

Seattle Waterfront LID Assessment Hearing

Seattle LID Public Comment Hearing

February 25, 2020



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SEATTLE WATERFRONT LID ASSESSMENT HEARING

BEFORE

HEARING EXAMINER RYAN VANCIL

Taken at 700 Fifth Avenue, Suite 4000
Seattle, Washington

DATE TAKEN: February 25, 2020

REPORTED BY: Nancy M. Kottenstette, RPR, CCR 3377

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INDEX OF EXHIBITS

NUM.	DESCRIPTION	PAGE
Exhibit 1	Case Number CWF0076	5
Exhibit 2	Case Number CWF0076	11
Exhibit 3	Case Number CWF0076	11
Exhibit 4	Case Number CWF0076	11
Exhibit 5	Case Number CWF0076	14
Exhibit 6	Case Number CWF0076	22
Exhibit 7	Case Number CWF0076	22
Exhibit 8	Case Number CWF0076	28
Exhibit 9	Case Number CWF0076	28
Exhibit 10	Case Number CWF0076	29

1 SEATTLE, WASHINGTON; February 25, 2020

2 9:01 a.m.

3

4 HEARING EXAMINER VANCIL: Good morning.

5 I'll call to order this February 25, 2020, continuance

6 of the Seattle Waterfront LID Assessment Hearing.

7 Today one objection is being heard for the Hearing

8 Examiner Case Number CWF0076. We're set for an hour,

9 and so we'll start with --

10 MR. DANISHEK: Be out quicker than

11 that, I hope.

12 HEARING EXAMINER VANCIL: Please state

13 your name and spell it for the record.

14 MR. DANISHEK: Right. My name is Steve

15 Danishek, D-A-N-I-S-H-E-K.

16 HEARING EXAMINER VANCIL: Thank you.

17 Please proceed.

18 MR. DANISHEK: And if I could get your

19 name?

20 MS. KHALEGHI: Sure. My name is

21 Kristina, K-R-I-S-T-I-N-A, Khaleghi, K-H-A-L-E-G-H-I,

22 and I'm with the City Attorney's Office.

23 MR. DANISHEK: And you're?

24 MR. FILIPINI: I'm Gabrielle Thompson,

25 G-A-B-R-I-E-L-L-E, and I'm with K&L Gates on behalf of

1 the City.

2 MR. DANISHEK: Thanks. Stephen
3 Danishek. Thank you. I've got a few things to go
4 over, and I'll give you documents as we go. Is that
5 all right?

6 HEARING EXAMINER VANCIL: It's your
7 opportunity to present your objection. Please
8 proceed.

9 Oh, I'm sorry. Do you swear or affirm the
10 testimony you will provide in today's hearing will be
11 the truth?

12 MR. DANISHEK: Absolutely.

13 And just to set out the thing, when I have
14 documents to give to you, I give to you?

15 HEARING EXAMINER VANCIL: You should
16 hand them to my legal assistant, Mr. Edlund-Cho.

17 MR. DANISHEK: And you'll put copies of
18 the remarks in the permanent record, everything we
19 give to you today?

20 HEARING EXAMINER VANCIL: These
21 microphones are here purely for recording. We also
22 have a transcriptionist that's recording.

23 MR. DANISHEK: I understand that. The
24 documents I give to Galen, that will also go into the
25 permanent record?

1 HEARING EXAMINER VANCIL: Yes. You
2 said comments, but the documents that you introduce
3 are exhibits, and they'll be labeled as they come in.

4 MR. DANISHEK: Okay. And I'm sure
5 you've heard many of these same arguments.

6 HEARING EXAMINER VANCIL: That's fine.
7 This is your opportunity for your case, and I'm here
8 to listen for your case. So I will hear what you have
9 to say.

10 MR. DANISHEK: Okay. Very good. This
11 is a copy of the comments. I'll give you the
12 attachments and documents as we go along.

