

Ordinance No. 121892

Council Bill No. 115312

AN ORDINANCE relating to the Purchase and Sale Agreement (P&SA) between the City of Seattle and City Investors Inc. as authorized in Ordinance Number 120411 and authorizing the amendment of section 6.5 of said P&SA extending the deadline for development application.

CF No. \_\_\_\_\_

Date Introduced:	JUL 11 2005	
Date 1st Referred:	JUL 11 2005	
Date Re - Referred:	To: (committee) <u>Government and Labor Affairs</u> <del>Finance &amp; Budget</del>	
Date Re - Referred:	To: (committee)	
Date of Final Passage:	Full Council Vote: <u>9-0</u>	
Date Presented to Mayor:	Date Approved: <u>8/23/05</u>	
Date Returned to City Clerk:	Date Published: <u>2pp</u>	T.O. <input checked="" type="checkbox"/> F.T. <input type="checkbox"/>
Date Vetoed by Mayor:	Date Veto Published:	
Date Passed Over Veto:	Veto Sustained:	

# The City of Seattle - Legislative Department

Council Bill/Ordinance sponsored by: Jan Pease  
Councilmember

## Committee Action:

Do Pass 5-0 JDRM, JC, PB, ML

8-15-05 Passed 9-0

This file is complete and ready for presentation to Full Council. Committee: \_\_\_\_\_ (initial/date)

*Law Department*

Law Dept. Review

OMP Review

City Clerk Review

Electronic Copy Loaded

Indexed



# City of Seattle

Gregory J. Nickels, Mayor

**Fleets and Facilities Department**  
Brenda Bauer, Director

FILED  
CITY OF SEATTLE

05 NOV 23 AM 10:53

CITY CLERK

November 18, 2005

To: City Clerk's Office  
From: Karen Tsao, RES

Re: Documents Related to South Lake Union Property Sale to City Investors Inc. for Filing

Enclosed please find copies of

- 1) Amendment 1 to Purchase and Sale Agreement for Sale of Real Property (City of Seattle/City Investors LLC), and
- 2) Agreement between The City of Seattle and City Investors Inc. Regarding Funding for Improvements to South Lake Union Park.

The second item relates to the first in that the City's certification of City Investors' satisfaction of a condition required by the first is a simultaneous condition for City Investors to contribute to the park's development.

Please call me at 3-5101 if you have any questions.

FILED  
CITY OF SEATTLE  
03 NOV 23 AM 10:53  
CITY CLERK

Exhibit 1

AGREEMENT

Between

THE CITY OF SEATTLE

And

CITY INVESTORS INC.

Regarding Funding for Improvements to South Lake Union Park

This Agreement ("AGREEMENT") is executed this 23<sup>rd</sup> day of June, 2005, by CITY INVESTORS INC. ("CI"), and THE CITY OF SEATTLE acting by and through its Mayor ("City").

RECITALS

- A. Seattle citizens have envisioned the creation of an accessible waterfront park at the south end of Lake Union ever since the Olmsted Park Plan was developed more than one hundred years ago.
- B. The 1998 South Lake Union Neighborhood Plan emphasized the development of South Lake Union Park ("SLU Park") as a top priority. The Plan also highlighted the need to improve pedestrian and transit access to SLU Park.
- C. City Council Resolution 30080 adopted in November 1999 authorized the property disposition process that led to the sale of City property in South Lake Union. The resolution also set forth a number of policy objectives that continue to guide City actions. These objectives included creating a safe and active pedestrian environment between SLU Park and the surrounding neighborhood.
- D. Pursuant to a written Purchase and Sale Agreement, dated as of June 2001, (the "City/CI Purchase Agreement"), the City sold property described in Resolution 30080 to CI, and among other things, CI agreed in Section 6.2 of that Agreement to develop new cultural space within the South Lake Union neighborhood.
- E. City Council Resolution 30610 adopted on June 9, 2003 affirmed the City of Seattle's commitment to making the South Lake Union area the region's most competitive location for biotech research and other innovative entrepreneurial high-tech industries. In order to fulfill this vision the resolution expressed the City's support for making Mercer/Valley improvements that enhance the

development potential of SLU Park and for preserving and improving open space critical to the livability, vitality and character of the South Lake Union neighborhood.

- F. Pursuant to City of Seattle Ordinance 121634, the City is now undertaking a major project to address the long-standing problems associated with Mercer and Valley Streets (the "Mercer/Valley Corridor Project") in order to improve the pedestrian environment, park access, urban design and neighborhood connections and in order to address a variety of multi-modal transportation objectives. Design and construction of the SLU Park improvements and the Mercer/Valley Corridor Project must be well coordinated because of the projects' numerous interdependencies.
- G. The Seattle Design Commission has unanimously endorsed the concept plans for the improvements to SLU Park and for the Mercer/Valley Corridor Project.
- H. Construction of SLU Park will be undertaken in phases as funds become available. To date the City has spent in excess of \$24 million acquiring the site, completing planning and design efforts and making wharf and other site improvements. The City intends to continue its efforts to secure the necessary funding to implement improvements to SLU Park as set forth in the plan and estimated project budget set forth in Attachment A hereto (the "SLU Park Plan").
- I. The parties to this AGREEMENT believe that accessible open space is critical to the health and vitality of this region; and that SLU Park, together with the Mercer/Valley Corridor Project, will, when completed, provide an extraordinary gathering space in the heart of the city where the neighborhood and the larger community can enjoy Lake Union, enhanced open space, maritime and Seattle history, boating and other recreational activities, and myriad other opportunities for education and appreciation of our rich maritime culture and heritage.

The initial phase of construction of the SLU Park Plan will provide the infrastructure that will enable the entire 12-acre park to be activated. The detailed project description and estimated budget for the initial phase is set forth in Attachment B hereto (the "Phase 1 Park Project"). The Phase 1 Park Project will replace the existing bulkhead around the main peninsula, install a boardwalk and stepped terrace, provide access to the water's edge, create a new pedestrian bridge across the waterway, connect the west side of the waterway to the larger park, and at the same time allow the west side of the waterway to develop its own cultural identity as a spot where, in the future, the United Indians of All Tribes may place a longhouse and Native American carving shed. This space is envisioned as one that will be used for local ceremonies such as potlatches and blessing ceremonies. The planned bridge also will connect the park's west side to the Historic Ships Wharf and the nonprofit Center for Wooden Boats. The Wharf will be home to historic ships which are owned and operated by separate nonprofit institutions and which offer a wide variety of programming. A "history trail" incorporating artifacts and interpretive elements is being planned

in conjunction with the Phase 1 Park Project. Seattle Parks Foundation and the Museum of History and Industry intend the trail to move visitors through the park while exploring South Lake Union's rich and varied maritime and industrial past.

