City of Seattle
Seattle Department of Transportation
Peter Hahn, Director

September 17, 2012

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

Subject: **Petitions of Clise Properties, Inc. on behalf of Amazon.com Inc. for the vacation of three separate alleys: Block 14, Heirs of Sarah A. Bell's Addition; Block 20, Heirs of Sarah A. Bell's 2nd Addition; and Block 21, Heirs of Sarah A. Bell's 2nd Addition, in the project area bounded by Westlake Avenue, Virginia Street, 6th Avenue, Blanchard Street, and 8th Avenue**
Clerk File 312260; Clerk File 312261; and Clerk File 312262

Dear Councilmember Rasmussen and Honorable Members of the Transportation Committee:

We are returning three separate vacation petitions from Clise Properties, Inc. on behalf of Acorn Development LLC (hereafter Petitioner) which is proposing an office development to be occupied by Amazon.com Inc. (Amazon). The petitions are for the vacation of three alleys in the project area bounded by Westlake Avenue, Virginia Street, 6th Avenue, Blanchard Street, and 8th Avenue in the Denny Triangle neighborhood of the Downtown Urban Center, described as:

1. **Alley in Block 14, Clerk File 312260: Alley in Block 14, Addition to the Town of Seattle, as Laid off by the Heirs of Sarah A. Bell, Deceased (Commonly known as Heirs of Sarah A. Bell's Addition to the City of Seattle), According to the Plat thereof, Recorded in Vol. 1 of Plats, Page 103, in King County, Washington.**

2. **Alley in Block 19, Clerk File 312261: Alley in Block 19, Second Addition to the Town of Seattle, as Laid off by the Heirs of Sarah A. Bell, Deceased (Commonly known as Heirs of Sarah A. Bell's Second Addition to the City of Seattle), According to the Plat thereof, Recorded in Vol. 1 of Plats, Page 121, in King County, Washington.**

3. **Alley in Block 20, Clerk File 312262: Alley in Block 20, Second Addition to the Town of Seattle, as Laid off by the Heirs of Sarah A. Bell, Deceased (Commonly known as Heirs of Sarah A. Bell's Second Addition to the City of Seattle), According to the Plat thereof, Recorded in Vol. 1 of Plats, Page 121, in King County, Washington.**

Each alley proposed for vacation includes approximately 5,760 square feet of right-of-way; the total area of the three alleys is approximately 17,280 square feet.

BACKGROUND

The Petitioner is currently acquiring property and preparing to begin the development of significant new office space in the Denny Triangle. As the Petitioner is still in the process of acquiring the three blocks where alley vacations are proposed, the current property owner, Clise Properties, Inc., is the signatory on the vacation petitions. However Clise Properties, Inc. has not had a role in any of the planning, permitting or design work. Once the property transactions are completed, the Petitioner will own all the property on both sides of the three alleys proposed for vacation. The property transactions are expected to close by the end of 2012. Once the Petitioner has acquired the property, it is anticipated that this same entity Acorn Development LLC will undertake the development and that permits and other approvals will be sought under that name. The Petitioner identifies this proposal as Rufus 2.0 and its South Lake Union offices as Rufus 1.0 and these names appear on some maps and other documents. For purposes of this recommendation, the project proponent will simply be identified as the Petitioner.

In addition to the three proposed vacations, the Petitioner is seeking a Planned Community Development (PCD) as a component of the project to be occupied by Amazon.com (Amazon). The PCD is a zoning process that may be applied in downtown zones to promote comprehensive development of large tracts of land. By coordinating the development of large sites through the PCD process, public benefits can be achieved that are greater than those that would occur if the area were developed in a more standard, site-by-site fashion. To encourage this more comprehensive planning approach, a PCD provides for some flexibility in design standards, but not height or floor area ratio (FAR). The PCD provides for an extended life for the Master Use Permit (MUP). The determination to permit a PCD is made by the Director of the Department of Planning and Development (DPD) as a component of the MUP and is a Type II land use decision under SMC 23.76. DPD has required that certain public benefits be provided with PCD, these public benefits are separate from, and in addition to, the public benefits required for the alley vacations. DPD has required the following public benefits:

1. **Improvements to Pedestrian Circulation:**
    a. Develop Westlake Avenue and 7th Avenue Street Design Concept Plan (between Denny and McGraw Square/5th Avenue) informed by the Denny Triangle Urban Design Framework study, the Westlake Hub Urban Strategy, and the South Lake Union Mobility Plan.
2. **Improvements to Urban Form:**
    a. Develop Design Guidelines for structures above 60' for Block 19 and Block 20.
3. **Improvements to Transit Facilities:**
    a. Design and install enhancements to existing streetcar stops including seating, shelter, landscaping and/or intersection improvements at 7th Avenue and Westlake.

   b. The stop abutting Block 14 should be designed as a streetcar stop integrated with the building frontage, allowing for wider sidewalks immediately adjacent.
   c. Subsidize 7AM to 7PM operations for the third streetcar for 10 years.
4. **Demonstrate Public Benefits & Sustainability:**
   a. Design with the intent to meet LEED Gold rating.
   b. Work with the City to explore further opportunities for energy reduction.

The Petitioner is proposing that the overall project be developed in three phases. It is anticipated the development on Block 14 would occur first with construction beginning next year. Development on Block 19 would occur next, and the work would begin one to three years after work on Block 14. The final block to be developed would be Block 20 and work on this block would begin one to three years after work on Block 19. The PCD designation will allow the Petitioner up to 12 years to complete the permitting process on the three blocks. The Petitioner is requesting that the vacation approval last for 15 years so that there is adequate time for construction following the issuance of final permits.

REASON FOR VACATION

The existing alleys bisect the parcels under contract by the Petitioner, making it impossible to develop the site with a consolidated proposal. Without the vacations, each block would be developed with a ½ block rectangular building on each side of the existing alleys. While this would work to provide adequate office space, it does not provide any flexibility to move the buildings around the site to create open space, to orient the buildings, to maximize light, or to shift development to respond to tenant needs such as a large meeting space. Combining the two parcels with the proposed vacations will allow for a single development on each site and a more efficient shared below-grade parking structure. The consolidated development of the combined parcels allows for the various elements of the project to share utilities and services such as elevators, stairs, and mechanical, electrical, and fire suppression systems that would need to be duplicated in separate structures.

A consolidated development on each site means that access and services to the site can be coordinated in order to limit curb cuts, increase retail frontage, and enhance the pedestrian character around the block.

The Petitioner proposes the vacations to increase its flexibility in the development of the three sites and to improve the urban form of the projects. Specifically, the Petitioner proposes the vacations to improve the projects in the following ways:

- Improved provision of light and air;
- Greater ability to control solar heat with an east-west building orientation resulting in more energy efficient heating and cooling of the buildings;
- Improved vehicular movement around the sites;
- More efficient underground parking; and

- The vacations provide opportunities for enhanced public amenities such as on-site open space and public benefits.

PROJECT DESCRIPTION

The three blocks under contract by the Petitioner are in the Denny Triangle neighborhood in the area bounded by 8th Avenue on the north, Westlake Avenue on the diagonal to the east, Virginia Street on the east, 6th Avenue on the south, and Blanchard Street on the west. The Petitioner proposes to build and occupy all of the office space and has provided a rough estimate that there will be approximately 4,000 employees in each of the three buildings. Amazon has stated that its goal is to create a new neighborhood and not a private campus. To achieve this goal, the building sites will all include publically accessible open space, landscaping, art and artist designed elements such as street furniture and bicycle racks, a cycle track on 7th Avenue, and street-level retail to engage the larger neighborhood. Each of the three blocks is proposed to be developed with a single high-rise tower, a lower scale office building, street level open space and retail, and consolidated underground parking. Each block includes the following elements:

Block 14:

- Bounded by Westlake Avenue, Virginia Street, 6th Avenue, and Lenora Street;
- Development includes a 37-story high-rise office tower and another lower-scale building;
- A total of approximately 1,056,000 square feet of office space in both buildings;
- Approximately 15,000 square feet of retail space at street level;
- Six levels of below-grade parking to accommodate 1,072 vehicles and space for up to 400 bicycles;
- An approximately 1,800 seat meeting center will be provided in the lower scale building;
- The office tower and meeting center will be connected on the north side of the block by an above grade pedestrian link internal to the block; and
- Between the two buildings is open space that includes a through-block plaza and pedestrian walkway, landscaping, and a glazed trellis for overhead weather protection.