13 HEARING EXAMINER VANCIL: Do you have
14 copies for the City?

15 MR. DANISHEK: Yes. I have just -- I
16 do have two sets of copies.

17 HEARING EXAMINER VANCIL: So you want
18 to give a copy of anything you give to me to the City
19 as well. This item will be marked as Exhibit 1.

20 (Exhibit 1 for Case Number CWF0076 was
21 marked.)

22 MR. DANISHEK: All right. So here we
23 go. This is, as you mentioned, the objection to the
24 final Waterfront LID assessment and appeal of the
25 final assessment amount, tax parcel 919587630 owned by

1 myself and my wife, Dee Tezelli. The physical address
2 is 2000 Alaskan Way, No. 155, Seattle, 98121.

3 Mr. Examiner, we received a letter dated
4 December 30, 2019, from the Seattle Office of City
5 Clerk with a proposed final assessment noting that the
6 following for parcel: The final special benefit of
7 LID improvement to parcel, \$18,882. The proposed
8 final LID assessment for the parcel, \$7,398.38.

9 And for the record, our King County Assessor
10 valuations for 2017, \$453,000; 2018, \$516,000; 2019,
11 \$615,000; and for 2020, 640,000. We are requesting
12 that the amounts be adjusted, the special final
13 benefit to the LID improvement to parcel be reduced to
14 zero and the proposed final LID assessment for the
15 parcel also to zero.

16 Our objections are based on the fact that the
17 final special benefit fails to reflect numerous
18 adverse impacts that the project will have on our
19 specific property as well as on many of the flaws in
20 the LID itself, the methods and values assigned by the
21 LID appraiser, and the conduct, biases, failures to
22 disclose, concealments, and lack of fair dealing by
23 the City Council.

24 We understand that this hearing is to focus on
25 our objections, but we are also including additional

1 LID issues as all of this will establish our kind of
2 before baseline in anticipation of future legal action
3 against the City. So please note there is a lawsuit
4 to be heard May 6, 2020, Superior Court
5 Case 19-2-05733-5 Seattle. And that was Attachment
6 No. 10 in the objections -- our original objections
7 which I assume you have there.

8 HEARING EXAMINER VANCIL: Yes.

9 MR. DANISHEK: The plaintiffs are
10 requesting that the LID be remanded to the City
11 Council for reconsideration based on two
12 constitutional issues. Judge Ruhl stated: This is a
13 classic case that should go to trial. We will be
14 supporting the plaintiffs in this case and believe
15 that the plaintiffs may well prevail.

16 Since this would reset and restart the entire
17 LID process, we also believe that it would be in the
18 home and property owners' interests to hold this
19 hearing in abeyance for at least the outcome of the
20 case as determined by Judge Ruhl. Of course, that was
21 February 4. You had already said we're going past
22 that.

23 HEARING EXAMINER VANCIL: Yes.

24 MR. DANISHEK: So, further, we are
25 recommending that any LID assessment collection

1 activity cease immediately pending production by the
2 City and Waterfront Seattle Project, referred to as
3 project, of specific plans, engineering, cost
4 estimates, and construction timelines, none of which
5 currently exist in final form and without which owners
6 within the LID have absolutely no way of determining
7 the special benefit, if any, may exist and no way of
8 determining what percent of the project has been
9 completed or will be completed and thus no way to
10 determine the amount of refund or request from the LID
11 assessment that may be have been paid, i.e. if there's
12 a 50 percent project completion, we would expect a
13 50 percent rebate or refund request. We understand
14 you denied the motion to continue of February 4, etc.,
15 etc. So that's past.

16 This is a classic case of a cart being before
17 the horse, way before the horse. We understand that
18 that City Council's blind drive to get at our money
19 without disclosing exactly what we are paying for.

