assessments upon property owners to pay for a project that allegedly will “specially benefit” them. Common LID projects include sewer and water systems. The City may not charge property owners more than the actual value of the special benefit actually received by the assessed properties from the project – called the “Special Benefit.” Furthermore, an LID’s assessments must be proportional between the properties.

4.3 The Special Benefit is defined as the increase in fair market value attributable to the local improvements.

4.4 The City has not provided a sufficient list or description of the actual improvements included in the Waterfront LID, e.g., a new public park or just sidewalks and trees adjacent to roadways and arterials, to permit property owners in the Waterfront LID to evaluate the alleged improvements.

4.5 The Council did not act until May 2018, when it passed a Resolution of Intent to form the Waterfront LID, known as Resolution 31812 (the “Resolution”).

4.6 The total amount to be assessed against property owners in the Waterfront LID is \$160 million, plus \$16 million in administrative costs.

1 4.7 The City arbitrarily and capriciously, or, on a fundamentally wrong basis,
2 decided which properties, including the Plaintiffs' properties, would be included or not included
3 within the Waterfront LID.

4 4.8 The City arbitrarily and capriciously, or, on a fundamentally wrong basis,
5 decided which properties, including the Plaintiffs' properties, would "Specially Benefit" from
6 the Waterfront LID, even if the properties are blocks away from the Project. The Waterfront
7 LID area stretches from T-Mobile Park to Denny Way and from Elliott Bay to I-5. Numerous
8 properties are several blocks away from the planned LID Improvements. The City did not
9 consider or rely upon any evidence suggesting that these properties (properties included within
10 the Waterfront LID are several blocks away from the specific planned improvements) would
11 benefit. The City also arbitrarily and capriciously, or, on a fundamentally wrong basis, assessed
12 various businesses, like hotels, including the Plaintiffs' hotels, to pay more than other
13 businesses that are in fact closer to the Waterfront LID Improvements. Additionally, the City
14 did not assess properties that are currently under construction in the Waterfront LID area –
15 properties that would otherwise also specially benefit and should be considered subject to the
16 assessment had they been open when the Waterfront LID was established. If a Special Benefit
17 exists, these properties will undoubtedly benefit as well.

18 4.9 The City, in its decision and notice, failed to distinguish between the general
19 benefits of the Waterfront LID Improvements to the public and the Special Benefits, if any, of
20 the Waterfront LID Improvements to the Plaintiffs' property and the proper economic valuation
21 of the same.

22 4.10 The City, in its decision and notice, failed to distinguish between the benefits of
23 several projects ongoing within the Central Waterfront, e.g., Viaduct demolition, new
24 Alaskan/Elliott Way surface street, new /improved Seawall, State Route 99 Tunnel, Pier 62
25 rebuild, Bell St. Improvements, and, the 115 parking spaces fronting piers between Pike and
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1 Madison, and the Special Benefits, if any, of the Waterfront LID Improvements to the
2 Plaintiffs' property and the proper economic valuation of the same.

3 4.11 The City failed to assess other properties located within the Waterfront LID for
4 the Special Benefits, if any, of the Waterfront LID Improvements and the proper economic
5 valuation of the same.

6 4.12 The City failed to assess other properties not located within the Waterfront LID
7 for the Special Benefits, if any, of the Waterfront LID Improvements and the proper economic
8 valuation of the same.

9 4.13 The preliminary special assessments for the Waterfront LID were not fairly and
10 properly estimated by external experts.

11 4.14 Following the Resolution, the City published a preliminary special benefit study
12 – which includes “data and assumptions” determined to calculate a “preliminary special
13 benefit.” In June 2018, the City claims it mailed out letters of their plans to affected property
14 owners and its initial assessment.

15 4.15 Between the dates of July 13-28, 2018, the Seattle Hearing Examiner (the
16 “Hearing Examiner”) held initial hearings and received public comment on the Waterfront LID.

17 4.15.1 Plaintiffs submitted written protests to the Waterfront LID as well as
18 submitted comments to the Hearing Examiner.

