



May 13, 2010

Honorable Tom Rasmussen, Chair
Transportation Committee
Seattle City Council
600 Fourth Avenue
Seattle, Washington 98104

**Subject: Petition of Seattle Children's Hospital for the vacation of a portion of 41st Avenue NE and a portion of NE 46th Street
Clerk File 309690**

Dear Councilmember Rasmussen and Honorable Members of the Transportation Committee:

We are returning the petition of Seattle Children's Hospital (hereafter Children's) for the vacation of a portion of 41st Avenue NE and a portion of NE 46th Street described as:

- **41st Avenue Northeast from the southeast margin of Sand Point Way Northeast to its boundary at Northeast 46th Street; and**
- **Northeast 46th Street from its boundary with 41st Avenue Northeast to the east margin of 40th Avenue Northeast**

The area proposed for vacation includes approximately 42,000 square feet of right-of-way.

BACKGROUND

Children's was founded in 1907 and moved to its present location on Sand Point Way in the 1950s. The original hospital facility was developed in 1953. Children's serves as a regional pediatric academic healthcare center serving Washington, Alaska, Montana, and Idaho. Children's notes that this is the largest service area of any children's hospital in the country.

Children's mission is to provide the highest quality care for all children, regardless of the ability to pay. In fiscal year 2009, Children's provided: \$96.4 million in uncompensated care; 291,912 patient visits, including 227,901 outpatient visits, 38,414 emergency room visits; 14,106 inpatient admissions; and 11,491 short-stay visits.

In 2006, Children's began development of a strategic plan to guide its development and programs over the next 100 years and to develop a plan for integrating growth of clinical,



research and educational programs during the next five years. The strategic plan identified a need for growth in the facility based on four key factors:

1. The number of children in the Seattle region is projected to grow.
2. Children with serious health problems are living longer.
3. The nature and prevalence of pediatric diseases are changing.
4. Children's is already overcrowded.

Strategies in that plan include consolidating core services, decentralizing facilities such as research, and providing patient and clinical care throughout its service region. Children's is working to decentralize outpatient services where possible and Children's doctors will travel to visit patients and provide clinical services at community clinics in Washington, Alaska, Montana, and Idaho. Children's has also opened regional clinics in the Tri-Cities and in Bellevue and anticipates outpatient clinics in Snohomish County and South King County. Children's has moved its research facilities to downtown Seattle at 1900 Ninth Avenue and has acquired additional property at 1000 Stewart Street for the projected growth of its research facilities.

While Children's has worked to decentralize where feasible, it has identified the need to consolidate clinical services and inpatient beds on the hospital campus. Children's states that this concentration of services allows complex pediatric procedures to be performed in specialized diagnostic and treatment facilities 24 hours a day.

In 2007, Children's began the process for a new Major Institution Master Plan (MIMP or Master Plan). SMC 23.69.025 states that the intent of a MIMP is to "balance the need of the Major Institution to develop facilities for the provision of health care or educational services with the need to minimize the impact of Major Institution development on surrounding neighborhoods." On April 5, 2010, the City Council adopted an amended master plan for Children's in Ordinance 123263.

As Children's Master Plan was recently adopted and the City Council spent considerable time in reviewing the plan in great detail, there is no need to provide an extensive summary here. It is important to note, however, that the Master Plan as adopted by the City Council contained significant amendments from the original proposal and reduced the maximum allowable growth for the facility. The changes reflect the Hearing Examiner process and the appeals to the City Council. The City Council also included some conditions from the private Settlement Agreement between Children's and Laurelhurst Community Club (LCC).

The Master Plan, as amended and adopted, allows Children's to:

- Place the majority of new development on the Laurelon Terrace site.

- Adopts a height limit of 160 feet but limits the height of new buildings in the Laurelton Terrace expansion area to 125 feet or 140 feet.
- Limit vehicular entrances to Sand Point Way NE and 40th Avenue NE.
- Reduce the bulk and scale of proposed facilities through transitional heights and building setbacks.
- Reduce the impact of construction on hospital operations and the neighborhood.
- Create community gathering places and green space, including access to rooftop gardens and courtyards.
- Create an innovative transit hub on Sand Point Way NE to make it easier for people to get safely to and from the hospital and the neighborhood without an automobile.
- Retain the existing building at the Hartmann property but improve access to the Burke-Gilman Trail to the north of the existing building.
- Create facilities that are adequate to meet the healthcare needs of the children of the region.

REASON FOR VACATION

Through the early stages of environmental and master plan review, Children's considered approximately nine alternative development options. Children's ultimately selected the alternative that was labeled as Alternative 7R as its preferred alternative. This alternative pushes growth to property to the west, at a lower elevation than the rest of the campus and towards neighboring commercial development. This alternative was selected as Children's determined it could accommodate its necessary growth with fewer impacts to the adjacent residential community. Children's has acquired the Laurelton Terrace Condominiums through a voluntary sale. The vacation of the two streets serving the Laurelton Terrace Condominiums is necessary to develop the site as identified in the adopted Master Plan.

PROJECT DESCRIPTION

Children's new Master Plan provides for its physical development plan to be developed in four phases over twenty years, it requires a new Transportation Management Plan (TMP) regulating commuting and parking, it sets development standards governing new construction, it allows an increase in the amount of allowed parking provided at the campus, and includes a rezone to expand the existing boundaries of the Major Institution Overlay (MIO) District and increase the permitted height of buildings within the MIO.

The rezone extends the MIO boundaries from 21.7 acres to 28.4 acres as a result of the acquisition of the Laurelton Terrace Condominium (Laurelton), a 6.7 acre, 136-unit condominium project lying immediately west of the existing Children's site. The MIO expansion would also change the zoning within the Laurelton from Lowrise 3 (L3) to a combination of height limits that

include MIO 37 feet, MIO 50 feet, MIO 90 feet, and MIO 160 feet (conditioned to 125 feet and 140 feet, respectively) and 90 feet (with part conditioned to 74) .

The Children's campus is currently bounded by NE 50th Street to the north, 47th Avenue NE and 45th Avenue NE to the east, NE 45th Street to the south and Sand Point Way NE and the Laurelon site to the west. With the adoption of the Master Plan and the acquisition of the Laurelon site, the boundary will move west to 40th Avenue NE.

Children's existing facilities include 250 beds in 200 patient rooms, a clinic and clinical research, office and laboratory space for a total permitted building area of approximately 900,000 square feet. The Master Plan would allow for an additional 1.3 million square feet and a growth of up to 350 new patient beds, for a total of up to 600 beds.

The two streets proposed for vacation are portions of NE 46th Street and 41st Avenue NE. The proposal is to vacate both streets between 40th Avenue NE and Sand Point Way NE. The two streets form a curving "C" between 40th Avenue NE and Sand Point Way NE and do not provide a connection to any other streets. The streets currently serve the existing Laurelon Terrace Condominiums.

CIRCULATION/ISSUE IDENTIFICATION (NOT ISSUE RESOLUTION)

The proposed vacation was circulated to various City departments, outside agencies and community groups for comment. The comments, closely reproduced below, reflect the statements made by the reviewers and any issues identified during this portion of the review process. The comment section may not reflect the resolution of the issue or subsequent design changes or mitigation. The comments were received prior to the amendments and adoption of the Master Plan and do not reflect the changes in the Master Plan. The analysis section will focus on the resolution of any issues, recommended project changes, or conditions to address any issues or concerns.

The following comments were received:

City Departments

Seattle Police Department (SPD): upon review of CF 309690, it was determined that the vacation of this area would not hinder public safety efforts provided by the Seattle Police Department.