20 By the way, did you Google me, either of you?

21 MS. KHALEGHI: No.

22 MR. DANISHEK: Okay. That's fine. We
23 made comments on media, just checking to make sure you
24 haven't seen those.

25 However, the City Council got themselves into

1 this mess by borrowing in advance nearly \$50 million
2 of the now reduced LID amount of 160,000. With that
3 borrowing, the City Council compromised any position
4 of fairness and lack of bias. The City Council is
5 most certainly biased and intends to reduce the
6 Hearing Examiner's role here to a simple pro forma
7 exercise that must adhere to the City Council's
8 desired outcome. Therefore, we find it difficult to
9 believe the Hearing Examiner can be fair and
10 impartial. My apologies with this case.

11 HEARING EXAMINER VANCIL: You're making
12 your case. Go ahead.

13 MR. DANISHEK: We all understand this
14 is nothing more than a wealth transfer scheme conjured
15 up by the City Council as they knew they could never
16 have sold the Waterfront project to the city, county,
17 state residents by a vote. If the City Council can't
18 sell the project's value to the real users, why are
19 the LID property owners paying?

20 The City Council has promised to build us LID
21 payers a \$200 million improvement, then negotiated
22 away \$40 million to secure a promise not to protest
23 from a group of business owners, then borrowed
24 \$50 million against the LID, leaving the net available
25 of \$110 million to build the improvement.

1 We're supposed to believe that the City can
2 build us a \$200 million improvement with \$110 million.
3 The LID assessment collection is premature. Final
4 special benefits and assessments should be zeroed out
5 until the City Council reconsiders legitimate
6 waterfront project funding sources. The LID is an
7 illegitimate funding mechanism in my opinion.

8 First, the LID is an illegitimate funding
9 source for the Waterfront project; therefore, no
10 special benefits can be legally determined.
11 Application of the LID is inconsistent with the law.
12 This project is not local. As stated repeatedly by
13 the City, the proposed project will draw 8 million
14 annual citywide, county, regional, state, and
15 international visitors or users.

16 Yet \$160 million LID extraction will be funded
17 by 4,900 homeowners and 1,500 business property
18 owners, less than 1 percent of the actual users. In
19 other words, we're paying a lot of money. We're not
20 getting value. Local homeowners who are providing
21 funding via the LID do not have any more benefits than
22 visitors who have paid nothing. And this is
23 Attachment A. It should be attached to your copy
24 there. This verifies Marshall Foster's comments on a
25 LID.

1 HEARING EXAMINER VANCIL: That will be
2 marked Exhibit 2.

3 (Exhibit 2 for Case Number CWF0076 was
4 marked.)

5 MR. DANISHEK: And just for the record,
6 I'm also giving you Attachment No. 3. This is an
7 op-ed that we had in the Puget Sound Business Journal
8 that's been printed, and then --

9 HEARING EXAMINER VANCIL: That will be
10 marked Exhibit 3.

11 (Exhibit 3 for Case Number CWF0076 was
12 marked.)

13 MR. DANISHEK: And this is C in your
14 packet here. This is the next one, the op-ed hasn't
15 been done yet, and both of these basically go back to
16 the special assessment but the baseline of the LID.

17 HEARING EXAMINER VANCIL: That will be
18 marked Exhibit 4.

19 (Exhibit 4 for Case Number CWF0076 was
20 marked.)

21 MR. DANISHEK: In the objection letter
22 previously sent to you, Item 8 goes back to this LID
23 is not local, and because the LID is not local, it's
24 not -- nor intended to provide special benefits to the
25 homeowners because it's not local.

1 The City and Waterfront Seattle
2 representatives stated publicly and in the print media
3 that the project will draw regional, state, and
4 international visitors. That is their admission, and
5 that -- and that this is not local, and thus the use
6 of a Local Improvement District is inappropriate and
7 possibly illegal.

8 Local homeowners who are providing funding via
9 the LID do not have any more benefits than visitors
10 who have paid nothing. This is not -- the LID is not
11 local, and the LID is not fair.

12 Second, it refers to the users fees. Again,
13 this is -- we'll move to my special benefits later.
14 The user fee we wanted to put in here because it has
15 become an issue, and it's a legitimate -- by the way,
16 I'm in the travel business. I'm a travel analyst
17 nationwide, and so we follow trends and how cities tax
18 hotels, motels, rental cars, things like that so we
19 can determine what commercial travel benefits there
20 are for corporations who are doing that sort of thing.