In particular, there are extensive cultural uses planned for SLU Park and the Phase 1 Park Project represents the required initial investment. Some of the potential and/or anticipated cultural uses, events and attractions are as listed below:

Northwest Coast Indian Canoe Center  
Historic Ships Wharf  
Maritime Heritage Festivals and Celebrations  
Maritime Heritage Artifacts and the Armory  
The Boats Shop including preservation and restoration of wooden boats  
The Model Boats Pond and Water Spray Feature  
Wooden Boating on Lake Union  
Cultural Connections, Trails and Pathways  
Shanty singing (the lost art of maritime work songs)  
Concerts  
Shakespeare in the Park and other open-air theatre

All SLU Park activities, venues and facilities, including the Armory and the ships on the Historic Ships Wharf, will meet the City/CI Purchase Agreement requirement that the cultural uses be "*open to admission of the public*".

- J. The Seattle Parks Foundation is committed to undertaking a phased capital campaign for SLU Park and wishes to obtain a major contribution to initiate capital campaign fundraising. CI is committed to advancing the campaign for the development of SLU Park by providing \$10 million toward the cost of the SLU Park Plan. The City will work closely with the Seattle Parks Foundation which is committing its efforts to raise \$10 million (in addition to the \$10 million from CI as contemplated in this AGREEMENT) for the development of SLU Park and completion of the SLU Park Plan. The City will also seek funds from other public sources.
- K. The parties wish to memorialize the terms of their agreement as set forth in this AGREEMENT and to seek Seattle City Council approval of the AGREEMENT.

ACCORDINGLY, THE PARTIES HEREBY AGREE AS FOLLOWS:

1. Initial Funds From CI. CI shall provide \$5 million to the Seattle Parks Foundation ("Initial CI Funds") and the Seattle Parks Foundation shall contribute such funds to the City of Seattle Parks Department ("Parks Department") to be used to pay for the Phase 1 Park Project. The balance of the funds necessary for completion of the Phase 1 Park Project shall be provided by the City.
2. Fulfillment of Cultural Use Commitment. Payment of the Initial CI Funds, when made, will fulfill CI's commitment to develop 20,000 square feet of new space for a cultural use or uses within the South Lake Union neighborhood as set forth in Section 6.2 of the 2001 City/CI Purchase Agreement. The City, upon receipt of the Initial CI Funds, shall issue to CI a certificate of completion evidencing satisfaction in full of the Section 6.2 commitment in the form attached as Exhibit T to the City/CI Purchase Agreement. CI and the City concur that SLU Park, once improved, will offer an unparalleled opportunity for the general public to enjoy the beauty of the lake, enhanced recreational opportunities, maritime traditions and Seattle history, and will offer myriad opportunities for cultural awareness and appreciation.
3. SLU Park Maintenance. The City shall retain sole responsibility for SLU Park maintenance and hereby commits to maintain SLU Park for the benefit of the public at a level that equals or exceeds citywide park maintenance standards.
4. Amendment of City/CI Purchase Agreement. Section 6.5 of the City/CI Purchase Agreement provides that CI will submit master use permit applications for development of the Mercer/Valley properties by March of 2008. The parties acknowledge that implementing the Mercer/Valley Corridor Project may affect the lot lines of CI's Mercer/Valley properties as well as traffic flows adjacent to those properties. The parties further acknowledge that it is not feasible for CI to develop final plans and submit master use permit applications for the properties until the final boundaries of those properties have been determined. In order to allow sufficient time for planning and implementation of the Mercer/Valley Corridor Project, the parties hereby agree to amend Section 6.5 of the City/CI Purchase Agreement to extend the time period for submission of the foregoing master use permit applications for five (5) additional years. This extension requires Seattle City Council passage of an ordinance authorizing the amendment to the City/CI Purchase Agreement.
5. Payment of Initial CI Funds. CI shall make the Initial CI Funds payment to the Seattle Parks Foundation when (a) the City is prepared to issue and deliver to CI the certificate of completion referenced in Section 2 above; and (b) the ordinance described in Section 4 above has taken effect.

6. Additional Funds. In addition to the Initial CI Funds, CI shall pay an additional \$5 million to the City (the “Additional Funds”), to be used to help pay for the remaining elements of the SLU Park Plan when the following conditions have been met:
- a. The City has approved a final and complete SLU Park Improvement Plan (hereinafter referred to as the “Final Plan”) that includes detailed drawings that integrate the southernmost section of SLU Park and the abutting Valley Street from a design and functional perspective and a budget itemizing all sources and uses of funds and an anticipated construction schedule. The City agrees that the Final Plan shall be substantially in the form of Attachment A.
  - b. The Seattle Parks Foundation and the City have secured all remaining funds needed to complete the Final Plan, less the Additional Funds. In addition, the City shall be prepared to execute a contract to complete construction of the SLU Park consistent with the Final Plan, contingent only upon confirmation by CI that all conditions related to the availability of the Additional Funds have been satisfied. It is the parties’ intent that the Additional Funds be the final dollars contributed to complete construction of the Final Plan.
  - c. The City shall be within one (1) year of commencing construction on a reconfiguration of Valley Street as described and depicted in Attachment C hereto (the “Valley Street Improvements”); a funding plan for the Valley Street Improvements is in place; and all applicable environmental review requirements have been fully satisfied with related appeal periods expired. The parties intend that the Valley Street Improvements will better integrate Valley Street with the design for SLU Park as set forth in the Final Plan, and that the Valley Street Improvements be substantially in the form of that shown in Attachment C.
7. Payment of Additional Funds. Notwithstanding the provisions of Section 6, the parties agree that in the event the Seattle Parks Foundation and/or the City secures funds sufficient to complete the Final Plan in advance of the conditions set forth in Section 6(c) above having been met and the City in its sole discretion decides to authorize construction to proceed on the remaining elements of the Final Plan, then CI, immediately upon the satisfaction of the Section 6(c) conditions related to the Valley Street Improvements, and upon satisfaction of all other conditions related to the disbursement of the Additional Funds, will pay the Additional Funds as set forth herein.
8. CI Credit For Open Space Impact Fees Following Payment of Additional Funds. If the Seattle City Council enacts legislation imposing State of Washington Growth Management Act (GMA) authorized open-space impact fees on new development in South Lake Union, then when CI makes the Additional Funds payment it shall be eligible to receive up to \$5 million in open-space impact-fee credit which it may use to satisfy any SLU-related open space impact fees for up to ten years following the date of adoption of the impact fee legislation or the date on which CI makes the

Additional Funds payment, whichever occurs first. The amount of any such credit would be limited to the amount allowed under the open-space impact-fee formula/fee schedule adopted under such legislation.

