

#13
117353

ORDINANCE _____

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

AN ORDINANCE granting Cornish College of the Arts permission to maintain and operate a vehicular tunnel under and across the alley between 8th Avenue and 9th Avenue, north of Lenora Street, for a ten-year term, renewable for two successive ten-year terms; specifying the conditions under which this permit is granted; providing for the acceptance of the permit and conditions; and ratifying and confirming certain prior acts.

WHEREAS, by Ordinance 109558, the City of Seattle (City) granted permission to Westlake Chevrolet Company to construct, maintain, and operate a vehicular tunnel under and across the alley between 8th Avenue and 9th Avenue, north of Lenora Street; and

WHEREAS, Cornish College of the Arts purchased the properties adjoining the vehicular tunnel in January 2008, assumed ownership of the tunnel, and was approved by the Director as an assignee of the permission authorized by Ordinance 109558, as amended by Ordinance 121855, upon demonstrating acceptance of the terms and conditions of that permission; and

WHEREAS, the permission authorized by Ordinance 109558 was amended by Ordinance 121855 to allow its extension for a maximum of 30 years, and the permission ended on September 30, 2010; and

WHEREAS, Cornish College of the Arts has submitted an application to the Seattle Department of Transportation Director (Director) to continue maintaining and operating the vehicular tunnel; and

WHEREAS, Cornish College of the Arts has satisfied all terms of the original authorizing ordinance as amended, the Director recommends that the term permit be approved subject to the terms identified in this ordinance; NOW, THEREFORE,

BE IT ORDAINED BY THE CITY OF SEATTLE AS FOLLOWS:

Section 1. **Permission.** Subject to the terms and conditions of this ordinance, permission (also referred to in this ordinance as a permit) is granted to Cornish College of the Arts, and its successors and assigns as approved by the Director of the Seattle Department of Transportation, (Permittee) to maintain and operate a vehicular tunnel and existing utilities (tunnel) under and across the alley between 8th Avenue and 9th Avenue, north of Lenora Street, adjacent in part to the property legally described as: Lot 10, Block 24, Second Addition to Town of Seattle as laid



1 off by the Heirs of Sarah A. Bell, deceased (commonly known as Heirs of Sarah A. Bell's 2nd
2 Add. to City of Seattle) Vol. 1, Pg. 121.

3 Section 2. **Term.** The permission granted to the Permittee, and its successors and assigns
4 as approved by the Director of the Seattle Department of Transportation (Director), shall be for a
5 term of ten years starting on October 1, 2010, and ending at 11:59 p.m. on September 30, 2020.
6 Upon written application of the Permittee at least 180 days before expiration of the term, the
7 Director or the City Council may renew the permit twice, each time for a successive ten-year
8 term, subject to the right of the City of Seattle (City) to require the removal of the tunnel or to
9 revise by ordinance any of the terms and conditions of the permission granted by this ordinance.
10 The total term of the permission, including renewals, shall not exceed 30 years. The Permittee
11 shall submit any application for a new permission no later than 180 days prior to the expiration
12 of the then-existing term.
13
14

15 Section 3. **Protection of utilities.** The permission granted is subject to the Permittee
16 bearing the expense of any protection, support, or relocation of existing utilities deemed
17 necessary by the owners of the utilities, and the Permittee being responsible for any subsequent
18 damage to the utilities due to the construction, repair, reconstruction, maintenance, operation, or
19 removal of the tunnel.
20

21 Section 4. **Removal for public use or for cause.** The permission granted is subject to
22 use of the street right-of-way or other public place by the City and the public for travel, utility
23 purposes, and other public uses or benefits. The City expressly reserves the right to deny
24 renewal, or terminate the permission at any time prior to expiration of the initial term or any
25 renewal term, and require the Permittee to remove the tunnel, or any part thereof or installation
26 thereon, at the Permittee's sole cost and expense in the event that:
27



1 (a) the City Council determines by ordinance that the space occupied by the tunnel is
2 necessary for any public use or benefit or that the tunnel interferes with any public use or
3 benefit; or