Seattle Department of Transportation (SDOT) Capital Projects and Roadway Structures (CPRS): Through field and as-built plan review of the site, it appears that there will be no effects to the traffic signal or street lighting system that would cause concern about the proposed vacation. However there two questions that will need to be resolved before the vacation occurs:

1. How is the power distributed to the pedestrian lighting fixtures along both 41st Ave NE and NE 46th St at the entrances to the housing?
2. How will the disconnection of power to the housing units in the area to be vacated occur?

It appears the pedestrian lighting fixtures are connected through a private circuit. If this is the case, it will not affect the street lighting infrastructure.

The power to the housing units connects to poles which carry street lighting along 40th Ave NE. It would be expected upon disconnection that the Petitioner would take action to ensure that these poles and luminaries would not be affected.

SDOT Policy and Planning, and Traffic Management: the Policy and Planning and Traffic Management Divisions have reviewed the Children's vacation request. In general, it appears that the vacation proposal does provide public benefits, and that vacating the street would not affect traffic circulation. It would be helpful to see a comprehensive chart that describes each improvement and identifies which are required by code, which are part of the TMP, and which are being proposed as a public benefit for purposes of the street vacation.

Comments on specific master plan elements include:

Plazas and Green Space: expanded plazas that correspond with vehicular entries are often under-utilized due to proximity to busy intersections. When designing these areas, prioritize the length of streetscape in terms of widened sidewalks, more generous buffer between sidewalks and drive lanes, and pedestrian-scaled lighting.

Burke-Gilman Connection: the connection itself is included in the Transportation Management Plan, but there are additional opportunities to add public benefits to this connection. The connection could incorporate a rest stop for patrons of the Burke-Gilman Trail including seating, drinking fountain, and bike racks. This area would achieve the highest use if it were located so that it was visible from the main trail.

Transit Connections: consider incorporating the transit stops into the building design, including overhead weather protection, leaning bars, benches, pedestrian scaled lighting, information kiosks, and real-time transit information. Some of these improvements were mentioned in the petition but need to be further illustrated in a concept plan and building/site elevation in order to fully comment on their value.

Pedestrian and Bicycle Improvements Funding: the \$2 million in unspecified pedestrian and bicycle improvements is a welcome component of the public benefit package. We expect that SDOT would help lead project selection efforts using the citywide pedestrian and bicycle master

plans, along with other relevant city-sponsored documents. We would like some clarity about when the funding will become available.

Department of Planning and Development (DPD) Planning Division: The Comprehensive Plan does not contain specific policies dealing with the vacation of rights-of-way. Those policies are set forth in Resolution 30702. The proposed vacation is located outside of an urban village in the Laurelhurst neighborhood on property that will become part of the Seattle Children's Hospital campus, subject to Council approval of the proposed Major Institution Master Plan (MIMP) and street vacation.

Although the vacation process generally follows substantial review of the Children's master plan, and the vacation review adheres to its own procedure and policies, DPD acknowledges that both decisions will include common elements (such as site considerations, impacts, and public benefits), and that the two analyses involve considerable overlap. While the vacation policies are clear that identifying an intended vacation in the master plan does not constitute prior approval of the vacation, it states the master plan and the vacation are to be considered concurrently.

The Laurelon Terrace site is site is bounded by Children's to the east, NE 45th Street to the south, 40th Ave NE to the west and Sand Point Way NE to the northwest. Children's proposes a zoning designation of MIO 160 (conditioned to 140' and 125'), 50 and 37 for the Laurelon Terrace site.

Rights-of-way serve to break up the bulk and scale of structure as well as to allow the movement of people and goods. The proposed vacation is part of an expansion of the Major Institution Overlay (MIO) boundary to mitigate potential heights if Children's were to expand within its current MIO boundary. Consequently, Phase I of the MIMP envisions a large structure occupying the Laurelon Terrace site. Thus, the land use objective of breaking up the bulk of structures is not applicable in this case. The MIMP's Environmental Impact Statement analyzed these features of the MIMP, and determined that associated mitigation measures were adequate.

Petitioner's public benefit proposal includes the following elements:

- A pedestrian/bicycle connection between Sand Point Way NE and the Burke-Gilman Trail across the Hartmann site.
- Street amenities along Sand Point Way NE.
- Enhanced public transit stops on Sand Point Way NE.
- \$2 million to fund bicycle and pedestrian improvements.
- Street amenities on 40th Avenue NE.
- Pocket park at corner of 40th Avenue NE and NE 45th Street.

The list of proposed street vacation-related benefits are within a larger set of public benefits that include, among others, the Children's core public health mission, aggressive transportation

demand management measures, other infrastructure improvements, housing replacement, and compensation to existing Laurelon Terrace residents. Viewed as one coherent proposal, which is a fundamental objective of master planning for institutions, DPD considers the package of identified benefits to be integral to the proposed expansion and a sufficient response to both the City's major institution policies and street vacation policies.

Upon review of the street vacation public benefit package, the proposed MIMP, and additional material submitted at the request of the Design Commission, DPD finds the proposed public benefit package sufficient compensation for vacating rights-of-way within the Laurelon Terrace.

The 40th Avenue NE street amenities and the pocket park do the most to mitigate the land use impacts of the Phase 1 building. For these to be appropriate public benefits to compensate for a street vacation, public access must be assured by an open, inviting design that will enhance the experience of people passing by and through this part of the Children's campus.

Seattle City Light (SCL): SCL has no comments on the vacation. If Children's requires SCL to provide utility services in this area, they shall be responsible for any and all charges, per DPD.

Seattle Public Utilities (SPU):

Issues:

Water Distribution System Impacts:

- The existing water facilities in the area of the proposed vacation are important assets for the performance of the system outside the proposed vacation area. Water from the 8" main in 40th Avenue NE is currently conveyed to the 8" main in Sand Point Way NE via two 6" supply legs. One leg is the 6" main in Sand Point Way NE from 40th Avenue NE to 41st Avenue NE. The critical companion to this supply leg is the 6" main in NE 46th Street and in 41st Avenue NE from 40th Avenue NE to Sand Point Way NE. This second supply path runs through the streets proposed for vacation. The vacation would eliminate one-half of this existing supply couplet. Such an impact would only be acceptable if the remaining supply leg in Sand Point Way NE were replaced with a larger diameter pipe. The vacation would also eliminate two hydrants needed for standard hydrant coverage outside the vacation area. These two hydrants must be relocated to remaining street right-of-way adjacent to their current locations.

Sewer System Impacts:

- See conditions 4-7 below.

Recommended conditions:

1. Install a standard commercial district water main in Sand Point Way NE in place of the current 6" water main, from 40th Ave NE, extending NE approximately 355 feet. Valving associated with the replaced main should promote the highest level of water service reliability given the critical nature of customer use in the area. Replicate the existing fire hydrant at 40th Ave NE and Sand Point Way NE in the design of the replacement water main.
2. Relocate the existing fire hydrant at 41st Ave NE and Sand Point Way NE to a position outside the vacation area but still roughly equidistant between the two existing hydrants to the northeast and to the southwest.
3. Relocate the existing fire hydrant at 40th Ave NE and NE 46th Street to a location on 40th Ave NE roughly equidistant between the two existing fire hydrants to the north and south.
4. The mainline sewer in NE 46th St/41st Ave NE shall be turned over to private ownership. Includes the length in 40th Ave NE to the MH.
5. The area is the former Swamp Creek. Any unknown drain pipes shall be located and documented. Unknown drains may also be required to be plugged off at the downstream margins of the project site. All drainage connections shall be to public storm drains in 40th Ave NE or NE 45th St.
6. Storm drain (old existing converted sewer outfall) in 40th Ave NE is along the east margin, no tree planting allowed.
7. The Petitioner shall be held responsible for any concrete plugging a public sewer and/or storm drains due to shoring construction activities.