9. CI Credit for Open Space Impact Fees Paid Prior to Additional Funds Payment. In consideration of CI's obligations as set forth herein, the parties further agree that in the event that the Seattle City Council enacts legislation imposing GMA-authorized, open-space impact fees on new development in South Lake Union before CI provides the Additional Funds, then any open-space impact fees that CI pays shall be credited against its Additional Funds pledge. Furthermore, it is the City's intent that the proceeds of any impact fees or development-specific funding mechanisms (as described in Section 10 below) credited against CI's Additional Funds pledge shall be dedicated to implementing the Final Plan or to reimbursing the City for previously incurred costs related to the Final Plan.
10. CI Credit For Other Payments. In the event that the Seattle City Council does not enact GMA-authorized, open-space impact fees on new development in South Lake Union, but instead the City either administratively or legislatively establishes off-site public open-space requirements (other than site-specific development standards) or development-specific funding mechanisms that result in development in South Lake Union paying for the capital costs associated with off-site public open space or park space, then CI shall be entitled to receive the same crediting and credit transferability as outlined in Sections 8, 9 and 11. If the Seattle City Council enacts GMA-authorized, open-space impact fees and also establishes additional requirements or development-specific funding mechanisms that apply to new development in South Lake Union, the credit and credit transferability provisions outlined in Sections 8, 9 ,10 and 11 will apply to both.
11. Transferability of CI Credits. Any open-space impact fee credits allocable to CI hereunder shall be freely transferable by CI to any other legal entity, but would only apply to properties within the South Lake Union planning area as described and depicted in Attachment D hereto and inclusive of the area known as the Cascade neighborhood.
12. Credit Administration. The City's Department of Planning and Development will administer the open-space impact fee credits provided for herein and will report to the Mayor and City Council annually on any credits used or applied and on any remaining balance.
13. Delineation of Seattle Parks Foundation/City Responsibilities. The City hereby confirms to CI that the City will delineate the respective roles and responsibilities of the Seattle Parks Foundation and the City with respect to Final Plan fundraising, and the design, development, construction and maintenance of the SLU Park.

14. Termination of AGREEMENT. Notwithstanding anything to the contrary contained herein, if all conditions to CI's obligation to pay the Additional Funds are not satisfied within five years from the effective date of this AGREEMENT (unless otherwise extended by mutual agreement of the parties) the AGREEMENT will terminate (except as to the provisions set forth in Sections 1 through 5 above), CI's pledge of Additional Funds shall be extinguished and any remaining responsibilities or obligations of the parties to this agreement expire and become null and void.

15. Notices. All notices, requests, and other communications under this AGREEMENT shall be in writing and shall either be delivered in person or sent by courier with documented delivery or by registered or certified mail through the U.S. Postal Service with postage prepaid and addressed as follows:

CI: City Investors Inc.  
505 Union Station  
505 Fifth Avenue South, Suite 900  
Seattle, WA 98104  
(206) 342-2000  
Attn: Ada Healey, Vice President of Real Estate

City: Office of the Mayor  
Seattle City Hall  
600 Fourth Avenue, Seventh Floor  
Seattle, WA 98104  
(206) 684-4000

or such other address as shall be furnished in writing with fifteen (15) days prior notice by either party.

16. Governing Law Jurisdiction and Venue; Attorneys' Fees. This AGREEMENT shall be governed by the laws of the State of Washington. In the event that litigation is commenced by either party, the parties agree that jurisdiction shall lie solely in the courts of the State of Washington, with venue at Seattle, King County, Washington. In any action between the parties at law or in equity pursuant to this AGREEMENT, the prevailing party shall be entitled to collect its reasonable attorneys' fees from the non-prevailing party, including through any level of appeal. The term "prevailing party" shall mean the party who receives substantially the relief sought.

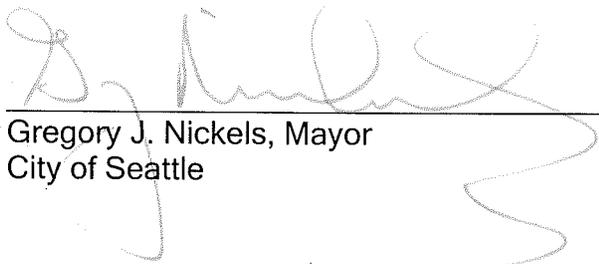
17. Counterparts. This AGREEMENT may be executed in counterparts and, if so, shall constitute but one and the same original.

18. Modifications. This AGREEMENT may not be changed, modified or rescinded except in a writing signed by both parties and any attempt at oral modification of this AGREEMENT shall be of no force or effect.

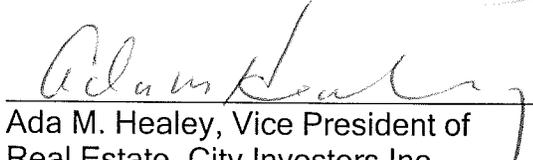
19. Seattle City Council Approval. This AGREEMENT shall take effect upon the adoption and passage into law of a City of Seattle ordinance authorizing its execution.

20. Entire Agreement. This AGREEMENT contains all of the covenants, conditions and agreements between the parties in connection with CI's funding for improvements to SLU Park and supercedes all prior correspondence, agreements and understandings, both verbal and written.

City and CI have caused this AGREEMENT to be executed by representatives duly authorized as of the day and year written above.