19 4.16 After hearing 333 comments on the potential Waterfront LID, the Hearing
20 Examiner published its Report on the hearing.

21 4.17 Per their website, the City Council claims the Waterfront LID formation is a
22 “quasi-judicial process” and thus, the Council and all Councilmembers are forbidden from
23 direct or indirect communication about the Waterfront LID outside of a public hearing or
24 meeting, and did in fact tell property owners they could not meet with them.

25 4.18 Mayor Jenny Durkan proclaims this Waterfront LID as a “Park for All.”
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1 4.19 Defendant City has failed in the past to maintain parks. For example, Victor
2 Steinbrueck Park, also located downtown near the waterfront, is home to many unhoused
3 individuals and is a place for many to use drugs and alcohol and commit other crimes and
4 offenses. Absent evidence that the City will properly keep and maintain the alleged "park,"
5 there is no Special Benefit to the assessed property owners from the park.

6 4.20 On January 25, 2019, the City Council published a public memorandum that
7 admitted to numerous ex-parte communications with parties about the Waterfront LID.

8 4.21 On January 28, 2019, the City Council passed Ordinance 125760,¹ forming the
9 Waterfront LID, despite clear objections from property owners and requests that City Council
10 members recuse themselves. That same day, Mayor Jenny Durkan signed Ordinance 125760.

11 4.22 On January 28, 2019, the City Council also passed Ordinance 125761 (generally
12 related to funding, operations and management) and Ordinance 125762 (LID protest waiver
13 agreement). That same day, Mayor Jenny Durkan signed Ordinance 125761 and Ordinance
14 125762.

15 4.23 The Waterfront LID Protest Period began on January 28, 2018.

16 4.24 Plaintiffs submitted formal protests and comments to the City in July 2018, and
17 again in January 2019.

18 4.25 The Seattle City Council is composed of nine voting members. An ordinance can
19 pass the council by a majority vote of five members and a mayoral veto of an ordinance can be
20 overcome by a vote of a supermajority of six members.

21 4.26 At least seven City Council members and their staff participated in private
22 meetings with proponents of the Waterfront LID that were not during a public hearing or
23 meeting. These meetings contributed to an effort to achieve a collective positive decision in
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26 ¹ In its Complaint, filed on Wednesday, February 27, 2019, Plaintiffs' 255 LP and 618
27 LP, misidentified the ordinance number under which the Mayor and the City Council
adopted and passed the Waterfront LID.

1 support of the eventual Waterfront LID, in part, through the exchange of one sided or unreliable
2 information.

3 Lack of Consent of the Governed

4 4.27 Prior to 2013, the nine members of the City Council were elected on a citywide
5 basis. Every voter in the City had the opportunity to vote for every member of the City Council.

6 4.28 All City LIDs by Resolution, prior to the Waterfront LID, were formed by the
7 City Council which was elected on a citywide basis. Those prior City LIDs did not raise the
8 constitutional issues that are raised by the Waterfront LID because the Waterfront LID was
9 imposed by a City Council elected on a district basis as opposed to a citywide basis.

10 4.29 In 2013, the City Council representation was switched to a district representative
11 model. Since the switch, the nine members of the City Council consist of two citywide "at
12 large" members, and seven representatives of seven geographic districts. A copy of a graphic
13 image of the seven City Council districts is attached hereto as Exhibit A and incorporated by
14 reference.

15 4.30 As a result of the switch, a voter in Seattle is able to only cast votes for three of
16 the nine members of the City Council: the two at-large members and the one member
17 representing their specific geographic district within the City.

18 4.31 Residents within the Waterfront LID, which is located entirely within City
19 Council District 7, have political recourse (i.e., a vote) but it is limited to only three of the nine
20 members of the City Council.

21 4.32 As a result, the Waterfront LID could be imposed by a supermajority of six
22 members of the City Council, none of whom the residents of the Waterfront LID could ever
23 vote either for or against. In addition, using the Waterfront LID as an example, the voters for
24 those six members would not be subject to the Waterfront LID and its assessments.

25 4.33 Every LID created and passed by the City Council in the future through the
26 district representative model is subject to the same constitutional defect.

