

**FISCAL NOTE FOR NON-CAPITAL PROJECTS**

<b>Department:</b>	<b>Contact Person/Phone:</b>	<b>CBO Analyst/Phone:</b>
Seattle Department of Transportation	Angela Steel/684-5967	Christie Parker/684-5211

**Legislation Title:**

AN ORDINANCE relating to a utility tunnel under and across Broadway between East Olive Street and East Howell Street; amending Ordinance 116634, as amended by Ordinance 121855; updating the insurance and bond requirements; amending the annual fee and other terms and conditions of the permit; renewing the term of the permit to the Seattle Central Community College; providing for the acceptance of the permit and conditions; and ratifying and confirming certain prior acts.

**Summary of the Legislation:**

This legislation amends Ordinance 116634, as amended by Ordinance 121855, for Seattle Central Community College to continue maintaining and operating the existing utility tunnel located under and across Broadway between East Olive Street and East Howell Street. An area map is attached for reference.

This permit is renewed for a ten-year term starting on May 13, 2013. The legislation updates the insurance and surety bond provisions, specifies the conditions under which authorization is granted, and provides for acceptance of the permit and conditions.

The ordinance requires Seattle Central Community College to pay the City an annual fee of \$1,926 starting from May 13, 2013, and annually thereafter. Adjustments to the annual fee may be made every year and if so made shall be calculated in accordance with a term permit fee schedule adopted by the City Council by Ordinance 123485. An Annual Fee Appraisal Summary is attached for reference.

**Background:**

By Ordinance 116634, the City granted permission to Seattle Central Community College to construct, operate, and maintain a utility tunnel located under and across Broadway between East Olive Street and East Howell Street, for a ten-year term, renewable for two successive ten-year terms.

The conditions of Ordinance 116634 were amended by Ordinance 121855. The permission authorized by Ordinance 116634 was due for renewal on May 12, 2013.

Please check one of the following:

**This legislation does not have any financial implications.**

**X** This legislation has financial implications.

**Appropriations:** N/A

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

<b>Fund Name and Number</b>	<b>Department</b>	<b>Revenue Source</b>	<b>2013 Revenue</b>	<b>2014 Revenue</b>
Transportation Operating Fund 10310	Seattle Department of Transportation	Annual Fee	\$1,926	TBD
<b>TOTAL</b>			<b>\$1,926</b>	<b>TBD</b>

Revenue/Reimbursement Notes: None

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

**Do positions sunset in the future?** No

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

**Other Implications:**

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

No

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

If the legislation is not enacted by the City Council, the City of Seattle will not receive the annual fee of \$1,926. As previously stated, the City of Seattle has the option to adjust the fee amount on an annual basis. The tunnel, as originally permitted under Ordinance 116634, will no longer be permitted and will have to be removed.

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

No

d) **What are the possible alternatives to the legislation that could achieve the same or similar objectives?** No