4 (b) the Director determines that use of the tunnel has been abandoned; or

5 (c) the Director determines that any term or condition of this ordinance has been
6 violated, and the violation has not been corrected by the Permittee by the compliance date
7 after a written request by the City to correct the violation (unless a notice to correct is not
8 required due to an immediate threat to the health or safety of the public); or

9 (d) the City of Seattle Department of Parks and Recreation seeks to develop for park
10 purposes the following described property (or any portion thereof) and requests that
11 Permittee remove the tunnel: That portion of Lots 1, 2, and 3, Block 24, Second Addition
12 to the Town of Seattle as laid off by the Heirs of Sarah A. Bell, deceased (commonly
13 known as Heirs of Sarah A. Bell's 2nd Addition to the City of Seattle), according to the
14 plat thereof recorded in Volume 1 of Plats, page 121, in King County, Washington, lying
15 easterly of and excepting therefrom that portion condemned in King County Superior
16 Court Cause Number 36118 for Westlake Avenue, as provided by Ordinance Number
17 7733 of the City of Seattle.
18
19
20

21 A City Council determination that the space is needed for, or the tunnel interferes with, a public
22 use or benefit is conclusive and final without any right of the Permittee to resort to the courts to
23 adjudicate the matter.

24 **Section 5. Permittee's obligation to remove and restore.** If the permission granted is
25 not renewed at the expiration of a term, or if the permission expires without an application for a
26 new permission being granted, or if the City terminates the permission, then within 90 days after
27



1 the expiration or termination of permission, or prior to any earlier date stated in an ordinance or
2 order requiring removal of the tunnel, the Permittee shall, at its own expense, remove the tunnel
3 and all of the Permittee's equipment and property and replace and restore all portions of the
4 street right-of-way or public place that may have been disturbed for any part of the tunnel in as
5 good condition for public use as they were prior to construction of the tunnel and in at least as
6 good condition in all respects as the abutting portions of the right-of-way as required by the
7 applicable SDOT standards for right-of-way restoration. Failure to remove the tunnel as required
8 by this section is a violation of Chapter 15.90 of the Seattle Municipal Code (SMC) (or successor
9 provision); however, applicability of Chapter 15.90 does not eliminate any remedies available to
10 the City under this ordinance or any other authority. If the Permittee does not timely fulfill its
11 obligations under this section, the City may in its sole discretion remove the tunnel and restore
12 the street right-of-way or public place at the Permittee's expense, and collect such expense in the
13 manner provided by law.

14
15
16 Upon the Permittee's completion of removal and restoration in accordance with this
17 section, or upon the City's completion of the removal and restoration and Permittee's payment to
18 the City of the City's costs in connection therewith, the Director shall then issue a certification
19 that the Permittee has fulfilled its removal and restoration obligations under this ordinance.
20 Upon prior notice to the Permittee and entry of written findings that it is in the public interest,
21 the Director may, in the Director's sole discretion, conditionally or absolutely excuse the
22 Permittee from compliance with all or any of the Permittee's obligations under this section.

23
24 Section 6. **Repair or reconstruction.** The tunnel shall remain the exclusive
25 responsibility of the Permittee, and the Permittee agrees to maintain the tunnel in good and safe
26 condition for the protection of the public. The Permittee shall not reconstruct or repair the tunnel
27



1 except in strict accordance with plans and specifications approved by the Director. The Director
2 may, in the Director's judgment, order the tunnel reconstructed or repaired at the Permittee's cost
3 and expense because of: the deterioration or unsafe condition of the tunnel; or the installation,
4 construction, reconstruction, maintenance, operation, or repair of any municipally-owned public
5 utilities; or for any other cause.

6 **Section 7. Failure to correct unsafe condition.** After written notice to the Permittee and
7 failure of the Permittee to correct an unsafe condition within the time stated in the notice, the
8 Director may order the tunnel be closed or removed at the Permittee's expense if the Director
9 deems that it has become unsafe or creates a risk of injury to the public. If there is an immediate
10 threat to the health or safety of the public, a notice to correct is not required.

11 **Section 8. Continuing obligations.** Notwithstanding termination or expiration of the
12 permission granted, or closure or removal of the tunnel, the Permittee shall remain bound by its
13 obligations under this ordinance until the Director has issued a certification that the Permittee has
14 fulfilled its removal and restoration obligations under Section 5 of this ordinance.