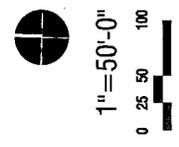
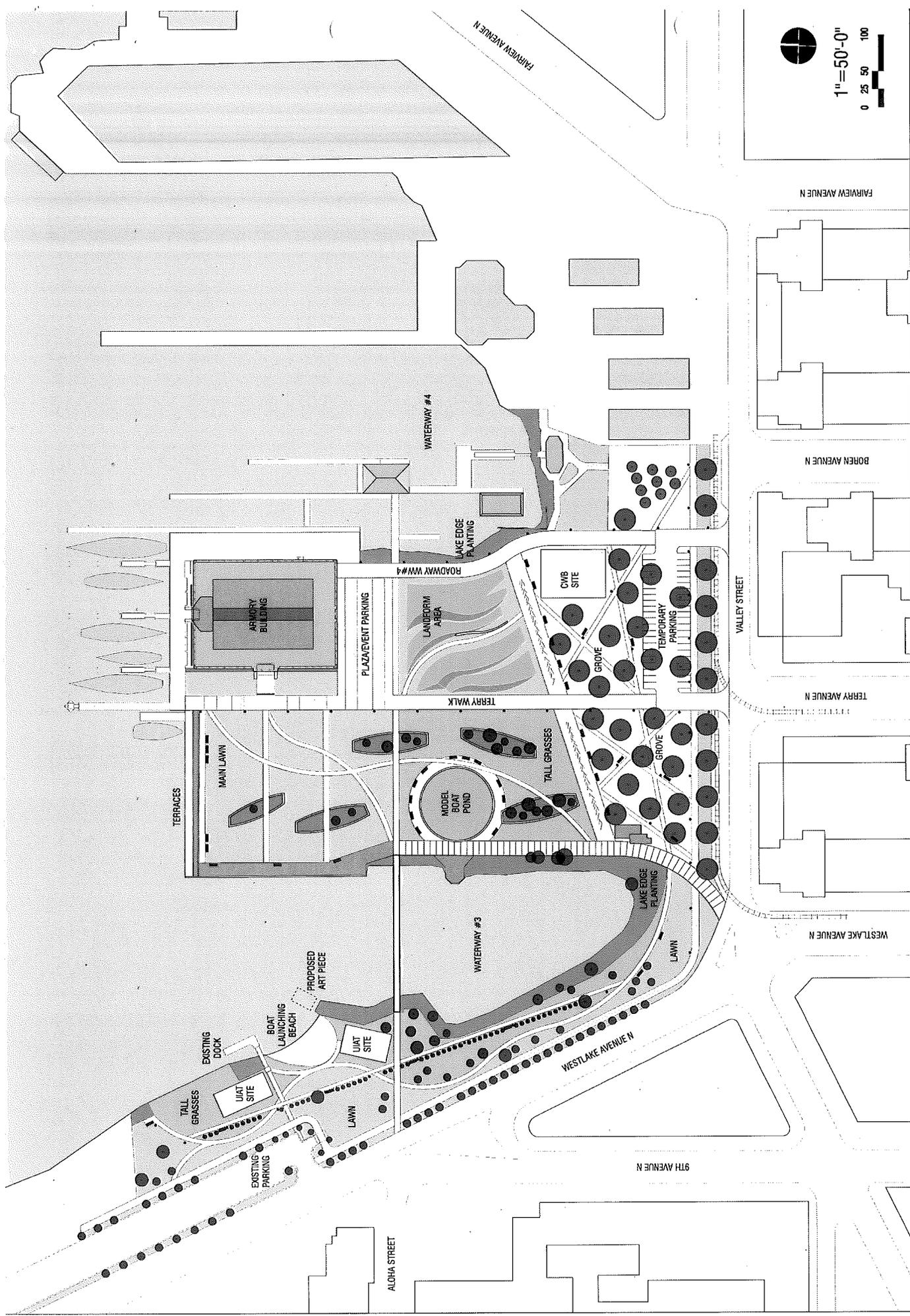


Gregory J. Nickels, Mayor  
City of Seattle



Ada M. Healey, Vice President of  
Real Estate, City Investors Inc.

# **Attachment A**



**MITHUN**

**HARGREAVES ASSOCIATES**

**Seattle Parks FOUNDATION**

Seattle Department of Parks and Recreation

# South Lake Union Park vision

ATTACHMENT A

South Lake Union Park Estimated Project Budget <sup>(1)</sup>				
	Pre Phase I Begins 11/05 <sup>(2)</sup>	Construction Phase I Begins 11/05 <sup>(2)</sup>	Construction Phase II Begins 6/08 <sup>(3)</sup>	Total
Construction Costs including WSST and Contingency	N/A	5,871,536	13,879,086	19,750,622
Other Costs (Fundraising, Design, Permits, Inspection...)	2,176,695	585,000	2,487,683	5,249,378
<b>Total Project Costs</b>	<b>2,176,695</b>	<b>6,456,536</b>	<b>16,366,769</b>	<b>25,000,000</b>

(1) Costs listed above are preliminary estimates and are subject to change.

(2) Phase I includes construction of the north terrace, a boardwalk, and Waterway 3 pedestrian bridge, replacing the bulkhead, installing some utilities and preparing the park for Phase II of the project.

(3) Phase II includes installing planting islands, a model boat pond, a fountain, a retaining wall for Waterway 4, installation of additional utilities, site preparation, and site work finishes.