1 4.34 In early 2018, the city began a program to publicize the possibility of a LID and
2 the impact it would have on property owners within the proposed LID.

3 4.35 On May 2, 2018, a meeting of the Civic Development, Public Assets & Native
4 Communities Committee was held at which the proposed Waterfront LID was to be discussed
5 and, as a result, was included on the agenda. A large number of property owners attended that
6 meeting to speak in opposition to the proposed LID and to support speakers. The speakers
7 almost unanimously opposed the LID.

8 4.36 However, the futility of the exercise of political protest and speech became
9 apparent at that meeting. The only member of the City Council present at the meeting was
10 Deborah Juarez, the representative of City Council District 5, North Seattle. While
11 Councilwoman Juarez listened politely, none of the people speaking were residents within City
12 Council District 5, because none of the residents of her district would be subject to the proposed
13 LID. She had no political reason to care about the concerns of the Waterfront LID property
14 owners. She could vote for the Waterfront LID to bring the benefit of a "Waterfront for All" to
15 the residents and voters in her district, City Council District 5, while imposing the costs on
16 people to whom she does not represent and is not answerable to at the polls.

17 4.37 The reality facing the residents within the Waterfront LID crystallized. Their
18 only hope was to beg for mercy from City Council members representing City Council Districts
19 in which they could not vote and whose residents would not be subject to the Waterfront LID.
20 When the Waterfront LID was passed in 2019, it was clear that mercy was not forthcoming. The
21 Plaintiffs have no political recourse against the supermajority of the City Council that imposed
22 the Waterfront LID upon them.

23 4.38 Plaintiffs submitted formal protests and comments about the Waterfront LID to
24 the City.

25 4.39 At least seven City Council members and their staff participated in private
26 meetings with proponents of the Waterfront LID that were not during a public hearing or
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1 meeting. These meetings contributed to an effort to achieve a collective positive decision in
2 support of the eventual Waterfront LID, in part, through the exchange of one sided or unreliable
3 information.

4 4.40 Prior to the City Council vote on January 28, 2019, City Council members
5 communicated with each other directly and indirectly about their decisions to approve the
6 Waterfront LID for a reduced amount of \$160 million. These meetings resulted in a collective
7 positive decision in support of the eventual Waterfront LID.

8 4.41 As a result of the City's actions and inactions as outlined above in paragraphs
9 4.1 to 4.23, the City violated Chapter 35.43 RCW, et seq.

10 State Environmental Policy Act Violations

11 4.42 The City's Alaskan Way, Promenade, Overlook Walk Final Environmental
12 Impact Statement (AWPOW FEIS) addresses just four of the six Waterfront LID
13 Improvements.

14 4.43 The AWPOW FEIS does not address the Waterfront LID.

15 4.44 According to the mailing list for the AWPOW FEIS, notice was not provided to
16 all nine City Councilmembers.

17 4.45 According to the mailing list for the AWPOW FEIS, notice was not provided to
18 all property owners within the Waterfront LID.

19 4.46 Three community groups appealed the AWPOW FEIS, and the City settled out
20 of court with them. No notice of the settlement was provided to the Waterfront LID property
21 owners or the public.

22 4.47 According to the City's discovery answers to date, the City has no obligation to
23 inform decision-makers like the City Council about the Waterfront LID Improvements'
24 environmental impacts or any appeals thereof.

4.48 Plaintiffs' interests are within the zone of interests protected by SEPA because Plaintiffs are concerned about and will be adversely impacted by the Waterfront LID and the Waterfront LID Improvements.

V. CAUSES OF ACTION

5.1 Declaratory Relief – Violation of Article 1, Section 1 of the Washington State Constitution

5.1.1 Plaintiffs allege and repeat the preceding paragraphs as though fully set forth herein.

5.1.2 Article 1, Section 1 of the Washington State Constitution sets forth the most fundamental premise of our democratic self-governance: “governments derive their just powers from the consent of the governed.”