21 So we are -- I am very aware of the cities
22 across the country and their use of user fees to fund
23 projects exactly like this. And so this -- these
24 comments have to do with the fact that we have -- the
25 City has gone right past the user fees and never even

1 stopped to consider them. We have gone to the LID as
2 a kind of phony-baloney way of getting money that
3 should reasonably come out of actual user fees.

4 So user fees are legitimate funding sources
5 for these types of projects. We object to any special
6 benefit determination via a possibly illegal LID use,
7 particularly when a legal alternative means of funding
8 with user fees exists.

9 Many major U.S. cities fund public projects
10 with user fees, including the City of Seattle except
11 for the City Council's attempt to substitute
12 legitimate user fees for a possibly illegitimate LID.
13 The City Council was negligent when they made that
14 crucial decision to go to the LID rather than user
15 fees.

16 The LID attempts to correct \$160 million in
17 closed end funding against which the City has already
18 borrowed \$50 million. Yet we have determined that a
19 simple increase in existing -- actual existing user
20 fees in the city of Seattle could easily raise the
21 same \$160 million in 3.7 years and have an open ended
22 funding source to cover cost overruns.

23 The problem with a LID is it ends. You get
24 160 million. You don't get anything else, but you
25 have to produce it. With user fees, the cities

1 increase their user fees so that they can continue to
2 collect off the same funds to the end of the project.
3 So if there are cost overruns, user fees allow them to
4 do that. The City has a number of user fees in place.
5 We are not near the top in major cities in any of
6 those user fees. So we have plenty of room to move
7 user -- the true user fees higher to compensate for
8 the exact same amount of money and leave it open
9 ended.

10 User fees are truly reflective of the actual
11 visitors. LID assessments should be zeroed out and
12 the matter remanded for the City Council for
13 reconsideration of legitimate funding sources. And
14 this is just a worksheet. This is D in your packet
15 over there. It's a thing we did to show how you can
16 use existing user fees to accomplish the same goal.

17 HEARING EXAMINER VANCIL: Marked as
18 Exhibit 5.

19 (Exhibit 5 for Case Number CWF0076 was
20 marked.)

21 MR. DANISHEK: Now -- and just, again,
22 this is not my special benefit, but on user fees, we
23 had discussions with the Seattle Sheraton. They have
24 a -- I think it's a one and a half million dollar
25 assessment, which they're going to pay for by simply

1 adding \$5 or so per room night for about two years.
2 It's exactly a de facto user fee. They're doing
3 exactly the same thing that the City should have done
4 to put additional user fees on hotel rooms.

5 The Seattle Aquarium will undoubtedly increase
6 their admission fees again, prima facie acknowledgment
7 of the real need for user fees. However, homeowners
8 do not have the opportunity to defray the cost of
9 their LID assessment. The LID creates an unfair
10 inequitable dichotomy between the homeowners and
11 business property owners such that the special
12 benefits are inequitable and unfair. Business owners
13 can recoup; we cannot.

14 The City's discussions and agreements ex parte
15 with the McCullough group exacerbated the imbalance
16 and distortion, and that's all I'll say there.

17 Third, now, back to the LID, they're to
18 provide actual, physical, and material benefits, not
19 speculative and conjectural benefits. The special
20 benefit determined -- determinations here are both
21 speculative and conjectural as well as unfounded and
22 insupportable and should be voided. That's our
23 special benefit.

24 The LID will not bring any electricity, phone,
25 internet, fire stations, fire trucks, medic aid, medic

1 vans, roads, irrigation canals, sewer systems or such
2 that physically serve our buildings. We get nothing.
3 The Waterfront LID violates law in my opinion. We did
4 not request the LID. Nothing in the Waterfront
5 project will physically improve the lives of
6 Waterfront Landings Condominiums. That's ours.