# **Attachment B**

ATTACHMENT B

South Lake Union Park Phase I Estimated Project Costs

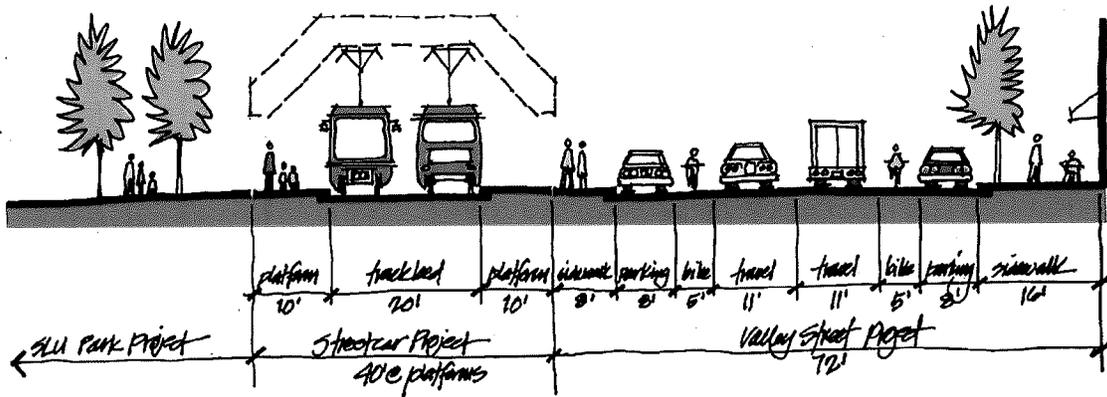
Site Preparation	393,582
Utilities	214,922
Sitework Finish	405,144
North Terrace	468,000
Bulkhead	1,872,000
Boardwalk	439,727
Waterway 3 Pedestrian Bridge	719,026
Washington State Sales Tax	397,091
Contingencies NOTE 1	
• Design and Estimating	112,810
• Escalation (3%/year)	112,810
• Construction Phase (15%)	736,424
<b>Construction Costs including WSST and Contingencies</b>	<b>5,871,536</b>
Seattle Parks Foundation Fund Raising Costs	300,000
Permits (incl SEIS & cnsltnt)	90,248
Consultant Fees (Design)	60,000
Construction Mgt, Inspection, Review, Public Process	134,752
<b>Other Costs</b>	<b>585,000</b>
<b>Total Project Costs</b>	<b>6,456,536</b>

(1) Costs listed above are preliminary estimates and are subject to change.