5.1.3 The Waterfront LID represents a perversion of that most basic principle of self-governance. The Plaintiffs and other residents within the Waterfront LID have never consented to its imposition and are politically powerless to stop it. It is being imposed by six members of the City Council for whom the Plaintiffs can neither vote for nor vote against. Even if every member of the City government for whom the Plaintiffs can vote opposed the Waterfront LID (the mayor, two at large members and one district representatives), it would still be imposed by this supermajority of council members whose residents and voters will not be subject to the Waterfront LID assessments.

5.1.4 It is common in a democratic society that revenue and taxing issues are debated among those to be taxed and the people then have the opportunity (either via direct vote, or by voting for representative legislators) to express their agreement or disagreement with the proposed

1 revenue raising measure. The citizens have the opportunity to vote for
2 measures or representatives.

3 5.1.5 That was not the case here. Six members of the City Council for whom
4 those subject to the Waterfront LID never will get to vote either for or
5 against (and whose voters will not be subject to the Waterfront LID and
6 will suffer no assessment) imposed this upon residents within the
7 Waterfront LID to whom they do not answer.

8 5.1.6 It cannot be a valid exercise of power under Article 1, Section 1 of the
9 Washington State Constitution, if the only recourse for citizens to an
10 action of the government is to beg for mercy from people over whom a
11 citizen has no political recourse.

12 5.1.7 The City's conduct constitutes a violation of Article 1, Section 1 of the
13 Washington State Constitution.

14 5.1.8 Plaintiffs have been damaged and will be damaged in an amount to be
15 proven at trial.

16 5.1.9 Plaintiffs seek declaratory judgment that the City's actions in the creation
17 of the Waterfront LID violate Article 1, Section 1 of the Washington
18 State Constitution and as a result, the Waterfront LID should be
19 invalidated.

20 **5.2 Declaratory Relief – Violation of Article 1, Section 3 of the Washington**
21 **State Constitution**

22 5.2.1. Plaintiffs allege and repeat the preceding paragraphs as though fully set
23 forth herein.

24 5.2.2. Article 1, Section 3 of the Washington State Constitution states “no
25 person shall be deprived of life, liberty or property, without due process
26 of law.”

- 1 5.2.3. The imposition of the Waterfront LID by a supermajority of the City
2 Council for whom the residents within the Waterfront LID do not get to
3 vote for or against and for whom they have no political recourse
4 whatsoever represents a deprivation of property without any process of
5 law.
6 5.2.4. The only recourse for Waterfront LID residents is to beg for mercy from
7 six members of the City Council for whom they do not have a vote and
8 whose residents will not be subject to the deprivation of property. This
9 represents a fundamental violation of due process rights.
10 5.2.5. The City's conduct constitutes a violation of Article 1, Section 3 of the
11 Washington State Constitution.
12 5.2.6. Plaintiffs have been damaged and will be damaged in an amount to be
13 proven at trial.
14 5.2.7. Plaintiffs seek declaratory judgment that the City's actions in the creation
15 of the Waterfront LID violate Article 1, Section 3 of the Washington
16 State Constitution and as a result, the Waterfront LID should be
17 invalidated.

18 **5.3 Declaratory Relief – Violation of Article 1, Section 4 of the Washington**
19 **State Constitution**

- 20 5.3.1. Plaintiffs allege and repeat the preceding paragraphs as though fully set
21 forth herein.
22 5.3.2. Article 1, Section 4 of the Washington State Constitution states "the right
23 of petition and of the people peaceably to assemble for the common good
24 shall never be abridged"
25 5.3.3. The right of petition of the Plaintiffs and residents within the Waterfront
26 LID to petition against its imposition has been fundamentally abridged.
27 Rather than the right to petition and persuade, and, if necessary, vote

1 against, elected officials proposing a course of action by the government,
2 the Plaintiffs only recourse was to beg for mercy from City Council
3 members for whom they get no vote and over whom they have no
4 political power or influence. Plaintiffs right of petition has been abridged
5 by the imposition of the Waterfront LID by a supermajority of the City
6 Council for whom the residents within the Waterfront LID do not get to
7 vote for or against and for whom they have no political recourse.