Block 19:

- Bounded by Lenora Street, 6th Avenue, Blanchard Street, and 7th Avenue;
- Development includes a 37-story high-rise office tower and another lower-scale building.
- A total of approximately 1,123,000 square feet of office space in both buildings;
- Approximately 14,000 square feet of retail space at street level;
- Six levels of below-grade parking to accommodate 1,137 vehicles and space for 400 bicycles;
- The two buildings would be connected by an open-air pedestrian canopy along 6th Avenue; and
- Between the two buildings is open space, which includes a through-block pedestrian walkway, landscaping, a dog park, and a field.

Block 20:

- Bounded by Lenora Street, 7th Avenue, Blanchard Street, 8th Avenue, and Westlake Avenue.
- Development would include a 37-story high-rise tower and another lower-scale building;
- Approximately 1,104,000 square feet of office space and approximately 21,800 square feet of retail space in both buildings;
- Six-levels of below-grade parking to accommodate 1,126 vehicles and space for 400 up to bicycles;
- The two buildings are connected by an above-grade pedestrian link internal to the block; and
- Between the two buildings is open space, which includes a through-block pedestrian walkway, landscaping, and a possible water feature.

The amenities and public benefit elements proposed for the project are discussed in the public benefits section of this recommendation.

CIRCULATION/ISSUE IDENTIFICATION (NOT ISSUE RESOLUTION)

The proposed vacations were circulated to various City departments, outside agencies and community groups for comment. The purpose of the broad review of the petition is to identify issues that need to be addressed. The comments, closely reproduced below, reflect the statements made by the reviewers and any issues identified during the initial portion of the review process. The comments reflect a "snapshot in time" when the comments were received and do not reflect any project revisions, updates or responses to comments. All the comments received are a part of the record and are not revised or amended by Seattle Department of Transportation.

The comment section does not reflect the resolution of the issue or subsequent design changes or mitigation. The analysis section will focus on the resolution of any issues, recommended project changes, or conditions to address any issues or concerns. The Petitioner has responded to the comments received and that work is reflected in the conditions imposed on the vacation.

The following comments were received:

City Departments

Seattle Police Department (SPD): SPD has no objections or concerns from a traffic control perspective regarding any of the three alley vacation petitions.

Seattle Department of Parks and Recreation (Parks): staff has participated in the interdepartmental team evaluating public benefit opportunities related to the Amazon alley vacation petitions in the Denny Triangle. We testified at one of the early design guidance

meetings as to the importance of Amazon including in their developments significant publically accessible open space. We have also discussed this issue with their landscape architectural sub consultants, Site Workshop.

In as much as Parks owns what is currently referred to as the "Enterprise car rental site" on the corner of Westlake and Lenora and looks ahead to the opportunity to integrate that site as a park into the overall design context for Westlake, extending to the Amazon development, and taking advantage of Lenora as a "green street" adjacent to the future park and extending across Westlake; there appears to be an opportunity for Amazon to expand their design work to include this site.

Seattle Department of Transportation (SDOT) Capital Projects and Roadway Structures (CPRS): does not have concerns related to the vacation of the alleys. However, there are two known areaways in the vicinity of the proposed vacations but not in the vacated alleys. There may be additional comments when the project starts in relation to the street where the areaways are located.

SDOT Street Use: has the following comments:

1. Tree grates: Amazon should coordinate with Street Use on tree grate design.
    a. Grate material and design for ADA accessibility and ease of expansion-central opening for tree at the time of installation to be a minimum of 1' square.
    b. Soil surface under grate of 1"-1.5", no more than 1" below the bottom of the grate surface.
    c. Sidewalk design to include expandable panels to allow tree pit expansion.
    d. Specific language in the Street Use permit addressing maintenance. An annual permit may be required.
2. Landscaped medians: Amazon should coordinate with Street Use on landscaped median design proposals. The designs should address:
    a. Wide enough to accommodate trees (8' minimum).
    b. Sizeable enough to accommodate multiple trees (exception: single trees at transit stops are installed on Dexter between bike and travel lanes).
    c. Adequate total s.f. for fully landscaped medians (with trees and understory planting) to warrant the installation of automatic irrigation for establishment.
    d. Compatibility with transportation function of the corridor, SDOT Traffic Operations must approve with the expectation that Urban Forestry will need full lane closure adjacent to the median during maintenance work.
    e. An agreement (such as an annual permit) should be developed with the applicant to ensure maintenance of the new medians.
3. Shared-use Street (on Lenora): Street Use offers the following considerations:
    a. Narrow the pedestrian crossing, with concurrence of Traffic Operations.
    b. Narrow the lanes, with concurrence of Traffic Operations.
    c. Use a high grade and quality of materials.

   d. Ensure the transition from private to public spaces is seamless but that the roadway still looks and feels public.
4. Overall Channelization: Amazon should ensure that the cross sections provided to SDOT Traffic are consistent with the next update of the plan set.
5. Cycle track Considerations:
   a. Materials: Amazon should avoid using porous materials for the cycletrack; differentiate between pedestrian sidewalks, landscaping strips, and the bicycle facility by using other combinations of materials.
   b. Phasing: SDOT supports the Design Commission recommendation to have Amazon include the east side of 7th Avenue between Lenora Street and Westlake Avenue in the scope that the team is designing.
   c. SDOT recommends that Amazon be responsible for designing and implementing improvements on 7th Avenue (both sides of the street) through the intersection of Westlake Avenue to the north side of the intersection at Virginia Street.
   d. Amazon monetary contribution to cycletrack: SDOT will prepare an estimate for the planning, design, and construction of the segment of the proposed cycletrack between Virginia and Pine on 7th, including public outreach.

SDOT Traffic Operations: has collaborated closely with Street Use and concurs with the comments provided by Street Use. Traffic notes that the Public Benefit elements that involve modifications to the public right-of-way must be developed in consultation with SDOT and other interested stakeholders through the established Street Improvement Permit (SIP) process. Comments on the public benefits summary tables:

- Separate tables have been prepared for each of the 3 blocks. However, it is unclear if each table is specifying the benefits necessitated by the alley vacation on that block, or benefits that are being provided as that block develops or both. In any case, the schedule for implementation should be clearly identified.
- Each of the 3 tables cross-reference each other. This is confusing, in that it is unclear if the entirety of that benefit is being provided as part of other blocks or if the reader is being referred elsewhere for information. This should be made clear and each table should be written to stand alone.
- The cycletrack reference should be revised from "bicycle wayfinding signage" to "bicycle wayfinding signage as appropriate".
- For each of the 3 tables, change the title from "shared use street" to "Lenora Street-Shared Use Street/Enhanced Pedestrian Facilities".
- For each of the 3 tables change the title from "Green Street" to "Blanchard Street-Green Street".
- For the Block 14 Westlake Avenue Improvements, make the following revisions. Add the words "Analysis and creation of a scramble…". Add the words "and bicycle crossing" at the end of the first bullet. Delete bullet 3 and replace with "Enlarge and enhance pedestrian island between 7th/Westlake/Virginia". Add a 5th bullet, "Install bicycle crossing of Westlake Avenue through hardscape treatments and/or enhanced striping.

- On Benefit # 6, revise wording to "double row of trees (allee) on 7th Avenue".

SDOT Policy and Planning Division: would like to see more information about the proposed cycle track along 7th Avenue, where it does not front the applicant property—it is important to think about the bicycle facility network and connectivity of bicycle facilities to ensure that people of all ages and abilities who bike can ride comfortably. 7th Ave connects to Dexter Ave N, which is one of the frequently used, and better designed, bicycle facilities in the city and provides access to downtown. Because of the large number of bicycle riders on this route, it is crucial to provide a connected facility and fill in the gaps from the Dexter and Denny intersections to the applicant property, as well as continuing the cycle track further into the city along 7th (south of Westlake Ave). We believe that more analysis about the cost and responsibility of the extension of the cycle track north and south should be considered by the applicant vacating three alleys in order to maintain the best-connected bicycle facility network possible. The $250,000 proposed in the July 2012 update does not seem to reflect an accurate monetary contribution of such an extension. There are also some maintenance concerns about using permeable pavement for the cycle track that can be discussed further during the SIP process.

We also have concerns about the phasing of the improvements, how will the applicant account for the interim improvements prior to the other block being developed? If the blocks are to be developed 3-5 years apart, there still needs to be bicycle and pedestrian network connectivity prior and during full build out. Should all of the public benefits package be constructed with the first block to be developed so as to complete the benefits at one time?

SDOT Freight Mobility: has 2 comments:

- The developer should expect to only allow delivery by vehicles 30 feet and under in length during all work days and on Saturday. SDOT maintains a Downtown Traffic Control Zone that restricts trucks during certain hours of the day. Restrictions include:
    a. Vehicles over 30 feet in length are restricted Monday through Saturday between the hours of 6:00am and 7:00pm. Special permission is required.
    b. Over-legal loads are not permitted in the Downtown Traffic Control Zone between the hours of 6:00am and 7:00pm, Monday through Friday. Special permits must be obtained for any movement in this area. State permitted over-legal loads and vehicles must also obtain a special one-day permit for movement in the Downtown Traffic Control Zone.

Block 14 is located in the Zone and all streets except for Lenora are in the Zone, which is a boundary for the Zone. Truck lengths are limited to vehicles 30' and under by the Zone requirements except on Lenora Street.

The truck restrictions in this Zone could reduce the volume of freight delivered by one truck per delivery and encourage a higher volume of smaller trucks. This should be considered in the traffic analysis and on-site loading configurations.

This could also impact Block 19 and Block 20 if vehicles over 30 feet in length will access those buildings during restricted periods.

- It is expected that there will be ground floor commercial uses on all or most sides of the three blocks. Delivery to these uses could be provided by internal loading docks. These loading facilities will replace all delivery functions that the current alleys provide.

Alternatively, truck drivers may instead choose to use street curb space for convenience and to reduce haul distance. Commercial vehicle load space demand could compete with other curb uses and interfere with sidewalk pedestrian flow.

It is recommended that the curb-side delivery functions be managed to encourage, if not mandate, non-work day hours of operation.

Department of Planning and Development (DPD) Planning Division: Since the review process began, numerous, weekly interdepartmental meetings have occurred to understand and examine the effects of the proposed vacation requests. These meetings focused on the site planning, urban design, transportation issues and public benefits of the proposed development and associated alley vacations. In addition to these staff meetings, the Design Commission and Downtown Design Review Board also provided thorough review and assessment of the proposed development and addressed the issues of circulation, access, light, air, open spaces and relationship of the proposed structures within the existing built context. Improvements to the pedestrian and bicycle realm have been paramount considerations throughout these discussions. The inclusion of generous mid block open spaces and connections that are well designed, landscaped and open to the public provides significant opportunities for pedestrian circulation throughout the sites. These improvements, coupled with the extensive discussion and provision of the cycle track design, signalization enhancements and streetcar stop re-design, have further addressed and remedied the loss of the existing alleys.

The Downtown Urban Center Neighborhood Plan generally discourages street and alley vacations, however, among the Key Integrated Strategies of the Denny Triangle Neighborhood Plan (plan approved by the City Council but not in the adopted policies in the Comprehensive Plan), alley vacations are specifically addressed in **Key Strategy #1: Simplify and create a means to expedite the alley vacation process to encourage residential and commercial development.** The proposed alley vacations are intended to accommodate a high-density commercial development, which is consistent with the zoning and visions for the area.

In the evaluation of the alley vacations, the potential benefit of the following should be considered:

- The potential for the improved massing of high-rise structures than would otherwise occur to promote better urban form in the area and an improved physical relationship between the new structures on these blocks and surrounding developments.

- Enhanced pedestrian circulation in the area, with through-block connections running perpendicular to the avenues to bisect blocks on their longer north-south dimension, increasing the "permeability" of the area for pedestrians.
- Benefits indentified in the Denny Triangle Neighborhood Plan, including "reconfiguring "non-standard" Westlake Avenue intersections to better accommodate pedestrian traffic via landscaped unused street right-of-way and islands", development of designated greet streets, creating "gateways", additional pocket parks and civic spaces; improvements to better integrate Westlake Avenue into the neighborhood and enhance the corridor as a landscaped thoroughfare with open space; and improved transit access.
- Locating vehicular and service access to the general area of existing alleys, unless other locations are determined to promote better conditions for pedestrians and cyclists.

Through numerous meetings and consultation with the City, the following benefits have been developed as part of the vacation in response to the above considerations. These benefits include:

- Site and massing design that maximizes solar exposure, view, light and air between and among the proposed buildings and surrounding structures.
- Elimination of curb cuts along the 7th Avenue frontages.
- Location of vehicular access points have been thoroughly studied and agreed upon during multiple interdepartmental coordination meetings.
- Design of a cycle track that is part of a larger system extending along 7th Avenue from Denny Way to Pine Street and development of portions of the cycle track.
- Pedestrian and bike signalization improvements at 7th and Westlake.
- Landscape, curb bulbs and sidewalk improvements in the ROW.
- Design and development of a Shared Use Street along Lenora.
- Installation of artwork in the ROW.
- Design and development of a Green Street along Blanchard.

The 2005 Downtown Height and Density Changes FEIS identified and evaluated the probable significant transportation impacts that could result from the increased height and density changes. An Addendum to this FEIS has been prepared that studies the impacts of this specific proposal. The Addendum explains that the vacation of the alleys would not create any additional building space; therefore, the projected traffic would be the same with or without the alley vacation.

The proposed development is consistent with the City's Land Use Policies and suitable to the area. Development associated with the alley vacations would not appear to conflict with current transportation policies.

If the proposed alley vacation were to be approved, the resulting development site would generally be compatible with commercial development intended for this portion of the Denny Triangle area. The 2005 rezone of the downtown to increase height and density contemplated

build out of the subject blocks. It is anticipated that the Design Review process now underway will result in a development that meets neighborhood concerns of height, bulk, scale and character. None of the three alleys provide an edge or boundary between zones or areas of differing character.

The building typology and uses in this area are varied, with a combination of low to high-rise commercial, office and residential buildings of varying ages. No single use is predominant in this transitional neighborhood between the established downtown shopping core and the newer growth in S Lake Union.

DPD recommends that the requested alley vacations be granted. If the proposed alley vacations were to be approved, the resulting development site would generally be compatible with what commercial development intended for this portion of the Denny Triangle area.

Department of Neighborhoods (DON) Landmarks Preservation Board Coordinator: there are at least two buildings that are 50 years or older on the site of the proposed development:

- Toyota of Seattle, 2121 8th Avenue, and
- Sixth Avenue Inn, 2000 Sixth Avenue.

However, both of these buildings listed above were identified in the 2007 survey of downtown properties as buildings that have been so altered that they would not qualify as Seattle landmarks. The City has amended its Interdepartmental Agreement between DON and Department of Planning and Development to specify that these properties have been determined not eligible and that no landmark nomination would be required during the SEPA process for any redevelopment on the site.