# **Attachment C**

## Attachment C

### Reconfiguration of Valley Street



SECTION @ STREETCAR PLATFORM

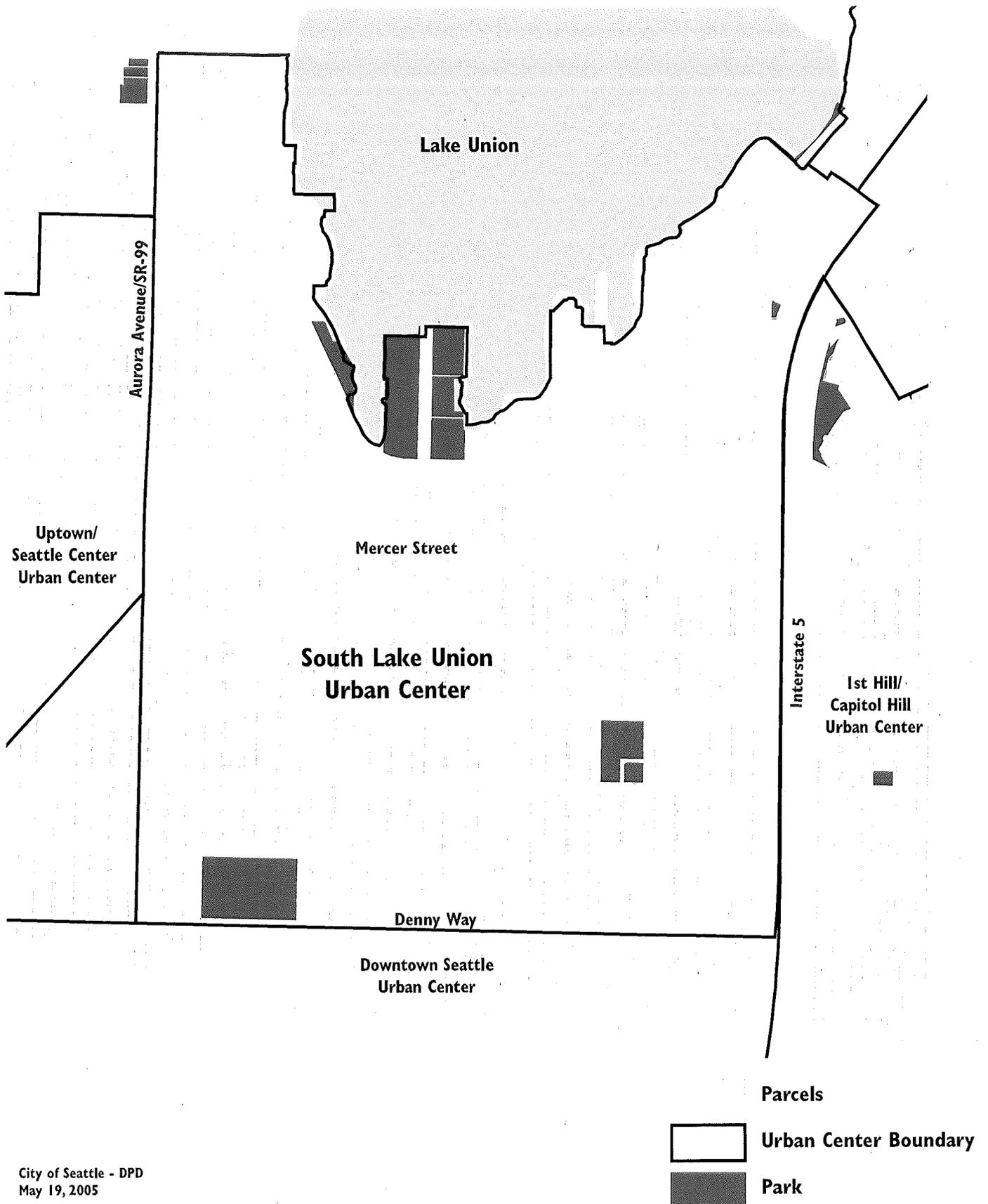
NO SCALE

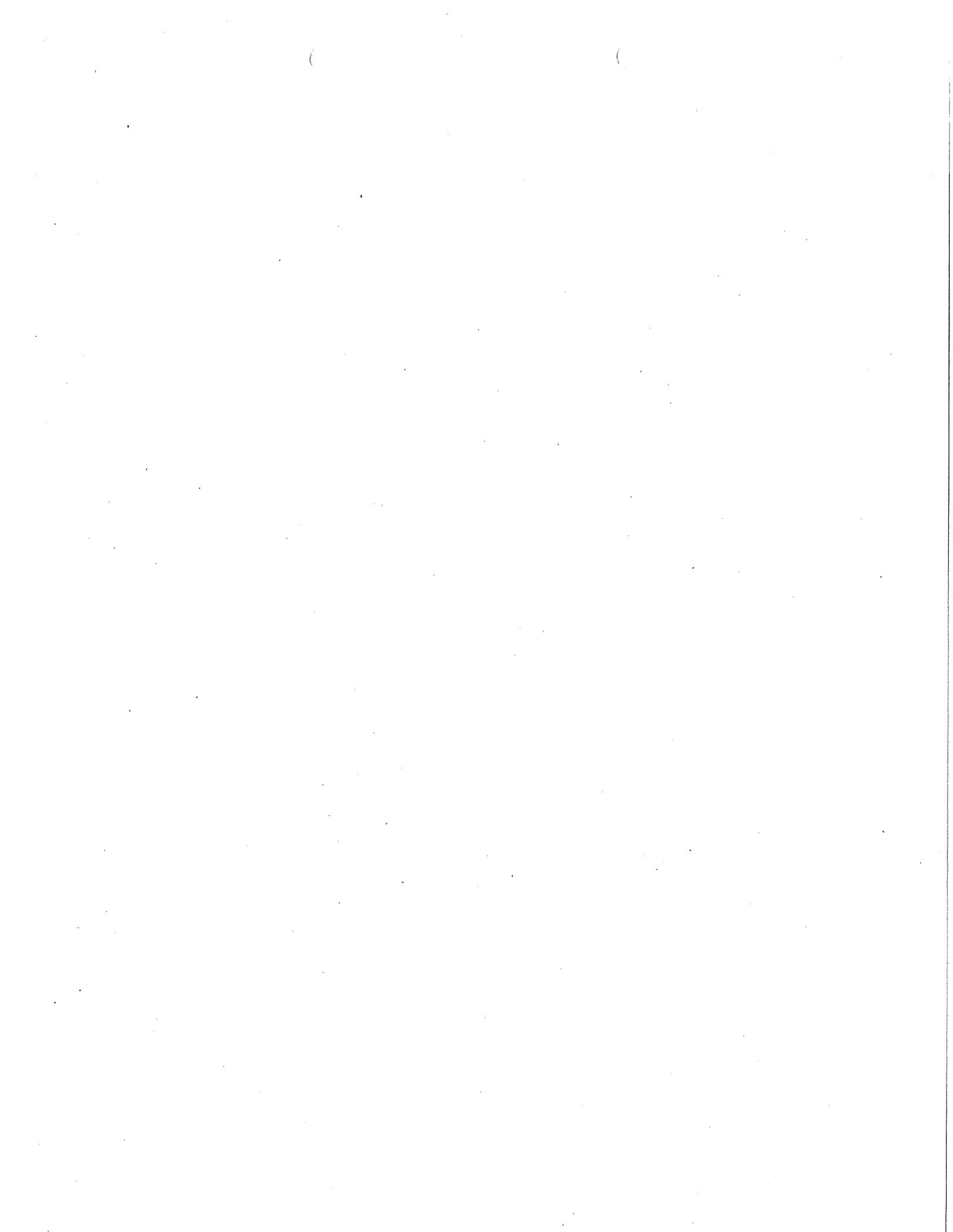
#### Key Features

- Change Valley Street from a 5-lane traffic configuration to a two-lane configuration consisting of one lane in each direction with accommodation for an additional turn lane at Fairview and Westlake Avenues.
- Install a new traffic signal at Terry Street to accommodate pedestrian crossing to the SLU Park
- Improve and enlarge the sidewalks on the south side of Valley Street.
- Reconfigure the intersection at Valley and Fairview to create another pedestrian crossing on the west side of Fairview
- Create both eastbound and westbound bicycle lanes on Valley Street.

# **Attachment D**

# South Lake Union Boundaries





**AMENDMENT NO. 1 TO  
PURCHASE AND SALE AGREEMENT  
FOR SALE OF REAL PROPERTY**

FILED  
CITY OF SEATTLE

05 NOV 23 AM 10:53

CITY CLERK

**(City of Seattle/City Investors LLC)**

This AMENDMENT NO. 1 TO PURCHASE AND SALE AGREEMENT FOR SALE OF REAL PROPERTY (this "Amendment") is entered into as of the 4<sup>th</sup> day of November 2005, by and between The City of Seattle, a city of the first class of the State of Washington ("City" or "Seller") and CITY INVESTORS LLC (formerly City Investors Inc.), a Washington corporation ("Purchaser"), with reference to that certain Purchase and Sale Agreement For Sale of Real Property dated (with technical corrections) as of June 1, 2001 (the "Agreement").

Pursuant to authority granted under City of Seattle Ordinance 121892, a copy of which is attached hereto, and for the reasons set forth therein, the Seller and Purchaser hereby agree to amend the Agreement as follows:

**A. Purchaser's Commitment to Pursue Development Applications and Development.** The first sentence of the first paragraph of Section 6.5 of the Agreement is hereby amended to provide that Purchaser's submittal of one or more master use permit applications for development of the Subject Properties within the Three Block Area shall occur on or before March 13, 2013.

**B. Ratification; Terms; Counterparts.** Seller and Purchaser hereby confirm that the Agreement is and shall remain in full force and effect, as modified by the terms of this Amendment. Upon full execution of this Amendment, the term "Agreement" shall mean and refer to the Agreement as amended by this Amendment. Capitalized terms used herein and not defined in this Amendment shall have the meanings as set forth in the Agreement. This Amendment may be executed in multiple counterparts, all of which shall constitute one and the same instrument when executed by the parties.

SIGNED in duplicate original as of the date first above written.

**SELLER:**

The City of Seattle

By: Brenda Bauer

Name: Brenda Bauer

Title: Director, Fleets and Facilities Department

**PURCHASER:**

City Investors LLC.

By: Ada Healey

Name: Ada Healey

Title: Vice-President

ORDINANCE 121892

1  
2 AN ORDINANCE relating to the Purchase and Sale Agreement (P&SA) between the City of Seattle and  
3 City Investors Inc. as authorized in Ordinance Number 120411 and authorizing the amendment  
4 of section 6.5 of said P&SA extending the deadline for development application.