8 5.3.4. The City's conduct constitutes a violation of Article 1, Section 4 of the
9 Washington State Constitution.

10 5.3.5. Plaintiffs have been damaged and will be damaged in an amount to be
11 proven at trial.

12 5.3.6. Plaintiffs seek declaratory judgment that the City's actions in the creation
13 of the Waterfront LID violate Article 1, Section 4 of the Washington
14 State Constitution and as a result, the Waterfront LID should be
15 invalidated.

16 **5.4 Declaratory Relief - Chapter 35.43 RCW, et seq.**

17 5.4.1 Plaintiffs allege and repeat the preceding paragraphs as though fully set
18 forth herein.

19 5.4.2 The City, through its adoption of Ordinance 125760, created a Waterfront
20 Local Improvement District under color of Chapter 35.43 RCW, et seq.

21 5.4.3 The City has assessed properties within the Waterfront LID, including
22 the Plaintiffs' properties, to pay the City collectively \$160 million, plus
23 administrative costs of \$16 million.

24 5.4.4 The City failed to comply with the requirements of Chapter 35.43 RCW,
25 et seq., as follows:
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1 5.4.4.1 The City has not maintained a consistent or sufficient list or
2 description of the actual improvements included in the Waterfront
3 LID, e.g., a new public park or just sidewalks and trees adjacent
4 to roadways and arterials.

5 5.4.4.2 The City arbitrarily and capriciously decided which properties,
6 including the Plaintiffs' properties, would be included or not
7 included within the Waterfront LID.

8 5.4.4.3 The City failed to distinguish between the general benefits of the
9 Waterfront LID to the public generally and the Special Benefits,
10 if any, of the Waterfront LID to the properties assessed within the
11 Waterfront LID, including the Plaintiffs' properties, and the
12 proper economic valuation of the same.

13 5.4.4.4 The City arbitrarily and capriciously, or, on a fundamentally
14 wrong basis, decided which properties, including the Plaintiffs'
15 properties, would "specially benefit" from the Waterfront LID.

16 5.4.4.5 The City also arbitrarily and capriciously, or, on a fundamentally
17 wrong basis, assessed various businesses, like hotels, including
18 two of the Plaintiffs' properties, to pay more than other
19 businesses that are in fact closer to the Waterfront LID Project,
20 instead of a proportionate assessment as required by law.

21 5.4.4.6 The City failed to assess other properties located within the
22 Waterfront LID for the Special Benefits, if any, of the Waterfront
23 LID and the proper economic valuation of the same.

24 5.4.4.7 The City did not assess properties and the businesses located
25 thereon, that are currently under construction, in the Waterfront
26 LID area.

1 5.4.4.8 The City has failed to account for, or otherwise address, the need
2 to maintain any alleged “park” included in the Waterfront LID.

3 5.4.5 Plaintiffs’ rights, status and other legal relationships have been adversely
4 affected by the City’s decision to adopt Ordinance 125760.

5 5.4.6 The City’s actions in adopting Ordinance 125760 in contravention of the
6 intended purpose of Chapter 35.43 RCW, et seq. is a matter of public
7 interest.

8 5.4.7 The public interest will be enhanced by the Court’s review of the City’s
9 actions in adopting Ordinance 125760 under color of Chapter 35.43
10 RCW, et seq.

11 5.4.8 Pursuant to RCW 7.24, Plaintiffs are entitled to have the Court review
12 the controversy and declare the rights, status, and other legal relations of
13 the Plaintiffs in regard to the City’s action. The enactment of Ordinance
14 125760 creates an actual, present, and existing dispute with the City due
15 to the Ordinance’s impact on the Plaintiff’s economic interest and
16 property.

17 5.4.9 Pursuant to RCW 7.24, plaintiff petitions for declaratory judgment that
18 Ordinance 125760 was created in violation of Chapter 35.43 RCW, et
19 seq. and SMC 20.04.

20 5.4.10 Plaintiffs have been damaged and will be damaged in an amount to be
21 proven at trial.