7 Further, as opposed to examples of previous
8 projects that Valbridge has touted, this project is
9 not an urban renewal project. So we're not starting
10 tearing down old buildings and building up
11 infrastructure. We already have that. We're going to
12 get brand-new streets with the SDOT funding for the
13 viaduct removal. We get all of that. So we're adding
14 some trees and the bike lane as far as we can tell.

15 Fourth, the project costs are outdated. This
16 is something we've known for a long time. The plans
17 and cost estimates are incomplete. We have no way of
18 determining what will be delivered. I was born in
19 Seattle. I'm a lifelong Seattleite. I suffered
20 through city debacle after debacle, cost
21 miscalculations one after another, and know not to
22 trust this City Council in any way, particularly when
23 based on conjured estimates. And I have worked
24 politically with mayors and council people for many
25 years.

1 The actual costs and plans must be known and
2 disclosed before any special benefit can be determined
3 and collected. More frightening is the project's
4 determination to comingle funds from various funding
5 sources, including the LID, then spread the funds to
6 benefit certain parties at the expense of others. A
7 specific concern here is that any LID funds go to pay
8 for any part of the ocean pavilion.

9 This is specifically because the aquarium, the
10 Waterfront -- the president of the Waterfront has
11 stated publicly that they will raise over 100 million,
12 I think it's 160, to build the ocean pavilion. Yet
13 the numbers that we have seen do not support that
14 they'll be able to do that. We do not want our LID
15 funds to pay for the ocean pavilion when that has been
16 promised to be paid for by donations.

17 Unless final plans and costs are known,
18 homeowners have no way of challenging or calculating
19 our liabilities from the project. The actual adverse
20 impacts would remain unknown. It's premature to
21 collect LID funds at this time. That's in the
22 original objection letter, Point 2. We don't know
23 what we're paying for. There are no plans and
24 specifications on file with the clerk's office for LID
25 improvements, and it is unlawful to move to final

1 assessments without such plans and specifications.

2 The ordinance is cited.

3 Now, we're going to go to specifically the
4 Waterfront Landings Condominiums -- that's ours -- and
5 deal with the lack of special benefit in our specific
6 case. Fifth, specific to Waterfront Landings
7 Condominiums, there will be no special benefit for at
8 least the reasons below. The project will have
9 multiple known adverse impacts on Waterfront Landings.
10 These have been stated to the City previously.

11 These negate any special benefit. A,
12 limitation of vehicle entry and egress. The poor
13 design of this Pine Street connector ramp will
14 adversely affect our vehicle access. Are you familiar
15 with the ramp, either of you?

16 HEARING EXAMINER VANCIL: Counsel for
17 the City is not here to be asked questions.

18 MR. DANISHEK: I'm sorry.

19 HEARING EXAMINER VANCIL: You just have
20 an opportunity to present your case.

21 MR. DANISHEK: Are you familiar with
22 it?

23 HEARING EXAMINER VANCIL: And I'm not
24 here to ask questions -- answer questions.

25 MR. DANISHEK: Then I'll point you to

1 taking a look at that particular ramp --

2 HEARING EXAMINER VANCIL: Okay. Thank
3 you.

4 MR. DANISHEK: -- so you can determine
5 how it adversely impacts our vehicle access.

6 The south end of our building is now on Pine
7 Street, which is double lanes. With the Pine Street
8 connector, they are attempting to bring traffic off of
9 Alaskan Way, bend it around the end of our building,
10 and rise up 18 feet to a new intersection on the new
11 Elliott Way. So where Alaskan Way now goes straight,
12 flat, and we were told it would continue flat and join
13 the new Elliott Way by the aquarium.

14 They instead have constructed a massive ramp
15 that goes -- it starts mid-building, goes up about
16 6 feet to the end of our building, and then up 18 feet
17 to a new intersection with Elliott Way. The problem
18 is that where we have nothing right now, there's no
19 blockage of any views or anything, we will have this
20 ramp that goes up.

