

FISCAL NOTE FOR NON-CAPITAL PROJECTS

Department:	Contact Person/Phone:	CBO Analyst/Phone:
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Legislation Title:

AN ORDINANCE relating to the Department of Parks and Recreation; authorizing the Mayor to enter into a Memorandum of Agreement between the Washington State Department of Transportation, the University of Washington and the City of Seattle regarding Section 6(f) of the Land and Water Conservation Fund Act for the SR 520, I-5 to Medina Project.

Summary of the Legislation:

This legislation authorizes the Mayor to enter into an agreement related to the State's redevelopment of SR 520 and the impact of the redevelopment on the Arboretum Lakeside Trail and Ship Canal Waterfront Trail. The agreement, between the State Department of Transportation (WSDOT), the University of Washington and the City, provides a means to meet the requirements of Section 6(f) of the federal Land and Water and Conservation Fund Act.

Background:

The route for the redevelopment of SR 520 from Medina to I-5 requires converting portions of the Arboretum Waterfront Trail and the Lake Washington Ship Canal Trail owned by the City and UW from park property to highway use. The trail properties were originally purchased with funds from the federal Land and Water Conservation Fund (LWCF); the City and University of Washington were joint LWCF grant recipients for the trail projects. Section 6(f) of the LWCF Act requires property converted from park to non-park use be replaced with like property. The replacement property must have similar recreational value as the property taken out of park use and must be developed with park improvements consistent with the taken property, including, in this case, water access to the ship canal.

A considerable evaluation was undertaken to identify replacement property. WSDOT conducted a property search and provided a list of over 80 potential sites in both public and private ownership which might satisfy the requirements of Section 6(f). The list was reviewed by all parties involved and the Bryant Building Site was determined to be the only site comparable to the taken property due to its proximity to the Arboretum, its desirability as a recreation site with benefits for both UW and the City, its availability for purchase, and similar valuation.

Redevelopment of the Bryant Building Site will require demolition of the existing buildings and development of a park with accent on water-oriented uses. The redevelopment of the site will be accomplished at the expense of WSDOT. Normal City public involvement processes will be undertaken before the new park is designed.

Memorandum of Agreement Terms

The MOA contains the following significant terms:

- **Funding for the replacement site:** WSDOT committed to pay the appraised value of the Bryant Building site and associated relocation expenses either as a lump sum or reimbursement.
- **Funding for park development and mitigation:** WSDOT committed to a funding range for the park development costs (\$5-8 million exclusive of environmental remediation costs). Once Parks completes the design and funding scope for the new park, Parks and WSDOT will agree to a lump sum payment which WSDOT will provide to Parks that fits within the agreed upon range identified in the MOA.
- The agreement contemplates the future transfer of the 6(f) properties to WSDOT. For properties that WSDOT will use on only a temporary basis pursuant for construction, WSDOT will restore those properties for recreational purposes at the conclusion of WSDOT's use.
- The Agreement designates the Bryant Building Site as the Section 6(f) Replacement Property and the steps necessary to obtain Federal and State approval of that designation.
- The Agreement provides that if the Bryant Building Site becomes unavailable or unsuitable after conversion is approved for reasons arising only from the application of the Seattle Landmarks process, the City, as 6(f) sponsor, will assume the full responsibility and will be required to acquire an alternative site with no financial support or involvement from WSDOT.
- If the Bryant site becomes unsuitable for reasons other than the Landmark process, the City and UW agree to collaborate to develop an approach to replacing the 6(f) property with other property that complies with the requirements of Section 6(f).
- The UW and City will also enter into a separate inter-agency agreement that will specify the terms and conditions of the transfer of the Bryant site to the City. This transaction, including the associated Purchase and Sales Agreement will be subject to separate legislation.
- The agreement also includes several other miscellaneous "boiler plate" provisions.

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

 This legislation has financial implications.

Other Implications:

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

The long-term impact of the legislation will be the transfer of the LWCF 6(f) grant restrictions from the property that is to be taken by WSDOT for SR 520 development to the replacement property. The grant restrictions will limit the Bryant Building site so that it cannot be sold in the future for anything other than park use.

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

The City could be subject to possible litigation instigated by the State (WSDOT) in order to maintain its schedule for SR520 construction. Future grants from the Recreation and Conservation Office could be in jeopardy since failure to institute these agreements could result in non-compliance with conditions regarding replacement property in the existing grant received for the Arboretum Lakeside Trail.

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?

WSDOT has determined its alignment for the redevelopment of SR520 requires the acquisition of park land. The Bryant Building Site is the only site of the 80 plus locations that were evaluated that meets the 6(f) requirement for replacement property. There are no other alternatives that meet the needs of WSDOT for SR520 alignment and the City for replacement property.

Is a public hearing required for this legislation? No.