If there are any building, other than those listed above, that are located on the site of the proposed development which are 50 years or older, a referral to DON may be necessary in order to comply with SEPA.

Seattle City Light (SCL): SCL has reviewed the vacation request for the alleys in Blocks 14, 19 and 20. SCL has extensive electric facilities within the proposed vacation area. SCL is working with Amazon on a relocation plan to accommodate the vacation request. For that reason, SCL has no objection to the vacation of the alleys subject to the following condition being made a part of the vacation conditions:

Seattle City Light (SCL) issues shall be resolved to the full satisfaction of SCL 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 SCL to provide for the protection, conversion and/or relocation of its electric utility facilities. This work may also include the acquisition of easements, the creation of restrictive covenants, the execution of relocation agreements, or the acquisition of the electric utilities by the Petitioner, all of which shall be the Petitioner's sole responsibility and at its sole expense. Petitioner shall be solely responsible for all costs

associated with the removal, underground conversion, and/or relocation of SCL's electric facilities, including all costs related to the restoration of electric service to other properties affected by the vacations, if SCL's electric facilities are relocated and/or converted to underground as a result of the vacation.

Seattle Public Utilities (SPU: these comments apply to all three alleys in Block 14, Block 19, and Block 20: each alley has an existing drain, consisting of a catch basin and piping to the combined sewer. The Petitioner will be responsible and must take over the ownership of the existing drain.

Seattle Design Commission: reviewed this project at its regular meetings of April 5, May 17, June 21, and July 19, 2012 and took the following actions:

April 5: the Commission thanked the design team for its briefing on Amazon's proposal to build three towers, and the alley vacations that would make possible their preferred design. The Commission recommended the team:

- Include the Commission's reviews in the project schedule. Return for reviews at the stages of the alley vacation process-both the urban design and public benefit package-with the proper amount of information and detail.
- Make it clear how the design benefits the public and the neighborhood, not just Amazon. Show how the design will stimulate activity on the street and the neighborhood, not just the plazas. Look beyond the lot lines' do not create a situation where the plazas are great but the streets are dead.
- Show how the proposed open spaces fit into the context of the other open spaces in the neighborhood.
- Integrate an artist into the design team to help design the public spaces.
- Provide a historical perspective of alley use to help justify and evaluate the proposal.

May 17: the Commission thanked the team for the presentation of its requested alley vacation and the urban design merit-the first component of the Commission's two-step review process.

By a vote of 9-1, the Commission approved the vacation's urban design merit. This area marks a transition of the grid; the alleys are truncated connections that terminate on Westlake Avenue in awkward multi-way intersections. Further, the current lots are less than standard dimension which challenges development feasibility given today's desired office floorplate dimensions and efficient parking layouts. Vacation of the alleys will create opportunities for several kinds of significant public spaces in an area of the city underserved by open space and public amenities.

The Commission looks forward to review of the public benefit package at a future meeting and appreciated the quality of the presentation, as well as the projects proposed utility upgrades, pubic pass-through blocks, bike infrastructure, and public spaces. The Commission made the following recommendations:

- Provide more detail and show diagrams and experiential views of pedestrian and operational access to the buildings, open spaces and streets. The primary pedestrian access to the buildings at the interior of blocks should not be designed to drain activity from or decrease the importance of the secondary access on avenues; they should be equally vibrant. Show an investment in design and material in the streetscape as significant as in the interior open spaces.
- Refine the design of the open spaces by recognizing, to an even greater extent than shown, the value in passing through the block. Enhance the concepts of variability in the type of open spaces.
- Develop the design to better reference the grid and connect the campus to the surrounding neighborhood, an especially important consideration since the project will be phased in over time and there is a chance one or more of the blocks will not be built. Develop graphics that clearly illustrate the area in interim phases.
- The current configuration of floor size, lease depth, and floor-to-floor height challenges many high performance building techniques. Demonstrate that you are designing the buildings and campus with long-term sustainability in mind. Consider developing an energy conservation strategy, which may include passive strategies, daylighting and natural cooling.
- Commissioner Wick-Harris voted no because she wanted to ensure the entrances from the street are designed to be as important as entrances from the courtyard public spaces, and that street vitality will not be drained due to this project.

June 21: the Commission was not yet ready to vote on Amazon's public benefit as the team needed to further develop the package. The Commission acknowledged the extraordinary amount of work invested in the design, appreciated the coordination with city departments and was excited about the prospects for developing a good public benefits package. The Commission made the following recommendations:

- Better delineate and provide more detail of the public benefits offered, both in terms of the quality and quantity of the design elements and materials.
- For the benefits that are part of a larger system, like the cycletrack, present the specific segments, the larger whole, interim solutions, and phasing. Consider using this method to analyze and present other benefits that are proposed as part of larger systems.
- Work with city agencies, especially SDOT, to develop a plan for the cycletrack so that it is integrated into the city and anticipates development of other properties along the track. Illustrate how the crossing of Westlake would be accomplished. The cycletrack is precedent setting, so it's important to get it right.
- Because Lenora Street between 7th and Westlake is proposed as a pedestrian-oriented street, the design should provide for such a function. The details are important so a more developed plan is needed.

- Delineate what part of Westlake street concept plan will be implemented as a vacation public benefit. Consider including improvements to the small plaza north of the streetcar terminus, as part of the plan you are doing for the PCD.
- Further develop and consider rethinking the sustainability offering. Think about sustainability as not just buildings by as a site and system. Study all aspects of sustainability, including stormwater and energy use.
- Integrate art holistically into the design and clearly relate it to its context. Consider including both big pieces and small details. Consider integrating art into the green street, perhaps to show sustainability.
- Clarify what portions of the mid-block connections are considered to be public benefit for the vacations. Explain why the trellis is considered a public benefit as it seems to primarily benefit the client.
- Better define the plan for programming the open space. It cannot be evaluated as a public benefit without more information. Is it part of the PCD package?
- Provide information on how many and what type of users will be served by the public benefits and speak to how this is different that if the alleys were to remain.

July 19: the Commission applauds how rapidly and well the concept and design of the public realm advanced over the course of review. Commissioners appreciated the team's responsiveness to Commission recommendations, and coordination with the city in proposing and developing the public benefit package. The Commission approves by a vote of 7-3, the public benefit package. *The Commission reviewed and participated in developing a detailed public benefit and phasing chart that is included in the public benefit section of this recommendation.* The list of public benefits approved by the Commission included the following:

- 7th Avenue Cycletrack, developed at the project site and a $250,000 contribution for planning to continue the Cycletrack to Pine Street;
- Pedestrian-oriented enhancements to Lenora Street between 7th Avenue and Westlake Avenue;
- A 10' voluntary setback along Blanchard Street;
- Voluntary setbacks at several locations around the site;
- ROW improvements, beyond code, around the project site;
- An art project; and
- Overhead weather protection on 6th Avenue.

The Commission amended the action to add:

- Return for Commission limited scope review of the Enhanced Right-of-way Improvements when the designs are further developed for the sole purpose of confirming that the amount and quality of the enhanced improvements are consistent with what was presented. Plans should be presented when they are at approximately 60% design, as they are being completed for each phase.

Outside Agencies:

King County Department of Natural Resources-Wastewater Treatment Division: King County's Central Trunk (sewer line) lies in close proximity to the vacation area. It is approximately 100 years old and composed of concrete and brick. King County will need to review their design drawings to be sure none of the proposed infrastructure is in conflict. According to our wastewater LPA coordinator, King County has notified the City in previous correspondence that they will need to assess the sewer for potential settlement due to dewatering, earthwork, construction loads, etc. King County will probably require settlement monitoring as well as pre-and post-construction CCTV inspection.

CenturyLink (formerly Qwest Communications): On April 26, we raised objections based on having facilities in the area. Please be advised that as of the date of this letter, August 16, 2012, Qwest Corporation d/b/a CenturyLink QC no longer has objections to this proposal.

Puget Sound Energy (PSE): has completed its review of existing and proposed gas facilities within the proposed alley vacations and had the following comments:

- Block 14: PSE has no gas facilities affected by the requested vacation.
- Block 19: PSE has an existing 2" PE natural gas main inside 4" STW casing extending from Blanchard St. approximately 192'feet southeasterly into the alley. There appear to be existing services and meters tied to this main. Either an easement will need to be reserved for these facilities upon vacation, or the affected customers will need to request to have their gas services cut and capped and the gas main deactivated and abandoned.
- Block 20: PSE has no gas facilities affected by the requested vacation.

Comcast: Comcast has existing facilities, underground, in Blocks 14 and 19 and Amazon is aware of these facilities. Comcast does not have existing facilities within the alley of Block 20. We are working with Amazon and their representatives about moving the facilities out of the alley. Comcast has no problems with the alley vacation as long as Amazon accommodates the relocation of our facilities.

Community Comments:

Lisa Huang and Jeff Brown: as residents of the immediate area, we would encourage the city to decide FOR this proposal; we believe that giving Amazon flexibility to distribute open spaces and shorter buildings is much more important than the minimal utility these alleys ever have had or would have as public rights-of-ways.

Seattle Metropolitan Chamber of Commerce: voices its unqualified support for the alley vacations. Amazon has played a key role in our city's economic recovery, employing thousands of local residents and increasing its worldwide employment by nearly 20% this year alone. Its growth has surpassed previous internal projections, and the proposed office space on this project

will provide space for an additional 12,000 employees. In addition to these economic contributions, Amazon has made civic contributions such as supporting local nonprofits and taking part in this year's Seattle Family Fourth. The expanded office space is the type of long-term investment that supports a vital downtown core, strengthens the local economy and leads to an improved quality of life for the region.

The proposed alley vacations improve the functionality of these three blocks immensely, and are key to this development moving forward. Approving these vacations clears the way for urban design benefits, including improved solar access and the creation of 1.25 acres of on-site open space. Vacating the alley also makes it possible to reduce the number of curb cuts from 29 to nine, with no curb cuts at all on 7th Avenue, preserving this street as a boulevard for pedestrians and cyclists. The functions of a traditional alley such as loading and parking access will remain internal to the site.

Amazon has proposed a significant package of public benefits that extend well beyond its site. In addition to enhancements to the rights-of-way surrounding the site, there are improvements to Westlake, as well as contributions to seed development of a park at the Enterprise site at Lenora and Westlake and a cycle track south of Westlake. Lastly, the company has proposed funding a fourth streetcar, allowing the headways to be reduced from 15 to 10 minutes.

The economic benefit to our community cannot be overstated. It not only brings jobs closer into our downtown core, but also takes an area of Seattle that development has skipped over and brings it to life. We ask that the Council expeditiously grant approval, allowing the project to move forward.

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 a 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 in Resolution 27527. A few sections of the policies were revised in 1991 in Resolution 28387, in 1993 in Resolution 28605 and in again in 2001 in Resolution 30297. Significant revisions were made to the Vacation Policies in 2004 in Resolution 30702.

The Policies were again amended in 2009 in Resolution 31142 and the Policies are currently contained 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 affects pedestrians, bicyclists, vehicular movements, emergency services, and commercial activity.

Transportation Impacts: Alleys are intended to provide for access to adjacent properties, to provide for service functions such as loading bays and access to parking and to provide space for utility infrastructure. In reviewing alley vacations the critical question is whether the vacation pushes traditional alley functions out onto the street or otherwise impairs the function of the adjacent streets. Each of the three blocks is being designed so that typical transportation functions of the alley will continue to be provided internal to the site and not on the public street. Each block will have an internal loading dock and two vehicular access points. There are currently 29 curbcuts on these three blocks. Following the development, there will be a total of nine.

Since part of the project design includes a grade separated cycletrack on 7th Avenue, no vehicular access is proposed from 7th Avenue. This is intended to reduce the potential for conflicts between the many cyclists who will use the new cycletrack and vehicles and service vehicles which need to access one of the new buildings.

Access to each of the blocks is provided as follows:

Block 14:

- Bicyclists have dedicated access to below grade bicycle storage from 7th Avenue.
- Service vehicle entry is provided on Virginia Street.
- Parking garage entry for vehicles is located on 6th Avenue and on Lenora Street.
- Primary building entry for pedestrians is on 7th Avenue, secondary entries are on the midblock plaza.
- Garage elevator entry is located on the midblock plaza.
- Retail entries are located on 7th Avenue, Westlake Avenue, Lenora Street, and 6th Avenue.

Block 19:

- Bicyclists have dedicated access to below grade bicycle storage from 7th Avenue.
- Service vehicle entry is provided on Blanchard Street.
- Parking garage entry for vehicles is located on Lenora Street and 6th Avenue.
- Primary building entries for pedestrians are located on 6th Avenue and 7th Avenue, secondary entries are on the midblock plaza.
- Garage elevator entry is located on the midblock plaza.
- Retail entries are located on 6th Avenue, Blanchard Street, 7th Avenue, Lenora Street and the midblock plaza.

Block 20:

- Bicyclists have dedicated access to below grade bicycle storage from 8th Avenue.
- Service vehicle entry is provided on 8th Avenue.
- Parking garage entry for vehicles is located on Blanchard Street and 8th Avenue.

- Primary buildings entry for pedestrians is located on 8th Avenue and the midblock plaza, secondary entries are located on the midblock plaza.
- Retail entries are located on 8th Avenue, Westlake Avenue, 7th Avenue, Blanchard Street, and the midblock plaza.

An assessment of the transportation impacts for the overall development following the vacations was addressed in the City's *Downtown Height & Density Changes* EIS, which evaluated the probable environmental impacts of five alternatives in the Downtown Urban Center, including this project site. Based on a review of the Final EIS, the amount and type of development proposed by the Petitioner would be consistent with the amount and type of development that evaluated for this area of the Denny Triangle in the Downtown EIS. Transportation impacts associated with the future project were also evaluated. An updated EIS Addendum and updated traffic analysis were published in August of 2012. The Addendum to the FEIS studied the impacts of this specific proposal. The Addendum concluded that the vacation of the alleys would not create any additional building space; therefore, the projected traffic would be the same with or without the alley vacation.

SDOT does not find adverse transportation impacts, however, the vacations should be conditioned to provide the transportation access as agreed to between the City and the Petitioner as outlined above.

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.

An important element of the review of downtown alley vacations is making sure that there is adequate space for the relocation of utility infrastructure from the alley to the adjacent street. While it is possible to relocate utilities, finding space for them is becoming more of a challenge. Relocating utilities to the street edge means that the utilities will now compete with other public elements that are located at the street edge such as planting strips, street trees, parking or loading areas, bus stops or the cycle track. Competition for space or changes in materials can have a major impact. For example, street trees do not thrive over drainages systems that keep tree roots wet. Newer requirements to develop natural drainage facilities to meet Green Stormwater Infrastructure requirements also require a lot of space. The street trees, drainage and City Light vaults all compete for space and all these needs must be kept separate.

The Petitioner and development team have been meeting regularly with City staff and outside agencies on its plans and have developed designs that currently appear to address all the concerns that have been identified. Agencies identifying issues include, Seattle City Light, Seattle Public Utilities, King County DNR Wastewater Division, Comcast, CenturyLink, and Puget Sound Energy.

The vacations should be conditioned to require that this complex work continue and the final plans address issues to the satisfaction of the City or other agency impacted by the vacation.

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 can be important view corridors. Streets can provide important breathing space in dense urban areas. These three alleys are generally east-west in orientation and 16 feet in width and approximately 360 feet in length. None of the alleys are part of a larger grid of continuous alleys. While the alleys are open and improved so that the public could drive or walk through the alleys, they do not provide for public views and do not provide for important open space on the block.

Following the vacations, each of the blocks will be developed with open space in the middle of the block that provides both for pedestrian connections through the block as well as public open spaces. Each block will have significantly more open space after the vacation than if the block was developed around the existing alley.

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.

It is also important to assess whether the loss of the alleys creates building sites that allow for projects that are out of scale with the area. This area is zoned as Downtown Office Core-2 (DOC-2) 500/300-500 and the Seattle Municipal Code (SMC) provides in Chapter 23.34 that the designation of the DOC-2 zone is appropriate in areas that provide a range of high density office and commercial activities with retail shopping and support services closely related to the primary office core. The SMC specifies that this designation should be applied where large scale office buildings are appropriate and in areas that are well served by transit and vehicular systems and where other urban infrastructure systems are adequate or readily expandable to accommodate anticipated growth. The SMC also notes that this zoning designation is appropriate in areas that provide a transition to the north of the office and retail core where the character is not well established and land is available for development. The Petitioner does intend this project to provide a bridge, connecting the existing high-density urban development of the Downtown Urban Center with the emerging high-density neighborhood of the South Lake Union Urban

Center. This area is also one of the City's six designated Urban Centers, which are anticipated to be employment centers. This proposal from Amazon, one of the largest employers located in Downtown Seattle, providing a mix of office, retail and restaurant, and a large meeting center is consistent with the intent of the zoning designation as an Urban Center.

This zoning designation allows buildings with a maximum height limit of 500 feet for portions of the project containing non-residential uses. The other major development standard, besides the applicable height limit is floor area ratio (FAR). The base FAR allowed in this zone is 5 and the maximum FAR is 14. In calculating the square footage of each block in order to determine the total FAR available for development, the Petitioner did not include the square footage from the proposed alley vacations and is not seeking additional square footage from the vacations. The amount of development allowed outright at FAR 5, is approximately 363,000 square feet per block (with some variation per block). The maximum FAR of 14 would allow over 1,000,000 square feet of development per block.

In order to achieve the maximum building height in this zone, seventy-five percent of the additional FAR beyond the base FAR of 5 must include low-income housing, child care or a payment-in-lieu to the City. Twenty-five percent of additional FAR is allowed if public benefit features can also be incorporated into the project. These public benefit elements are separate from and in addition to the public benefits required by the PCD designation and by the alley vacations. DPD administers the process of acquiring additional FAR. The Petitioner is proposing the following public benefits as provided for in SMC 23.49 to secure additional square footage for the project.

FAR Public Benefits:

75% Affordable Housing and Child Care

- Block 14: 465,000 SF
- Block 19: 500,000 SF
- Block 20: 490,000 SF

25% Public Amenities (including TDRs)

- Block 14: 12,000 SF Urban Plaza, and purchase of 95,000 SF TDRs
- Block 19: 7,000 SF Commercial Parcel Park, 15,000 SF Urban Plaza, and purchase of 55,000 SF TDRs
- Block 20: 7,000 SF Commercial Parcel Park, 15,000 SF Urban Plaza, and purchase of 87,000 SF TDRs

None of the alley vacations are requested to increase the development potential of any of the three sites or of the overall project. Rather, the Petitioner has indicated that the alley vacations are intended to allow flexibility in building placement, building orientation and design. The vacations also allow the Petitioner to more easily consider how the three project sites will relate and how the overall project works to engage the larger neighborhood.

The site for the new Amazon buildings is largely underutilized and the 3-block site is currently over 55 percent surface parking. The Denny Triangle neighborhood is transitioning from an underdeveloped area of low- and mid-rise development and surface parking lots to an area with an urban character and greater density. As the area is currently developed with such low-scale uses, the new development will mark a major change in the area and the first building will no doubt appear as a significant change from existing conditions. However, the buildings all meet the zoning and development standards established by the City. The Amazon proposal is similar in scale to a few other new projects that are underway in the area and other new developments will likely be similar in scale. The alley vacations do not add to the scale of the buildings but rather allow more flexibility in building orientation, spacing and design, improved access and circulation, and a greater amount of open space at the street level.

SDOT does not find adverse land use impacts associated with the proposed vacations.

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. These three alleys make an important contribution to the development of each block. By eliminating the alley, the Petitioner can develop the entire block in a way that best suits its programmatic needs and can consolidate below-grade functions such as parking and loading. Since the vacations make an important contribution to a project that is significant in scale, the Policies require that a significant public benefit be provided.

In addition to addressing the scale or amount of public benefit that must be provided, the Policies are also clear that the public benefit elements proposed must clearly benefit the general public and not merely the tenants of the project. The Policies are also clear that the public benefit proposed for a vacation must be separate and above amenities provided to meet code or other requirements. Three categories of public benefit have been identified with this proposal and each category is distinct. The Petitioner has acquired some additional FAR by providing, among other things, urban plazas on the site and contributing to affordable housing and child care. The Petitioner proposal was designated as a PCD by providing, among other things, a concept design plan for Westlake Avenue and 7th Avenue and by providing an operating subsidy for streetcar operations for 10 years.

The focus of the public benefit related to the alley vacations has been on the public environment around the three blocks and on making strong connections between the project and its surrounding neighborhood. The vacation public benefit proposal includes elements such as building setbacks, a cycletrack on 7th Avenue, Westlake Avenue improvements, and a fourth streetcar.

The chart below outlines the three public benefit categories and summarizes the totality of the project's public benefit package.

FAR Public Benefits / Land Use Code	PCD Public Benefits / Director of DPD	Vacation Public Benefits / Seattle City Council
1. 75% Affordable Housing & Child Care Fund: • Block 14: 465,000 SF • Block 19: 500,000 SF • Block 20: 490,000 SF **2. 25% Public Amenities (including TDRs):** **Block 14:** • 12,000 SF Urban Plaza • Purchase of 95,000 SF TDRs **Block 19:** • 7,000 SF Commercial Parcel Park • 15,000 SF Urban Plaza • Purchase of 55,000 SF TDRs **Block 20:** • 7,000 SF Commercial Parcel Park • 15,000 SF Urban Plaza • Purchase of 87,000 SF TDRs **Over 1.25 acres of open space created across the project site**	**1. Improvements to Pedestrian Circulation:** Develop Westlake and 7th Avenue Design Concept Plan **2. Improvements to Urban Form:** Develop Design Guidelines for structures above 60' for Block 19 & Block 20 **3. Improvements to Transit Facilities:** • Enhance existing street car stops including seating, shelter, landscaping • Block 14 streetcar stop to be integrated with the building frontage • Subsidize 7AM to 7PM operations for third streetcar for 10 years **4. Demonstrate Public Benefits & Sustainability:** • Design with intent to meet LEED Gold rating and explore further opportunities for energy reduction	**1. 7th Ave Cycle Track** **2. Shared-Use Street/Enhanced Pedestrian Facilities** **3. Westlake Avenue Street Improvements** **4. Blanchard Street - Enhanced Green Street by 10' Voluntary Setback** **5. Other Voluntary Setbacks** **6. Enhanced Right Of Way Improvements** **7. Art Program** **8. Additional Overhead Protection** **9. Fourth Streetcar** **10. Contribution to Future Neighborhood Park**

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	Downtown Office Core 2 (DOC-2) 500/300-500
Street classification	Alley
Assessed value of adjacent property	The land and building is assessed at approximately $500.00 per square foot
Lease rates in the vicinity for similar projects	Denny Regrade Direct Class A average asking rate is approximately $30 per square foot
Size of project, in square feet	Approximately 1,000,000 square feet per block
Size of area to be vacated, in square feet	Approximately 5,760 square feet for each alley
Contribution of vacated area to development potential	The vacation provides flexibility in the design and development of each block

The alley vacation public benefit proposal includes the following elements and phasing:

1. 7th Avenue Cycle Track	**Block 14 (Phase 1)**	**Block 19 (Phase 2)**	**Block 20 (Phase 3)**
Physically separated cycle track, enhanced pedestrian zone/cycle track buffer with tree wells, contrasting paving surface, furnishings and stormwater planting areas	5,470 sf / 280 lf	7,390 sf / 380 lf	7,050 sf / 390 lf
Signalization improvements to accommodate cyclists, pedestrians and motorists.	7th Ave & Westlake	7th Ave & Lenora	7th Ave & Blanchard
Bicycle "daily/annual counter" northbound and southbound	-	-	1
Bicycle trash receptacles	2	2	2
Lean rails at intersection stops	2	2	2
Bicycle wayfinding signage as appropriate	1	1	1
Re-stripe existing bike lanes including transitions from proposed cycle track from Lenora St to Denny Way	2,740 lf	-	-
Permeable paving or pavers are being considered in collaboration with SDOT between the cycle track and the sidewalk	280 lf	380 lf	390 lf
Monetary contribution towards the City's technical analysis and its implementation of offsite cycle track improvements -Note: Contribution to occur before issuance of the building permit for Block 14	$250,000	-	-
Block 13 (7th Ave between Westlake and Lenora) -Note: Interim upgrades with Block 14 includes restriping and permanent build out to be coordinated with Block 20 construction	Interim upgrades	-	180 lf

2. Shared Use Street / Enhanced Pedestrian Facilities on	**Block 14 (Phase 1)**	**Block 19 (Phase 2)**	**Block 20 (Phase 3)**

Lenora Street			
Enhanced pedestrian zone with tree wells, contrasting paving surface, and street furnishings	-	-	7,480 sf
Widened or rolled curbs	-	-	290 lf

3. Westlake Avenue Street Improvements	Block 14 (Phase 1)	Block 19 (Phase 2)	Block 20 (Phase 3)
Analysis and creation of a scramble at the intersection of 7th Ave and Westlake Ave. Improvements would include:			
• Re-configuration of traffic signal at Westlake/7th/Virginia intersection to allow for pedestrian scramble and bicycle crossings	4-6 signals	-	-
• Construct curb bulbs on NW corner of 7th Avenue & Westlake Avenue (unify existing islands)	1	-	-
• Enlarge and enhance pedestrian island between 7th/Westlake/Virginia	1,200 sf	-	-
• Re-striping of two existing crosswalks and addition of one new crosswalk	3	-	-
• Install bicycle crossings across Westlake Avenue	1	-	-
Paving and landscape improvements at existing streetcar stop on Block 14	1,740 sf	-	-
Improved pedestrian crossings at the intersection of 8th Ave, Lenora and Westlake Ave. Improvements would include:			
• Re-configuration of traffic signal at Westlake/8th/Lenora intersection	-	-	4-6 signals
• Striping of crosswalk	-	-	1

4. Blanchard Street – Enhanced Green Street by 10' Voluntary Setback	Block 14 (Phase 1)	Block 19 (Phase 2)	Block 20 (Phase 3)
Voluntary 10' building setback to allow for widened sidewalk, additional landscape and use by adjacent retail	-	2,230 sf	2,140 sf

5. Other Voluntary Building Setbacks	Block 14 (Phase 1)	Block 19 (Phase 2)	Block 20 (Phase 3)
Voluntary building setbacks within property line allowing for landscape and sidewalk improvements (Excludes Blanchard Street)	1,940 sf	2,510 sf	2270 sf

6. Enhanced Right of Way Improvements	Block 14 (Phase 1)	Block 19 (Phase 2)	Block 20 (Phase 3)
Landscape and sidewalk improvements beyond existing curb line	6,320 sf	6,580 sf	8,530 sf
Double row of trees (Allee) on 7th Avenue -Note: The Applicant is working with SDOT and local utilities to determine the appropriate locations and quantity of street trees in order to meet required clearances and lighting levels.	4-6 additional trees	4-6 additional trees	4-6 additional trees

Curb bulbs	At corners	At corners	At corners
Wayfinding & Signage per the Center City Wayfinding Plan (one on-site and one off-site)	2 signs	2 signs	2 signs
Reduction in quantity of existing curb cuts	10 existing – 3 proposed	11 existing - 3 proposed	8 existing - 3 proposed

7. Art	**Block 14 (Phase 1)**	**Block 19 (Phase 2)**	**Block 20 (Phase 3)**
Signature art pieces	1	-	1
Integrated art in Right of Way (manhole covers, furnishings, etc.)	all	all	all

8. Additional Overhead Protection	**Block 14 (Phase 1)**	**Block 19 (Phase 2)**	**Block 20 (Phase 3)**
100'-long overhead canopy connecting buildings at the mid-block	-	1,200 sf	-

9. Fourth Streetcar	**Block 14 (Phase 1)**	**Block 19 (Phase 2)**	**Block 20 (Phase 3)**
Sponsorship and contribution to the City's purchase of a fourth streetcar -Note: Phased contributions to occur before the completion of Block 14 and sponsorship branding to be part of the package	$3.7M	-	-

10. Contribution to Future Neighborhood Park	**Block 14 (Phase 1)**	**Block 19 (Phase 2)**	**Block 20 (Phase 3)**
Contribution towards the development of a future neighborhood park at the northwest corner of 8th Avenue, Westlake Avenue and Lenora St. This property is commonly referred to as the Enterprise site. -Note: Contribution to occur before issuance of the building permit for Block 20	-	-	$150,000

It should be noted that two significant additional public benefit elements were added after the Design Commission recommended approval of the public benefit package. First, the Petitioner will pay for the acquisition of a fourth streetcar to add to the existing streetcar system. Second, the Petitioner will provide $150,000 for planning work on the Park site at Westlake Avenue and 8th Avenue known as the Enterprise site.

The City and the Petitioner are in full agreement on the elements of the public benefit proposal and the phasing of when the public benefits will be provided, with one small exception. The Design Commission would like to see the cycle track on the north side of 7th Avenue constructed during the first phase of construction. The Petitioner has proposed that this work be done in the third phase when other work will be done on the north side of 7th Avenue which needs to be designed and constructed with the shared-use street on Lenora Street. SDOT will likely need to require that this work be done in the third phase due to changes in elevation along the street that make this work problematic during the first phase of work.

The public benefit package was thoughtfully prepared. The focus on the public street environment and character matches priorities that the City Council has established with other vacations. The public benefit proposal adds additional elements that will enhance the connections between the project site and the larger neighborhood by proposing improvements to two intersections on Westlake Avenue, by providing seed money to begin design work on the continuation of the 7th Avenue cycle track to the south, providing money to begin design work on the Park property known as the Enterprise site, and by purchasing a fourth street car. The elements proposed in the public benefit package will enhance the pedestrian environment around the development and encourage use by the general public, those accessing South Lake Union or the future park at the Enterprise site, as well tenants of the new project.

The Street Vacation Policies only require that the public benefit proposal meet the criteria established in the Policies in order to be supported. However, this project should be recognized as having an extraordinarily strong public benefit package that will provide significant benefits to the Denny Triangle neighborhood and the general public.

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 September of 2012.

2. All street improvements shall be designed to City standards, as modified by these conditions to implement the Public Benefit requirements, 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, bike racks, street furniture, lighting, art or artist-made elements, and landscaping around the site;
    - The 7th Avenue cycle track and bicycle enhancements from Blanchard Street to Denny Way;
    - Enhancements to intersections at Westlake Avenue and Lenora Street and 7th Avenue; and
    - Pedestrian-oriented enhancements to Lenora Street between 7th Avenue and Westlake Avenue.

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;
- Seattle City Light;
- Puget Sound Energy;
- CenturyLink Communications;
- King County DNR Wastewater Treatment Division; and
- Comcast.