If the recommended water system and sewer system changes were undertaken and completed by the Petitioner at the Petitioner's expense, SPU would not be opposed to the proposed vacation.

Seattle Design Commission: reviewed this project at its regular meetings of March 19, 2009, April 2, 2009, April 16, 2009 and April 15, 2010 and took the following actions:

March 19, 2009: the Commission would like to thank Children's for its clear presentation and unanimously approved the urban design merit of the proposal to vacate 41st Ave NE and NE 46th St in the Laurelon Terrace block with the following comments and recommendations:

- The Commission is of the opinion that because this road was planned and platted for the condominium development on the site now, the street is no longer necessary when the existing development is removed.
- Of all possibilities for an expansion of Children's of this scale, developing the Laurelon site appears to the Commission the alternative with the least urban design impact to surrounding areas.
- The Commission acknowledges there will be urban design impacts as follows:

- The street grid will not be impacted because the streets to be vacated were not a part of the original street grid.
- The urban morphology—massing, block forms, spatial patterns—of the proposed project, with its large new buildings, will differ from that of the surrounding neighborhood.
- The character of the immediate neighborhood will change.
- The pedestrian experience will be impacted negatively by an increase in traffic, and also positively by the proposed pedestrian improvements.
- There is a possibility that the parkway character of Sand Point Way may be impacted.
- Traffic impacts will result and shift when vehicular use of the site increases and the primary vehicular entrance is moved from Penny Drive to 40th Ave NE.
- The Commission recommends that the existing neighboring uses in the triangle of land flanked by Sand Point Way NE, NE 45th Street and 40th Avenue NE be given consideration because they will be greatly affected by the proposal.
- While the Hartmann property, on the other side of Sand Point Way NE from the subject site is slated to be improved in Phase II, the Commission recommends that improvements that better link the facility to the Burke Gilman Trail be made sooner.

With regard to the next presentation, the following recommendations are made:

- Please provide more definitive site statistics, such as delineating open space between the at-grade open space and areas provided in above grade plazas.
- More clearly delineate publicly accessible and semi-private open spaces.
- Provide clarity on which project elements are parts of the project and which are exclusively tied to the public benefit required for the street vacation.
- Please provide more definition of the traffic patterns, particularly at the 40th Ave NE and Sand Point Way NE intersection.
- Provide more distinction between policies, goals and public benefits.

April 2, 2009: the Commission thanks the Children's project team for the presentation of the street vacation and denies approval of the public benefit package unanimously.

While the Commission applauds the sustainability measures and the extent to which the project team has looked far beyond the campus in providing amenities in the framework of the master plan, the Commission does not see the presented public benefit package as clear enough to approve.

The Commission is in agreement that a reduced number of public benefit items would be acceptable, but that more detailed information and documentation is necessary in order to

approve the public benefit package. The Commission would like to see the following six items included in the public benefit package:

1. A pedestrian and bicycle connection across the Hartmann property to the Burke-Gilman Trail.
2. A plaza and street amenities on Sand Point Way NE, including wide sidewalks, landscaping, signage, lighting, furniture, weather protection, and street accessible bicycle, coffee, and gift shops.
3. Enhanced public transit/Children's shuttle center on Sand Point Way NE.
4. \$2 million for City of Seattle bike and pedestrian fund.
5. A plaza and street amenities on 40th Avenue NE, including wide sidewalks, street trees, landscaping, furniture, and signage.
6. Pocket garden at corner of 40th Avenue NE and NE 45th Street.

More information should be provided on items 1, 2, 5, and 6 at the next meeting. The Commission would like to see a brief graphic presentation and diagrammatic material that includes specificity on dimensions, materials, etc. Commissioners ask that the project team provide a breakdown of the public benefits into four phases of the Master Plan.

April 16, 2009: the Commission thanks the project team for a well organized, clear, and specific presentation. It appreciates the purpose statement, which was important in establishing the intent of each phase. The Commission approves the public benefit phase of the design unanimously as presented with the following amendments:

Public benefit item one, Burke Gilman Trail/Sand Point Way NE Connection to the Hartmann Site, is amended as follows:

- Clear sight lines from Sand Point to the Burke Gilman Trail will be developed.

Public benefit item two, Street Amenities on Sand Point Way NE is amended as follows:

- Where a maximum 22 ft 6 inch wide public benefit zone is proposed, this shall be the minimum dimension.
- The artist will be involved early in the project.

Public benefit item three, Enhanced Public Transit/Shuttle is amended as follows:

- Provision of an all-way-walk system at the intersection of Sand Point Way NE and NE 40th Street will be explored.
- Clarity will be provided in the design as to which bus stops serve Metro riders and which serve the Children's shuttle riders.

- Children's will use Metro's community based art program to customize the bus shelters.
- The artist will be involved early in the process.

Public benefit item four, \$2 Million for Bike and Pedestrian Fund is commented on as follows:

- Investment in bike and pedestrian improvements in the greater area surrounding the site is commendable.
- Commissioners understand that the improvements proposed are based on the results of the traffic impact analysis completed as part of the EIS.

Public benefit item five, Street Amenities on 40th Avenue NE is amended as follows:

- The term "safe" will be included in the first phase of the statement of purpose.
- Remove a 32 ft. 6 inch wide public benefit zone along 40th Avenue NE from the public benefit package.
- Safety markings will be provided at the emergency entrance to protect pedestrians.

Public benefit item six, Pocket Park at Corner of 40th Avenue NE and NE 45th Street is amended as follows:

- Sustainability measures will be included in the pocket park.

Amendments to the full packet are as follows:

- As the phases come into development, coordinate with appropriate agencies, such as SDOT.
- The use of catchment water for irrigation of landscaping will be explored.
- A minimum of 20% of plants will be evergreen species.
- A minimum of 20% of plants will be native species.
- A minimum of 20% of plants will be drought tolerant species.

The Commission reviewed the public benefit proposal again on April 15, 2010 following the Council adoption of the Master Plan. Specifically the Commission reviewed some changes to the proposed connection between Sand Point Way NE and Burke-Gilman Trail that were required since the Hartmann property will not be developed as a part of this Master Plan. The minutes of that meeting are not yet available but the Commission did recommend in favor of the public benefit package.

Outside Agencies:

King County Department of Transportation: King County Metro Transit has reviewed the request and has no objection to the vacation.

King County Wastewater Treatment Division: King County research has concluded that wastewater conveyance lines do not exist near the subject property.

Qwest Communications: Qwest Corporation has no need to use the described area at this time and have no plans to utilize them in the future. Based upon this, we have no objections to the requested vacation.

Puget Sound Energy (PSE): PSE has a gas main located in that portion of 41st Ave NE that is proposed for vacation. PSE requires the gas main on private property be covered by an easement document. However, Children's has contacted PSE with the intent to cut and cap the existing gas main within 41st Ave NE but not until demolition for the project starts.

PSE will not require an easement document or any additional rights to cover the existing gas facilities in the proposed vacation area as the intent is to cut and cap the existing gas main. Children's does not have a cut and cap application with PSE at this time as they will need to submit their application at a closer time to the project construction.

Seattle City Light provides the electrical facilities for this area, so we do not have any electric facilities affected in this area.

Community Comments:

Laurelhurst Community Club: The Laurelhurst Community Club (LCC) Board of Trustees considered the petition for the vacation of portions of 41st Avenue NE and NE 46th Street in the Laurelhurst neighborhood. The petition incorrectly states that the proposed vacation is located in the Laurelhurst and Ravenna/Bryant neighborhoods, whereas the area is located entirely within the Laurelhurst on the site of the 136-unit Laurelon Terrace condominiums, slated to be demolished to accommodate expansion of Children's.