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

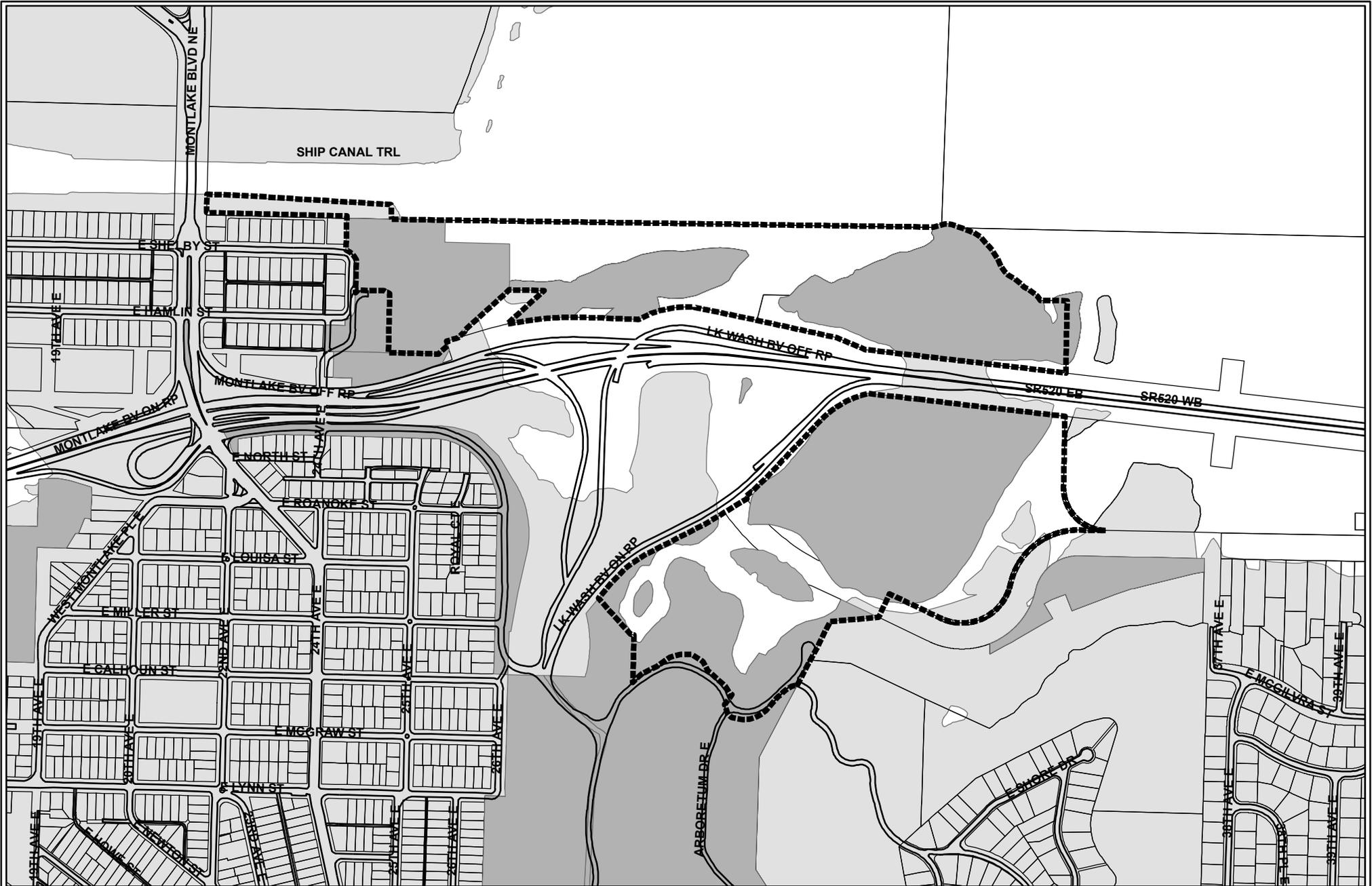
f) Does this legislation affect a piece of property? Yes.

g) Other Issues:

List attachments to the fiscal note below:

Attachment A: SR520 - 6(f) Boundary Map

Attachment B: SR520 - 6(f) Bryant Building Replacement Site

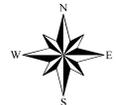
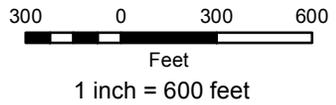


SR520 - 6(f) Boundary Map



Legend

- Pavement Edge
- 6F Boundary
- Park Boundary
- Parcel Boundary



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Map date: December 13, 2012

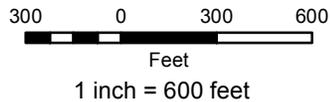


SR520 - 6(f) Boundary Map - Bryant Site



Legend

- Pavement Edge
- 6F Boundary
- Park Boundary
- Parcel Boundary



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