22 5.4.11 No other remedy is adequate to protect the Plaintiffs’ property interests.

23 5.4.12 The City’s decisions related to the approval of the Waterfront LID and
24 the adoption of Ordinance 125760 should be invalidated.

1 **5.5 Declaratory Relief – Substantive Due Process**

2 5.5.1 Plaintiffs allege and repeat the preceding paragraphs as though fully set
3 forth herein.

4 5.5.2 Defendant City acting under color of law, subjected, or caused to be
5 subjected, each of the Plaintiffs here to deprivation of rights under the
6 State of Washington (“State”) and Federal Constitutions, and laws.

7 5.5.3 The City has acted in an arbitrary and capricious manner, or, on a
8 fundamentally wrong basis, without legitimate fact finding or purpose in
9 violation of Plaintiff’s rights to substantive due process under both the
10 State and Federal Constitutions. For example only, it is unclear how the
11 Waterfront LID, through the adoption of Ordinance 125760, will
12 actually, specially benefit the properties included in the Waterfront LID,
13 which include the Plaintiffs’ properties, (arbitrarily drawn lines and
14 assessed properties, poorly maintained parks in the past – likely to hurt
15 properties more than provide benefits). Moreover, and by way of
16 example only, if any benefit does exist – it is a general benefit for all, not
17 just the property owners included in the Waterfront LID which include
18 the Plaintiffs’ properties, which exist blocks away from the Project.

19 5.5.4 Plaintiffs are entitled to have the Court review the controversy and
20 declare the rights, status, and other legal relations of the Plaintiffs in
21 regard to the City’s action. The City’s actions create an actual, present,
22 and existing dispute with the City due to the Waterfront LID’s impact on
23 the Plaintiff’s economic interest and property.

24 5.5.5 The City’s conduct constitutes a deprivation of substantive due process.
25
26
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1 5.5.6 Pursuant to RCW 7.24, plaintiff petitions for declaratory judgment that
2 the City's actions in the creation of the Waterfront LID and the adoption
3 of Ordinance 125760 are a violation of substantive due process.

4 5.5.7 Plaintiffs have been damaged and will be damaged in an amount to be
5 proven at trial.

6 5.5.8 No other remedy is adequate to protect the Plaintiffs' property interests.

7 5.5.9 As a result of the due process violations, the Waterfront LID and the
8 adoption of Ordinance 125760 should be invalidated.

9 **5.6 Declaratory Relief – Procedural Due Process**

10 5.6.1 Plaintiffs allege and repeat the preceding paragraphs as though fully set
11 forth herein.

12 5.6.2 Defendant City acting under color of law, subjected, or caused to be
13 subjected, each of the Plaintiffs here to deprivation of rights under the
14 State and Federal Constitutions and laws.

15 5.6.3 The City's conduct in creating the Waterfront LID and passing Ordinance
16 125760 deprived plaintiffs of their property, economic interest and
17 expectations without notice and an opportunity to be heard.

18 5.6.4 The City's conduct constituted a deprivation of procedural due process
19 without proper notice.

20 5.6.5 Plaintiffs are entitled to have the Court review the controversy and
21 declare the rights, status, and other legal relations of the Plaintiffs in
22 regard to the City's action. The enactment of Ordinance 125760 creates
23 an actual, present, and existing dispute with the City due to the
24 Ordinance's impact on the Plaintiff's economic interest and property.

25 5.6.6 Pursuant to RCW 7.24, plaintiffs petition for declaratory judgment that
26 Ordinance 125760 was created in violation of procedural due process.
27

1 5.6.7 Plaintiffs have been damaged and will be damaged in an amount to be
2 proven at trial.

3 5.6.8 No other remedy is adequate to protect the Plaintiffs' property interests.

4 5.6.9 As a result of the due process violations, the City's adoption of
5 Ordinance 125760 should be invalidated.

6 **5.7 Declaratory Relief – Equal Protection Violation**

7 5.7.1 Plaintiffs allege and repeat the preceding paragraphs as though fully set
8 forth herein.

