

FISCAL NOTE FOR CAPITAL PROJECTS ONLY

Department:	Contact Person/Phone:	CBO Analyst/Phone:
Parks and Recreation	Terry Dunning, 684-4860	Jeff Muhm, 684-8049

Legislation Title: AN ORDINANCE relating to the SR 520, I-5 to Medina: Bridge Replacement and HOV Project; authorizing the exchange of real property within the Washington Park Arboretum for property located at 1111 NE Boat Street; superseding the requirements of Ordinance 118477, which adopted Initiative 42, with respect to the exchange; authorizing the Superintendent of Parks and Recreation to execute an interlocal agreement and other documents; authorizing the conveyance of reversionary rights in certain Arboretum-area property to the State of Washington; amending Ordinance 124058, which adopted the 2013 Budget, including the 2013-2018 Capital Improvement Program (CIP); and creating a new appropriation for the implementation of the Bryant Park Development Project; and ratifying and confirming prior acts; all by a three-fourths vote of the City Council.

Summary and background of the Legislation: This legislation authorizes the Superintendent of Parks and Recreation to enter into five separate agreements related to the State’s redevelopment of SR520 and the impact of the redevelopment on the Arboretum Lakeside Trail and the Ship Canal Waterfront Trail. The agreements, between the State Department of Transportation (WSDOT), the University of Washington (UW) and the City provide a means to meet the requirements of Section 6(f) of the federal Land and Water and Conservation Fund (LWCF). The agreements proposed by this proposed ordinance were previously addressed and generally agreed to in a Memorandum of Agreement (MOA) authorized by Ordinance 124138 (March 2013).

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 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. The redevelopment of the site will be funded from the \$9 million received for the project from WSDOT. Normal City public involvement processes will be undertaken before the new park is developed.

The following agreements are being authorized by this proposed legislation:

1. **Interagency Agreement for Real Estate Transactions Among Washington State Department of Transportation, University of Washington and City of Seattle Regarding the Acquisition of Section 6(f) Replacement Property Bryant Building Site, I-5 to Medina Bridge Replacement and HOV Project** (hereinafter referred to as 3 Party RE Agreement)

This agreement sets forth the means by which lands of the Arboretum and a portion of East Montlake Park shall be conveyed to WSDOT along with Temporary Construction Easement Areas and be replaced by land on Boat Street known as the Bryant Building Site (headquarters of the UW Police Department). The Agreement also sets out how the UW will be compensated for the Bryant Building site. It designates the Bryant Building site as the 6(f) replacement property as agreed to by the parties. The agreement describes the steps each entity will take, and through its conditions and attachments, sets forth the conveyance methods and responsibilities of the three parties.

2. **Bryant Site Real Estate Purchase and Sales Agreement UW-City of Seattle**

The Purchase and Sales Agreement describes and defines how the City and University process the transfer of title to the Bryant site to the City. Important issues include the requirement the UW process a Lot Boundary adjustment which will allow them to transfer a legal parcel, of the agreed size and configuration, to the City. Other important conditions include the transfer of City property interests to WSDOT for the 520 project; condition of title upon closing, and a requirement that the City lease back the site at no cost to the UW until 2017 when it is anticipated that the University police, currently housed at the site, will be relocated to a new facility. The lease back will not commence until after the closing, tentatively expected to be in December 2013 or January 2014. The execution of the lease subsequent to closing is also being authorized by this proposed legislation.

3. **Bryant Project Development Agreement**

This agreement sets forth the relationships between the three parties regarding the funding for the future development of the Bryant Building site. The UW will contribute \$2,389,500 dollars toward potential environmental remediation costs at the site. In the event the remediation is less costly, the unspent funds will be returned to the UW. The University has done a Phase Two environmental investigation of the site that the City has reviewed and accepted. The potential remediation costs described in that study ranged between \$4 and \$10 million, but the most likely costs are anticipated to be between \$4 and \$6 million.