15 Notwithstanding the issuance of that certification, the Permittee shall continue to be bound by
16 the obligations set forth in Section 9 of this ordinance and shall remain liable for any unpaid fees
17 assessed pursuant to Section 17 of this ordinance.

18 **Section 9. Release, hold harmless, indemnification, and duty to defend.** The
19 Permittee, by accepting the terms of this ordinance, releases the City, its officials, officers,
20 employees, and agents from any and all claims, actions, suits, liability, loss, costs, expense,
21 attorneys' fees, or damages of every kind and description arising out of or by reason of the tunnel
22 or this ordinance, including but not limited to claims resulting from injury, damage, or loss to the
23 Permittee or the Permittee's property.



1 The Permittee agrees to at all times defend, indemnify, and hold harmless the City, its
2 officials, officers, employees, and agents from and against all claims, actions, suits, liability,
3 loss, costs, expense, attorneys' fees, or damages of every kind and description (excepting only
4 damages that may result from the sole negligence of the City) that may accrue to or be suffered
5 by any person or property (including, without limitation, damage or injury to members of the
6 public or to the Permittee's officers, agents, employees, contractors, invitees, tenants, tenants'
7 invitees, licensees, or successors and assigns) arising out of or by reason of: (a) the existence,
8 construction, reconstruction, modification, maintenance, operation, use, or removal of the tunnel
9 or any portion thereof, or Permittee's use, occupation, or restoration of the street right-of-way or
10 other public place or any portion thereof; (b) anything that has been done or may at any time be
11 done by the Permittee by reason of this ordinance; or (c) the Permittee failing or refusing to
12 strictly comply with every provision of this ordinance; or arising out of or by reason of the tunnel
13 or this ordinance in any other way. If any suit, action, or claim of the nature described above is
14 filed, instituted, or begun against the City, the Permittee shall upon notice from the City defend
15 the City at the sole cost and expense of the Permittee, and if a judgment is rendered against the
16 City in any suit or action, the Permittee shall fully satisfy the judgment within 90 days after the
17 action or suit has been finally determined, if determined adversely to the City. If it is determined
18 by a court of competent jurisdiction that Revised Code of Washington (RCW) 4.24.115 applies
19 to this ordinance, then in the event claims or damages are caused by or result from the concurrent
20 negligence of:
21
22
23

- 24 (a) the City, its agents, contractors, or employees; and,
25
26 (b) the Permittee, its agents, contractors, or employees,
27
28



1 this indemnity provision shall be valid and enforceable only to the extent of the negligence of the
2 Permittee or the Permittee's agents, contractors, or employees.

3 Section 10. **Insurance.** For as long as the Permittee exercises any permission granted by
4 this ordinance and until the Director has issued a certification that the Permittee has fulfilled its
5 removal and restoration obligations under Section 5, the Permittee shall obtain and maintain in
6 full force and effect, at its own expense, insurance that protects the City from claims and risks of
7 loss from perils that can be insured against under commercial general liability (CGL) insurance
8 policies in conjunction with:
9

- 10 (a) construction, reconstruction, modification, operation, maintenance, use, existence, or
11 removal of the tunnel or any portion thereof, as well as restoration of any disturbed
12 areas of the street right-of-way or other public place in connection with removal of
13 the tunnel;
14
15 (b) the Permittee's activity upon or the use or occupation of the public place described in
16 Section 1 of this ordinance; and
17
18 (c) claims and risks in connection with activities performed by the Permittee by virtue of
19 the permission granted by this ordinance.

20 Minimum insurance requirements are CGL insurance based on the Insurance Services Office
21 (ISO) form CG 00 01 or equivalent. The City requires insurance coverage to be placed with an
22 insurer admitted and licensed to conduct business in Washington State or with a surplus lines
23 carrier pursuant to RCW Chapter 48.15, except that if it is infeasible to obtain coverage with the
24 required insurer, the City may approve an alternative insurer.