e) **Is a public hearing required for this legislation?** No

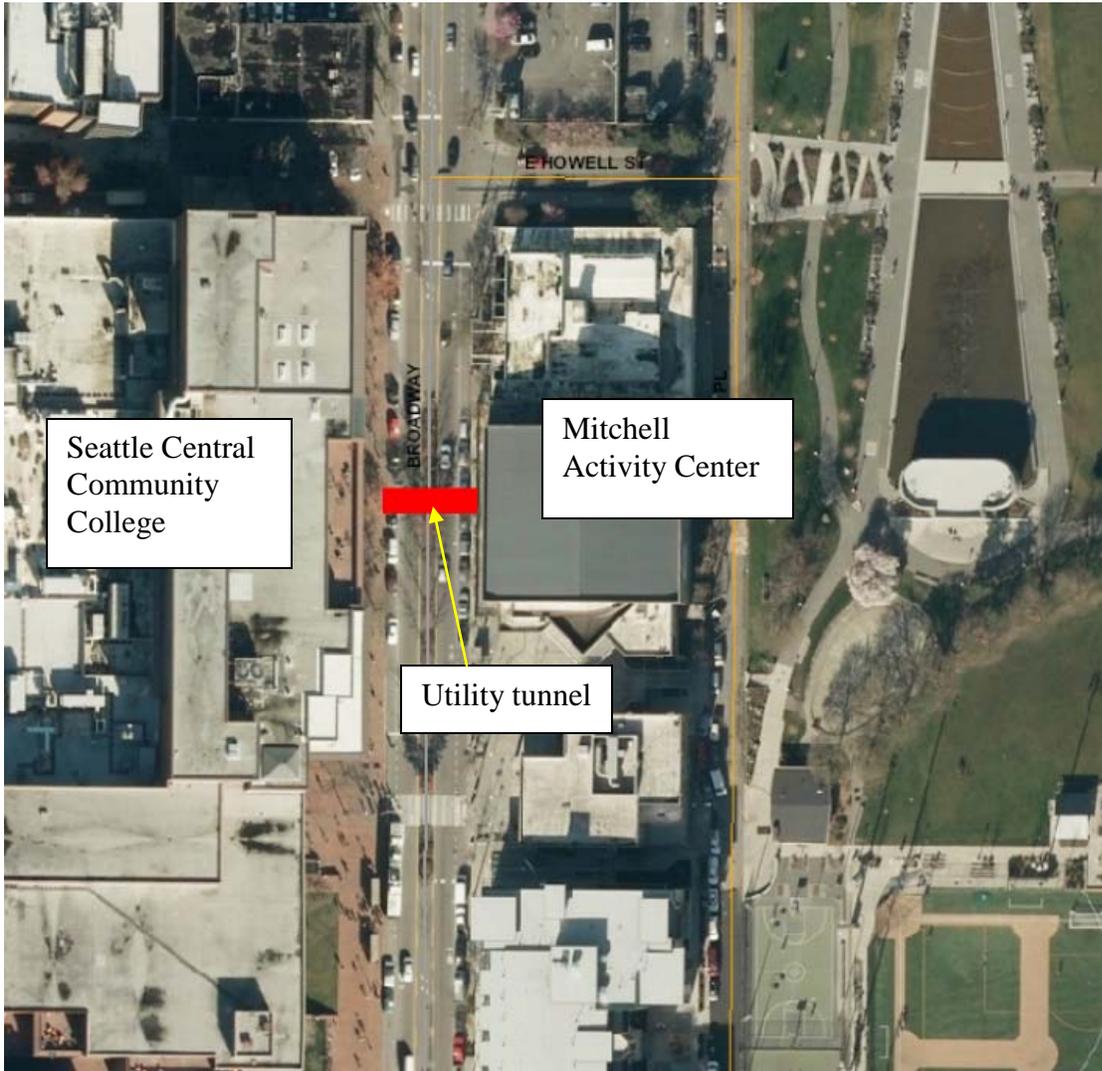
f) **Is publication of notice with *The Daily Journal of Commerce* and/or *The Seattle Times* required for this legislation?** No

- g) Does this legislation affect a piece of property?** Yes, an area map is attached for reference.
  
- h) Other Issues:** None

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

Attachment A – Seattle Central Community College Utility Tunnel Area Map  
Attachment B – Annual Fee Assessment Summary

Attachment A – Seattle Central Community College Tunnel Area Map



Map is for informational purposes only and is not intended to modify or supplement the legal description(s) in the Ordinance.

Attachment B - Annual Fee Assessment Summary

STREET USE ANNUAL FEE ASSESSMENT

Date: 6/5/13

<p><u>Summary:</u> <b>Land Value:</b> \$150/SF <b>First Year Permit Fee:</b> <b>\$1,926</b></p>
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**I. Property Description:**

Existing utility tunnel located under and across Broadway between East Olive Street and East Howell Street. The utility tunnel connects Tax parcels are 6003001130 and 6003001105. The utility tunnel area is **535 square feet**.

**Applicant:**

Seattle Central Community College

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

1. Parcel 6003001130; 109,056 SF

Tax year 2013 Appraised Land Value \$16,358,400  
Assessed at \$150/SF

2. Parcel 6003001105; 39,168 SF

Tax year 2013 Appraised Land Value \$5,875,200  
Assessed at \$150/SF

Average 2013 tax assessed land value: \$150/SF

**II. Annual Fee Assessment:**

The 2013 permit fee is calculated as follows:  $(\$150/\text{SF}) \times (535 \text{ SF}) \times (30\%) \times (8\%) =$   
\$1,926, where 30% is the degree of alienation for a privately-maintained utility tunnel and 8% is the estimated annual rate of return.

Fee methodology authorized under Ordinance 123485.