WSDOT will make a onetime payment of \$9 million to the City for the remediation and development of the Bryant site (or any other site should the Bryant site prove untenable). It is anticipated that some portion of those funds will be used for environmental remediation, but the majority will be used for the design, demolition, and construction of the new replacement park. This Agreement also implements the conditions of the 3 Party MOA previously authorized by Ordinance No.124138 (March 2013). Additionally, the Agreement outlines how the development will proceed, including discussions of consultant selection, design, design review, landmark issues, public outreach, environmental remediation, construction management, permitting, the Park naming process (standard City process), potential for a future utility easement for the benefit of UW’s adjacent property, dispute resolution and other miscellaneous provisions.

4. Agreement Between The City of Seattle And the University of Washington Regarding the Operation and Maintenance of The Bryant Site Park

This Agreement describes the standards to which the new park will be maintained. These conditions were considered to be part of the consideration for transferring the property to the City at no further cost than the City’s transfer of property rights at East Montlake and the Arboretum. The agreed standard is that the park will be maintained in a way that will be equal in condition to Gas Works, Green Lake and Lake Union Parks, all waterfront parks. Since the park has not yet been designed, it is impossible to accurately predict what the maintenance costs will be, but based on a rate per square foot comparison to those three parks it is calculated that annual costs would be approximately \$37,000 for staff time. Utilities are not yet factored into the pending design. In addition, the agreement specifies that the UW will have the right to schedule events 10 days per year. Several days of the year will be unavailable for University use including Opening Day of Boating Season weekend, Memorial Day weekend, July 4 weekend and all Saturdays and Sundays from Memorial Day through Labor Day. UW must comply with the City wide Special Events policy including payment of Special Event Permit Fees. Numerous other standard terms such as dispute resolution, default and others are also discussed in the agreement.

Project Name:	Project I.D.:	Project Location:	Start Date:	End Date:
Bryant Site Development	SR520Mitigation Project/ BCL K72451/K732480	1111 NE Boat Street	November 2013	June 2018

This legislation creates, funds, or anticipates a new CIP Project.

This legislation does not have any financial implications.

This legislation has financial implications.

Appropriations:

Fund Name and Number	Department	Budget Control Level*	Existing 2013 Appropriation	New 2013 Appropriation (if any)	2014 Anticipated Appropriation
Park Mitigation and Remediation Fund (33130)	Parks and Recreation	SR 520 Mitigation (K72451)	7,810,431	11,389,500	0
TOTAL			7,810,431	11,389,500	0

Appropriations Notes: A new CIP project (Bryant Site Development K732480) is added to the adopted budget. This legislation also accepts and appropriates \$11,389,500 in the 2013 Adopted Budget in the Park Mitigation and Remediation Fund (33130) for the Parks and Recreation SR520 Mitigation (K72451) BCL. \$9 million of these funds comes from WSDOT and \$2,389,500 comes from UW. These funds need to be tracked separately for contract purposes.

Spending Plan and Future Appropriations for Capital Projects:

Spending Plan and Budget	2013	2014	2015	2016	2017	2018	Total
Spending Plan	10,000	500,000	1,000,000	1,000,000	4,000,000	4,879,500	11,389,500
Current Year Appropriation	11,389,500						
Future Appropriations		0	0	0	0	0	11,389,500

Spending Plan and Budget Notes:

Funding Source:

Funding Source (Fund Name and Number, if applicable)	2013	2014	2015	2016	2017	2018	Total
Parks Mitigation and Remediation Fund (33130)	11,389,500	0	0	0	0	0	11,389,500
TOTAL							11,389,500

Funding Source Notes: Under the terms of the agreement, WSDOT has agreed to pay Parks \$9 million to fund the remediation and development of the Bryant site. UW has agreed to pay \$2,389,500 for remediation only of the Bryant site. The funds will be deposited into the Park Mitigation and Remediation Fund (33130), which is created to account for monies received for development, renovation or improvements to Parks properties.

