CITY OF SEATTLE

RESOLUTION 31594

A RESOLUTION granting conceptual approval to construct, maintain, and operate a below-grade waste-heat conveyance system and utility tunnels under and across Virginia Street, between 5th Avenue and 6th Avenue, and 6th Avenue, between Virginia Street and Lenora Street; and acknowledging the applicants' plans for future expansion in the Denny Triangle neighborhood; as proposed by Eco District LLC.

WHEREAS, Eco District LLC and Acorn Development LLC have both applied for permission to construct a below-grade waste-heat conveyance system and utility tunnels (including facilities for the conveyance of non-potable water and communications) in the Denny Triangle neighborhood (the "Utility Projects"); and

WHEREAS, the portion of the Utility Projects, under and across Virginia Street, between 5th Avenue and 6th Avenue, and 6th Avenue, between Virginia Street and Lenora Street (the "Eco District Project"), will be owned and operated by Eco District LLC; and

WHEREAS, the purpose of the Utility Projects is to operate a waste-heat conveyance system that captures waste-heat energy from the Westin Building Exchange at 2001 6th Avenue and transfers that waste-heat energy to the new Acorn Development LLC (Amazon) campus and neighboring buildings in the Denny Triangle neighborhood to be used as a green heating and cooling source; and

WHEREAS, the waste-heat generated from the Westin Building Exchange is currently exhausted into the atmosphere. The proposed waste-heat conveyance system would consist of water pipes that transfer warm water from the Westin Building Exchange to the Amazon campus; mechanical equipment on the Amazon campus will extract heat from the water to be used for heating the campus buildings and cooler water will be returned to the Westin Building Exchange to cool its data center spaces; and

WHEREAS, Eco District LLC and Acorn Development LLC have future plans to expand the Utility Projects in the Denny Triangle neighborhood. These anticipated connections would occur in the area bounded by Virginia Street, Westlake Avenue, 8th Avenue, Bell Street, and 3rd Avenue, and would include underground crossings of one or more of those streets; and

WHEREAS, in making a recommendation, the Director of the Seattle Department of Transportation ("Director") considered the plans and application materials submitted by Eco District LLC to construct the Eco District Project and recommends that conceptual approval be granted; NOW, THEREFORE,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SEATTLE, THE MAYOR CONCURRING, THAT:

Section 1. The City Council finds that the below-grade waste-heat conveyance system and utility tunnels that would run under and across Virginia Street, between 5th Avenue and 6th Avenue, and 6th Avenue, between Virginia Street and Lenora Street, (the "Eco District Project") and the desired future expansion of the Utility Projects, as proposed by the Eco District LLC, are in accordance with and in the public interest.

Section 2. As conditions for obtaining permission to construct the project, Eco District LLC shall:

(1) Provide engineering and utility plans for additional review and permitting by the Seattle Department of Transportation ("SDOT"), which the Director will circulate to other City departments and any public and private utilities affected by the installation of the proposed project;

(2) Provide (i) a surety bond, (ii) covenant agreement, and (iii) public liability insurance naming the City as an additional insured or self-insurance, as approved by the City's Risk Manager;

(3) Pay all City permit fees;

(4) Obtain all necessary permits;

(5) Maintain and inspect the Eco District Project; and

(6) Remove the Eco District Project and restore the right-of-way to its original condition upon expiration of the term permit at the direction of the Director or City Council in accordance with the provisions of the term permit ordinance.

Section 3. After this resolution is adopted, SDOT will present to the Council a draft term permit ordinance identifying the conditions under which permission may be granted for the use of the right of way for the Eco District Project. Permission to use the right of way is subject to the Council's decision to approve, deny, or modify the draft term permit ordinance presented by the Director.

Section 4. Eco District LLC and/or Acorn Development LLC have future plans to expand the Utility Projects in the Denny Triangle neighborhood. These anticipated connections would occur in the area bounded by Virginia Street, Westlake Avenue, 8th Avenue, Bell Street, and 3rd Avenue. Any future expansion by either Eco District LLC or Acorn Development LLC will require a new or amended term permit ordinance approved by City Council.

Section 5. As recommended by the Director and the Mayor, conceptual approval for construction of the Eco District Project under and across Virginia Street, between 5th Avenue and 6th Avenue, and 6th Avenue, between Virginia Street and Lenora Street, is GRANTED.

Adopted by the City Council the ____ day of _____, 2014, and signed by me in open session in authentication of its adoption this_____ day of _____, 2014.

_____

President _____of the City Council

THE MAYOR CONCURRING:

_____

Edward B. Murray, Mayor

Filed by me this ____ day of _____, 2014.