5 WHEREAS, pursuant to Ordinance 121634, the City is now undertaking a major project to address the  
6 long-standing problems associated with the Mercer/Valley corridor in order to improve the  
7 pedestrian environment, park access, urban design, neighborhood connections, and a variety of  
8 multi-modal transportation objectives; and

9 WHEREAS, the Mercer/Valley Corridor project must be extremely well coordinated because of the  
10 projects' numerous interdependencies; and

11 WHEREAS, open space is critical to the health and vitality of this region, and South Lake Union Park,  
12 together with the proposed changes to Mercer and Valley Streets, will, when completed, provide  
13 an extraordinary setting where the public can enjoy enhanced open space; and

14 WHEREAS, Ordinance 120411 authorized the sale of property in accordance with the terms and  
15 conditions of the P&SA signed by City Investors Inc. (Vulcan Northwest) and the Mayor of the  
16 City of Seattle on May 18, 2001 for eight of ten surplus parcels; and

17 WHEREAS, the P&SA's terms and conditions adequately meet the City's needs, and address the public  
18 objectives identified through Resolution 30080; which included creating a safe and active  
19 pedestrian environment between South Lake Union Park and the neighborhood; and

20 WHEREAS, Section 6.5 of the P&SA currently provides that City Investors Inc. shall submit within the  
21 six-year period following the Closing Date, master use permit application(s) for development of  
22 the properties bounded by Westlake, Fairview, Valley, and Mercer; and

23 WHEREAS, since the adoption of Ordinance 120411 and the execution of the P&SA, the City is  
24 studying a significant revision of traffic circulation that will affect the development of properties  
in the three block area bordered by Mercer Street, Westlake Avenue, Valley Street, and Fairview  
Avenue; and

WHEREAS, it is no longer in the interests of the City, or reasonable, to adhere to the deadline specified  
in Section 6.5 of the original P&SA; NOW, THEREFORE,

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



**FISCAL NOTE FOR NON-CAPITAL PROJECTS**

<b>Department:</b>	<b>Contact Person/Phone:</b>	<b>DOF Analyst/Phone:</b>
Office of Policy and Management	Mary Jean Ryan / 684-8069	Tyler Running Deer 684-8075 Cheryl Swab 684-8053

- **Legislation Title:** AN ORDINANCE relating to the Purchase and Sale Agreement (P&SA) between the City of Seattle and City Investors Inc. as authorized in Ordinance Number 120411 and authorizing the amendment of section 6.5 of said P&SA extending the deadline for development application.

- **Summary of the Legislation:** This legislation amends the Purchase and Sale Agreement (P&SA) between the City of Seattle and City Investors Inc., as originally authorized by Ordinance 120411, by extending the deadline for development of the Mercer-Valley properties by five years, from March 2008 to March 2013.

- **Background:** *(Include brief description of the purpose and context of legislation and include record of previous legislation and funding history, if applicable):*

The original P&SA between the City of Seattle and City Investors Inc (CI) provided that CI submit master use permit application(s) to the City for development of the Mercer/Valley properties within six years of the original P&SA's closing date, which was March 13, 2002. This legislation provides a five-year extension as a result of the City's planned transportation improvement project that will reconfigure both Mercer and Valley Streets, significantly affecting the lot lines and traffic patterns in the immediate area. The five year extension will provide CI with more time to perform, and will allow greater certainty regarding the two-way Mercer/Valley Street project before development gets underway.

- *Please check one of the following:*

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



ORDINANCE 121892

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8 multi-modal transportation objectives; and

9 WHEREAS, the Mercer/Valley Corridor project must be extremely well coordinated because of the  
10 projects' numerous interdependencies; and

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14 WHEREAS, Ordinance 120411 authorized the sale of property in accordance with the terms and  
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16 City of Seattle on May 18, 2001 for eight of ten surplus parcels; and

17 WHEREAS, the P&SA's terms and conditions adequately meet the City's needs, and address the public  
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19 pedestrian environment between South Lake Union Park and the neighborhood; and

20 WHEREAS, Section 6.5 of the P&SA currently provides that City Investors Inc. shall submit within the  
21 six-year period following the Closing Date, master use permit application(s) for development of  
22 the properties bounded by Westlake, Fairview, Valley, and Mercer; and

23 WHEREAS, since the adoption of Ordinance 120411 and the execution of the P&SA, the City is  
24 studying a significant revision of traffic circulation that will affect the development of properties  
in the three block area bordered by Mercer Street, Westlake Avenue, Valley Street, and Fairview  
Avenue; and

WHEREAS, it is no longer in the interests of the City, or reasonable, to adhere to the deadline specified  
in Section 6.5 of the original P&SA; NOW, THEREFORE,

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

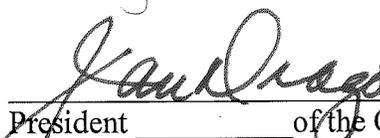


1 Section 1. That Section 6.5 of the Purchase and Sale Agreement between the City of Seattle and  
2 City Investors Inc be amended to extend the time period for submission of the master use permit  
3 applications for five additional years to March 2013:

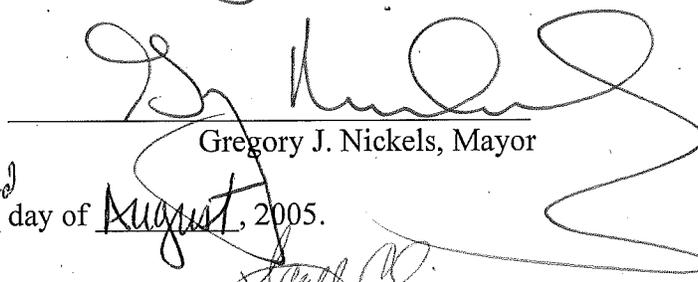
4 Section 2. The Director of the Fleets and Facilities Department is hereby authorized to execute  
5 such memoranda as may be reasonably necessary to effect this amendment extending the time for  
6 submission of the master use permit applications to March 2013.

7 Section 3. This ordinance shall take effect and be in force thirty (30) days from and after its  
8 approval by the Mayor, but if not approved and returned by the Mayor within ten (10) days after  
9 presentation, it shall take effect as provided by Municipal Code Section 1.04.020.

10 Passed by the City Council the 15<sup>th</sup> day of August, 2005, and signed by me in open session  
11 in authentication of its passage this 15<sup>th</sup> day of August, 2005.