Bond Financing Required: N/A

Type	Amount	Assumed Interest Rate	Term	Timing	Expected Annual Debt Service/Payment
NA					
TOTAL	NA	NA	NA	NA	NA

Bond Notes: N/A

Uses and Sources for Operation and Maintenance Costs for the Project:

O&M	2013	2014	2015	2016	2017	2018	Total
Uses							
Start Up	0	0	0	0	0	0	
On-going	0	0	0	0	0	0	
Sources (itemize)							

Operation and Maintenance Notes: The replacement park has not been designed. Approximate Operations and Maintenance costs have been calculated by comparing the site with similar waterfront parks, specifically Green Lake, Gas Works and Lake Union, with adjustments consistent with size differences of each. Parks operations are not expected to commence until 2019.

Periodic Major Maintenance Costs for the Project: N/C (not calculated)

Major Maintenance Item	Frequency	Cost	Likely Funding Source
TOTAL	NC	NC	NC

Funding sources for replacement of project: N/A

Total Regular Positions Created, Modified, or Abrogated through this Legislation, Including FTE Impact: None

Position Notes: No positions will be created at this time. The replacement park will not be ready for public use until 2019. Funding for ongoing maintenance positions (or portions of) may be requested with future legislation or in the annual budget process.

Do positions sunset in the future? N/A

Other Implications:

- a) **Does the legislation have indirect financial implications, or long-term implications?**
This legislation creates a new park with potentially greater maintenance and operational expenses than the park land it replaces. Since design of the new facility has not yet been completed no costs are provided.
- b) **What is the financial cost of not implementing the legislation?**
If this project is not implemented the City will be forced to acquire and develop alternative property to meet the obligations in the Land and Water Conservation Fund grant that helped fund the park land being replaced. Over 80 potential sites were evaluated and the Bryant site was the only feasible alternative.
- 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?** There are none.
- 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.
- h) **Other Issues:** There are none.

List attachments to the fiscal note below:
Attachment A: Map of Bryant Building site

GCB 1291 EXHIBIT A, Sheet 1 of 1

BRYANT SITE PARK

1117 NE Boat St. Seattle, WA

6 F Boundary Map

LWCF Proj # 53-00025.5

RCO # 66-037 and #85-9036

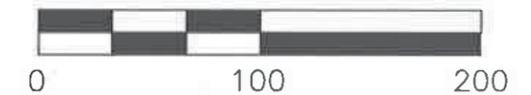
Property Acreage:
 Upland - 1.62 acres
 Submerged - 1.97 acres
 TOTAL - 3.59 acres