21 The proximity to the south end of our building
22 is such that we will -- we will lose two lanes going
23 in and out of our building. We will have one. Not
24 only that, whereas now we can turn on Pine Street and
25 right into our garage or out, we will have to go up

1 mid-building and turn right and then come back on -- I
2 forget what they call it, but it's a multiple use.
3 Pedestrians and cars can go on the same lane. It goes
4 around the edge of our building and then into our
5 garage.

6 And because you can't get two cars end to end
7 going around, they won't even see each other, we'll
8 have to use one garage to come, one garage to go out.
9 And the problem there is that our -- the north end of
10 our garage shares the loading dock with the Marriott
11 Hotel. So when they're loading their trucks there, we
12 can't use that.

13 So what we're going to be reduced to is
14 instead of being able to go in and out of our north
15 gate and south gate, we don't get to do that anymore.
16 We'll have to go in one, come out the other and just
17 cross our fingers that the Marriott trucks are not
18 delivering at the time you wish to go in or out.
19 That's the Pine Street connector ramp. All right.

20 And we have brought this to the City's
21 attention. It's poorly designed. We were -- we were
22 never --

23 HEARING EXAMINER VANCIL: You went off
24 script a little bit.

25 MR. DANISHEK: I'm sorry.

1 HEARING EXAMINER VANCIL: Is what you
2 just said actually in here already? It seemed like
3 you were going off script.

4 MR. DANISHEK: I'm sorry. Yes, I was
5 off script. It's fifth and A.

6 HEARING EXAMINER VANCIL: And the name
7 of the ramp, that wasn't the Overlook ramp? It's a
8 different one?

9 MR. DANISHEK: No. It's below the
10 Overlook, and that's part of the other problem.

11 HEARING EXAMINER VANCIL: Thank you.

12 MR. DANISHEK: But, yes, it was ramped
13 up to accommodate the Overlook Park and the ocean
14 pavilion. Before we knew the ocean pavilion was going
15 to be there, we were told that the Alaskan Way would
16 remain flat and would join the new Elliott Way in
17 front of the aquarium. And that was changed, so the
18 ramp is an accommodation for the ocean pavilion.

19 All right. So that's adverse. Second, B,
20 there are significant adverse impacts from increased
21 visitor, pedestrian, and vehicle traffic. Depending
22 on the source, the expected increase in the visitor
23 traffic to the proposed ocean pavilion, which is
24 within 100 feet of our building, is 1.5 to 8 million
25 additional visitors.

1 This is E and F on your copies over there.

2 HEARING EXAMINER VANCIL: It will be
3 marked as 6 and 7.

4 (Exhibit 6 and Exhibit 7 for Case
5 Number CWF0076 were marked.)

6 MR. DANISHEK: And in Attachment F,
7 which is the piecharts, you'll note that 92 percent of
8 the City's estimate of those visitors are nonlocal
9 visitors. They aren't us. We're not visiting the
10 aquarium. They aren't us. 28 percent are day-trip
11 tours from outside the region. 27 percent are
12 overnight tours from outside the region. 37 percent
13 are non-city metropolitan area residents. They would
14 be regional users. In other words, 92 percent of the
15 users are not local, yet a Local Improvement District
16 is being used to pay for this.

17 C, we will lose our current convenient access
18 to Pike Place Market, including ADA access, because
19 the -- off script then if you wish, the way the Pine
20 Street ramp bends, we won't be able to go from our
21 building to the elevators in the Pike parking garage
22 as we do now. We will have to cross the street, go up
23 a ramp, and then back in through -- into whatever
24 they're going to be designing.

25 Okay. D, our views of Elliott Bay are not

1 improved by the LID. In fact, our views are now and
2 for the future adversely impacted by the derelict and
3 abandoned Pier 63, which is an eyesore. We voted and
4 were promised two new piers to replace Pier 62 and 63
5 for concerts and whatnot for \$45 million, but we have
6 one new pier, 62, which it cost an estimated
7 \$100 million of which 25 million apparently was
8 borrowed from the LID, and a derelict Pier 63.