LCC believes the petition falls short in meeting the public benefit requirement for street vacations. The elements of the Petitioner's public benefit proposal are essentially the mitigation measure offered as part of its proposed master plan and are not the equivalent of the public benefit required for a street vacation. The required long term public benefit should be provided on or immediately adjacent to Children's main campus. Examples that should be explored include: increasing the proposed 40 foot setback along portions of NE 45th and 50th Streets to 75 feet, prohibiting vehicle access to the main campus and the Laurelon Terrace site from 40th Avenue NE and limiting building heights to 105 feet. LCC offers the following comments on the petition relating to public trust, public benefit and land use effects.

While LCC does not oppose the proposed street vacation, we believe that the Petitioner's public benefit proposal falls short in providing "a long-term benefit for the general public" as required by Resolution 30702. By proposing public benefit elements that are already a part of its current proposed master plan either as mitigation for environment impacts or in response to comments from its Citizen Advisory Committee (CAC), Children's is attempting to "double count" these elements rather than respond to the separate, additional public benefit requirements of the street vacation policies. Although the CAC had a briefing on street vacation issues, it did not address the components of the public interest requirement for vacations nor did it make recommendations in this regard.

The public benefit requirement should be provided on or immediately adjacent to Children's main campus. Off-site benefits are allowed only where it is not practical to provide the public benefit on the development site. There are many opportunities to provide public benefits on or adjacent to the main campus.

Perhaps the most critical of these are increased, landscaped setbacks and reduced structure heights to help mitigate the height, bulk and scale and other impacts of Children's proposed facility. The street vacations will enable a much bulkier structure on the Laurelon Terrace site than could otherwise be built if the street were not vacated—one that is wholly incompatible with the single family and other developments in the area. It is essential that meaningful, additional public benefit be provided to off-set the impact created by the street vacations.

For example, Children's proposed 40 foot setback along portion of NE 45th and 50th Streets should be increased to 75 feet. This is something recommended in a master plan minority report signed by seven member of the CAC and supported by LCC. The full CAC asked for a 75 foot wide buffer on 45th and 50th in its comments on the draft master plan but they were not provided. The greater setback will help to screen building mass, achieve better transition between land uses, ensure space for plant growth, and allow for pockets of low growth along streets and higher growth behind. The current setbacks provided in the proposed master plan are offered a minimal mitigation for the environmental impacts of the expansion. If the setbacks are increased along NE 45th and 50th Streets, then this would be above and beyond and would qualify as public benefit.

Another possibility to provide the required public benefit on the main campus would be to limit building heights to 105 feet. This is something supported by LCC and recommended by seven CAC members in a minority report.

Children's has proposed a building height of 160 feet (conditioned to 140) on the Laurelon Terrace site and the west portion of the main campus. The CAC supports this building height on portion of that area and recommends a height of 125 feet south of an east/west line lying

approximately 350 feet north of the current south property line. Children's apparently agrees that the 125 feet height is feasible for it to meet its needs.

Restricting building heights to 105 feet would be a major public benefit. The lower height is needed at the gateway to the neighborhood to maintain the single-family character. The lower height is also consistent with the maximum height allowed for major institutions outside of urban villages, and is three and a half times higher than the base heights allowed in the single family and lowrise multifamily zones that surround Children's campus and in the single family zone on the campus itself. A 105 foot height is higher than any height approved in Children's current master plan.

Still, another possibility to provide the required public benefit would be to prohibit vehicle access to the main campus and Laurelon Terrace site from 40th Avenue NE. Children's has proposed two vehicle access points off of 40th Avenue NE.

The Petitioner can easily meet its needs by restricting vehicle access to the main campus and Laurelon Terrace to Sand Point Way and Penny Drive. Restricting vehicle access would be a very important public benefit. Large volumes of hospital traffic should not be diverted onto the widely used 40th Avenue residential street. As stated in the minority report:

- 40th Avenue NE is a residential street used widely by residents, school children, school busses, fire trucks and other emergency vehicles. It is a major route out of the neighborhood to grocery stores and other businesses. Use of this street to enter Children's parking garage and emergency area would unnecessarily create traffic congestion and conflict among the competing hospital, fire department and other community uses.
- 40th Avenue NE is the major route used by emergency service vehicles from Fire Station 38 to enter the Laurelhurst community. The current three-minute response time would be increased and would impact the safety of neighbors in the community with medical and other emergencies.
- Hospital use of 40th Avenue NE will force neighborhood traffic onto other residential streets near the neighborhood schools, churches and the Laurelhurst playfield. This will impact children riding bikes and walking to school and playing in the area.

Providing bus stops and bus stop amenities should not be a component of the public benefit requirements: the Petitioner asserts that transit hubs on both sides of Sand Point Way, a block over from the proposed vacation, would benefit the general public and should be counted toward its requirement to provide public benefit. We disagree. The bus stops would principally benefit Children's employees and are already a component, albeit a minimal one, of the Transportation Management Plan (TMP). The TMP notes that bus stops will be equipped to receive busses and

shuttles for employees, employees will be provided an “unlimited-rides FlexPass” and further that the bus stops will be connected to Children’s via pathways.

Providing streetscape enhancement and pedestrian and bicycle trails on campus and across Sand Point Way should not be a component of the public benefit requirement in this case: these improvements are already a part of Children’s master plan mitigation for this expansion. Setbacks and landscaping within the existing boundaries are also part of Children’s current plan. In both the current and proposed plans, they provide the necessary transition under the Land Use Code and SEPA to the nearby single family housing and should not be used as a mechanism to comply with the Vacation Policies. The pedestrian and bicycle trails on the campus primarily benefit Children’s staff, patients and families of patients—not the general public. The pathway to the Burke-Gilman Trail on the Hartmann property across Sand Point Way is far removed from the proposed street vacation area and also primarily benefits those using Children’s facilities.

Enhanced capacity for pediatric care and uncompensated care is not sufficient to comply with the public benefit requirement. Resolution 30702 states that providing a public service “does not in and of itself constitute an adequate public benefit,” although it is a factor in determining the adequacy of the public benefit proposal.

LCC urges that the Petitioner be asked to supplement its public benefit proposal to comply with Resolution 30702.

Nicole Van Borkulo: I am a resident of the nearby Ravenna Bryant neighborhood and alternate member of the Children’s Citizen Advisory Committee. After 27 meetings and extensive public comment, the CAC recommended—by a 16 member majority—approval of the proposed master plan, including expansion of the campus to include Laurelon. I am writing to offer my unqualified and enthusiastic support for Children’s proposed vacation.

The Laurelon site and street vacation are essential to expansion of the medical facilities under the proposed master plan. I understand the Design Commission is currently reviewing the proposal. It is clear 41st Avenue NE does not serve any transportation function other than to provide access to the Laurelon condos and therefore a vacation under the proposed master plan would have no perceivable transportation impact.

The current physical character in the area of Sand Point Way NE adjacent to the Laurelon site can only be described as drab and distressed. For over a year, I had an office in the building two blocks west of the Laurelon site. I found there was no appeal to wandering Sand Point Way NE during lunch or breaks as it is unfriendly to pedestrians due to fast moving traffic and the lack of sidewalks and signalized crossings. I witnessed several near misses between pedestrians and motorists from my office. The existing retail shops are difficult to reach by foot. There isn’t anything robust or vibrant about the stretch of Sand Point Way NE between Children’s and what

is referred to as “five corners”. Children’s expansion westward will help to revitalize the entire area for small businesses, enhance walkability, and create a new sense of urban identity to the neighborhood. As a resident and small business owner, I am very excited about the revitalization of the neighborhood that will come with these improvements and the opportunities it will give to me and to my children to more fully participate in our neighborhood.

