

FISCAL NOTE FOR NON-CAPITAL PROJECTS

Department:	Contact Person/Phone:	CBO Analyst/Phone:
Legislative Department	Norm Schwab/684-9292	N/A

Legislation Title:

AN ORDINANCE relating to the Alaskan Way Viaduct and Seawall Replacement Program; authorizing the acquisition of real property located at 1101 Western Avenue through negotiation or condemnation; and authorizing recording and acceptance of a deed for general municipal purposes.

Summary of the Legislation:

This legislation authorizes the Director of the Department of Transportation (“SDOT”) to acquire the real property located at 1101 Western Avenue through negotiation or use of eminent domain. This property is currently being utilized as a surface parking lot providing approximately 130 parking spaces. This legislation places the acquired property under SDOT’s jurisdiction and designates it for general municipal purposes with the intended use as affordable short-term parking. Lastly, this legislation provides for the reservation of revenue from the operation of the parking facility and deposit of such funds into a reserve account designated only for expenses attributed to the parking facility, programs to enhance access to parking along the Central Waterfront and in Pioneer Square, and for operations, maintenance and programming of Central Waterfront public spaces, including any debt that may be incurred for this transaction.

Background:

Historically, there are periodic shortages of affordable public parking along the Central Waterfront, particularly during tourist season as the Central Waterfront is an important tourist attraction for visitors of the Seattle area. Tourist and general public access to the waterfront affects commerce and revenue for the City of Seattle. A shortage of short-term, on-street parking (spaces that are restricted to four hours or less) impacts access and economic activity. The City is sensitive to this issue and is committed to finding solutions for alleviating this problem.

The SR 99 Tunnel Project, a component of the Alaskan Way Viaduct Replacement Program, has commenced. A significant impact of tunnel construction is the removal of on-street parking under the viaduct, primarily along the Central Waterfront and in Pioneer Square. It is critical that the loss of short-term parking be mitigated to minimize the impacts to the City, businesses and neighborhoods.

In August 2011, the Federal Highway Administration signed the Alaskan Way Viaduct Replacement Project Record of Decision. This document concluded the project’s environmental

process and approved construction of a tunnel to replace the Alaskan Way Viaduct along the Central Waterfront. In the document, the State of Washington Department of Transportation (“State”) committed to providing up to \$30 million to mitigate the loss of short-term parking during SR 99 tunnel construction between 2011 and 2018. The State and the Seattle Department of Transportation (“SDOT”) subsequently worked together, taking into consideration the recommendations of a group of stakeholders, to develop appropriate parking mitigation strategies, and in June 2012 the Parking Mitigation Plan was endorsed.

The Alaskan Way Viaduct Replacement Program involves a coordinated effort among the State of Washington, the City of Seattle, King County, and the Port of Seattle for planning street, transit, seawall, and Central Waterfront improvements. This Parking Mitigation Plan fits within the State’s and SDOT’s continued partnership on the larger program and will have public benefits beyond the SR 99 tunnel construction.

Property acquisition of existing parking facilities is a key strategy in the Parking Mitigation Plan to mitigate the loss of short-term, on street parking in impacted neighborhoods, including the Central Waterfront and Pioneer Square neighborhoods. Therefore, a portion of the dedicated resources the State committed for parking mitigation can be used for this acquisition which presents the City with an excellent opportunity to respond to this ongoing concern.

Please check one of the following:

This legislation does not have any financial implications.

This legislation has financial implications.

Note: This legislation has financial implications however the details concerning expenditure appropriations and revenues will be decided via the 2014 budget process.

Other Implications:

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

Yes. Without this legislation the City will miss an opportunity to address the limited supply of public, short-term parking on the Central Waterfront. This issue is exacerbated by Central Waterfront construction. Failure to replace short-term, on-street public parking likely will result in lost revenue to the City along the Central Waterfront, potentially hurting economic activity and tourism during the multi-year construction period (2013-2020).

In addition, the City will be required to reinvest a portion of net operating income into the Parking Mitigation Plan. The details of this reinvestment will be negotiated through a Memorandum of Agreement between SDOT and the State.

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

This property acquisition can be partially funded with State funds obligated to mitigate construction impacts on short-term parking in the Central Waterfront and Pioneer Square neighborhoods. The City has a fiscal responsibility to make the best use of these funds to address short-term parking concerns by providing short-term parking as a public benefit.

Furthermore, there is a limited supply of property appropriate for parking in the area. Not acquiring this property at this time could potentially cost the City money with respect to lost funding and opportunity for retaining customers along the Central Waterfront with parking that is available, proximate, safe, and affordable.

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 no alternatives that provide the same benefits and certainty of provision of affordable short-term parking. The Parking Mitigation Plan includes additional strategies that seek to mitigate construction impacts on parking. These strategies are funded and being implemented, providing benefits primarily in the near term, such as limited-term agreements with downtown parking facilities to provide short-term parking at rates consistent with on-street parking.

The State has sought to create partnerships with property owners on the Central Waterfront to provide public, short-term parking as part of a new, mixed-use development. However, even if this alternative is successful, it would provide fewer spaces and would not be realized for at least two years.

e) Is a public hearing required for this legislation?

Public comment periods held concurrent with Committee and Council meetings will satisfy the requirement for acquisition of this property.

f) Is publication of notice with *The Daily Journal of Commerce* and/or *The Seattle Times* required for this legislation?

Yes. Under RCW 8.25.290, the City is required to publish notice of this action in both the Daily Journal of Commerce and the Seattle Times newspapers.

g) Does this legislation affect a piece of property?

Yes. This legislation authorizes the acquisition through negation or condemnation of an existing surface parking lot in the vicinity of the Central Waterfront.

h) Other Issues: