

CITY OF SEATTLE
ORDINANCE _____

COUNCIL BILL 117565

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4 AN ORDINANCE relating to the Mercer Corridor Project West Phase; removing a proviso in the
5 2012 Adopted Budget to authorize the Seattle Department of Transportation to spend
6 appropriated funds for construction of the Mercer Corridor Project West Phase.

7 WHEREAS, the Mercer Corridor Project West Phase transforms a major east-west arterial
8 bottleneck into an integrated system of freight, transit, pedestrian, bicycle and car
9 improvements that connect four of the Puget Sound's growth centers to the regional
10 transportation system; and

11 WHEREAS, it is in the City's best interest to continue implementation of the Mercer Corridor
12 Project West Phase at this time because the project will create over one thousand jobs
13 during the construction phase and will provide critical infrastructure improvements to
14 serve the growing South Lake Union and Uptown urban centers; and

15 WHEREAS, in a Memorandum of Agreement for the Alaskan Way Viaduct and Seawall
16 Replacement Program entered into between the City of Seattle and the State of
17 Washington on October 24, 2009, the City committed to the design and construction of
18 the two way Mercer Street Corridor Project from I-5 to Elliott Avenue, of which the
19 Mercer Corridor Project West Phase is an integral part; and

20 WHEREAS, previous versions of the Mercer Corridor Project West Phase funding plan included
21 an unsecured funding gap anticipated to be closed by local, state and federal sources; and

22 WHEREAS, the City's adoption of the 2012 Budget and 2012-2017 Capital Improvement
23 Program included a budget proviso restricting the Seattle Department of Transportation's
24 use of funds appropriated in the 2012 budget for the Mercer Corridor West Phase project
25 until authorized by future ordinance; and

26 WHEREAS, The Seattle Department of Transportation has completed final plans, specifications
27 and cost estimates for the Mercer Corridor Project West Phase and has secured all of the
28 necessary local, state and federal funding to fully fund the Project; and

WHEREAS, the Mercer Corridor Project West Phase is now fully funded; NOW, THEREFORE,



1 **BE IT ORDAINED BY THE CITY OF SEATTLE AS FOLLOWS:**

2 Section 1. The Seattle Department of Transportation (“SDOT”) is authorized to spend
3 appropriations in the 2012 Adopted Budget SDOT Major Projects Budget Control Level for the
4 Mercer Corridor Project West Phase. The restrictions imposed by the following budget proviso
5 are removed and are no longer restrictions for any purpose.

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Item	Department	2012 Green Sheet	Proviso
1.1	Transportation	#100-1-B-1	“None of the money appropriated in the 2012 budget for SDOT’s Major Projects BCL may be spent for physical construction of Mercer Corridor Project West Phase (TC367110) until authorized by future ordinance.”

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13 Section 2. This ordinance shall take effect and be in force 30 days after its approval by
14 the Mayor, but if not approved and returned by the Mayor within ten days after presentation, it
15 shall take effect as provided by Seattle Municipal Code Section 1.04.020.
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1 Passed by the City Council the ____ day of _____, 2012, and
2 signed by me in open session in authentication of its passage this
3 ____ day of _____, 2012.

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President _____ of the City Council

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Approved by me this ____ day of _____, 2012.

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Michael McGinn, Mayor

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Filed by me this ____ day of _____, 2012.

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Monica Martinez Simmons, City Clerk

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(Seal)

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FISCAL NOTE FOR CAPITAL PROJECTS ONLY

Department:	Contact Person/Phone:	CBO Analyst/Phone:
Transportation	Eric Tweit/684-8834	Steve Barham/733-9084

Legislation Title: AN ORDINANCE relating to the Mercer Corridor Project West Phase; removing a proviso in the 2012 Adopted Budget to authorize the Seattle Department of Transportation to spend appropriated funds for construction of the Mercer Corridor Project West Phase.

Summary and background of the Legislation: This legislation removes the budget proviso restricting the Seattle Department of Transportation's (SDOT's) use of funds appropriated in the 2012 budget for the Mercer Corridor West Phase project by the 2012 Council Green Sheet 100-1-B-1: "None of the money appropriated in the 2012 budget for SDOT's Major Projects BCL may be spent for physical construction of Mercer Corridor Project West Phase (TC367110) until authorized by future ordinance."

Previous versions of the Mercer Corridor Project West Phase funding plan included an unsecured funding gap anticipated from local, state and federal sources. The 2012-2017 Adopted Capital Improvement Program includes \$21.4 million of "To Be Determined" funds for the project.

SDOT has completed final plans, specifications and cost estimates for the Mercer Corridor Project West Phase and anticipates the project cost to be \$95.1 million. The funding gap has been closed by additional local, state and federal funding, including a \$14 million grant from the U.S. Department of Transportation through the Fiscal Year 2012 Transportation Investment Generating Economic Recovery (TIGER) grant program and a \$5 million State grant from the Transportation Improvement Board (TIB).