9 And the way it's been constructed, off script,
10 the derelict Pier 63 will be allowed to simply sit
11 there and rot. There is no opportunity or possibility
12 that it can be rehabbed. It can't be removed because
13 they put their other -- the south dock in before they
14 removed the north dock.

15 So I guess we're simply going to sit there and
16 watch it disintegrate until it falls over and is then
17 hauled out. But we paid for two new piers. We get
18 one, and the Pier 63 is our daily reminder that we're
19 not getting what we paid for.

20 E, the ocean pavilion is an irrelevant City
21 vanity project, such marine, wildlife, and captivity
22 facilities particularly with nonnative fish are out of
23 vogue across the country. And I can tell you because
24 I'm in the travel business. We see aquariums across
25 the country closing. They get into financial

1 difficulty and they're gone.

2 The construction depends on \$100 million in
3 donations raised by the Friends of the Waterfront, yet
4 few of the funds have been collected. Definitely PETA
5 will be protesting the facility. Virtual reality
6 opportunities make this facility irrelevant and, off
7 script here, as I was sitting going through my travel
8 updates from various sources, the Mandalay Bay, which
9 has the famous shark tank, they're replacing -- or
10 going to virtual reality sharks so even they're
11 getting rid of it. That's new.

12 The actual costs of maintenance are not
13 available, and the energy costs for the new ocean
14 pavilion are enormous. Remember that these are
15 sharks. The Elliott Bay seawater must be filtered,
16 heated, used, refiltered, cooled, and returned to
17 Elliott Bay. One slipup and the heated water dumps
18 into Elliott Bay cooking all the nearby marine
19 wildlife.

20 South Seas shark viruses will be introduced
21 through effluence to Elliott Bay marine life. There
22 is no assurance that this fish tank, the ocean
23 pavilion, will ever be completed or abandoned after
24 completion becoming derelict. That would be an
25 adverse effect.

1 F, the City pitched the Victor Steinbrueck
2 Park, which is adjacent to the Market Overlook, as an
3 oasis near the Market, but it has become a
4 drug-ridden, filthy, stench-filled gathering place
5 with unenforced crime and vagrancy. The new
6 LID-funded Overlook Park will become a brand-new
7 magnet for unenforced drug use, misdemeanor crimes of
8 all sorts, campers, panhandlers, etc., just 60 feet
9 from our building.

10 No one believes that the City will ever keep
11 it clean and enforce laws there. And if you doubt
12 that, we suggest that you have a conversation with the
13 Steinbrueck Park denizens who are ready to move in and
14 occupy the brand-new Overlook Park. We have. That's
15 adverse.

16 Sixth, just a technical thing, the design of
17 the Pine Street ramp, because it's between the ocean
18 pavilion and our building, will trap still air on
19 foggy days concentrating vehicle exhaust fumes from
20 idling traffic that must accelerate uphill at the stop
21 light, yet this potential health problem does not
22 appear in any SEPA reports. This is a problem that
23 will be ignored until harm occurs. We are including
24 this just to be sure it's baselined.

25 The old viaduct passed directly behind and

1 along the entire length of Waterfront Landings
2 Condominiums. The elevated roadway, however, allowed
3 for the dissipation of both vehicle noise and fumes.
4 The soon-to-be-constructed new Elliott Way will be a
5 new four-lane road passing by the two-story level of
6 our building, so we will be adding more noise and
7 vehicle exhaust where there were none before.

8 The viaduct was way above our building. The
9 new roadway is at our building level, so we will now
10 have all the noise and fumes and everything from a
11 lower roadway. We consider that adverse.

12 Seven, there's significant disagreement in the
13 property value determinations, including those used
14 for the special benefits, between the King County
15 Assessor's Office and the LID/Valbridge appraiser.
16 The King County Assessor is already predicting
17 flattening of market rates, devaluing special
18 benefits.