12  
13   
President \_\_\_\_\_ of the City Council

14 Approved by me this 22<sup>nd</sup> day of August, 2005.

15  
16   
Gregory J. Nickels, Mayor

17 Filed by me this 23<sup>rd</sup> day of August, 2005.

18  
19   
City Clerk

20 (Seal)  
21  
22  
23  
24



**FISCAL NOTE FOR NON-CAPITAL PROJECTS**

<b>Department:</b>	<b>Contact Person/Phone:</b>	<b>DOF Analyst/Phone:</b>
Office of Policy and Management	Mary Jean Ryan / 684-8069	Tyler Running Deer 684-8075 Cheryl Swab 684-8053

• **Legislation Title:** AN ORDINANCE relating to the Purchase and Sale Agreement (P&SA) between the City of Seattle and City Investors Inc. as authorized in Ordinance Number 120411 and authorizing the amendment of section 6.5 of said P&SA extending the deadline for development application.

• **Summary of the Legislation:** This legislation amends the Purchase and Sale Agreement (P&SA) between the City of Seattle and City Investors Inc., as originally authorized by Ordinance 120411, by extending the deadline for development of the Mercer-Valley properties by five years, from March 2008 to March 2013.

• **Background:** *(Include brief description of the purpose and context of legislation and include record of previous legislation and funding history, if applicable):*

The original P&SA between the City of Seattle and City Investors Inc (CI) provided that CI submit master use permit application(s) to the City for development of the Mercer/Valley properties within six years of the original P&SA's closing date, which was March 13, 2002. This legislation provides a five-year extension as a result of the City's planned transportation improvement project that will reconfigure both Mercer and Valley Streets, significantly affecting the lot lines and traffic patterns in the immediate area. The five year extension will provide CI. with more time to perform, and will allow greater certainty regarding the two-way Mercer/Valley Street project before development gets underway.

• *Please check one of the following:*

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





# City of Seattle

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Gregory J. Nickels, Mayor

## Office of the Mayor

June 28, 2005

Honorable Jan Drago  
President  
Seattle City Council  
City Hall, 2<sup>nd</sup> Floor

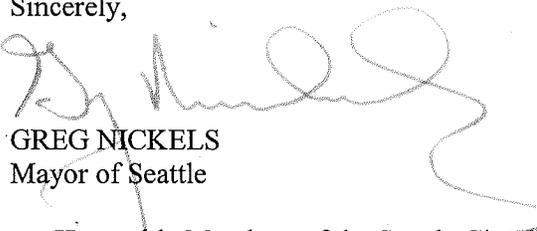
Dear Council President Drago:

I am pleased to transmit the attached proposed Council Bill relating to the Purchase and Sale Agreement (P&SA) between the City of Seattle and City Investors Inc., as originally authorized by Ordinance 120411. Specifically, the attached Bill extends the deadline for development of the Mercer-Valley properties by five years.

The P&SA currently provides that City Investors Inc shall submit master use permit application(s) to the City for development of the Mercer/Valley properties within six years of the original P&SA's closing date, which was March 13, 2002. This legislation provides a five-year extension as a result of the City's planned transportation improvement project that will reconfigure both Mercer and Valley Streets, significantly affecting the property lines and traffic patterns in the immediate area. The five year extension will provide City Investors Inc. with more time to perform its work, and will allow greater certainty regarding the Mercer/Valley transportation improvement project before development gets underway.

Thank you for your consideration of this legislation. Should you have questions, please contact Mary Jean Ryan at 684-8069.

Sincerely,



GREG NICKELS  
Mayor of Seattle

cc: Honorable Members of the Seattle City Council

---

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

Tel: (206) 684-4000, TDD: (206) 684-8811 Fax: (206) 684-5360, E:mail: mayors.office@seattle.gov

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STATE OF WASHINGTON – KING COUNTY

--SS.

189424  
CITY OF SEATTLE, CLERKS OFFICE

No. TITLE ONLY

**Affidavit of Publication**

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

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

CT:121892-121901

was published on

08/25/05

The amount of the fee charged for the foregoing publication is the sum of \$ 92.75, which amount has been paid in full.



*Mad*

Subscribed and sworn to before me on

08/25/05

*James R. [Signature]*

Notary public for the State of Washington,  
residing in Seattle

# State of Washington, King County

## City of Seattle

### TITLE-ONLY PUBLICATION

The full text of the following ordinances, passed by the City Council on August 15, 2005, and published here by title only, will be mailed upon request, or can be accessed electronically at <http://clerk.ci.seattle.wa.us>. For further information, contact the Seattle City Clerk at 684-8344.

#### ORDINANCE NO. 121801

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

#### ORDINANCE NO. 121899

AN ORDINANCE authorizing Seattle Public Utilities to acquire by negotiation or condemnation land and all improvements thereon situated on Lots 1,2,3,4,5 and 6 of Block 71 and Lots 6 and 7 of Block 62, all in the Lake Union Addition to Seattle, Washington and generally bordered by 34th Street North, 36th Street North, Carr Place North and Densmore Avenue North, for solid waste system and other utility and general municipal purposes.

#### ORDINANCE NO. 121898

AN ORDINANCE relating to the City Light Department, authorizing execution of Amendment One to the Power Purchase Agreement with the City of Klamath Falls, Oregon, allowing City Light to schedule operation of the project on a daily basis.

#### ORDINANCE NO. 121896

AN ORDINANCE relating to transferable development rights; authorizing the sale by the City of transferable development rights acquired from a low-income housing site to a developer of a project at 1400 6th Avenue; authorizing related agreements and deeds; and ratifying and confirming prior acts.

#### ORDINANCE NO. 121895

AN ORDINANCE relating to the City Light Department, removing a restriction that limits spending of its Purchased Power Budget Control Level appropriation in the 2005 Adopted Budget.

#### ORDINANCE NO. 121894

AN ORDINANCE relating to Seattle Department of Transportation, granting a non-exclusive easement over and across real property in King County, Washington, for the installation, operation, and maintenance of a railroad spur track in connection with the State Route 519 Phase I Project.

#### ORDINANCE NO. 121892

AN ORDINANCE relating to the Purchase and Sale Agreement (P&SA) between the City of Seattle and City Investors Inc. as authorized in Ordinance Number 120411 and authorizing the amendment of section 6.5 of said P&SA extending the deadline for development application.

Publication ordered by JUDITH PIPPIN, City Clerk.

Date of publication in the Seattle Daily Journal of Commerce, August 25, 2005.

8/25(189424)