9 5.7.2 Plaintiffs are entitled to have the Court review the controversy and
10 declare the rights, status, and other legal relations of the Plaintiffs in
11 regard to the City's action. The enactment of Ordinance 125760 creates
12 an actual, present, and existing dispute with the City due to the
13 Ordinance's impact on the Plaintiff's economic interest and property.

14 5.7.3 Pursuant to RCW 7.24, plaintiff petitions for declaratory judgment that
15 Ordinance 125760 was created in violation of Plaintiffs' rights to equal
16 protection.

17 5.7.4 No other remedy is adequate to protect the Plaintiffs' property interests.

18 5.7.5 Plaintiffs have been damaged and will be damaged in an amount to be
19 proven at trial.

20 5.7.6 If Ordinance 125760 is not invalidated, then through their conduct, the
21 City treated each of the Plaintiffs' properties and interests differently
22 from other similarly-situated persons and entities without legitimate
23 purpose in violation of each of the Plaintiffs' rights to equal protection
24 under the law.

25 5.7.7 As a result of the due process violations, the City's adoption of
26 Ordinance 125760 should be invalidated.
27

1 **5.8 State Environmental Protection Act Violation**

2 5.8.1 Plaintiffs allege and repeat the preceding paragraphs as though fully set
3 forth herein.

4 5.8.2 In adopting the Waterfront LID and Ordinance 125760, the City
5 failed to comply with the State Environmental Policy Act, chapter
6 43.21C RCW and Washington Administrative Code (WAC) 197-
7 11. Such failure constitutes an error of law and misapplication of
8 the law to the Waterfront LID process. As a result, the Waterfront
9 LID and Ordinance 125760 are invalidated and remanded for
10 further processing consistent with the State Environmental Policy
11 Act.

12 5.8.3 In adopting the Waterfront LID and Ordinance 125760, the City failed to
13 comply with the City of Seattle's State Environmental Policy Act Rules,
14 chapter 25.05 SMC. Such failure constitutes an error of law and
15 misapplication of the law to the Waterfront LID process. As a result, the
16 Waterfront LID and Ordinance 125760 are invalidated and remanded for
17 further processing consistent with the State Environmental Policy Act.

18 5.8.4 Plaintiffs bring this action under RCW 43.21C.075, which creates an
19 independent "basis for challenging whether governmental action is in
20 compliance with the substantive and procedural provisions" of SEPA.

21 5.8.5 In addition to direct review under RCW 43.21C.075, Plaintiffs are
22 entitled to a statutory writ of review, also called a writ of certiorari,
23 pursuant to Chapter 7.16 RCW. Plaintiffs will note a hearing on their
24 application for a writ, pursuant to LCR 98.40, in the event that this Court
25 determines that direct review under RCW 43.21C.075 is not available.
26
27

1 5.8.6 Plaintiffs also seek a declaratory judgment pursuant to Chapter 7.24
2 RCW.

3 5.8.7 In the event this Court determines that none of Plaintiffs statutory causes
4 of action are available to review the subject decisions, then Plaintiffs
5 invoke this Court's inherent constitutional jurisdiction to review the
6 subject actions.

7 5.8.8 In the event the City should proceed with the final assessment process or
8 construction of Waterfront LID Improvements during the pendency of
9 this action, then Plaintiffs are entitled to a temporary restraining order
10 and preliminary and permanent injunctions pursuant to Chapter 7.40 and
11 CR 65 in order to prevent irreparable harm before the adverse
12 environmental impacts, and the impacts of reasonable alternatives, have
13 been properly and adequately identified and analyzed by the decision-
14 makers.

15 **5.9 Appearance of Fairness Doctrine Violation**

16 5.9.1 Plaintiffs allege and repeat the preceding paragraphs as though fully set
17 forth herein.

18 5.9.2 The City failed to comply with the Appearance of Fairness Doctrine,
19 RCW Chapter 42.30, City Council Resolution 31602 and its Quasi-
20 Judicial Rules, in undertaking this quasi-judicial decision affecting the
21 Plaintiffs' properties.