LEGEND

--- APPROXIMATE SHORELINE AT TIME OF SURVEY
 (LESS PARK & MARINA) = 757 LF

█ 6F PARK AREA

SCALE IN FEET



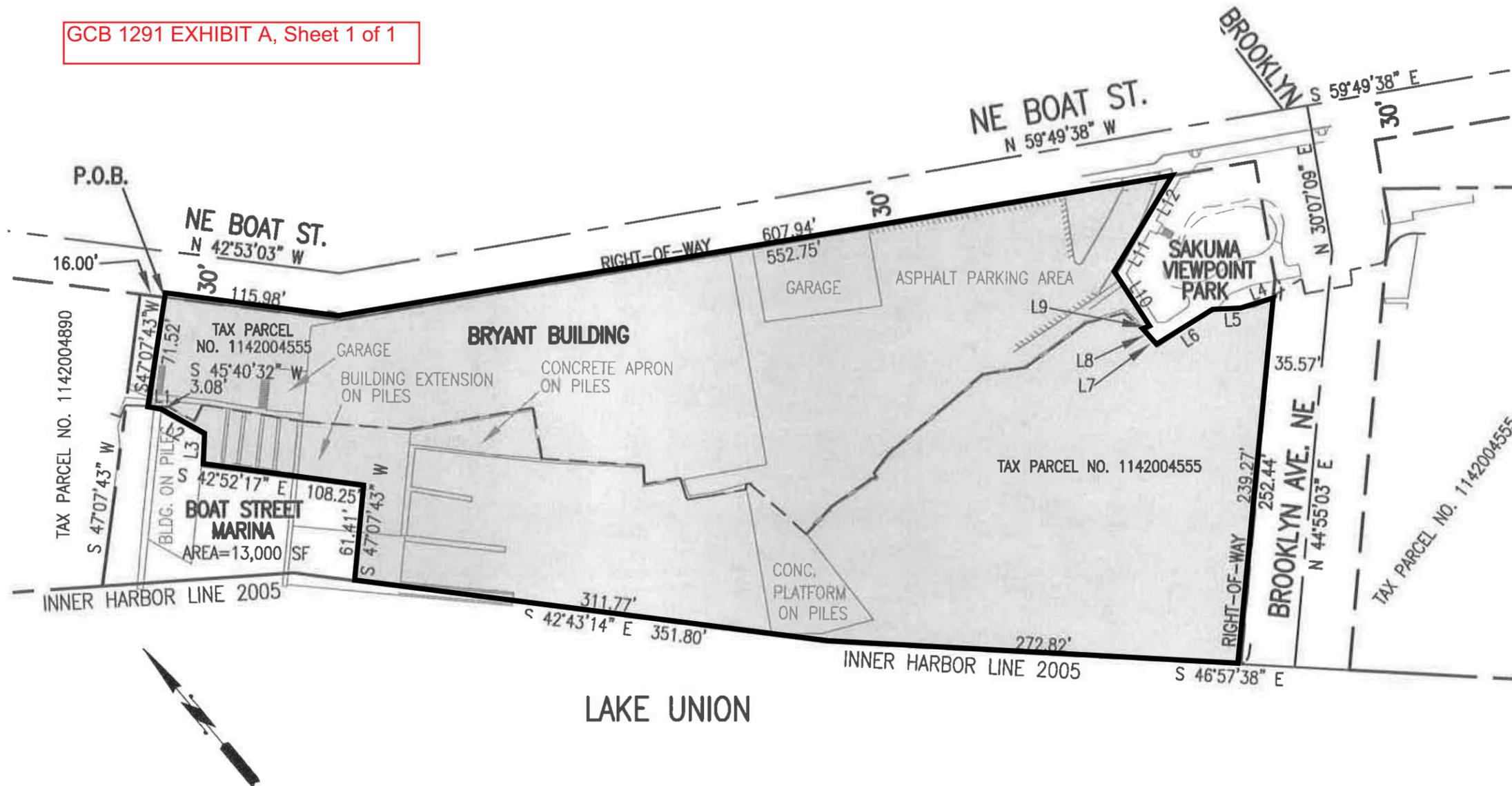
February 21, 2013

Surveyor Statement:

THE PROPERTY INFORMATION INCLUDED ON THIS MAP IS TRUE AND ACCURATE TO THE BEST OF MY KNOWLEDGE FOR THE PURPOSES OF IDENTIFYING THE LANDS TO BE PROTECTED UNDER SECTION 6 F 3 OF THE LWCF ACT

 SURVEYOR

 DATE



LINE TABLE

LINE	BEARING	DISTANCE
L1	S 48°09'14" E	7.19'
L2	S 20°29'22" E	32.49'
L3	S 45°45'47" W	19.95'
L4	N 73°04'49" W	13.79'
L5	N 53°53'50" W	28.80'
L6	N 84°40'45" W	42.28'
L7	N 01°09'06" W	9.58'
L8	N 04°55'53" W	3.67'
L9	S 85°12'28" E	5.38'
L10	N 06°42'52" E	41.31'
L11	N 69°44'51" E	34.97'
L12	N 70°00'28" E	38.87'

 SLO REPRESENTATIVE DATE

 UNIVERSITY OF WASHINGTON DATE

 CITY OF SEATTLE DATE

[ALL LAND WITHIN THE BOUNDARY OF THE PARK IS DEDICATED
 IN PERPETUITY TO PUBLIC OUTDOOR RECREATION]