25 Minimum limits of liability shall be \$2,000,000 each occurrence combined single limit
26 bodily injury and property damage, with \$4,000,000 annual aggregate. Coverage shall name the
27



1 “City of Seattle, its elected and appointed officers, officials, employees and agents” as additional
2 insureds for primary and non-contributory limits of liability subject to a Separation of Insureds
3 clause.

4 Within 60 days after the effective date of this ordinance, the Permittee shall provide to
5 the City, or cause to be provided, certification of insurance coverage consisting of the CGL
6 declarations page, schedule of forms and endorsements, and blanket or additional insured policy
7 provision per the ISO CG 20 12 or equivalent. The insurance coverage certification shall be
8 delivered or sent to the Director or to the Department of Transportation at an address as the
9 Director may specify in writing from time to time.

11 If the Permittee is self-insured, a letter of certification from the Corporate Risk Manager
12 or appropriate Finance Officer may be submitted in lieu of the insurance coverage certification
13 required by this ordinance, if approved in writing by the City Risk Manager. The letter of
14 certification must provide all information required by the City Risk Manager and document, to
15 the satisfaction of the City Risk Manager, that self-insurance equivalent to the insurance
16 requirements of this ordinance is in force. After a self-insurance certification is approved, the
17 City may from time to time subsequently require updated or additional information. The
18 approved self-insured Permittee must provide 30-days notice of any cancellation or material
19 adverse financial condition of its self-insurance program. The City may at any time revoke
20 approval of self-insurance and require the Permittee to obtain and maintain insurance as
21 specified in this ordinance.

24 In the event the Permittee assigns or transfers the permission granted by this ordinance,
25 the Permittee shall maintain in effect the insurance required under this section until the Director
26 has approved the assignment or transfer pursuant to Section 14.



1 Section 11. **Contractor insurance.** The Permittee shall contractually require that any
2 and all of its contractors performing work on any premises contemplated by this permit name the
3 “City of Seattle, its elected and appointed officers, officials, employees and agents” as additional
4 insureds for primary and non-contributory limits of liability on all CGL, Automobile and
5 Pollution liability insurance and/or self-insurance. The Permittee shall also include in all contract
6 documents with its contractors a third-party beneficiary provision extending construction
7 indemnities and warranties granted to Permittee to the City.
8

9 Section 12. **Performance bond.** Within 60 days after the effective date of this ordinance,
10 the Permittee shall deliver to the Director for filing with the City Clerk a sufficient bond
11 executed by a surety company authorized and qualified to do business in the State of Washington
12 that is: in the amount of \$570,000, and conditioned with a requirement that the Permittee shall
13 comply with every provision of this ordinance and with every order the Director issues under this
14 ordinance. The Permittee shall ensure that the bond remains in effect until the Director has issued
15 a certification that the Permittee has fulfilled its removal and restoration obligations under
16 Section 5. An irrevocable letter of credit approved by the City Risk Manager may be substituted
17 for the bond upon approval of the Director. In the event that the Permittee assigns or transfers the
18 permission granted by this ordinance, the Permittee shall maintain in effect the bond or letter of
19 credit required under this section until the Director has approved the assignment or transfer
20 pursuant to Section 14.
21
22

23 Section 13. **Adjustment of insurance and bond requirements.** The Director, in
24 consultation with the City Risk Manager, may adjust minimum liability insurance levels and
25 surety bond requirements during the term of this permission. If the Director and City Risk
26 Manager determine that an adjustment is necessary to fully protect the interests of the City, the
27



1 Director shall notify the Permittee of the new requirements in writing. The Permittee shall,
2 within 60 days of the date of such notice, provide proof of the adjusted insurance and surety
3 bond levels to the Director.

4 Section 14. **Consent for and conditions of assignment or transfer.** The permission
5 granted by this ordinance shall not be assignable or transferable by operation of law; nor shall the
6 Permittee transfer, assign, mortgage, pledge or encumber the same without the Director's
7 consent, which the Director shall not unreasonably refuse. The Director may approve
8 assignment or transfer of the permission granted by this ordinance to a successor entity only if
9 the successor or assignee has accepted in writing all of the terms and conditions of the
10 permission granted by this ordinance; has provided, at the time of said acceptance, the bond and
11 certification of insurance coverage required under this ordinance; and has paid any fees due
12 under Section 17 of this ordinance. Any person or entity seeking approval for an assignment or
13 transfer of the permission granted by this ordinance shall provide the Director with a description
14 of the current and anticipated use of the tunnel.
15
16

17 Section 15. **Inspection fees.** The Permittee shall, as provided by SMC Chapter 15.76 (or
18 successor provision), pay the City the amounts charged by the City to inspect the tunnel during
19 construction, reconstruction, repair, annual structural inspections, and at other times deemed
20 necessary to ensure the safety of the tunnel and the public.
21

22 Section 16. **Inspection reports.** The Permittee shall submit to the Director, or to the
23 Department of Transportation at an address specified by the Director, an inspection report that:

- 24 (a) describes the physical dimensions and condition of all load bearing elements;
25 (b) describes any damages or possible repairs to any element of the tunnel;
26 (c) prioritizes all repairs and establishes a timeframe for making repairs; and
27



1 (d) is stamped by a professional structural engineer licensed in the State of
2 Washington.

3 A report meeting the foregoing requirements, shall be submitted within 60 days after the
4 effective date of this ordinance; subsequent reports shall be submitted every two years, within 30
5 days prior to the anniversary date of the effective date of this ordinance; provided that, in the
6 event of a natural disaster or other event that may have damaged the tunnel, the Director may
7 require that additional reports be submitted by a date established by the Director. The Permittee
8 has the duty of inspecting and maintaining the tunnel, and the responsibility to submit structural
9 inspection reports periodically or as required by the Director does not waive or alter any of the
10 Permittee's obligations under this ordinance nor create any duties on the part of the Director.
11

12 Section 17. **Annual fee.** Beginning on October 1, 2010, and annually thereafter, the
13 Permittee shall promptly pay to the City upon statements or invoices issued by the Director, an
14 annual fee of \$2,048, or as adjusted annually thereafter, for the privileges granted by this
15 ordinance.
16

17 Adjustments to the annual fee shall be made in accordance with a term permit fee
18 schedule adopted by the City Council and may be made every year. In the absence of a schedule,
19 the Director may only increase or decrease the previous year's fee to reflect any inflationary
20 changes so as to charge the fee in constant dollar terms. This adjustment will be calculated by
21 adjusting the previous year's fee by the percentage change between the two most recent year-end
22 values available from the Consumer Price Index for the Seattle-Tacoma-Bremerton Area, All
23 Urban Consumers, All Products, Not Seasonally Adjusted. All payments shall be made to the
24 City Finance Director for credit to the Transportation Operating Fund.
25
26
27
28



1 Section 18. **Non-discrimination.** In all matters pertaining to the tunnel, the Permittee
2 shall comply with the City's laws prohibiting discrimination in employment and contracting
3 including Seattle's Fair Employment Practices Ordinance, Chapter 14.04 and Fair Contracting
4 Practices code, Chapter 14.10 (or successor provisions).

5 Section 19. **Acceptance of terms and conditions.** The Permittee shall deliver to the
6 Director its written signed acceptance of the terms of this ordinance within 60 days after the
7 effective date of this ordinance. The Director shall file the written acceptance with the City
8 Clerk. If no such acceptance is received within that 60-day period, the privileges conferred by
9 this ordinance shall be deemed declined or abandoned and the permission granted deemed lapsed
10 and forfeited and Permittee shall, at its own expense, remove the tunnel and all of Permittee's
11 equipment and property and replace and restore all portions of the street right-of-way or public
12 place as provided in Section 5.

13 Section 20. **Obligations of successors and assigns.** The obligations and conditions
14 imposed on the Permittee by and through this ordinance are also imposed on the Permittee's
15 successors and/or assigns regardless of whether the Director has approved assignment or transfer
16 of the permission granted by this ordinance to such successors and/or assigns. All references in
17 this ordinance to obligations or conditions imposed on the "Permittee" shall also be deemed to
18 refer to the successors and assigns of the Permittee.