Colleen McAleer: I have reviewed the petition filed by Children’s. The law requires that public benefit should be required from the petitioner which provides benefits to the community affected by such closures (Resolution 30702). Children’s does not meet that requirement in its current petition. It instead reiterates the required “benefit” such as internal bike paths and free bus passes for its employees. These “benefits” do not provide any relief for the adjacent community which is severely impacted by the magnitude of the enormous change in height, bulk and scale and quadrupling of local traffic congestion that the hospital will cause.

It is imperative that Children’s offer a real public benefit to be compliant with the law. It is the Seattle Department of Transportation which must enforce such laws to protect Seattle neighborhoods.

Several meaningful benefits that could be required include:

1. Restrict all entrances and exits to Penny Drive as it exists today. Their plan to convert a residential street of 40th Ave NE to use as a primary Emergency entrance and parking garage will gridlock the Laurelhurst neighborhood, and reduce access to the emergency vehicles crossing Sand Point Way NE. This very short street, 40th Ave NE, is heavily used by residences heading north and is already congested.
2. Provide 75 foot buffers along NE 45th and NE 50th Streets which will provide some relief for the adjacent residences from the reduced light from the bulk and scale of the project.
3. Lower the maximum building heights to 105 feet, keeping a more compatible profile to the 2-story single family houses.
4. Build a pedestrian walkway over and across Sand Point Way NE from the hospital to connect to the Metro bus stop. It could also include a bike crossing. As the hospital expands and staff makes more trips by transit as each transit rider crosses Sand Point Way to board a bus, they will stop traffic and cause even greater local congestion.

POLICY FRAMEWORK

Street vacation decisions are City Council decisions as provided by State statute and have not been delegated to any City department. There is no right under the zoning code or elsewhere to vacate or to develop public right-of-way. Vacation of public right-of-way requires discretionary legislative approval that must be obtained from the City Council, and the Council may not vacate public right-of-way unless it determines that to do so is in the public interest. The decisions must

assure that potential development and use of the vacated right-of-way is in the public interest. The Council may be guided by adopted land use policies, but the Council is not limited by land use policies and codes in making street vacation decisions and may condition or deny vacation as necessary to protect the public interest.

Rights-of-way are dedicated in perpetuity for use by the residents of Seattle for purposes of public travel and transportation of goods. The dedication carries with it certain public rights to circulation, access, utilities, light, air, open space, and views. City government acts as the public's trustee in administering streets and alleys. The City Council first adopted Street Vacation Policies in 1986 and a few sections of the policies were revised in 1993 in Resolution 28605. Significant revisions were made to the Vacation Policies in 2004 in Resolution 30702. The Policies were amended in 2009 and can be found in Clerk File 310078.

ANALYSIS

The City's Street Vacation Policies provide that vacation requests may be approved only when they significantly serve the public interest. The Street Vacation Policies provide for a three-step review of any vacation petition in order to determine if the vacation is in the public interest.

The Policies define the components of public interest as:

1. Protection of the public trust;
2. Protection from adverse land use impacts; and
3. Provision of public benefit.

The Street Vacation Policies provide that during the review of the petition, the public trust and land use effects of a vacation should be weighed against the mitigating measures and the public benefits provided by the vacation to determine whether the vacation is in the public interest. In balancing these elements of the public interest, primary importance should be placed upon protecting the public trust in rights-of-way.

Protection of Public Trust: The Policies define the public trust functions of rights-of-way as being circulation, access, utilities, light, air, open space, and views. Policy 1 of the Street Vacation Policies addresses the basic purpose of streets. Streets are created to provide for the free movement of people and goods throughout the City, to provide access to individual properties, and to provide space for utility services.

Through the vacation process, an adjacent property owner acquires public street right-of-way for private use or development purposes. Since the vacation is generally about the loss of some portion of a street, the review process must evaluate the loss of that street segment. The review normally looks at the impact on the grid pattern in the area, the impact on the provision of utility

services, how the circulation pattern is altered and how that impacts pedestrians, bicyclists, vehicular movements, emergency services, and commercial activity.

Transportation Impacts: The streets proposed for vacation, NE 46th Street and 41st Avenue NE appear to have been platted to support the development of the adjacent condominium project. The streets form a curved “C” shape through the project and connect on the north to Sand Point Way NE and on the west to 40th Avenue NE. There is no connection to other streets so the streets proposed for vacation do not function as an important part of the larger transportation grid. The only real utility in the streets has been to serve the adjacent condominiums, and once the condominiums are gone the function is no longer necessary. The loss of these street segments should have virtually no impact.

Reviewing the traffic impacts from the development following the vacation identifies far more impacts. The Final Environmental Impact Statement (FEIS) prepared in 2008 identified significant adverse traffic impacts from the planned expansion along certain streets and intersections, but also shows that implementation of the proposed Transportation Management Plan (TMP) and related mitigation would include a 40 to 60% improvement in travel time relative to impacts without such mitigation. The Master Plan process identifies and addresses transportation impacts associated with Master Plan development. The Master Plan requires a TMP to reduce transportation impacts by various design and strategic goals.

Children’s has developed a TMP that builds on their previous successes. The current TMP has achieved an SOV rate of 38%. The proposed TMP is designed to achieve a 30% SOV rate. The TMP is also designed to achieve secondary goals. Children’s intended its TMP to address broader goals than meeting TMP goals and intended the document to include public benefit elements and goals for enhancing public health. Children’s has made a connection between its core mission of public health and the environmental and health impacts from driving. Children’s has programs relating to childhood obesity and incentives for its staff to walk or bike to work for their health as well as to meet TMP goals. Recognizing the connection between public health and reducing congestion is likely to make the TMP goals easier to meet and easier to sustain.

The TMP is contained in the compiled adopted Master Plan and is too lengthy to reproduce in this recommendation but some highlighted elements from the Council conditions are noted as follows:

- Onsite improvements include a shuttle hub; an enhanced campus pathway to connect to transit along Sand Point Way NE and/or 40th Avenue NE; and bicycle parking.
- Working with SDOT and Washington State Department of Transportation (WSDOT) to improve intersections such as Penny Drive/Sand Point Way NE and 40th Avenue NE/Sand Point Way NE; improve connectivity between the Burke-Gilman Trail and Children’s; enhance the Sand Point Way NE street frontage.

- Off-site parking may be provided to reduce traffic impacts.
- Children's is to pay its fair share of future signal installation at 40th Avenue NE/Sand Point Way NE; 40th Avenue NE/NE 55th Street; and 40th Avenue NE/NE 65th Street, in the initial phases of development.
- Children's is to provide \$500,000 to build Intelligent Transportation System Improvements through the corridor from Montlake Boulevard/NE 45th Street to Sand Point Way NE/NE 50th Street.
- Children's is to provide approximately \$1.4 Million for its share of Northeast Seattle Transportation improvement projects identified from the University Area Transportation Study, the Sand Point Way NE Pedestrian Study, and the City of Seattle Bicycle Master Plan.
- Children's is to provide \$2 Million for pedestrian and bicycle improvements in Northeast Seattle over the time frame of the Master Plan development.
- Children's is to achieve a 30% single occupancy vehicle (SOV) mode split goal or lower.

After a review of the adopted Master Plan, the revised FEIS, the TMP, and the Street Vacation Policies, SDOT does not find additional transportation impacts related to the vacation and finds that the transportation impacts have been adequately mitigated in the Master Plan.

Utility Impacts: In addition to the transportation purposes, street rights-of-way provide space for utility lines and facilities. The vacation review must consider the impact on any public utilities; both current and future impacts must be assessed. If any utilities are located in the right-of-way, it must be possible for the utility to relocate or terminate those facilities or the vacation is not feasible. The utility should not be negatively impacted in its ability to deliver services, now or in the future, to access its facilities for repair or maintenance, or to update or expand services. Any proposal to relocate or alter utility services must be satisfactory to the utility provider and the costs to accommodate the utility needs are the obligation of the Petitioner.

The review identifies a rather unusual issue with SPU. SPU has identified that the utility facilities in the street proposed for vacation serve a supporting role for the larger public water facilities in Sand Point Way NE. SPU describes the facilities in the area proposed for vacation as "supply legs" and notes that with the loss of the supply legs it will likely be necessary that there be some upgrades to the water distribution system in Sand Point Way NE. In its comments on the vacation SPU provided clear detail about what work would need to be done. Children's would be responsible for working with SPU to implement the plan outlined in the vacation comments or some other solution as directed by SPU.

For other utilities, it appears that the existing utility facilities will need to be removed and replaced and that no long-term easements are likely to be required. Children's will need to work with Seattle City Light, SDOT, SPU, PSE, and Qwest to address existing utility infrastructure.

Light, air, open space and views: Because street right-of-way is open and undeveloped, streets and alleys can have value as open space and streets can be important view corridors. Streets can provide important breathing space in dense urban areas. The streets proposed for vacation have abundant landscaping on both sides and serve a relatively low-scale condominium development so the street is a green and pleasant area to walk or drive. However, the streets are not part of a larger grid and so do not provide any public views or provide an important connection to other parts of the community. The streets proposed for vacation do not serve an important role as open space in the community and the streets do not provide for significant public views.

Protection from adverse land use impacts: The second step in the review process is to evaluate the land use impacts of the proposed vacation and subsequent development. The land use portion of the Policies, Policy 4, is concerned mainly with ensuring that post-vacation development is consistent with the land use pattern in the area and with City policies and codes. The Policies specifically state that proposed vacations may be approved only when the development potential that is attributable to the vacation would be consistent with the land use policies adopted by the City Council. The vacation decision will be based on the policies applicable for the type of area where the development is proposed.

Vacation petitions are often associated with large or complex projects that may include rezones or other special review. With most land use actions, each decision is completely independent and each is made using distinct criteria. Vacations related to an adopted Major Institution Master Plan are different. Guideline 4.6 F of the Street Vacation Policies states that for proposed vacation within Major Institution boundaries; the Major Institution Policy Guidelines and Objectives will be used to evaluate the land use effects of the vacation.

The Street Vacation Policies go on to specify that if a Master Plan has been adopted, the vacation decision will give substantial weight to the provisions of the individual master plan. Land use, transportation and traffic information contained in the EIS for the Master Plan will be considered. The Policies however also note that the identification of intended vacation in a master plan shall not constitute prior approval of the vacations.

The review of proposed vacations in an adopted Master Plan is focused on whether the development is consistent with the Master Plan and whether the proposal meets the goals established by the City Council and the institution when the Master Plan was adopted.

The City Council spent considerable time reviewing the overall scale of Children's proposal and reviewed height, scale, Floor Area Ratio (FAR), lot coverage, total square footage of the facility,

number of patient beds and other elements. The numerous conditions imposed through the Master Plan address the impacts from the growth of Children's. In its conditions, the City Council notes that SMC 23.69.025 states that "the intent of the Major Institution Master Plan shall be to balance the needs of the Major Institutions to develop facilities for the provision of health care or educational services with the need to minimize the impact of Major Institution development on surrounding neighborhoods."

Council condition number 27 in the adopted Master Plan provides a summary of the work done to condition the project and address the impacts of the physical growth of the institution:

27. Council reviewed the proposed MIMP, revised MIMP, Final EIS and revised Final EIS, the Hearing Examiner's record, and considered oral argument and submittals from appellants, including the Settlement Agreement. It is Council's conclusion that the MIMP embodies an appropriate balance between Children's need for long-term growth and the need to lessen the impact of that growth on the surrounding community, and should therefore be approved. Mitigation measures are found in Children's significant commitments that include: 1) reducing and managing the transportation impacts by employees and patients while improving the transportation infrastructure at or near its campus; 2) creating a development plan that lessens the impacts of new buildings through significant setbacks, the siting of new building and limitations on lot coverage; 3) limiting the massing and location of new buildings to lessen their visual impacts on surrounding properties; 4) providing a comprehensive open space network to provide relief from bulk and scale of development while providing passive recreation opportunities for the campus; and 5) a commitment to landscaping that enhances the campus while shielding it from neighboring properties.

The Master Plan contains other conditions to address growth impacts, including among other conditions:

- Limiting total development on the campus to 2,125,000 gross square feet, excluding above and below grade parking and rooftop mechanical equipment..
- Limiting the FAR to 1.9, excluding below grade developable floor area, below-grade parking structures and rooftop mechanical equipment.
- Limiting height limits of the buildings; no more than 20% of land may include structure over 90 feet in height, no more than 10% on the land may contain structures that exceed 125 feet in height; and no structure may exceed 140 feet in height.
- Upper level setbacks are imposed on buildings higher than 50 feet.
- The south setback was increased to 75 feet along the entire NE 45th Street boundary.
- The Hartmann site was removed from the Master Plan.
- A minimum of 41 % (507,000 square feet) of total area of the expanded campus must be maintained as open space.

- Trees within the Laurelton Terrace area must be moved and replanted on the Children's campus, to the extent feasible.

In considering the land use impacts of the vacation it is interesting to note that the development alternative selected by Children's was selected in large part because pushing growth onto the Laurelton site was perceived as having fewer impacts on the adjacent community. The Laurelton site is at a much lower elevation than much of the Laurelhurst community and the lower grade means that the taller buildings will have less visual impact. In its comments on the vacation, DPD considered that this site selection was in and of itself, a mitigation measure.

In the Master Plan, Conclusion number 7 notes, in part that "nearby residential neighborhoods are better protected by expansion of the MIO boundary to include the Laurelton site than they would be by requiring Children's to accommodate the entire projected need within existing boundaries."

It seems clear that the least impactful alternative was selected and that the proposal has been thoroughly conditioned through the proceeding review.

After a review of the adopted Master Plan and a review of the direction provided by the SMC relating to the purpose of the Master Planning process and the Street Vacation Policies, SDOT does not find additional or other land use impacts that must be conditioned through the vacation process. The development proposal appears consistent with the Master Plan, as amended, and approval of the vacation is a necessary step to implement the development provided for in the adopted Master Plan.

Provision of Public Benefit: The Street Vacation Policies note that vacations must provide a long-term public benefit. Vacations will not be approved to achieve short-term public benefits or for the sole benefit of individuals. It is anticipated that the public benefit will include specific and tangible physical elements as the Policies provide that facilitating economic development, meeting code requirements for development or mitigating defined impacts is not a sufficient public benefit.

The Policies provide that there should be a balance between what the public gives up and what the Petitioner acquires through the vacation process. The review should consider the scale of the vacation, the scale of the project, and the identified impacts. If a project is significant in scale, if the vacation is large in size or if the project has significant impacts, then the Policies anticipate that the public benefit proposal must also be significant.

The Policies require that the Petitioner provide some factual information about the project site to assist in the review of the public benefit proposal. The goal of including this information is to

help in determining if there is an appropriate balance between what the developer achieves from the vacation and what is provided to the general public.

Public Benefit Matrix

Zoning designation	Major Institution Overlay, with various height limits
Street classification	Residential streets with two arterials – Sand Point Way and NE 45 th , surrounding site
Assessed value of adjacent property	2008 assessed value of Laurelton Terrace block is \$15.35 million or \$62.50 per square foot
Lease rates in the vicinity for similar projects	Laurelton leases for \$950 to \$1,150/month
Size of project, in square feet	Limited to 2,125,000 square feet
Size of area to be vacated, in square feet	Approximately, 42,000 square feet (.96 acres)
Contribution of vacated area to development potential	Children’s could expand without using this site but would need to amend the Master Plan.

Public Benefit Proposal

Children’s has proposed a public benefit package that includes on-site public open space as well as enhancements to the sidewalk and street environment adjacent to the campus. The proposal includes the more specific development standards included in the exhibits attached to this recommendation. The following elements are proposed for the public benefit package:

1. Burke-Gilman Trail/Sand Point Way NE connection at Hartman Site

The purpose of this public benefit is to provide 24 hour pedestrian and bicycle public access from the Burke-Gilman Trail to Sand Point Way NE and across the proposed new intersection at 40th Avenue NE and Sand Point Way NE. The trail connection is to be designed to provide a safe route for people to access the 40th and Sand Point Way NE intersection. Crime Prevention through Environmental Design (CPTED) strategies will provide a guideline for design for all of the public benefit elements.

This connection would likely be constructed during the second phase of the Master Plan.

2. Street Amenities on Sand Point Way NE

The purpose of this public benefit is to provide plaza, street and sidewalk improvements for public access and the use of Sand Point Way NE along the former Laurelon Terrace condominium (east side of Sand Point Way NE) and the Hartmann (west side of Sand Point Way NE) properties.

These improvements would likely occur during the first two phases of development.

3. **Enhanced Public Transit/Seattle Children's Shuttle Centers on Sand Point Way NE**

The purpose of the enhancements is to improve public access to Metro bus routes and Children's shuttle on both sides of Sand Point Way NE.

These improvements would likely occur during the first two phases of development.

4. **\$2 Million for Bicycle and Pedestrian Fund**

The purpose of this is to allow SDOT to fund and develop unfunded priority projects in Northeast Seattle, particularly those that are within 1.5 miles of Children's main campus, that promote safe biking and walking for the general public.

The goal is to have the money distributed as early as possible in the development process.

5. **Street Amenities on 40th Avenue NE**

The purpose is to provide plaza, street and sidewalk improvements for public access and use of 40th Avenue NE along the former Laurelon Terrace site from NE 45th Street to Sand Point Way NE that are less intensive than the plazas on Sand Point Way NE and instead serve as a transition to the residential development on the west side of 40th Avenue NE.

These improvements would occur within the first phase of development.

6. **Pocket Park at Corner of 40th Avenue NE/NE 45th Street and NE 45th Street Edge**

The purpose of this public benefit is to provide a public area of respite and a focal point at this transition area between the Laurelhurst neighborhood on the south and Seattle Children's future development.

This improvement would occur within the first phase of development.

In assessing a proposed public benefit package there are several questions which must be addressed including, are the elements proposed truly a public benefit, will the public use and enjoy the proposed benefit? Additionally, are the public benefits offered over and above elements that would be required by the land use code or are the elements required by other regulatory or review procedures? And finally, the overall amount of the public benefit offered must be considered. Is the public benefit proposal adequate? Is there an appropriate balance between what the Petitioner achieves through the vacation process and what the general public is offered?

Are the elements proposed a public benefit? The City Council has historically found that the creation of useable public open space and enhancements to the pedestrian environment provide the strongest public benefits. The Council has supported a wide variety of streetscape enhancements and public spaces that includes plazas, widened sidewalks, extra landscaping, art, pedestrian and bicycle paths, and safety enhancements. The package of public benefits proposed seems very consistent with the priorities established by the City Council. The elements proposed by Children's can constitute a public benefit but the design will have to proceed carefully to make sure that the enhancements are utilized by the public. SDOT will continue to work with Children's to make sure the design is focused in ways that support pedestrian use such as generous buffers between sidewalks and drive lanes, overhead weather protection at transit connections, pedestrian scale lighting, benches, and information kiosks, and real-time transit information. SDOT would also like to see that the rest stop proposed for the Burke-Gilman Trail connection is visible from the street and includes seating and perhaps a water fountain.

Comments on the vacation from adjacent neighbors asked that the height of buildings on the campus be reduced and the comments indicated the community felt that would be a significant public benefit. While such an item is not generally part of a public benefit package, since the Council did reduce the height limits of the project it is hoped the community finds that change to be responsive to its concerns about the adequacy of the public benefit proposal.

Are the proposed public benefit elements required by other regulatory actions? This single question has been the most difficult challenge in the review of the vacation. The difficulty in answering that question stems, in part, from the nature of the Master Plan review. The Master Plan is intended to be an overarching umbrella and address all the impacts of institutional expansion. The Master Plan is specifically intended to address all of the land use impacts and transportation impacts. The SMC discusses the need for balance between the impacts of the institution and public benefit provided by the institution. In conclusion number 1 the Council stated that "[t]here is no question raised concerning the public benefits that Children's provides and will provide in the future. The record includes a substantial amount of information about Children's exceptional work." The Master Plan talks about striking a balance between the impacts and the public benefit as do the Vacation Policies. However, the Vacation Policies don't direct that the vacation public benefit be resolved during the Master Plan review. Overall, it can

be difficult for Petitioners, reviewers and the public to be clear on how public benefit is measured and defined when the vacations implement an adopted Master Plan.

While SDOT believes that the Vacation Policies and a review of City Council actions on previous vacations would support the conclusion that “public benefit” as required by the Vacation Policies must be addressed through the vacation review process and that a public benefit package must be presented that is separate from other benefits or mitigation proposals, it is clear that even a review of the public benefit must be consistent with the overall goals of the Master Plan. Once Alternative 7R was selected, a vacation was a necessary element to develop the Master Plan and was an underlying assumption in every element of the review.

It must be recognized that for most of the alternative analysis and Master Plan review the amenities and benefits have been rather jumbled together. As the last step in the review process, many amenities that were connected to the vacation petition initially have now been required as elements of the Master Plan.

Children’s Master Plan, which includes the expansion of the boundaries to the Laurelon site, has always contemplated the vacation of the streets and has viewed the vacation as an integral and necessary element to implementing the Master Plan. Thus, Children’s has tended to tie elements together which makes it more difficult at this last stage to separate the public benefit elements. Many of the elements listed in Children’s public benefit proposal are also noted in the TMP. However, Children’s has not used any of the elements of the public benefit proposal in calculating how to reach its trip reduction goals or any mode split assumptions. While the elements of the public benefit proposal are intended to have a positive effect on safety and the pedestrian environment, the methods were not used to address any defined impacts or meeting any TMP goals. Those elements that exceed required mitigation can be considered as a public benefit. This would include the enhanced transit/shuttle center, the \$2 Million for bike and pedestrian improvements and some of the street amenities.

During its comments on vacation, DPD found the package of identified benefits to be integral to the proposed expansion and a sufficient response to both the City’s major institution policies and street vacation policies. The Design Commission, after a thorough review of four meetings, recommended the approval of the vacation and the public benefit package.

Upon review of the street vacation public benefit package, the proposed MIMP, and additional material submitted at the request of the Design Commission, DPD found the proposed public benefit package sufficient compensation for vacating rights-of-way within the Laurelon site.

During its review of the Master Plan, the Council was rigorous in its conditioning and has included as conditions most of the elements of the public benefit package. Virtually the only public benefit item that stands entirely alone is the Pocket Park at the corner of 40th Avenue NE

and NE 45th Street. This now expanded by the Council requirement for a 75-foot wide buffer along the street edge. This expansion from 40-foot buffer to a 75- foot wide buffer was also requested by the adjacent community as a public benefit and is now a part of the plan.

While the City Council is precluded from discussing legislative actions like a street vacation while a quasi-judicial matter (a rezone and MIO expansions) is under consideration, it is clear that the in-depth review by the Council was intended to broadly address every aspect of the institutional growth. It would seem inconsistent for the Council to begin its review of the vacations and expect an entirely new list of amenities to be presented. It seems appropriate to recognize that with the nature of the intense review of this Master Plan some overlap would be impossible to avoid and would be acceptable.

Is the public benefit proposal adequate? The Vacation Policies specify that the public service mission of a Petitioner is not, in and of itself, an adequate public benefit but that the mission of the Petitioner will be acknowledged when assessing the public benefit proposal. So the public benefit provided by Children's as a regional healing, research, and educational is acknowledged as supporting the public benefit proposal. The nature of the institution is to be balanced against the loss and impacts to the public in assessing the adequacy of the public benefit proposal.

The streets proposed for vacation are not important pieces of the transportation infrastructure so the loss to the public is minimal.

Children's has offered a strong public benefit package. Even if viewed from the most conservative perspective of discounting certain elements as mitigation or as included in the Master Plan it is hard to imagine that the proposal isn't adequate or that something additional should be required. This is a strong list of elements that will support the greening of the area and provide enhancements for bikers and pedestrians at Children's and the surrounding community.

In addition to other public benefit elements, Children's has committed itself to a set of sustainability goals for new facility design, construction and operation. These measures include adoption of the 2030 Challenge for reduction of green house gas emissions. Children's met the 2008 Green Guide for Health Care goal of a 25% reduction in total waste, using 2007 as a baseline.

The public benefit package was thoughtfully prepared. The proposal to focus on transportation and bicycle enhancements, pedestrian safety and character seems appropriate given the heavy traffic volumes in the area. Even if certain elements of the public benefit proposal are discounted or even eliminated from consideration as public benefits, the public benefit proposal, on balance, meets the criteria established by the City Council and can be supported.

RECOMMENDATION

It is recommended that the vacation be granted upon the Petitioner meeting the following conditions. The Petitioner shall demonstrate that all conditions imposed by the City Council have been satisfied and all fees paid, prior to the passage of the street vacation ordinance.

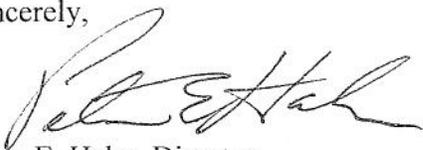
1. The vacation is granted to allow the Petitioner to build a project substantially in conformity with the project presented to the City Council and for no other purpose. The project must be substantially in conformity with the proposal reviewed by the Transportation Committee in May of 2010.
2. All street improvements shall be designed to City standards and be reviewed and approved by the Seattle Department of Transportation; elements of the street improvement plan and required street improvements to be reviewed include:
 - Street improvement plan showing sidewalks, street trees, lighting and landscaping around the site;
 - Proposed signal installations; and
 - Proposed pedestrian/bicycle trail connection from Sand Point Way NE to the Burke-Gilman Trail.
3. The utility issues shall be resolved to the full satisfaction of the affected utility prior to the approval of the final vacation ordinance. Prior to the commencement of any development activity on the site, the Petitioner shall work with the affected utilities and provide for the protection of the utility facilities. This may include easements, restrictive covenants, relocation agreements, or acquisition of the utilities, which shall be at the sole expense of the Petitioner. Utilities impacted include:
 - Seattle Public Utilities;
 - Puget Sound Energy;
 - Seattle Department of Transportation;
 - Seattle City Light; and
 - Qwest Communications.
4. It is expected that development activity will commence within 18 months of this approval and the development activity will be completed within five years. If the vacation cannot be completed within five years, the Petitioner must request an extension of time from the Transportation Committee. In order to insure timely compliance with the conditions imposed by the City Council, the Petitioner shall provide Seattle Department of Transportation with Quarterly Reports, following Council approval of the vacation, providing an update on the development activity and schedule and the progress on

meeting the conditions. The Petitioner shall not request or be issued a Certificate of Occupancy (C of O) for the project until SDOT has determined that all conditions have been satisfied and all fees have been paid.

5. In addition to the conditions imposed through the vacation process, the project, as it proceeds through the permitting process, is subject to SEPA review and to conditioning pursuant to various City codes and through regulatory review processes including SEPA.
6. The Petitioner shall develop and maintain the public benefit elements as defined by the City Council. A Property Use and Development Agreement (PUDA) or other binding mechanism shall be required to ensure that the public benefit elements remain open and accessible to the public and to outline future maintenance obligations of the improvements. Accountability for public benefit elements associated with later phases of development must also be outlined in the PUDA. The final design of the public benefit elements shall require the review and approval of SDOT and SDOT may request additional review by the Design Commission, if necessary. The public benefit requirement includes the following features as well as the corresponding proposed development standards:
 - **Burke-Gilman Trail/Sand Point Way NE connection at Hartman Site:** The purpose of this public benefit is to provide 24 hour pedestrian and bicycle public access from the Burke-Gilman Trail to Sand Point Way NE and across the proposed new Intersection at 40th Avenue NE and Sand Point Way NE. The trail connection is to be designed to provide a safe route for people to access the 40th and Sand Point Way NE intersection. Crime Prevention through Environmental Design (CPTED) strategies shall be a guideline for design for all of the public benefit elements. This connection would likely be constructed during the second phase of the Master Plan.
 - **Street Amenities on Sand Point Way NE:** The purpose of this public benefit is to provide plaza, street and sidewalk improvements for public access and the use of Sand Point Way NE along the former Laurel Terrace (east side of Sand Point Way NE) and the Hartmann (west side of Sand Point Way NE) properties. These improvements would likely occur during the first two phases of development.
 - **Enhanced Public Transit/Seattle Children's Shuttle Centers on Sand Point Way NE:** The purpose of the enhancements is to improve public access to Metro bus routes and Children's shuttle on both sides of Sand Point Way NE. This enhancement is also part of Children's Transportation Plan. These improvements would like occur during the first two phases of development.

- **\$2 Million for Bicycle and Pedestrian Fund:** The purpose of this is to allow SDOT to fund and develop unfunded priority projects in Northeast Seattle, particularly those that are within 1.5 miles of Children's main campus, that promote safe biking and walking for the general public. The goal is to have the money distributed as early as possible in development process.
 - **Street Amenities on 40th Avenue NE:** The purpose is to provide plaza, street and sidewalk improvements for public access and use of 40th Avenue NE along the former Laurelon Terrace site from NE 45th Street to Sand Point Way NE that are less intensive than the plazas on Sand Point Way NE and instead serve as a transition to the residential development on the west side of 40th Avenue NE. These improvements would occur within the first phase of development.
 - **Pocket Park at Corner of 40th Avenue NE/NE 45th Street and NE 45th Street Edge:** The purpose of this public benefit is to provide a public area of respite and a focal point at this transition area between the Laurelhurst neighborhood on the south and Seattle Children's future development. This improvement would occur within the first phase of development.
7. Children's shall work with DPD and SDOT to coordinate implementation strategies for meeting the vacation and Master Plan conditions to insure full compliance with all conditions. DPD and SDOT may consider a joint PUDA or other documentation to consolidate all the project conditions.

Sincerely,



Peter E. Hahn, Director
Seattle Department of Transportation

PH:bb

Enclosures