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CB 117502

Angela Steel
SDOT, FHCR Tunnel, ORD
April 19, 2012
Version #2A

CITY OF SEATTLE

ORDINANCE _____

COUNCIL BILL 117502

AN ORDINANCE granting Fred Hutchinson Cancer Research Center permission to construct, maintain, and operate a service tunnel under and across Eastlake Avenue East, north of Aloha Street, for a ten-year term, renewable for two successive ten-year terms; specifying the conditions under which this permit is granted; and providing for the acceptance of the permit and conditions.

WHEREAS, Fred Hutchinson Cancer Research Center ("FHCR") has applied to the Director of Transportation to construct a new service tunnel under and across Eastlake Avenue East, north of Aloha Street; and

WHEREAS, the new tunnel will provide a private utility and service personnel connection between the FHCR Weintraub Building and 1100 Eastlake Avenue East Building; and

WHEREAS, by Resolution 31355, the City granted conceptual approval of the new service tunnel to FHCR; and

WHEREAS, the adoption of this ordinance is the culmination of the approval process for the service tunnel to legally occupy a portion of the public right-of-way or other public place, NOW, THEREFORE,

BE IT ORDAINED BY THE CITY OF SEATTLE AS FOLLOWS:

Section 1. **Permission.** Subject to the terms and conditions of this ordinance, the City of Seattle ("City") grants permission (also referred to in this ordinance as a permit) to Fred Hutchinson Cancer Research Center, and its successors and assigns as approved by the Director of the Seattle Department of Transportation ("Director") according to Section 14 of this ordinance (the party named above and each such approved successor and assign is referred to as "Permittee"), to construct, maintain, and operate a utility service tunnel ("tunnel") under and across Eastlake Avenue East, north of Aloha Street, adjacent in whole or in part to the property legally described as:



Parcel A:

Lot 1, Block 12, East Park Addition to the City of Seattle, according to the plat thereof recorded in Volume 8 of Plats, page 83, in King County, Washington;

Except the Southeasterly 75 feet thereof measured along the Northeasterly line of said Lot 1;

And except that portion thereof conveyed to the State of Washington by deed recorded December 7, 1959 under Recording No. 5110036.

Parcel B:

The Southwesterly 40 feet of Lot 20 and all Lots 21 and 22, Block 12, East Park Addition to the City of Seattle, according to the plat thereof recorded in Volume 8 of Plats, page 83, in King County, Washington.

Parcel C:

Those portions of Prospect Street and Eastlake Avenue East vacated by City of Seattle Ordinance No. 110472, which was corrected and amended by City of Seattle Ordinance No. 114412 recorded March 28, 19889 under Recording No. 8903281048 described as follows:

Beginning at the most Westerly corner of Lot 1, Block 12, East Park Addition to the City of Seattle, according to the plat thereof recorded in Volume 8 of Plats, page 83, in King County, Washington;

Thence South 72°32'12" East along the Southerly line of said block a distance of 39.35 feet, more or less, to the Northwesterly right of way margin of Primary State Highway 1 (Seattle Freeway);

1 Thence Southwesterly along said right of way margin on a curve to the left with a radius
2 of 1,787.14 feet, a distance of 156.621 feet;

3 Thence North 89°10'51" West along said right of way margin, a distance of 64.567 feet;

4 Thence North 00°49'09" East, a distance of 195.50 feet to a point of curvature;

5 Thence on a curve to the right with a radius of 150 feet, a distance of 91.658 feet to a
6 point of tangency;

7
8 Thence North 35°49'48" East, a distance of 37.737 feet to the East line of Eastlake
9 Avenue East;

10 Thence South 01°13'48" West along said East line, a distance of 144.70 feet to the
11 Southerly line of said Block 12;

12 Thence Easterly along the South line of said block a distance of 39 feet, more or less, to
13 the Point of Beginning;

14
15 Except that portion conveyed for street purposes to the City of Seattle by deed recorded
16 January 16, 2008 under Recording No. 20080116000258.

17 Parcel D:

18 That portion of Lot(s) 2 and 3, Block 12, East Park Addition to the City of Seattle
19 according to plat thereof recorded in Volume 8 of Plats, page 63, of King County, Washington
20 lying Northwesterly of a line drawn parallel with and 150 feet Northwesterly, when measured
21 radially from the reversible (r/w center line) survey of State Highway Route 5, Seattle Freeway:
22 Olive Way to Galer Street.
23

24 Section 2. **Term.** The permission granted to Permittee is for a term of ten years starting
25 on the effective date of this ordinance and ending at 11:59 p.m. on the last day of the tenth year.
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1 Upon written application made by the Permittee at least 180 days before expiration of the term,
2 the Director or the City Council may renew the permit twice, each time for a successive ten-year
3 term, subject to the right of the City to require the removal of the tunnel or to revise by ordinance
4 any of the terms and conditions of the permission granted by this ordinance. The total term of the
5 permission, including renewals, shall not exceed 30 years. The Permittee shall submit any
6 application for a new permission no later than 180 days prior to the expiration of the then-
7 existing term.
8

9 Section 3. **Protection of utilities.** The permission granted is subject to the Permittee
10 bearing the expense of any protection, support, or relocation of existing utilities deemed
11 necessary by the owners of the utilities, and the Permittee being responsible for any damage to
12 the utilities due to the construction, repair, reconstruction, maintenance, operation, or removal of
13 the tunnel and for any consequential damages that may result from any damage to utilities or
14 interruption in service caused by any of the foregoing.
15

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

- 23 (a) the City Council determines by ordinance that the space occupied by the tunnel is
24 necessary for any public use or benefit or that the tunnel interferes with any public use or
25 benefit; or
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1 (b) the Director determines that use of the tunnel has been abandoned; or

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

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

9
10 Section 5. **Permittee's obligation to remove and restore.** If the permission granted
11 expires without an application for a new permission being granted, or if the City terminates the
12 permission, then within 90 days after the expiration or termination of the permission, or prior to
13 any earlier date stated in an ordinance or order requiring removal of the tunnel, the Permittee
14 shall, at its own expense, remove the tunnel and all of the Permittee's equipment and property
15 from the public place and replace and restore all portions of the public place that may have been
16 disturbed for any part of the tunnel in as good condition for public use as existed prior to
17 construction of the tunnel and in at least as good condition in all respects as the abutting portions
18 of the public place as required by SDOT right-of-way restoration standards.

19
20
21 Failure to remove the tunnel as required by this section is a violation of Chapter 15.90 of
22 the Seattle Municipal Code (SMC) or successor provision; however, applicability of Chapter
23 15.90 does not eliminate any remedies available to the City under this ordinance or any other
24 authority. If the Permittee does not timely fulfill its obligations under this section, the City may
25



1 in its sole discretion remove the tunnel and restore the public place at the Permittee's expense,
2 and collect such expense in any manner provided by law.

3 Upon the Permittee's completion of removal and restoration in accordance with this
4 section, or upon the City's completion of the removal and restoration and the Permittee's
5 payment to the City for the City's removal and restoration costs, the Director shall then issue a
6 certification that the Permittee has fulfilled its removal and restoration obligations under this
7 ordinance. Upon prior notice to the Permittee and entry of written findings that it is in the public
8 interest, the Director may, in the Director's sole discretion, conditionally or absolutely excuse the
9 Permittee from compliance with all or any of the Permittee's obligations under this section.
10

11 Section 6. **Repair or reconstruction.** The tunnel shall remain the exclusive
12 responsibility of the Permittee and the Permittee shall maintain the tunnel in good and safe
13 condition for the protection of the public. The Permittee shall not reconstruct or repair the tunnel
14 except in strict accordance with plans and specifications approved by the Director. The Director
15 may, in the Director's judgment, order the tunnel reconstructed or repaired at the Permittee's cost
16 and expense because of: the deterioration or unsafe condition of the tunnel; the installation,
17 construction, reconstruction, maintenance, operation, or repair of any municipally-owned public
18 utilities; or for any other cause.
19

20 Section 7. **Failure to correct unsafe condition.** After written notice to the Permittee and
21 failure of the Permittee to correct an unsafe condition within the time stated in the notice, the
22 Director may order the tunnel be closed or removed at the Permittee's expense if the Director
23 deems that the tunnel has become unsafe or creates a risk of injury to the public. If there is an
24 immediate threat to the health or safety of the public, a notice to correct is not required.
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1 Section 8. **Continuing obligations.** Notwithstanding termination or expiration of the
2 permission granted, or closure or removal of the tunnel, the Permittee shall remain bound by all
3 of its obligations under this ordinance until the Director has issued a certification that the
4 Permittee has fulfilled its removal and restoration obligations under Section 5 of this ordinance.
5 Notwithstanding the issuance of that certification, the Permittee shall continue to be bound by
6 the obligations in Section 9 of this ordinance and shall remain liable for any unpaid fees assessed
7 under Section 17 of this ordinance.
8

9 Section 9. **Release, hold harmless, indemnification, and duty to defend.** The
10 Permittee, by accepting the terms of this ordinance, releases the City, its officials, officers,
11 employees, and agents from any and all claims, actions, suits, liability, loss, costs, expense,
12 attorneys' fees, or damages of every kind and description arising out of or by reason of the tunnel
13 or this ordinance, including but not limited to claims resulting from injury, damage, or loss to the
14 Permittee or the Permittee's property.
15

16 The Permittee agrees to at all times defend, indemnify, and hold harmless the City, its
17 officials, officers, employees, and agents from and against all claims, actions, suits, liability,
18 loss, costs, expense, attorneys' fees, or damages of every kind and description, excepting only
19 damages that may result from the sole negligence of the City, that may accrue to, be asserted by,
20 or be suffered by any person or property including, without limitation, damage, death or injury to
21 members of the public or to the Permittee's officers, agents, employees, contractors, invitees,
22 tenants, tenants' invitees, licensees, or successors and assigns, arising out of or by reason of:
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24 (a) the existence, condition, construction, reconstruction, modification, maintenance,
25 operation, use, or removal of the tunnel or any portion thereof, or the use, occupation, or
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1 restoration of the public place or any portion thereof by the Permittee or any other person or
2 entity;

3 (b) anything that has been done or may at any time be done by the Permittee by reason of
4 this ordinance; or

5 (c) the Permittee failing or refusing to strictly comply with every provision of this
6 ordinance; or arising out of or by reason of the tunnel or this ordinance in any other way.

7
8 If any suit, action, or claim of the nature described above is filed, instituted, or begun
9 against the City, the Permittee shall upon notice from the City defend the City, with counsel
10 acceptable to the City, at the sole cost and expense of the Permittee, and if a judgment is
11 rendered against the City in any suit or action, the Permittee shall fully satisfy the judgment
12 within 90 days after the action or suit has been finally determined, if determined adversely to the
13 City. If it is determined by a court of competent jurisdiction that Revised Code of Washington
14 (RCW) 4.24.115 applies to this ordinance, then in the event claims or damages are caused by or
15 result from the concurrent negligence of the City, its agents, contractors, or employees, and the
16 Permittee, its agents, contractors, or employees, this indemnity provision shall be valid and
17 enforceable only to the extent of the negligence of the Permittee or the Permittee's agents,
18 contractors, or employees.
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21 Section 10. **Insurance.** For as long as the Permittee exercises any permission granted by
22 this ordinance and until the Director has issued a certification that the Permittee has fulfilled its
23 removal and restoration obligations under Section 5 of this ordinance, the Permittee shall obtain
24 and maintain in full force and effect, at its own expense, insurance and/or self-insurance that
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1 protects the Permittee and the City from claims and risks of loss from perils that can be insured
2 against under commercial general liability (CGL) insurance policies in conjunction with:

3 (a) construction, reconstruction, modification, operation, maintenance, use, existence, or
4 removal of the tunnel or any portion thereof, as well as restoration of any disturbed
5 areas of the public place in connection with removal of the tunnel;

6 (b) the Permittee's activity upon or the use or occupation of the public place described in
7 Section 1 of this ordinance; and

8 (c) claims and risks in connection with activities performed by the Permittee by virtue of
9 the permission granted by this ordinance.
10

11 Minimum insurance requirements are CGL insurance based on the Insurance Services Office
12 (ISO) form CG 00 01 or equivalent. The City requires insurance coverage to be placed with an
13 insurer admitted and licensed to conduct business in Washington State or with a surplus lines
14 carrier pursuant to RCW Chapter 48.15. If coverage is placed with any other insurer or is
15 partially or wholly self-insured, such insurer(s) or self-insurance is subject to approval by the
16 City's Risk Manager.
17

18 Minimum limits of liability shall be \$2,000,000 each occurrence combined single limit
19 bodily injury and property damage, with \$4,000,000 annual aggregate. Coverage shall include
20 the "City of Seattle, its elected and appointed officers, officials, employees and agents" as
21 additional insureds for primary and non-contributory limits of liability subject to a Separation of
22 Insureds clause.
23

24 Within 60 days after the effective date of this ordinance, the Permittee shall provide to
25 the City, or cause to be provided, certification of insurance coverage including an actual copy of
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1 the blanket or designated additional insured policy provision per the ISO CG 20 12 endorsement
2 or equivalent. The insurance coverage certification shall be delivered or sent to the Director or to
3 the Department of Transportation (SDOT) at an address as the Director may specify in writing
4 from time to time. The Permittee shall provide a certified complete copy of the insurance policy
5 to the City promptly upon request.

6
7 If the Permittee is self-insured, a letter of certification from the Corporate Risk Manager
8 may be submitted in lieu of the insurance coverage certification required by this ordinance, if
9 approved in writing by the City's Risk Manager. The letter of certification must provide all
10 information required by the City's Risk Manager and document, to the satisfaction of the City's
11 Risk Manager, that self-insurance equivalent to the insurance requirements of this ordinance is in
12 force. After a self-insurance certification is approved, the City may from time to time
13 subsequently require updated or additional information. The approved self-insured Permittee
14 must provide 30 days' prior notice of any cancellation or material adverse financial condition of
15 its self-insurance program. The City may at any time revoke approval of self-insurance and
16 require the Permittee to obtain and maintain insurance as specified in this ordinance.

17
18 In the event that the Permittee assigns or transfers the permission granted by this
19 ordinance, the Permittee shall maintain in effect the insurance required under this section until
20 the Director has approved the assignment or transfer pursuant to Section 14 of this ordinance.

21
22 **Section 11. Contractor insurance.** The Permittee shall contractually require that any and
23 all of its contractors performing work on any premises contemplated by this permit name the
24 "City of Seattle, its elected and appointed officers, officials, employees and agents" as additional
25 insureds for primary and non-contributory limits of liability on all CGL, Automobile and
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1 Pollution liability insurance and/or self-insurance. The Permittee shall also include in all contract
2 documents with its contractors a third-party beneficiary provision extending to the City
3 construction indemnities and warranties granted to the Permittee.

4 Section 12. **Performance bond.** Within 60 days after the effective date of this ordinance,
5 the Permittee shall deliver to the Director for filing with the City Clerk a sufficient bond
6 executed by a surety company authorized and qualified to do business in the State of Washington
7 that is: in the amount of \$70,000, and conditioned with a requirement that the Permittee shall
8 comply with every provision of this ordinance and with every order the Director issues under this
9 ordinance. The Permittee shall ensure that the bond remains in effect until the Director has issued
10 a certification that the Permittee has fulfilled its removal and restoration obligations under
11 Section 5 of this ordinance. An irrevocable letter of credit approved by the City's Risk Manager
12 may be substituted for the bond upon approval of the Director. In the event that the Permittee
13 assigns or transfers the permission granted by this ordinance, the Permittee shall maintain in
14 effect the bond or letter of credit required under this section until the Director has approved the
15 assignment or transfer pursuant to Section 14 of this ordinance.
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18 Section 13. **Adjustment of insurance and bond requirements.** The Director, in
19 consultation with the City's Risk Manager, may adjust minimum liability insurance levels and
20 surety bond requirements during the term of this permission. If the Director and City's Risk
21 Manager determine that an adjustment is necessary to fully protect the interests of the City, the
22 Director shall notify the Permittee of the new requirements in writing. The Permittee shall,
23 within 60 days of the date of the notice, provide proof of the adjusted insurance and surety bond
24 levels to the Director.
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1 Section 14. **Consent for and conditions of assignment or transfer.** The permission
2 granted by this ordinance shall not be assignable or transferable by operation of law; nor shall the
3 Permittee transfer, assign, mortgage, pledge or encumber the same without the Director's
4 consent, which the Director shall not unreasonably refuse. The Director may approve assignment
5 or transfer of the permission granted by this ordinance to a successor entity only if the successor
6 or assignee has accepted in writing all of the terms and conditions of the permission granted by
7 this ordinance; has provided, at the time of the acceptance, the bond and certification of
8 insurance coverage required under this ordinance; and has paid any fees due under Section 17 of
9 this ordinance. Upon the Director's approval of an assignment or transfer, the rights and
10 obligations conferred on the Permittee by this ordinance shall be conferred on the successors and
11 assigns. Any person or entity seeking approval for an assignment or transfer of the permission
12 granted by this ordinance shall provide the Director with a description of the current and
13 anticipated use of the tunnel.
14
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16 Section 15. **Inspection fees.** The Permittee shall, as provided by SMC Chapter 15.76 or
17 successor provision, pay the City the amounts charged by the City to inspect the tunnel during
18 construction, reconstruction, repair, annual safety inspections, and at other times deemed
19 necessary by the City. An inspection or approval of the tunnel by the City shall not be construed as
20 a representation, warranty, or assurance to the Permittee or any other person as to the safety,
21 soundness, or condition of the tunnel. Any failure by the City to require correction of any defect or
22 condition shall not in any way limit the responsibility or liability of the Permittee.
23

24 Section 16. **Inspection reports.** The Permittee shall submit to the Director, or to SDOT
25 at an address specified by the Director, an inspection report that:
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- 1 (a) describes the physical dimensions and condition of all load-bearing elements;
- 2 (b) describes any damages or possible repairs to any element of the tunnel;
- 3 (c) prioritizes all repairs and establishes a timeframe for making repairs; and
- 4 (d) is stamped by a professional structural engineer licensed in the State of
- 5 Washington.

6 A report meeting the foregoing requirements shall be submitted within 60 days after the
7 construction of the tunnel is complete; subsequent reports shall be submitted every 2 years,
8 within 30 days prior to the anniversary date of the last inspection report; provided that, in the
9 event of a natural disaster or other event that may have damaged the tunnel, the Director may
10 require that additional reports be submitted by a date established by the Director. The Permittee
11 has the duty of inspecting and maintaining the tunnel. The responsibility to submit structural
12 inspection reports periodically or as required by the Director does not waive or alter any of the
13 Permittee's other obligations under this ordinance. The receipt of any reports by the Director
14 shall not create any duties on the part of the Director. Any failure by the Director to require a
15 report, or to require action after receipt of any report, shall not waive or limit the obligations of
16 the Permittee.
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19 Section 17. **Annual fee.** Beginning on the effective date of this ordinance, and annually
20 thereafter, the Permittee shall promptly pay to the City, upon statements or invoices issued by the
21 Director, an annual fee of \$3,264, or as adjusted annually thereafter, for the privileges granted by
22 this ordinance.
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24 Adjustments to the annual fee shall be made in accordance with a term permit fee
25 schedule adopted by the City Council and may be made every year. In the absence of a schedule,
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1 the Director may only increase or decrease the previous year's fee to reflect any inflationary
2 changes so as to charge the fee in constant dollar terms. This adjustment will be calculated by
3 adjusting the previous year's fee by the percentage change between the two most recent year-end
4 values available for the Consumer Price Index for the Seattle-Tacoma-Bremerton Area, All
5 Urban Consumers, All Products, Not Seasonally Adjusted. All payments shall be made to the
6 City Finance Director for credit to the Transportation Operating Fund.
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8 **Section 18. Compliance with other laws.** Permittee shall construct, maintain and operate
9 the tunnel in compliance with all applicable federal, state, County and City laws and regulations.
10 Without limitation, in all matters pertaining to the tunnel, the Permittee shall comply with the
11 City's laws prohibiting discrimination in employment and contracting including Seattle's Fair
12 Employment Practices Ordinance, Chapter 14.04, and Fair Contracting Practices code, Chapter
13 14.10 (or successor provisions).
14

15 **Section 19. Acceptance of terms and conditions.** The Permittee shall deliver to the
16 Director its written signed acceptance of the terms of this ordinance within 60 days after the
17 effective date of this ordinance. The Director shall file the written acceptance with the City
18 Clerk. If no such acceptance is received within that 60-day period, the privileges conferred by
19 this ordinance shall be deemed declined or abandoned and the permission granted deemed lapsed
20 and forfeited. The Permittee shall not commence construction of the tunnel prior to the Permittee
21 delivering its written signed acceptance of the terms of this ordinance and providing the bond
22 and certification of insurance coverage required by this ordinance as well as the covenant
23 agreement required by Section 20 of this ordinance.
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1 Section 20. **Obligations run with the Property.** The obligations and conditions
2 imposed on the Permittee by and through this ordinance are covenants that run with the land and
3 bind subsequent owners of the property adjacent to the tunnel and legally described in Section 1
4 of this ordinance (the "Property"), regardless of whether the Director has approved assignment or
5 transfer of the permission granted herein to such subsequent owner(s). At the request of the
6 Director, Permittee shall provide to the Director a current title report showing the identity of all
7 owner(s) of the Property and all encumbrances on the Property. The Permittee shall, within 60
8 days of the effective date of this ordinance, and prior to conveying any interest in the Property,
9 deliver to the Director upon a form to be supplied by the Director, a covenant agreement
10 imposing the obligations and conditions set forth in this ordinance, signed and acknowledged by
11 the Permittee and any other owner(s) of the Property and recorded with the King County
12 Recorder's Office. The Director shall file the recorded covenant agreement with the City Clerk.
13 The covenant agreement shall reference this ordinance by its ordinance number. At the request
14 of the Director, Permittee shall cause encumbrances on the Property to be subordinated to the
15 covenant agreement.
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18 Section 21. **Section titles.** Section titles are for convenient reference only and do not
19 modify or limit the text of a section.
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1 Section 22. This ordinance shall take effect and be in force 30 days after its approval by
2 the Mayor, but if not approved and returned by the Mayor within ten days after presentation, it
3 shall take effect as provided by Seattle Municipal Code Section 1.04.020.

4 Passed by the City Council the ____ day of _____, 2012, and
5 signed by me in open session in authentication of its passage this
6 ____ day of _____, 2012.

7
8 _____
9 President _____ of the City Council

10
11 Approved by me this ____ day of _____, 2012.

12
13 _____
14 Michael McGinn, Mayor

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16 Filed by me this ____ day of _____, 2012.

17
18 _____
19 Monica Martinez Simmons, City Clerk

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 Fred Hutchinson Cancer Research Center permission to construct, maintain, and operate a service tunnel under and across Eastlake Avenue East, north of Aloha Street, for a ten-year term, renewable for two successive ten-year terms; specifying the conditions under which this permit is granted; and providing for the acceptance of the permit and conditions.

Summary of the Legislation:

This legislation will allow Fred Hutchinson Cancer Research Center (FHCRC) to construct, maintain, and operate a service tunnel under and across Eastlake Avenue East, north of Aloha Street. An area map is attached for reference.

This tunnel permit is for a term of ten years with two successive ten-year renewal options. The legislation specifies the conditions under which authorization is granted and provides for acceptance of the permit and conditions.

The FHCRC is to pay the City of Seattle an annual fee of \$3,264 commencing on the effective date of the ordinance, 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 Resolution 31355, the City granted conceptual approval of the new service tunnel to the FHCRC.

Please check one of the following:

X **This legislation has financial implications.**

Appropriations: N/A

Anticipated Revenue/Reimbursement Resulting from this Legislation:



Fund Name and Number	Department	Revenue Source	2012 Revenue	2013 Revenue
Transportation Operating Fund 10310	Seattle Department of Transportation	Annual Fee –	\$3,264	TBD
TOTAL			\$3,264	TBD

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

Other Implications:

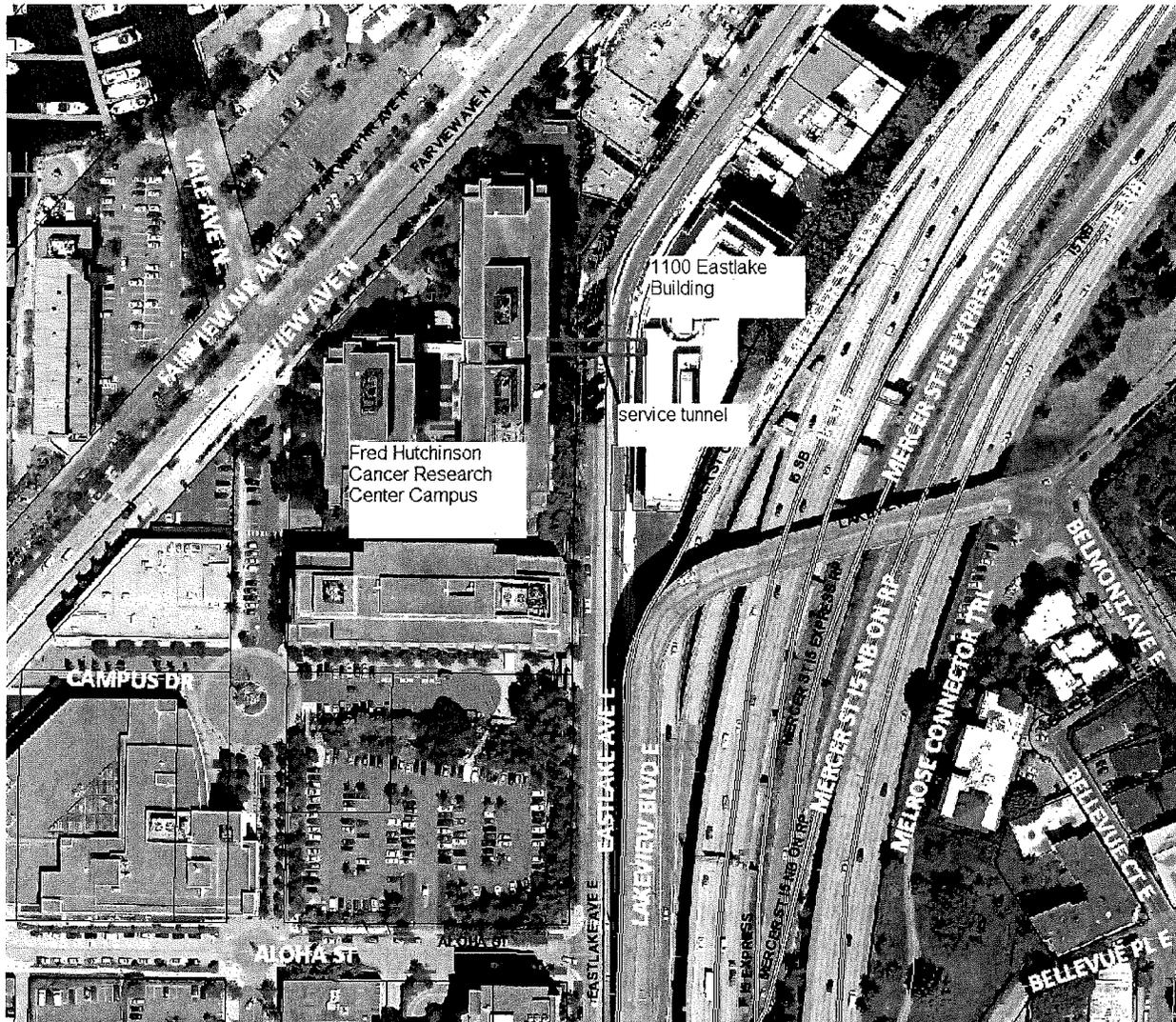
- a) **Does the legislation have indirect financial implications, or long-term implications?**
No
- b) **What is the financial cost of not implementing the legislation?**
If the legislation is not enacted by the City Council, the City of Seattle will not receive the annual fee of \$3,264. As previously stated, the City of Seattle has the option to adjust the fee amount on an annual basis. The tunnel, as conceptually approved under Resolution 31355, will not be permitted.
- c) **Does this legislation affect any departments besides the originating department?**
No
- d) **What are the possible alternatives to the legislation that could achieve the same or similar objectives?** None
- e) **Is a public hearing required for this legislation?**
No
- f) **Is publication of notice with *The Daily Journal of Commerce* and/or *The Seattle Times* required for this legislation?**
No
- g) **Does this legislation affect a piece of property?**
An area map is attached for reference.
- h) **Other Issues:** N/A

