# CITY OF SEATTLE

## RESOLUTION 31545

A RESOLUTION granting conceptual approval to construct, maintain, and operate a below-grade waste-heat conveyance system and utility tunnels under and across Lenora Street, between 6th and 7th Avenue, and 7th Avenue, between Lenora and Blanchard Street; and acknowledging the applicants' plans for future expansion in the Denny Triangle neighborhood; as proposed by Acorn Development LLC.

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

WHEREAS, the portion of the waste-heat conveyance system and Utility Project, under and across Lenora Street, between 6th and 7th Avenue, and 7th Avenue, between Lenora and Blanchard Street (the "Acorn Project"), will be owned and operated by Acorn Development 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, Acorn Development LLC and Eco District 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 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 Acorn Development LLC to construct the Acorn 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 Lenora Street, between 6th and 7th Avenue, and run under and across 7th Avenue between Lenora and Blanchard Street, (the "Acorn Project") and the desired future expansion of the Utility Projects, as proposed by the Acorn Development LLC, are in accordance with and in the public interest.

Section 2. As conditions for obtaining permission to construct the project, Acorn Development 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 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 Acorn Project; and

(6) Remove the Acorn Project and restore the right-of-way to its original condition upon expiration of the term permit, or 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 Acorn 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. Acorn Development LLC and/or Eco District 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 Acorn Development LLC or Eco District 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 Acorn Project under and across Lenora Street, between 6th and 7th Avenue, and 7th Avenue, between Lenora and Blanchard 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 Lenora Street, between 6th and 7th Avenue, and 7th Avenue, between Lenora and Blanchard Street; and acknowledging the applicants' plans for future expansion in the Denny Triangle neighborhood; as proposed by Acorn Development LLC.

**Summary of the Legislation:**
The proposed resolution grants the conceptual approval for Acorn Development LLC to construct, maintain, and operate a below-grade waste-heat conveyance system and utility tunnels under and across under and across Lenora Street, between 6th and 7th Avenues, and 7th Avenue, between Lenora and Blanchard 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 to the new Acorn Development LLC (Amazon) campus and neighboring buildings in the Denny Triangle neighborhood used as a green heat source. A map illustrating the currently proposed connections is on Attachment A.

**Background:**
Acorn Development LLC and Eco District 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.

Acorn Development LLC and Eco District 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. Eco District 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 Acorn Development 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.

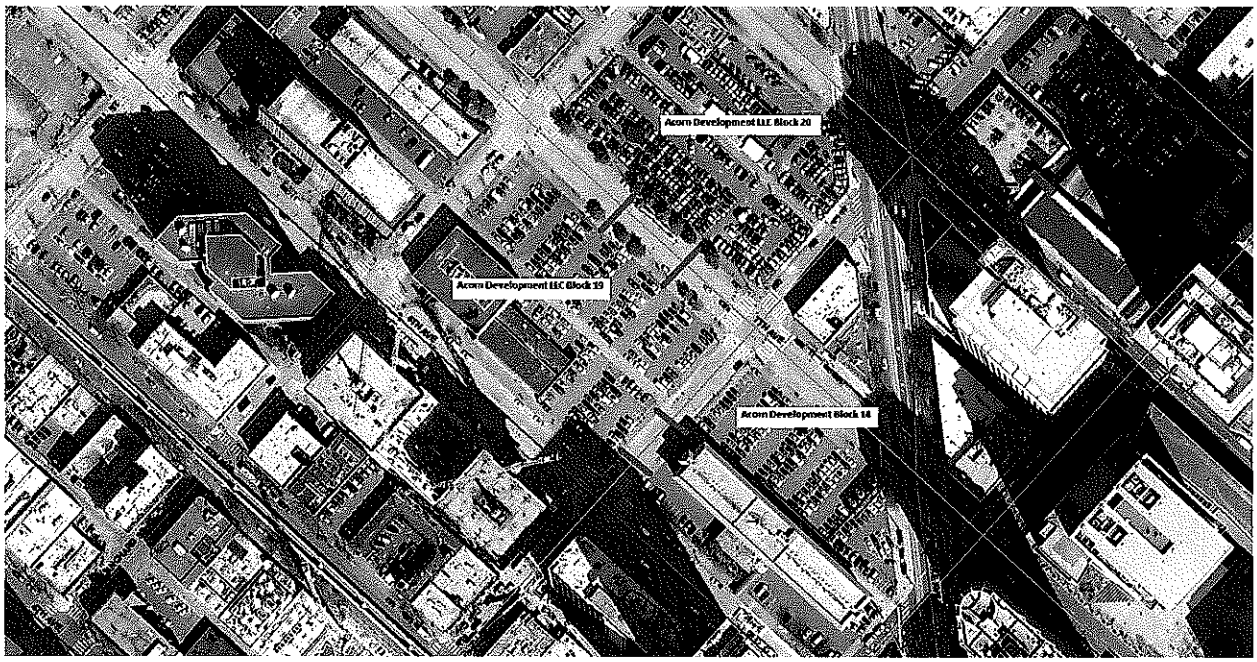
f) **Is publication of notice with *The Daily Journal of Commerce* and/or *The Seattle Times* required for this legislation?**
No.