4. It is expected that development activity on the first phase of development will commence within 18 months of this approval and that development activity on all three phases will be completed within 15 years. The PCD provides for 12 years for the duration of the permits and 15 years provides time for construction following permit issuance. It is expected that the three alley vacations will be completed in separate ordinances. In order to insure timely compliance with the conditions imposed by the City Council, the Petitioner shall provide the Seattle Department of Transportation with Quarterly Reports, following Council approval of the vacation, providing an update on the development activity, schedule, and progress on meeting the conditions. The Petitioner shall not request or be issued a Final Certificate of Occupancy (C of O) for each phase of the project until SDOT has determined that all conditions have been satisfied and all fees have been paid as applicable for that phase of development.

5. Access to the buildings for vehicular parking, services, bicycles, and pedestrian and retail entries shall be provided as follows, changes to this proposal shall require the review of SDOT and DPD:

Block 14:

- Bicyclists have dedicated access to below grade bicycle storage from 7th Avenue.
- Service vehicle entry is provided on Virginia Street.
- Parking garage entry for vehicles is located on 6th Avenue and on Lenora Street.
- Primary building entry for pedestrians is on 7th Avenue, secondary entries are on the midblock plaza.
- Garage elevator entry is located on the midblock plaza.
- Retail entries are located on 7th Avenue, Westlake Avenue, and 6th Avenue.

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- Primary building entries for pedestrians are located on 6th Avenue and 7th Avenue, secondary entries are on the midblock plaza.
- Garage elevator entry is located on the midblock plaza.
- Retail entries are located on 6th Avenue, Blanchard Street, 7th Avenue, Lenora Street and the midblock plaza.

Block 20:

- Bicyclists have dedicated access to below grade bicycle storage from 8th Avenue.
- Service vehicle entry is provided on 8th Avenue.
- Parking garage entry for vehicles is located on Blanchard Street and 8th Avenue.
- Primary buildings entry for pedestrians is located on 8th Avenue and the midblock plaza, secondary entries are located on the midblock plaza.
- Retail entries are located on 8th Avenue, Westlake Avenue, 7th Avenue, Blanchard Street, and the midblock plaza.

6. 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.

7. 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. The final design of the public benefit elements shall require the review and approval of SDOT Street Vacations. SDOT will request additional limited scope review of the Enhanced Right-of-Way Improvements when the designs are further developed to the 60% level for the sole purpose of confirming that the amount and quality of the enhanced improvements are consistent with what was presented to the Design Commission. The public benefit requirement includes the following features as well as corresponding development standards, including approximate square footage dimensions, which shall be outlined in the PUDA:

7th Avenue Cycle Track	Block 14 (Phase 1)	Block 19 (Phase 2)	Block 20 (Phase 3)
Physically separated cycle track, enhanced pedestrian zone/cycle track buffer with tree wells, contrasting paving surface, furnishings and stormwater planting areas	5,470 sf / 280 lf	7,390 sf / 380 lf	7,050 sf / 390 lf
Signalization improvements to accommodate cyclists, pedestrians and motorists.	7th Ave & Westlake	7th Ave & Lenora	7th Ave & Blanchard
Bicycle "daily/annual counter" northbound and southbound	-	-	1
Bicycle trash receptacles	2	2	2
Lean rails at intersection stops	2	2	2
Bicycle wayfinding signage as appropriate	1	1	1
Re-stripe existing bike lanes including transitions from proposed cycle track from Lenora St to Denny Way	2,740 lf	-	-
Permeable paving or pavers are being considered in collaboration with SDOT between the cycle track and the sidewalk	280 lf	380 lf	390 lf
Monetary contribution towards the City's technical analysis and its implementation of offsite cycle track improvements -Note: Contribution to occur before issuance of the building permit for Block 14	$250,000	-	-
Block 13 (7th Ave between Westlake and Lenora) -Note: Interim upgrades with Block 14 includes restriping and permanent build out to be coordinated with Block 20 construction	Interim upgrades	-	180 lf

Shared Use Street / Enhanced Pedestrian Facilities on Lenora Street	Block 14 (Phase 1)	Block 19 (Phase 2)	Block 20 (Phase 3)
Enhanced pedestrian zone with tree wells, contrasting paving surface, and street furnishings	-	-	7,480 sf
Widened or rolled curbs	-	-	290 lf

Westlake Avenue Street Improvements	Block 14 (Phase 1)	Block 19 (Phase 2)	Block 20 (Phase 3)
Analysis and creation of a scramble at the intersection of 7th Ave and Westlake Ave. Improvements would include:			
• Re-configuration of traffic signal at Westlake/7th/Virginia intersection to allow for pedestrian scramble and bicycle crossings	4-6 signals	-	-
• Construct curb bulbs on NW corner of 7th Avenue & Westlake Avenue (unify existing islands)	1	-	-
• Enlarge and enhance pedestrian island between 7th/Westlake/Virginia	1,200 sf	-	-
• Re-striping of two existing crosswalks and addition of one new crosswalk	3	-	-
• Install bicycle crossings across Westlake Avenue	1	-	-
Paving and landscape improvements at existing streetcar stop on	1,740 sf	-	-

Block 14			
Improved pedestrian crossings at the intersection of 8th Ave, Lenora and Westlake Ave. Improvements would include:			
• Re-configuration of traffic signal at Westlake/8th/Lenora intersection	-	-	4-7 signals
• Striping of crosswalk	-	-	1

Blanchard Street – Enhanced Green Street by 10' Voluntary Setback	**Block 14 (Phase 1)**	**Block 19 (Phase 2)**	**Block 20 (Phase 3)**
Voluntary 10' building setback to allow for widened sidewalk, additional landscape and use by adjacent retail	-	2,230 sf	2,140 sf

Other Voluntary Building Setbacks	**Block 14 (Phase 1)**	**Block 19 (Phase 2)**	**Block 20 (Phase 3)**
Voluntary building setbacks within property line allowing for landscape and sidewalk improvements (Excludes Blanchard Street)	1,940 sf	2,510 sf	2270 sf

Enhanced Right of Way Improvements	**Block 14 (Phase 1)**	**Block 19 (Phase 2)**	**Block 20 (Phase 3)**
Landscape and sidewalk improvements beyond existing curb line	6,320 sf	6,580 sf	8,530 sf
Double row of trees (Allee) on 7th Avenue -Note: The Applicant is working with SDOT and local utilities to determine the appropriate locations and quantity of street trees in order to meet required clearances and lighting levels.	4-6 additional trees	4-6 additional trees	4-6 additional trees
Curb bulbs	At corners	At corners	At corners
Wayfinding & Signage per the Center City Wayfinding Plan (one on-site and one off-site)	2 signs	2 signs	2 signs
Reduction in quantity of existing curb cuts	10 existing – 3 proposed	11 existing - 3 proposed	8 existing - 3 proposed

Art	**Block 14 (Phase 1)**	**Block 19 (Phase 2)**	**Block 20 (Phase 3)**
Signature art pieces	1	-	1
Integrated art in Right of Way (manhole covers, furnishings, etc.)	all	all	all

Additional Overhead Protection	**Block 14 (Phase 1)**	**Block 19 (Phase 2)**	**Block 20 (Phase 3)**
100'-long overhead canopy connecting buildings at the mid-block	-	1,200 sf	-

Fourth Streetcar	**Block 14 (Phase 1)**	**Block 19 (Phase 2)**	**Block 20 (Phase 3)**
Sponsorship and contribution to the City's purchase of a fourth streetcar -Note: Phased contributions to occur before the completion of Block 14 and sponsorship branding to be part of the package	$3.7M	-	-

Contribution to Future Neighborhood Park	Block 14 (Phase 1)	Block 19 (Phase 2)	Block 20 (Phase 3)
Contribution towards the development of a future neighborhood park at the northwest corner of 8th Avenue, Westlake Avenue and Lenora St. This property is commonly referred to as the Enterprise site. -Note: Contribution to occur before issuance of the building permit for Block 20	-	-	$150,000

Sincerely,

Peter E. Hahn, Director
Seattle Department of Transportation

PH:bb

Enclosures