_____

Monica Martinez Simmons, City Clerk

(Seal)

Form revised: February 26, 2014

FISCAL NOTE FOR NON-CAPITAL PROJECTS

Department:	Contact Person/Phone:	CBO Analyst/Phone:
Seattle Department of Transportation	Amy Gray/386-4638	Doug Palmer/684-5266

Legislation Title:

A RESOLUTION granting conceptual approval to construct, maintain, and operate a below-grade waste-heat conveyance system and utility tunnels under and across Virginia Street, between 5th Avenue and 6th Avenue, and 6th Avenue, between Virginia Street and Lenora Street; and acknowledging the applicants' plans for future expansion in the Denny Triangle neighborhood; as proposed by Eco District LLC.

Summary of the Legislation:
The proposed resolution grants the conceptual approval for Eco District LLC to construct, maintain, and operate a below-grade waste-heat conveyance system and utility tunnels under and across Virginia Street, between 5th Avenue and 6th Avenue, and 6th Avenue, between Virginia Street and Lenora Street. The purpose of the project is to operate a waste-heat conveyance system that captures waste-heat energy from the Westin Building Exchange at 2001 6th Avenue and transfers that waste-heat energy to the new Acorn Development LLC (Amazon) campus and neighboring buildings in the Denny Triangle neighborhood. A map illustrating the currently proposed connections is on Attachment A.

Background:
Eco District LLC and Acorn Development LLC plan to construct a below-grade waste-heat conveyance system and utility tunnels in the Denny Triangle neighborhood to provide a green heat source to the Amazon campus. The proposed waste-heat conveyance system will consist of water pipes that transfer warm water from the Westin Exchange Building to the Amazon campus. Mechanical equipment on the Amazon campus will extract heat from the water to be used for heating the campus buildings and cooler water will be returned to the Westin Building Exchange to cool its data center spaces.

Eco District LLC and Acorn Development LLC have future plans to expand the waste-heat conveyance system and utility tunnels in the Denny Triangle neighborhood in the area bounded by Virginia Street, Westlake Avenue, 8th Avenue, Bell Street, and 3rd Avenue. Acorn Development LLC has submitted a separate application for their waste-heat conveyance system and utility tunnels. A map showing the boundaries for future connections in the Denny Triangle neighborhood is on Attachment B.

Please check one of the following:

_X_ This legislation does not have any financial implications.
Although this resolution does not accept or appropriate funds, SDOT will receive a permit fee from Eco District LLC after the effective date of the term permit ordinance.

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 as part of the term permit ordinance. The City of Seattle has the option to adjust the annual fee amount on an annual basis.

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.

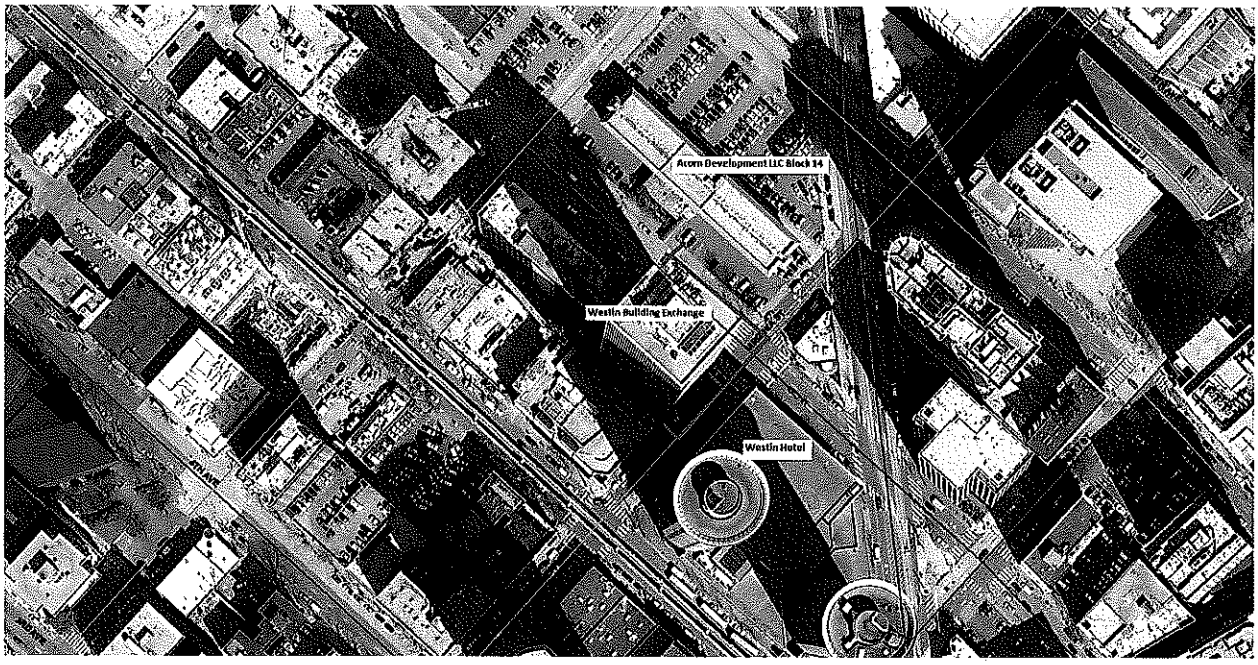
f) **Is publication of notice with *The Daily Journal of Commerce* and/or *The Seattle Times* required for this legislation?**
No.