22 5.9.3 The City Council met privately with City staff and other proponents of
23 the Waterfront LID, then failed to recuse themselves from voting, and
24 refused to meet with land owners within the Waterfront LID.
25
26
27

1 5.9.4 These private meetings contributed to an effort to achieve, and did
2 achieve, a collective positive decision in support of the eventual
3 Waterfront LID.

4 5.9.5 The City Council published a public memorandum admitting to
5 numerous ex-parte communications with parties about the Waterfront
6 LID.

7 5.9.6 As a result of the violations of the Appearance of Fairness Doctrine, the
8 City's adoption of Ordinance 125760 should be invalidated.

9 **5.10 Open Public Meetings Act**

10 5.10.1 Plaintiffs allege and repeat the preceding paragraphs as though fully set
11 forth herein.

12 5.10.2 A majority of the City Council communicated with each other directly
13 and indirectly in negotiating a reduced Waterfront LID amount, from
14 \$200 million to \$160 million, prior to voting and failed to comply with
15 the Open Public Meetings Act, RCW Chapter 42.30, damaging Plaintiffs.

16 5.10.3 A majority of the City Council had knowledge that they were conducting
17 meetings that violated the Open Public Meetings Act.

18 5.10.4 As a result of these violations, the City's decision to adopt Ordinance
19 125760 must be invalidated.

20 **VI. PRAYER FOR RELIEF**

21 Plaintiffs therefore seeks the following relief:

- 22 A. Declaratory Judgment, declaring, among other things, the Defendant City's
23 actions violated Chapter 35.43 RCW, et seq., Chapter 42.30 RCW, et seq.,
24 and/or the Appearance of Fairness Doctrine, and, as a result, the Defendant
25 City's approval of the Waterfront LID, including the adoption of Ordinance
26 125760, shall be invalidated;

- 1 B. Declaratory Judgment, declaring, among other things, the Defendant City's
2 actions violated Article 1, Section 1 of the Washington State Constitution, and,
3 as a result, the Defendant City's approval of the Waterfront LID, including the
4 adoption of Ordinance 125760, shall be invalidated;
- 5 C. Declaratory Judgment, declaring, among other things, the Defendant City's
6 actions violated Article 1, Section 3 of the Washington State Constitution, and,
7 as a result, the Defendant City's approval of the Waterfront LID, including the
8 adoption of Ordinance 125760, shall be invalidated;
- 9 D. Declaratory Judgment, declaring, among other things, the Defendant City's
10 actions violated Article 1, Section 4 of the Washington State Constitution, and,
11 as a result, the Defendant City's approval of the Waterfront LID, including the
12 adoption of Ordinance 125760, shall be invalidated;
- 13 E. Injunctive Relief enjoining the Defendant City from assessing any amount to the
14 Plaintiffs' properties for the Waterfront LID;
- 15 F. Judgment against the Seattle City Council in the form of all relief permitted
16 under RCW 42.30.120;
- 17 G. Judgment against the Seattle City Council in the form of all relief permitted
18 under Appearance of Fairness Doctrine; Direct, Indirect, Consequential and
19 Punitive Damages, if and as allowed by law, in an amount to be proven at trial;
- 20 H. Order, Declaratory Judgment, and/or Injunctive relief invalidating Ordinances
21 125760, 125761, and 125762 because the AWPOW FEIS was inadequate, the
22 City Council failed to adequately review environmental impacts during the LID
23 formation process, the City of Seattle violated the State Environmental Policy
24 Act, and remanding to the City of Seattle to conduct and complete the
25 environmental review process prior to forming the Waterfront LID, constructing
26 the projects, or completing the final assessment process;
- 27

- 1 I. Costs and attorneys' fees, and prejudgment interest as allowed by law; and
2 J. Other and further relief as may be deemed just and equitable.
3

4 DATED this 4th day of December, 2019.

5 SCHLEMLEIN FICK & SCRUGGS, PLLC

6 By: /s/ Jesse O. Franklin IV
7 Jesse O. Franklin IV, WSBA # 13755
8 Garth A. Schlemlein, WSBA # 13637
9 Attorneys for Plaintiffs
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