List attachments to the fiscal note below:

- Attachment A –Fred Hutchinson Cancer Research Center Tunnel Area Map
- Attachment B - Annual Fee Assessment Summary



Attachment A – Fred Hutchinson Cancer Research Center 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: 5/23/12

<p><u>Summary:</u> Land Value: \$160/SF First Year Permit Fee: \$3,264</p>

I. Property Description:

This annual fee assessment is for a new service tunnel under and across Eastlake Avenue East, north of Aloha Street. The tunnel will provide a private utility and service personnel connection between the FHCRC Weintraub Building and 1100 Eastlake Avenue East Building. Adjacent tax parcels are listed below. The tunnel is **850 square feet.**

Applicant:

Fred Hutchinson Cancer Research Center

Abutting Parcels, Property Size, Assessed Value:

1. Parcel 216390-1105; 42,054 square feet

Tax year 2012 Appraised Land Value \$6,728,600
Assessed at \$160/SF

2. Parcel 198420-0455; 177,682 SF

Tax year 2012 Appraised Land Value \$28,429,100
Assessed at \$160/SF

Average 2012 tax assessed land value: \$160/SF

II. Annual Fee Assessment:

The 2012 permit fee is calculated as follows: $(\$160/\text{SF}) \times (850 \text{ SF}) \times (30\%) \times (8\%) = \boxed{\$3,264}$, where 30% is the degree of alienation for an utility tunnel and 8% is estimated annual rate of return.

Fee methodology authorized under Ordinance 123485.





City of Seattle
Office of the Mayor

June 12, 2011

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 will grant to the Fred Hutchinson Cancer Research Center (FHCRC) permission to construct, operate, and maintain a service tunnel located under and across Eastlake Avenue East, north of Aloha Street. The permission granted will be for a ten-year term, renewable for two additional ten-year terms.

The service tunnel shall provide a private utility and service personnel connection between the FHCRC Weintraub Building and 1100 Eastlake Avenue East Building, which was acquired by FHCRC in December 2010. The private utilities will include data and telecommunications infrastructure that supports the connectivity between 1100 Eastlake and the rest of the FHCRC campus. Service personnel will utilize the service tunnel to transport biohazardous and chemical waste, heavy equipment, lab specimens, and other lab support materials between 1100 Eastlake and the campus.

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

Sincerely,

Michael McGinn
Mayor of Seattle

cc: Honorable Members of the Seattle City Council