Project Name:	Project I.D.:	Project Location:	Start Date:	End Date:
Mercer Corridor Project West Phase	TC367110	Mercer ST/Elliott AVE W/Dexter AVE N	Q1/2010	Q4/2015

Please check any of the following that apply:

- This legislation creates, funds, or anticipates a new CIP Project.
- This legislation does not have any financial implications.
- This legislation has financial implications.



This legislation removes spending restrictions but does not adjust the appropriation, spending plan, or bond financing for the project. Appropriations, spending plan, and bond financing adjustments for the project will be reflected in the 2013-2014 Proposed Budget and the 2013-2018 Proposed Capital Improvement Program.

Revised Funding Plan (\$ millions)

Funding Source	2010	2011	2012	2013	2014	2015	Total
LTGO Bonds (AWV CPT)		8.1		11.2			19.3
LTGO Bonds (BTG CPT)	2.0	4.0	3.0				9.0
Federal Grants (PSRC)	0.5	0.5	0.2	5.0	2.0		8.2
Surplus Property Sales				2.0	15.4	15.2	32.6
State Grants (TIB)				3.0	2.0		5.0
Federal Grants (TIGER)				7.0	7.0		14.0
WSDOT (Partnership -- North Access)					0.9		0.9
King County					0.4		0.4
SPU Water			0.1	0.3	0.2		0.5
SPU Drainage and Wastewater			0.1	0.2	0.4		0.7
SCL Streetlighting					1.5		1.5
SCL Power (Transmission)			0.3				0.3
SCL Power (Dist. Capacity Betterments)			0.1	1.7	1.0		2.9
Total	2.5	12.6	3.8	30.4	30.6	15.2	95.1

Funding Plan Notes:

The total project cost is \$95.1M. The Surplus Property Sales will require an interfund loan in 2014. King County, SPU, and SCL utility costs and revenue were previously not included in the project budget. SPU and SCL will pay for actual costs and the terms will be outlined in MOAs, which are currently under development.

Other Implications:

- a) **Does the legislation have indirect financial implications, or long-term implications?**
Lifting the proviso allows SDOT to begin construction of the Mercer Corridor Project West Phase (TC367110).
- b) **What is the financial cost of not implementing the legislation?**
If the legislation is not implemented, construction on the Mercer Corridor West Phase project cannot begin in late 2012 as planned. Delays to the construction schedule may result in increased projects costs due to escalation, and could jeopardize grant funding,



including the recently approved \$14 million federal Transportation Investment Generating Economic Recovery (TIGER) grant.

- c) Does this legislation affect any departments besides the originating department?**
Yes, this legislation affects Seattle Public Utilities and Seattle City Light. Design, budgeting, and planning for construction of the Mercer Corridor West Phase project have been coordinated with these departments.
- d) What are the possible alternatives to the legislation that could achieve the same or similar objectives?** No alternatives could achieve the same or similar objectives.
- e) Is a public hearing required for this legislation?**
No.
- f) Is publication of notice with *The Daily Journal of Commerce* and/or *The Seattle Times* required for this legislation?**
No.
- g) Does this legislation affect a piece of property?**

The Mercer Corridor West Phase project budget assumes proceeds from future sale of surplus SDOT right-of-way and properties (See Attachment 1 "Potential SDOT ROW & Surplus Property Sales"). Properties 4, 5, 6, and 10 are dedicated to Mercer West.

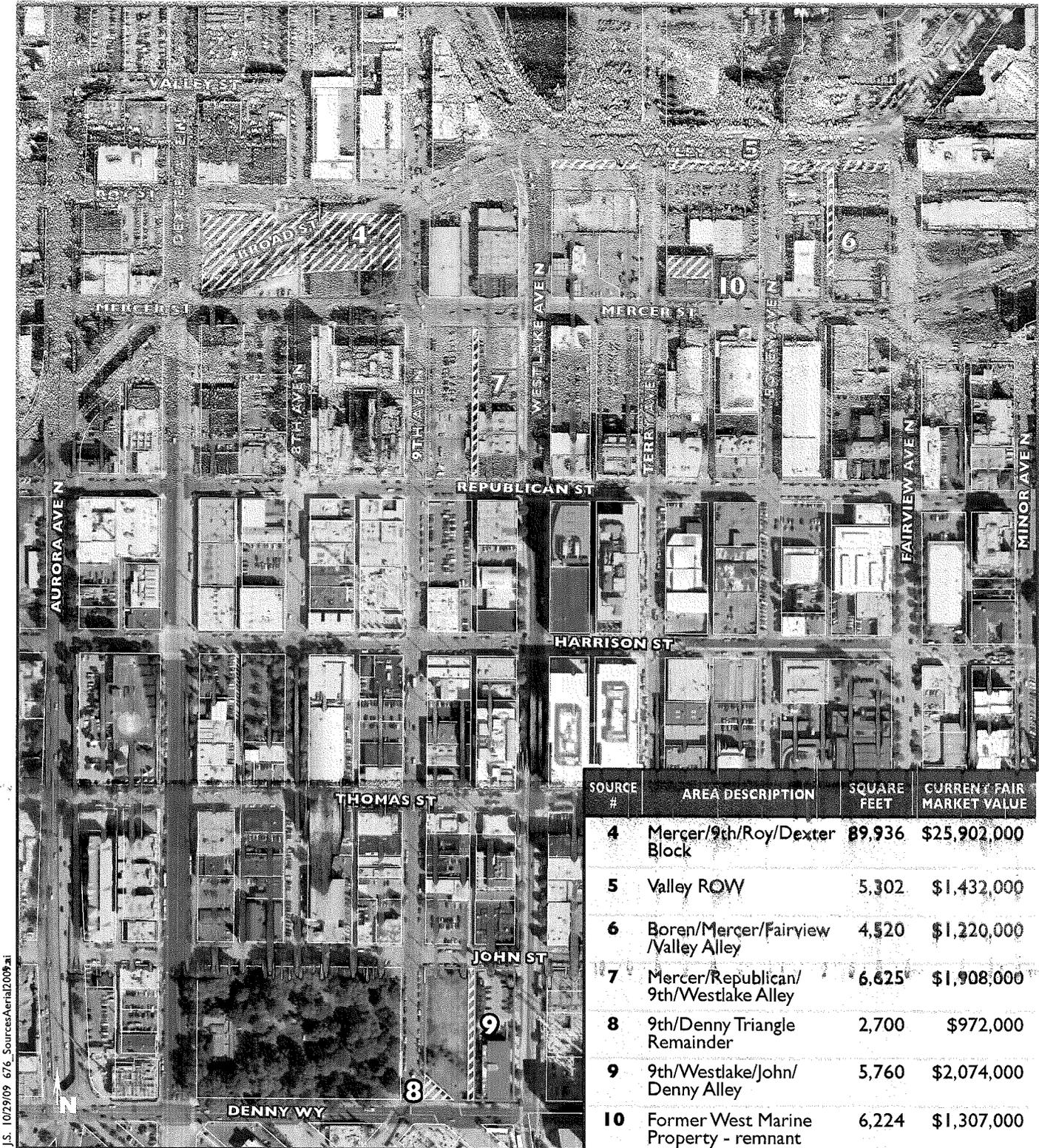
- h) Other Issues:**

List attachments to the fiscal note below:

Attachment 1: Potential SDOT ROW & Surplus Property Sales



POTENTIAL SDOT ROW & SURPLUS PROPERTY SALES SUPPORT FOR SOURCE #4 THROUGH 10



SOURCE #	AREA DESCRIPTION	SQUARE FEET	CURRENT FAIR MARKET VALUE
4	Mercer/9th/Roy/Dexter Block	89,936	\$25,902,000
5	Valley ROW	5,302	\$1,432,000
6	Boren/Mercer/Fairview /Valley Alley	4,520	\$1,220,000
7	Mercer/Republican/ 9th/Westlake Alley	6,625	\$1,908,000
8	9th/Denny Triangle Remainder	2,700	\$972,000
9	9th/Westlake/John/ Denny Alley	5,760	\$2,074,000
10	Former West Marine Property - remnant	6,224	\$1,307,000
TOTAL			\$34,815,000

 = Potential ROW or Surplus Area

J.S. 10/29/09 676_SourcesAerial2009.ai





City of Seattle
Office of the Mayor

August 21, 2012

Honorable Sally J. Clark
President
Seattle City Council
City Hall, 2nd Floor

Dear Council President Clark:

I am pleased to transmit the attached proposed Council Bill that lifts a budget proviso related to the Mercer Corridor Project West Phase. The budget proviso (2012-100-1-B-1), imposed that none of the appropriated funds for the project be spent on physical construction until authorized by future ordinance.

The project is currently at 100% design with an updated cost estimate of approximately \$95 million. With the recent award of the TIGER IV grant, the project is fully funded. The project will improve local safety, access, and circulation within the neighborhood for motorized vehicles, bicycles, and pedestrians and to provide for more direct movement of traffic and freight through the Mercer Corridor in South Lake Union and Uptown to prepare the City to meet the anticipated growth of the communities.

Thank you for your consideration of this legislation. Should you have questions, please contact Eric Tweit (SDOT) at 684.8834.

Sincerely,

Michael McGinn
Mayor of Seattle

cc: Honorable Members of the Seattle City Council