19 The LID appraiser's mission is to support the
20 LID's special benefit to support funding. That's a
21 clear bias. However, the King County Assessor's job
22 is to determine real valuations free of LID bias. And
23 this matter should be addressed in court. I believe
24 it is in the court case coming up. And just to
25 reiterate, this is not -- the LID project, the

1 Waterfront project, is not urban renewal. So
2 comparisons to other urban renewals projects are moot.

3 Eight, there is no special benefit if there's
4 no mitigation clause. Homeowners will develop
5 baselines, the before, for comparison with after
6 values to determine the accuracy of the LID amounts
7 paid. In any case where, A, the before and after
8 and/or, B, the percent of project completion are
9 adverse, LID payers should be able to request refunds
10 to mitigate the adverse collections.

11 Waterfront Landings homeowners will be paying
12 \$1.852 million in LID collections, total collections
13 for our building. Should the project attain only
14 50 percent completion, we should then sue the City for
15 \$925,000 refund. That is why the project costs and
16 scope must be exactly disclosed before LID assessments
17 are collected.

18 And, ninth, the entire LID amount of
19 \$160,000 is not needed. So the entire LID can simply
20 be eliminated with a 14 percent reduction in project
21 scope. The best way to do that would be to simply
22 eliminate the Pier 58 portion of the project which
23 aims to cover some -- and I'm not sure 49,000 is the
24 correct number. It's large. Of open space, open
25 water, with a pier, and that's about it.

1 I have three other things to add in. This is
2 May 2, 2018, letter -- this is G in your copy --
3 having to do with the challenging -- challenges for
4 the special benefit study.

5 HEARING EXAMINER VANCIL: Is this
6 document and the next two, were these submitted with
7 your objection as well?

8 MR. DANISHEK: No, they were not.
9 These are new. The next is --

10 HEARING EXAMINER VANCIL: It's marked
11 as Exhibit 8.

12 (Exhibit 8 for Case Number CWF0076 was
13 marked.)

14 MR. DANISHEK: And this is January 27,
15 2020, three areas it expands on the other letter.

16 HEARING EXAMINER VANCIL: Marked as
17 Exhibit 9.

18 (Exhibit 9 for Case Number CWF0076 was
19 marked.)

20 MR. DANISHEK: And the last item, I in
21 yours, is a letter to Marshall Foster from Patrick
22 Schneider, and this reiterates the adverse impacts
23 specific to Waterfront Landings Condominiums and
24 several which I have expanded on in the comments.

25 HEARING EXAMINER VANCIL: Marked as

1 Exhibit 10.

2 (Exhibit 10 for Case Number CWF0076 was
3 marked.)

4 MR. DANISHEK: You have that one;
5 right?

6 HEARING EXAMINER VANCIL: Yes. That's

7 Exhibit 2.

8 MR. DANISHEK: All right. I'm done.

9 Do you have anything else?

10 HEARING EXAMINER VANCIL: Thank you,

11 Mr. Danishek.

12 Anything from the City?

13 MS. THOMPSON: No.

14 HEARING EXAMINER VANCIL: I'd like

15 to -- are there any objections to Exhibits 1 to 10?

16 MS. THOMPSON: No objection.

17 HEARING EXAMINER VANCIL: Exhibits 1 to

18 10 are admitted. We will adjourn and reconvene the

19 continued Waterfront LID Assessment hearing at

20 9:00 a.m., February 26.

21 (The proceedings concluded at

22 9:36 a.m.)

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C E R T I F I C A T E

STATE OF WASHINGTON
COUNTY OF KING

I, Nancy M. Kottenstette, a Certified
Shorthand Reporter in and for the State of Washington,
do hereby certify that the foregoing transcript of the
proceedings on February 25, 2020, is true and accurate
to the best of my knowledge, skill, and ability.

I do further certify that I am a disinterested
person in this cause of action; that I am not a
relative of the attorneys for any of the parties.

IN WITNESS WHEREOF, I have hereunto set my
hand and seal this 9th day of March, 2020.

Nancy M. Kottenstette, RPR, CCR 3377