g) **Does this legislation affect a piece of property?**
No.

h) **Other Issues: N/A**

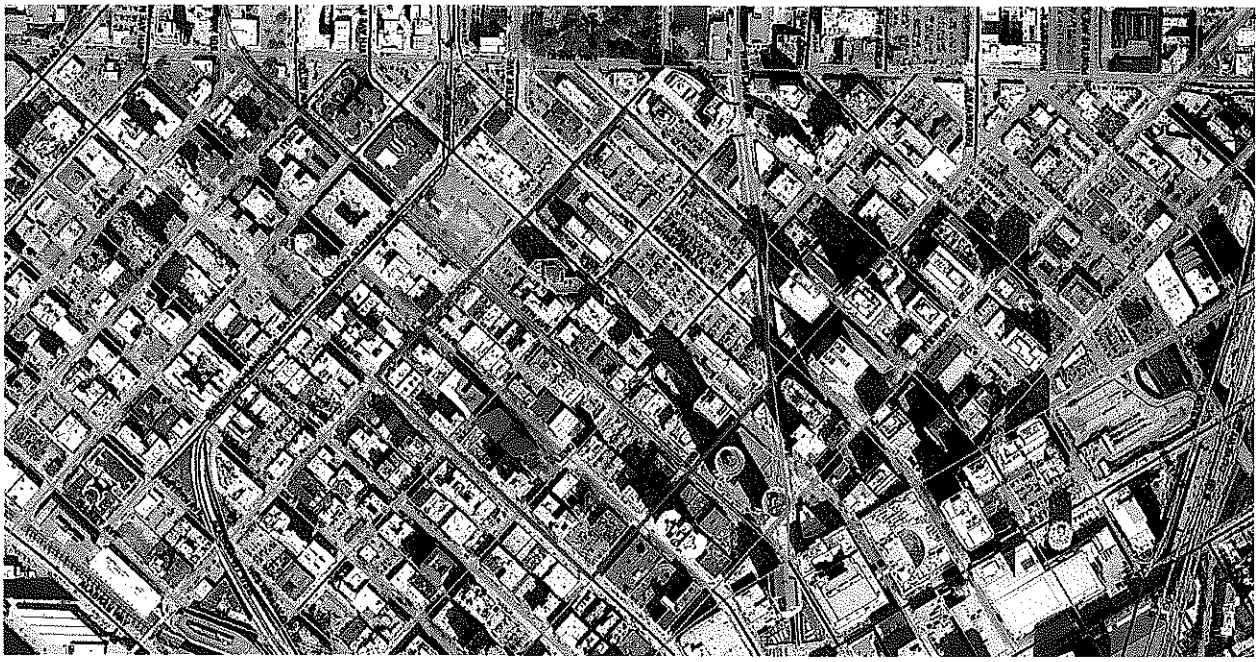
List attachments to the fiscal note below:
Attachment A - Eco District LLC Current Waste-Heat Conveyance System and Utility Tunnels Connection Map
Attachment B - Eco District LLC Future Waste-Heat Conveyance System and Utility Tunnels Area Map

Attachment A – Eco District LLC Current Waste-Heat Conveyance System and Utility Tunnels Connection Map



Map for informational purposes only.

Attachment B –Eco District LLC Future Waste-Heat Conveyance System and Utility Tunnels Area Map



This map is for informational purposes only.

City of Seattle
Edward B. Murray
Mayor

August 26, 2014

Honorable Tim Burgess
President
Seattle City Council
City Hall, 2nd Floor

Dear Council President Burgess:

I am pleased to submit the attached proposed Resolution that grants conceptual approval to Eco District LLC to construct, maintain, and operate a below-grade waste-heat conveyance system and utility tunnels under and across Virginia Street, between 5th Avenue and 6th Avenue, and 6th Avenue, between Virginia and Lenora Streets.

The purpose of the project is to operate a waste-heat conveyance system that captures waste-heat energy from the Westin Building Exchange at 2001 6th Avenue and transfers that waste-heat energy via utility tunnels to the new Acorn Development LLC (Amazon) campus and neighboring buildings in the Denny Triangle neighborhood. The proposed waste-heat conveyance system and utility tunnels will consist of water pipes that transfer warm water from the Westin Exchange Building to the Amazon campus. Mechanical equipment on the Amazon campus will extract heat from the water to be used for heating the campus buildings and cooler water will be returned to the Westin Building Exchange to cool its data center spaces. Eco District LLC has future plans to expand the waste-heat conveyance system and utility tunnels in the Denny Triangle neighborhood in the area bounded by Virginia Street, Westlake Avenue, 8th Avenue, Bell Street, and 3rd Avenue.

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

Sincerely,

Edward B. Murray
Mayor of Seattle

cc: Honorable Members of the Seattle City Council

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