19 The obligations and conditions imposed on the Permittee by and through this ordinance
20 are covenants that run with the land and bind subsequent owners of the property adjacent to the
21 tunnel and legally described in Section 1 of this ordinance, regardless of whether the Director has
22 approved assignment or transfer of the permission granted herein to such subsequent owner(s).
23 The Permittee shall, within 60 days of the effective date of this ordinance and prior to conveying
24



1 any interest in the property legally described in Section 1 of this ordinance, deliver to the
2 Director upon a form to be supplied by the Director, a covenant agreement containing the
3 obligations and conditions set forth in this ordinance, signed by the Permittee and recorded with
4 the King County Recorder's Office. The Director shall file the recorded covenant agreement
5 with the City Clerk. The covenant agreement shall contain a reference to this ordinance by its
6 ordinance number.

7
8 Section 21. **Section titles.** Section titles are for convenient reference only and do not
9 modify or limit the text of a section.

10 Section 22. **Ratify and confirm.** Any act taken by the City or the Permittee pursuant to
11 the authority and in compliance with the conditions of this ordinance but prior to the effective
12 date of the ordinance is ratified and confirmed.

13
14 Section 23. This ordinance shall take effect and be in force 30 days after its approval by
15 the Mayor, but if not approved and returned by the Mayor within ten days after presentation, it
16 shall take effect as provided by Municipal Code Section 1.04.020.



1 Passed by the City Council the ____ day of _____, 2011, and signed by
2 me in open session in authentication of its passage this
3 ____ day of _____, 2011.

4 _____
5 _____
6 President _____ of the City Council
7

8
9 Approved by me this ____ day of _____, 2011.

10 _____
11 _____
12 Michael McGinn, Mayor
13

14
15 Filed by me this ____ day of _____, 2011.

16 _____
17 _____
18 Monica Martinez Simmons, City Clerk
19

20 (Seal)



FISCAL NOTE FOR NON-CAPITAL PROJECTS

Department:	Contact Person/Phone:	CBO Analyst/Phone:
Seattle Department of Transportation	Angela Steel/684-5967	Rebecca Guerra/684-5339

Legislation Title:

AN ORDINANCE granting Cornish College of the Arts permission to maintain and operate a vehicular tunnel under and across the alley between 8th Avenue and 9th Avenue, north of Lenora Street, for a ten-year term, renewable for two successive ten-year terms; specifying the conditions under which this permit is granted; providing for the acceptance of the permit and conditions; and ratifying and confirming certain prior acts.

Summary of the Legislation:

This legislation will allow Cornish College of the Arts to continue maintaining and operating the existing vehicular tunnel located under and across the alley between 8th Avenue and 9th Avenue, north of Lenora Street. An area map is attached for reference.

This tunnel permit is for a term of ten years commencing from the expiration of the last term permit on September 30, 2010. The legislation specifies the conditions under which authorization is granted and provides for acceptance of the permit and conditions.

The Cornish College of the Arts is to pay the City of Seattle an annual fee of \$2,048 commencing from the last paid annual fee invoice, October 1, 2010, and annually thereafter. Adjustments to the annual fee may be made every year and if so made shall be calculated in accordance with a term permit fee schedule adopted by the City Council by Ordinance 123485. An Annual Fee Appraisal Summary is attached for reference.

Background:

By Ordinance 109558, the City granted permission to Westlake Chevrolet Company to construct, operate, and maintain a vehicular tunnel under and across the alley between 8th Avenue and 9th Avenue, north of Lenora Street. By Resolution 27724, the permission authorized by Ordinance 109558 was transferred to University Chevrolet Company. By Resolution 28331, the permission authorized by Ordinance 109558 was transferred again to Howard Anderson.

Cornish College of the Arts purchased the properties adjoining the vehicular tunnel in January 2008, assumed ownership of the tunnel, and was approved by the Director as an assignee of the permission authorized by Ordinance 109558, as amended by Ordinance 121855.



The conditions of Ordinance 109558 were amended by Resolutions 27724 and 28331 and Ordinances 120505 and 121855. The permission authorized by Ordinance 109558 was renewed for two successive ten-year terms by Ordinance 120505 and Resolution 28331 and the permission ended on September 30, 2010.

Please check one of the following:

This legislation has financial implications.