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

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

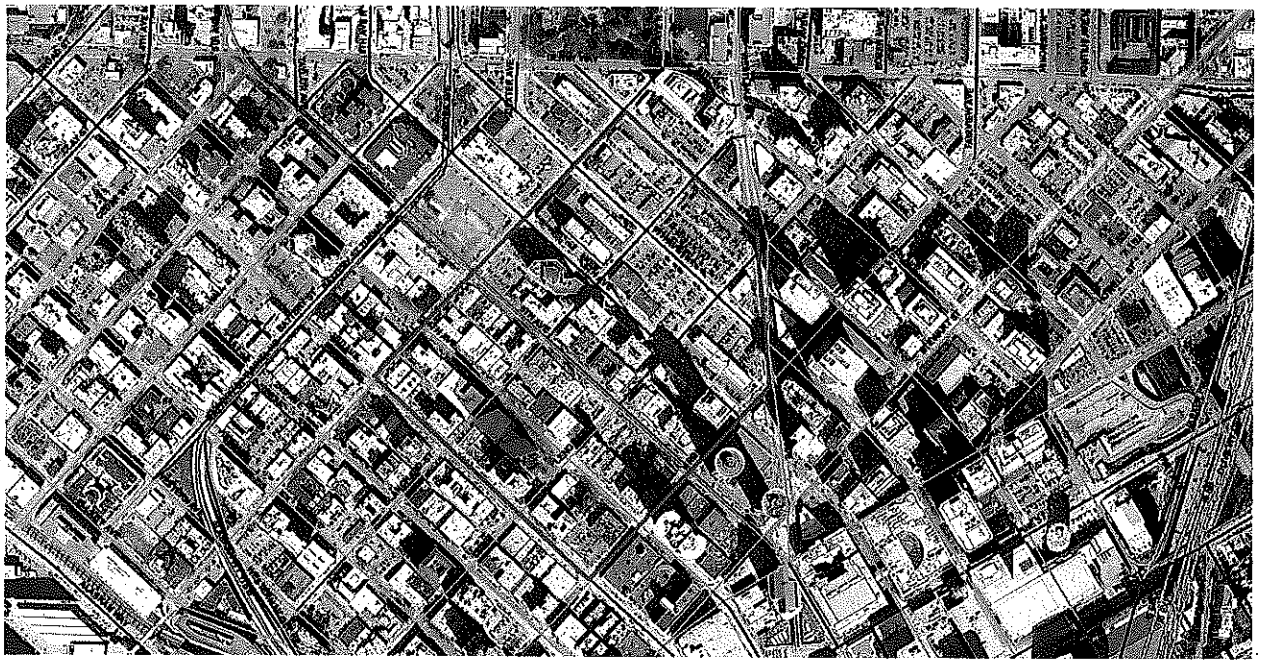
**List attachments to the fiscal note below:**
Attachment A - Acorn Development LLC Current Waste-Heat Conveyance System and Utility Tunnels Connection Map
Attachment B - Acorn Development LLC Future Waste-Heat Conveyance System and Utility Tunnels Area Map

# Attachment A –Acorn Development LLC Current Waste-Heat Conveyance System and Utility Tunnels Connection Map




Map for informational purposes only.

# Attachment B –Acorn Development 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 Acorn Development LLC to construct, maintain, and operate a below-grade waste-heat conveyance system and utility tunnels under and across Lenora Street, between 6th and 7th Avenues, and 7th Avenue, between Lenora and Blanchard 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. Acorn Development 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

Office of the Mayor
Seattle City Hall, 7th Floor
600 Fourth Avenue
PO Box 94749
Seattle, Washington 98124-4749

Tel (206) 684-4000
Fax: (206) 684-5360
Hearing Impaired use the Washington Relay Service (7-1-1)
www.seattle.gov/mayor