Appropriations: N/A

Anticipated Revenue/Reimbursement: Resulting from this Legislation:

Fund Name and Number	Department	Revenue Source	2011 Revenue	2012 Revenue
Transportation Operating Fund 10310	Seattle Department of Transportation	Annual Fee –	2010 Fee = \$2,048 2011 Fee = \$2,048	\$2,048
TOTAL			\$4,096	\$2,048

Revenue/Reimbursement Notes: N/A

Total Regular Positions Created, Modified, or Abrogated through this Legislation, Including FTE Impact: N/A

Spending/Cash Flow: N/A

What is the financial cost of not implementing the legislation?

If the legislation is not enacted by the City Council, the City of Seattle will not receive the annual fee of \$2,048. As previously stated, the City of Seattle has the option to adjust the fee amount on an annual basis. The tunnel, as originally permitted under Ordinance 109558, will no longer be permitted.

Does this legislation affect any departments besides the originating department?

None.

What are the possible alternatives to the legislation that could achieve the same or similar objectives?

None.



Is the legislation subject to public hearing requirements?

No.

Other Issues: (Include long-term implications of the legislation.)

N/A

List attachments to the fiscal note below:

- Attachment A – Cornish Tunnel Area Map
- Attachment B - Annual Fee Assessment Summary



Attachment A – Cornish Tunnel Area Map



Map is for informational purposes only and is not intended to modify or supplement the legal description(s) in the Ordinance.



Attachment B - Annual Fee Assessment Summary

STREET USE ANNUAL FEE ASSESSMENT

Date: 8/25/11

Summary:
Land Value: \$400/SF
First Year Permit Fee:
\$2,048

I. Property Description:

Existing subsurface vehicular tunnel under and across the alley between 8th Avenue and 9th Avenue, north of Lenora Street. The tunnel connects parking facilities located on Westlake Avenue and 9th Avenue. Adjacent tax parcels are listed below. The tunnel is **256 square feet**.

Applicant:

Cornish College of the Arts

Abutting Parcels, Property Size, Assessed Value:

1. Parcel 0660000485; 8,722 square feet

Tax year 2010 Appraised Land Value \$3,488,800
Assessed at \$400/SF

2. Parcel 0660000540; 7,020 SF

Tax year 2010 Appraised Land Value \$2,808,000
Assessed at \$400/SF

Average 2010 tax assessed land value: \$400/SF

II. Annual Fee Assessment:

The 2010 permit fee is calculated as follows: $(\$400/\text{SF}) \times (256 \text{ SF}) \times (25\%) \times (8\%) =$
\$2,048, where 25% is the degree of alienation for a vehicle tunnel and 8% is estimated annual rate of return.

Fee methodology authorized under Ordinance 123485.





City of Seattle
Office of the Mayor

November 15, 2011

Honorable Richard Conlin
President
Seattle City Council
City Hall, 2nd Floor

Dear Council President Conlin:

I am pleased to transmit the attached proposed Council Bill that will grant to Cornish College of the Arts a new ten-year permit for an existing vehicular tunnel under and across the alley between 8th Avenue and 9th Avenue, north of Lenora Street, renewable for two additional ten-year terms.

Use of the existing vehicular tunnel, which was last authorized by Ordinance 109558, provides an underground vehicle connection between parking facilities owned by Cornish College and the Seattle Parks Department and leased by Enterprise Rent-A-Car. The Parks Department purchased the abutting parcel to the west of the tunnel in 2008 using Pro Parks Levy funding. A park will be developed there in the future, pending the availability of funding and the termination of the existing Enterprise Rent-A-Car lease, at which time the tunnel will be removed.

In addition to granting a new permit, the proposed Council Bill updates the insurance and bond requirements, updates the annual fee, and specifies the conditions under which authorization is granted.

Thank you for your consideration of this legislation. Should you have questions, please contact Angela Steel at (206) 684-5967.

Sincerely,

Michael McGinn
Mayor of Seattle

cc: Honorable Members of the Seattle City Council

Michael McGinn, Mayor
Office of the Mayor
600 Fourth Avenue, 7th Floor
PO Box 94749
Seattle, WA 98124-4749

Tel (206) 684-4000
Fax (206) 684-5360
TDD (206) 615-0476
mike.mcgin@seattle.gov

